

Gulf Power Company  
500 Bayfront Parkway  
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ORIGINAL  
FILE COPY

Jack L. Haskins  
Manager of Rates and Regulatory Matters  
and Assistant Secretary

the southern electric system

January 13, 1995

Ms. Blanca S. Bayo, Director  
Division of Records and Reporting  
Florida Public Service Commission  
101 East Gaines Street  
Tallahassee FL 32399-0870

Dear Ms. Bayo:

Enclosed for official filing in Docket No. 950007-EI are an original and fifteen copies of the following:

- 00628-95
1. Petition of Gulf Power Company for Approval of Final Environmental Cost Recovery True-up Amounts for April 1994 through September 1994; Estimated Environmental Cost Recovery True-up Amounts for October 1994 through March 1995; Projected Environmental Cost Recovery Amounts for April 1995 through September 1995; and Environmental Cost Recovery Factors to be Applied Beginning with the Period April 1995 through September 1995.
- 00629-95
2. Prepared direct testimony and exhibit of J. O. Vick.
- 00630-95
4. Prepared direct testimony and exhibit of S. D. Cranmer.

Also enclosed is a 3.5 inch double sided, double density diskette containing the Petition in WordPerfect for Windows 6.0a format as prepared on a MS-DOS based computer.

Sincerely,

*Jack L. Haskins*  
lw

Enclosures

cc: Beggs and Lane  
Jeffrey A. Stone, Esquire

ACK   
AFA   
APP \_\_\_\_\_  
CAF \_\_\_\_\_  
CTR \_\_\_\_\_  
EAG *Bess - 4*  
LEG *Brewer*  
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OPS \_\_\_\_\_  
RCH \_\_\_\_\_  
SEC   
WAS \_\_\_\_\_  
OTH \_\_\_\_\_

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental Cost Recovery )  
Clause )  
\_\_\_\_\_ )

Docket No. 950007-EI

Certificate of Service

I HEREBY CERTIFY that a copy of the foregoing has been furnished this 13th day of January 1995 by U.S. Mail or hand delivery to the following:

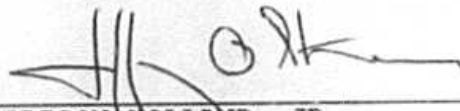
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 950007-EI

PREPARED DIRECT TESTIMONY  
AND EXHIBIT OF  
S. D. CRANMER

PROJECTED ENVIRONMENTAL COST  
RECOVERY CLAUSE

APRIL 1995 - SEPTEMBER 1995

JANUARY 17, 1995

 **GULF POWER**

DOCUMENT NUMBER-DATE

00630 JAN 17 95

FPSC-RECORDS/REPORTING

1 GULF POWER COMPANY

2 Before the Florida Public Service Commission  
3 Direct Testimony of  
4 Susan D. Cranmer  
5 Docket No. 950007-EI  
6 Date of Filing: January 17, 1995

7 Q. Please state your name, business address and  
8 occupation.

9 A. My name is Susan Cranmer. My business address is 500  
10 Bayfront Parkway, Pensacola, Florida 32501. I hold  
11 the position of Supervisor of Rate Services for Gulf  
12 Power Company.

13 Q. Please briefly describe your educational background  
14 and business experience.

15 A. I graduated from Wake Forest University in  
16 Winston-Salem, North Carolina in 1981 with a Bachelor  
17 of Science Degree in Business and from the University  
18 of West Florida in 1982 with a Bachelor of Arts Degree  
19 in Accounting. I am also a Certified Public  
20 Accountant licensed in the State of Florida. I joined  
21 Gulf Power Company in 1983 as a Financial Analyst. I  
22 have held various positions with Gulf including  
23 Computer Modeling Analyst and Senior Financial  
24 Analyst. In 1991, I assumed the position of  
25

1 Supervisor of Rate Services and presently serve in  
2 that capacity.

3 My responsibilities include supervision of tariff  
4 administration, cost of service, calculation of cost  
5 recovery factors, and the regulatory filing function  
6 of the Rates and Regulatory Matters Department.  
7

8 Q. Have your previously filed testimony before this  
9 Commission in connection with Gulf's Environmental  
10 Cost Recovery (ECR) Clause?

