

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Gulf Power
Company.

DOCKET NO. 130140-EI
ORDER NO. PSC-13-0403-PCO-EI
ISSUED: August 30, 2013

The following Commissioners participated in the disposition of this matter:

RONALD A. BRISÉ, Chairman
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS
JULIE I. BROWN

ORDER SUSPENDING RATES

BY THE COMMISSION:

This proceeding commenced on July 12, 2013, with the filing of a petition for a permanent rate increase by Gulf Power Company (Gulf). Gulf requested an increase in its retail rates and charges to generate \$74,393,000 in additional gross annual revenues, effective April 10, 2014. Gulf also requested a step increase of \$16,392,000, effective July 1, 2015, if certain transmission upgrade projects are not approved for recovery through the Environmental Cost Recovery Clause. Gulf requested approval of an authorized return on equity (ROE) of 11.50 percent, with a range of plus or minus 100 basis points. Gulf based its request on a projected test year ending December 31, 2014. The hearing is scheduled for December 9-13, 2013. Gulf did not request any interim rate relief.

We last granted Gulf a \$64.1 million base rate increase by Order No. PSC-12-0179-FOF-EI.¹ In that order we found Gulf's jurisdictional rate base to be \$1.673 billion for the 2012 projected test year and approved an ROE midpoint of 10.25 percent. We also approved an additional increase in base rates of \$4.022 million, effective January 1, 2013, to recover the cost of 2 turbine upgrade projects.

We have jurisdiction pursuant to Section 366.06, Florida Statutes (F.S.), and pursuant to Section 366.06(3), F.S., we suspend operation of the requested rate increase pending further investigation.

Section 366.06(3), F.S., provides:

Pending a final order by the commission in any rate proceeding under this section, the commission may withhold consent to the operation of all or any portion of the

¹ Order No. PSC-12-0179-FOF-EI, issued April 3, 2012, in Docket No. 110138-EI, In re: Petition for increase in rates by Gulf Power Company.

new rate schedules, delivering to the utility requesting such increase, within 60 days, a reason or written statement of good cause for withholding its consent.

We find that suspension of the permanent base rate increase and its associated tariff revisions will allow our staff and any intervenors sufficient time to adequately and thoroughly examine whether the request for permanent rate relief is appropriate.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that operation of Gulf Power Company's requested permanent revenue increase is suspended pending further review. It is further

ORDERED that this docket shall remain open to process Gulf Power Company's revenue increase request.

By ORDER of the Florida Public Service Commission this 30th day of August, 2013.



ANN COLE
Commission Clerk
Florida Public Service Commission
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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

Any party adversely affected by this order, which is preliminary, procedural or intermediate in nature, may request: (1) reconsideration within 10 days pursuant to Rule 25-22.0376, Florida Administrative Code; or (2) judicial review by the Florida Supreme Court, in the case of an electric, gas or telephone utility, or the First District Court of Appeal, in the case of a water or wastewater utility. A motion for reconsideration shall be filed with the Office of Commission Clerk, in the form prescribed by Rule 25-22.0376, Florida Administrative Code. Judicial review of a preliminary, procedural or intermediate ruling or order is available if review of the final action will not provide an adequate remedy. Such review may be requested from the appropriate court, as described above, pursuant to Rule 9.100, Florida Rules of Appellate Procedure.