11 A. Yes, I have.  
12

13 Q. What is the purpose of your testimony?

14 A. The purpose of my testimony is to present both the  
15 calculation of the revenue requirements and the  
16 development of the environmental cost recovery factors  
17 for the period April 1995 through September 1995.  
18

19 Q. Have you prepared an exhibit that contains information  
20 to which you will refer in your testimony?

21 A. Yes, I have. My exhibit consists of four schedules,  
22 each of which were prepared under my direction and  
23 supervision.  
24  
25

1 Counsel: We ask that Ms. Cranmer's Exhibit consisting  
2 of four schedules be marked as Exhibit  
3 No. \_\_\_\_\_ (SDC-2).  
4

5 Q. What environmental costs is Gulf requesting for  
6 recovery through the Environmental Cost Recovery  
7 Clause?

8 A. As discussed in the testimony of J. O. Vick, Gulf is  
9 requesting recovery for certain environmental  
10 compliance operating expenses and capital costs that  
11 are consistent with both the decision of the  
12 Commission in Docket No. 930613-EI and with past  
13 proceedings in this ongoing recovery docket. The  
14 costs we have identified for recovery through the ECR  
15 Clause are not currently being recovered through base  
16 rates or any other recovery mechanism.

17  
18 Q. Please describe Schedule 1 of your exhibit.

19 A. Page 1 of Schedule 1 shows the calculation of the  
20 revenue requirements associated with capital  
21 investment and operating expenses for the period April  
22 1995 through September 1995. Pages 2 and 3 of  
23 Schedule 1 show the calculation of the revenue  
24 requirements associated with the energy-related and  
25



1 demand-related investment and expenses, which I will  
2 discuss later in my testimony.

3  
4 Q. How were the Net Environmental Investment and  
5 Depreciation/Amortization Expense shown on Schedule 1  
6 derived?

7 A. The Net Environmental Investment shown on line 5  
8 includes plant-in-service, accumulated depreciation,  
9 Construction Work In Progress-Non Interest Bearing  
10 (CWIP-NIB), and working capital-allowances. Pages 1  
11 through 3 of Schedule 2 provide additional detail of  
12 the plant-related amounts by project. Schedule 2,  
13 page 4, provides a breakdown of depreciation and  
14 amortization expense by project. Depreciation expense  
15 was calculated based on Gulf's latest approved  
16 depreciation rates. The capital projects identified  
17 for recovery through the ECR Clause are those  
18 environmental projects which are not included in the  
19 approved projected 1990 test year on which present  
20 base rates were set.

21  
22 Q. How was the amount of Property Taxes to be recovered  
23 through the ECR Clause derived?

24 A. Property taxes were calculated by applying the  
25 applicable tax rate to taxable investment. In

1 Florida, pollution control facilities are taxed based  
2 only on their salvage value. For the recoverable  
3 environmental investment located in Florida, the  
4 amount of property taxes is estimated to be \$0. In  
5 Mississippi, there is no such reduction in property  
6 taxes for pollution control facilities. Therefore,  
7 property taxes related to recoverable environmental  
8 investment at Plant Daniel are calculated by applying  
9 the applicable millage rate to the assessed value of  
10 the property.

11  
12 Q. What capital structure and return on equity were used  
13 to develop the rate of return used to calculate the  
14 revenue requirements?

15 A. The rate of return used is based on Gulf's capital  
16 structure as approved in Gulf's last rate case, Docket  
17 No. 891345-EI, Order No. 23573, dated October 3, 1990.  
18 This rate of return incorporates a return on equity of  
19 12.0% as approved by Commission Order No. PSC-93-0771-  
20 FOF-EI, dated May 20, 1993. The use of this rate of  
21 return for the calculation of revenue requirements for  
22 the ECR Clause was approved by the Commission in Order  
23 No. PSC-94-0044-FOF-EI dated January 12, 1994 in  
24 Docket No. 930613-EI.



1 Q. How was the amount of O & M expenses to be recovered  
2 through the Environmental Cost Recovery Clause  
3 calculated?

4 A. Mr. Vick has provided me with projected recoverable  
5 O & M expenses for April 1995 through September 1995.  
6 Schedule 3 of my exhibit shows the calculation of the  
7 recoverable O & M expenses broken down between the  
8 demand-related and energy-related expenses. All O & M  
9 expenses associated with compliance with the Clean Air  
10 Act Amendments of 1990 were considered to be energy-  
11 related, consistent with Commission Order No.  
12 PSC-94-0044-FOF-EI. The remaining expenses were  
13 broken down between demand and energy consistent with  
14 Gulf's last approved cost-of-service methodology in  
15 Docket No. 891345-EI.

16  
17 Q. What is the total environmental revenue requirement  
18 for the period April 1995 through September 1995 to be  
19 recovered through the Environmental Cost Recovery  
20 Clause?

21 A. Gulf is requesting approval to recover \$6,147,000,  
22 excluding the true-up, through the Environmental Cost  
23 Recovery Clause during the period April 1995 through  
24 September 1995.

25

1 Q. What has Gulf calculated as the total true-up to be  
2 applied in the period April 1995 through September  
3 1995?

4 A. The total true-up for this period is a decrease of  
5 \$384,447 as shown on Schedule 1a. This includes a  
6 final true-up over-recovery of \$72,442 for the period  
7 April 1994 through September 1994. It also includes  
8 an estimated over-recovery of \$312,005 for the period  
9 October 1994 through March 1995, as calculated on  
10 Schedule 1b. The resulting recovery amount for the  
11 period April 1995 through September 1995, including  
12 the projected amounts and the total true-up including  
13 revenue taxes is \$5,756,000.

14  
15 Q. Please describe how the total revenue requirement was  
16 allocated to each rate case.

17 A. First, I determined the energy and demand components  
18 of the requested revenue requirement as shown on  
19 pages 2 and 3 of Schedule 1, respectively. Then, I  
20 allocated these amounts to rate class using the  
21 appropriate energy and demand allocators as shown as  
22 Schedule 4.

23  
24  
25

1 Q. How was the breakdown between demand-related and  
2 energy-related investment and expenses determined?

3 A. The net investment and expenses associated with  
4 compliance with the Clean Air Act Amendments of 1990  
5 (CAAA) were considered to be energy-related,  
6 consistent with Commission Order No.  
7 PSC-94-0044-FOF-EI, dated January 12, 1994 in Docket  
8 No. 930613-EI. The remaining plant-in-service,  
9 CWIP-NIB, accumulated depreciation and depreciation  
10 expense related to environmental compliance not  
11 associated with the CAAA were allocated 12/13th based  
12 on demand and 1/13th based on energy, consistent with  
13 Gulf's last cost-of-service study. In order to  
14 calculate the revenue requirements associated with the  
15 demand-related and energy-related portions, I have  
16 shown the energy-related portion of the investment,  
17 depreciation expense, and property taxes on page 2 of  
18 Schedule 1 and the demand-related portion on page 3 of  
19 Schedule 1. Pages 2 and 3 of Schedule 1 also include  
20 the energy- and demand-related O & M expenses as shown  
21 on Schedule 3. I have then calculated the revenue  
22 requirements associated with the energy-related and  
23 demand-related investment and expenses.

24  
25

1 Q. How were the allocation factors calculated for use in  
2 the Environmental Cost Recovery Clause?

3 A. The demand allocation factors used in the  
4 Environmental Cost Recovery Clause were calculated  
5 using the 1993 load data filed with the Commission in  
6 accordance with FPSC Rule 25-6.0437. The energy  
7 allocation factors were calculated based on projected  
8 KWH sales for the period April 1995 through September  
9 1995 adjusted for losses. The calculation of the  
10 allocation factors is shown in columns A through I on  
11 page 1 of Schedule 4.  
12

13 Q. How were these factors applied to allocate the  
14 requested recovery amount properly to the rate  
15 classes?

16 A. As I described earlier in my testimony, pages 2 and 3  
17 of Schedule 1 show the calculation of the energy and  
18 demand portions of the total requested revenue  
19 requirement. The energy-related recoverable revenue  
20 requirement of \$3,521,000 for the period April 1995  
21 through September 1995 was allocated using the energy  
22 allocator, as shown in column C on page 2 of  
23 Schedule 4. The demand-related recoverable revenue  
24 requirement of \$2,235,000 for the period April 1995  
25 through September 1995 was allocated using the demand

1 allocator, as shown in column D on page 2 of  
2 Schedule 4. The energy-related and demand-related  
3 recoverable revenue requirements are added together to  
4 derive the total amount assigned to each rate class,  
5 as shown in column E.

6  
7 Q. What is the monthly amount related to environmental  
8 costs recovered through this factor that will be  
9 included on a residential customer's bill for 1,000  
10 kwh?

11 A. The environmental costs recovered through the clause  
12 from the residential customer who uses 1,000 kwh will  
13 be \$1.36 monthly for the period April 1995 through  
14 September 1995.

15  
16 Q. When does Gulf propose to collect these new  
17 environmental cost recovery charges?

18 A. These factors will apply to April 1995 through  
19 September 1995 billings beginning with Cycle 1 meter  
20 readings scheduled on March 30, 1995 and ending with  
21 meter readings scheduled on September 27, 1995.

22  
23 Q. Ms. Cranmer, does this conclude your testimony?

24 A. Yes, it does.

25

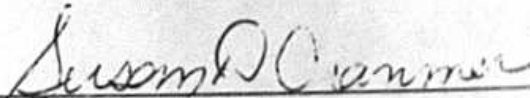


AFFIDAVIT


STATE OF FLORIDA     )  
                              )  
COUNTY OF ESCAMBIA   )

Docket No. 950007-EI

Before me the undersigned authority, personally appeared Susan D. Cranmer, who being first duly sworn, deposes, and says that she is the Supervisor of Rate Services of Gulf Power Company, a Maine corporation, that the foregoing is true and correct to the best of her knowledge, information, and belief. She is personally known to me.

  
Susan D. Cranmer  
Supervisor of Rate Services

Sworn to and subscribed before me this 11<sup>th</sup> day of  
August, 1995.

  
\_\_\_\_\_  
Notary Public, State of Florida at Large



LINDA C. WEBB  
Notary Public-State of FL  
Comm. Exp: May 31, 1998  
Comm. No: CC 382703



Docket No. 970001-EI  
Susan D. Cranmer Exhibit No. \_\_\_\_\_  
Environmental Cost Recovery Schedules

**INDEX**

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Schedule 3:	Recoverable Operation and Maintenance Expenses	12
Schedule 4:	Calculation of ECR Factors	13

**Gulf Power Company**  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Total Recoverable Revenue Requirements  
 April 1995 - September 1995  
 (\$000's)

Line	Source	March 1995 (A)	April 1995	May 1995	June 1995	July 1995	August 1995	September 1995	Apr 95 - Sep 95	Total
1	Environmental Investment									
2	Plant-in-Service	66,717	66,728	66,739	66,750	66,761	67,172	67,179		67,179
3	Less: Accumulated Depreciation	(2,576)	(2,766)	(2,956)	(3,146)	(3,336)	(3,526)	(3,717)		(3,717)
4	Construction Work In Progress	300	400	500	600	800	400	450		450
5	Non Interest Bearing Working Capital - Allowances	(107)	(99)	(97)	(87)	(84)	(80)	(73)		(73)
6	Net Environmental Investment	64,334	64,263	64,191	64,317	64,141	63,966	63,839		63,839
7	Average Environmental Investment		64,299	64,227	64,255	64,230	64,054	63,903		63,903
8	x Rate of Return / 12		0.8906%	0.8906%	0.8906%	0.8906%	0.8906%	0.8906%		0.8906%
9	z Revenue Expansion Factor		1.01609	1.01609	1.01609	1.01609	1.01609	1.01609		1.01609
10	Total Revenue Requirement Related to Investment	592	592	591	592	591	590	579		3,495
11	Environmental Expenses									
12	O & M Expenses		272	272	272	273	346	272		1,457
13	Depreciation/Amortization Expense		190	190	190	190	190	191		1,141
14	Property Taxes		41	41	41	41	41	41		243
15	Total Expenses		453	453	453	454	577	454		2,844
16	x Revenue Expansion Factor		1.01609	1.01609	1.01609	1.01609	1.01609	1.01609		1.01609
17	Total Revenue Requirement Related to Expenses	460	460	460	460	461	596	461		2,895
18	Total Revenue Requirements (lines 9 + 15)	1,042	1,042	1,041	1,042	1,042	1,186	1,040		6,373
19	Federal Jurisdictional Factor	NA	NA	NA	NA	NA	NA	NA		NA
20	Jurisdictional Revenue Requirement	1,095	1,094	1,094	1,095	1,095	1,125	1,093		6,117
21	True-Up (Including Revenue Taxes)									(991)
22	Total Jurisdictional Amount to be Recovered (Line 18 + Line 19)									5,126

Notes:

(A) March 1995 data provided for calculation of average environmental investment on line 6.

(B) Sum of line 18 on page 2 of Schedule 1, and line 18 on page 3 of Schedule 1.

**Gulf Power Company**  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Total Energy-Related Recoverable Revenue Requirements (CAA & Other)  
 April 1995 - September 1995  
 (\$000's)

Line	Source	March 1995 (A)	April 1995	May 1995	June 1995	July 1995	August 1995	September 1995	Oct 95 - Sep 95	Total
1	Environmental Investments									
2	Plant in Service	50,755	50,756	50,757	50,758	50,759	51,159	51,160		51,160
3	Less Accumulated Depreciation	(2,366)	(2,435)	(2,685)	(2,834)	(2,963)	(3,133)	(3,283)		(3,283)
4	Construction Work in Progress									
5	Non Interest Bearing Working Capital - Allowances	115	215	315	431	431	431	31	35	35
6	Net Environmental Investment	(107)	(99)	(92)	(87)	(84)	(60)	(73)		(73)
7	Average Environmental Investment	48,377	48,337	48,295	48,268	48,123	47,977	47,839		47,839
8	x Rate of Return 7.12		48,357	48,316	48,282	48,196	48,050	47,908		47,908
9	x Revenue Expansion Factor		0.8908%	0.8908%	0.8908%	0.8908%	0.8908%	0.8908%		0.8908%
10	Total Revenue Requirement Related to Investment	438	437	437	436	435	434	434		434

Line	Source	March 1995 (A)	April 1995	May 1995	June 1995	July 1995	August 1995	September 1995	Oct 95 - Sep 95	Total
10	Environmental Expenses									
11	O & M Expense	36	35	35	35	36	35	35		336
12	Depreciation/Amortization Expense	149	149	149	149	149	149	150		895
13	Property Taxes	5	5	5	5	5	5	4		28
14	Total Expenses	190	189	189	189	190	190	189		1,259
15	x Revenue Expansion Factor	1,016,009	1,016,009	1,016,009	1,016,009	1,016,009	1,016,009	1,016,009		1,016,009
16	Total Revenue Requirement (Lines 9 + 15)	193	192	192	191	193	193	192		1,279
17	Retail Jurisdictional Factor	631	629	628	628	629	753	626		3,866
18	Total Jurisdictional Revenue Requirement (Line 16 x Line 17 x 1,0014 line losses)	0.9642336	0.9642336	0.9642336	0.9642336	0.9642336	0.9642336	0.9642336		0.9642336
19	True-Up (Including Revenue Taxes)	609	607	607	607	607	727	604		3,760
20	Total Jurisdictional Amount to be Recovered (Line 18 + Line 19)	609	607	607	606	607	727	604		(229)
										3,521

Notes:  
 (A) March 1995 data provided for calculation of average environmental investment on line 6  
 (B) Schedule 2, page 1 line 17 + line 27/13  
 (C) Schedule 2, page 3 line 17 + line 27/13  
 (D) Schedule 2, page 2 line 16 + line 25/13  
 (E) Schedule 2, page 4 line 17 + line 27/13  
 (F) Calculation of Jurisdictional Separation Factor

Apr 95-Sep 95		%
KWH Sales	4,609,477,112	96.42336%
Retail Wholesale	170,979,227	3.57664%
Total	4,780,456,339	100.00000%

(G) Allocated between demand and energy based on the ratio of recoverable demand and energy costs to the total recoverable costs on line 16

**Gulf Power Company**  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Demand Related Recoverable Revenue Requirements  
 April 1995 - September 1995  
 (\$000's)

Line	Source	March 1995 (A)	April 1995	May 1995	June 1995	July 1995	August 1995	September 1995	Oct 95 - Sep 95	Total
1	Environmental Investment									
2	Plant in Service	(B)	15,962	15,962	15,992	16,002	16,013	16,019	16,019	16,019
3	Less Accumulated Depreciation	(C)	(190)	(211)	(312)	(353)	(393)	(434)	(434)	(434)
4	Construction Work In Progress	(D)	185	185	369	369	369	369	415	415
5	Working Capital - Allowances		0	0	0	0	0	0	0	0
6	Net Environmental Investment		15,957	15,936	16,049	16,018	15,989	16,000	16,000	16,000
7	Average Environmental Investment		15,942	15,911	15,973	16,034	16,004	16,004	15,995	15,995
8	x Rate of Return / 12		0.8906%	0.8906%	0.8906%	0.8906%	0.8906%	0.8906%	0.8906%	0.8906%
9	x Revenue Expansion Factor		1.01609	1.01609	1.01609	1.01609	1.01609	1.01609	1.01609	1.01609
10	Total Revenue Requirement Related to Investment		144	144	145	145	145	145	145	145
11	Environmental Expenses		186	187	187	187	187	187	187	1,121
12	O & M Expense		41	41	41	41	41	41	41	246
13	Depreciation/Amortization Expense		36	36	37	36	36	37	37	218
14	Property Taxes		263	264	265	264	264	264	265	1,585
15	Total Expenses		1,016,009	1,016,009	1,016,009	1,016,009	1,016,009	1,016,009	1,016,009	1,016,009
16	x Revenue Expansion Factor		267	268	269	268	268	269	269	1,609
17	Total Revenue Requirement (Lines 9 + 15)		411	412	414	413	413	414	414	2,477
18	Retail Jurisdictional Factor		0.9639859	0.9639859	0.9639859	0.9639859	0.9639859	0.9639859	0.9639859	0.9639859
19	Total Jurisdictional Revenue Requirement (Line 16 x Line 17)		396	397	399	398	398	399	399	2,387
20	True-Up (Including Revenue Taxes)									(152)
21	Total Jurisdictional Amount to be Recovered (Line 18 + Line 19)									2,235

Notes:  
 (A) March 1995 data provided for calculation of average environmental investment on line 6  
 (B) Schedule 2, page 1 line 27\*12/13  
 (C) Schedule 2, page 3 line 27\*12/13  
 (D) Schedule 2, page 2 line 25\*12/13  
 (E) Schedule 2, page 4 line 27\*12/13  
 (F) Calculation of Jurisdictional Separation Factor

12 CP KW	%
1,476,913.99	96.39859%
85,177.65	3.60141%
1,532,113.64	100.00000%

Based on 1993 actual data

(C) Allocated between demand and energy based on the ratio of recoverable demand and energy costs to the total recoverable costs on line 16

Gulf Power Company  
Environmental Cost Recovery (ECR) Clause Projection Filing  
Calculation of True-Up  
April 1995 - September 1995  
(\$'s)

Line

1	Estimated Over/(Under)-Recovery, October 1994 - March 1995 (Schedule 1b, sum of lines 19, 20, and 24-28)	312,005
2	Final True-Up, April 1994 - September 1994 (Exhibit No. ____ (SDC-1) filed May 20, 1994)	71,672
2a	Adj to Final True-Up to reflect revisions to the over/under recovery calculation for March 1994 and prior months	<u>770</u>
3	Total Over/(Under)-Recovery	<u>384,447</u>
4	Jurisdictional KWH Sales, April 1995 - September 1995	4,609,477,000
5	True-Up Factor (Line 3/Line 4) x 100, ¢ per KWH	0.0083

Gulf Power Company  
 Environmental Cost Recovery (ECR) Cause Projection Filing  
 Calculation of Estimated True-Up  
 October 1994 - March 1995  
 Total Recoverable Environmental Costs  
 \$

Line	Actual September 1994	Estimated October 1994	Actual October 1994	Estimated November 1994	Projected December 1994	Projected January 1995	Projected February 1995	Projected March 1995	Total
<b>Environmental Investment</b>									
1	31,360,954	31,360,954	31,896,702	31,896,702	66,674,000	66,690,000	66,706,000	66,717,000	
2	(1,789,330)	(1,873,985)	(1,873,985)	(1,958,640)	(2,052,000)	(2,195,000)	(2,385,000)	(2,576,000)	
3	22,142,131	23,002,131	21,821,541	22,536,541	0	0	0	300,000	
4	(129,184)	(129,184)	(129,184)	(129,184)	(129,000)	(122,000)	(115,000)	(107,000)	
5	51,564,971	52,359,916	51,715,074	52,345,419	64,493,000	64,373,000	64,208,000	64,334,000	
6		51,972,244		52,030,247	58,419,210	64,433,000	64,289,500	64,270,000	
7		0.8906%		0.8906%	0.8906%	0.8906%	0.8906%	0.8906%	
8		462,865		463,381	520,292	573,840	572,562	572,308	3,165,318
<b>Total Recoverable Costs Related to Investment</b>									
<b>Environmental Expenses</b>									
9		119,768		78,565	125,015	214,154	564,205	214,432	1,307,139
10		84,655		84,655	93,360	143,000	190,000	191,000	786,670
11		30,580		30,580	30,580	41,119	41,119	41,119	215,097
12		226,000		193,800	248,955	398,273	795,324	446,551	2,388,958
13		688,860		657,181	769,237	972,113	1,367,886	1,018,939	5,474,274
14		NA		NA	NA	NA	NA	NA	NA
15		665,276		633,895	742,227	936,418	1,318,564	892,416	5,290,796
16		906,152		757,886	943,923	1,000,028	813,452	661,183	5,282,624
17		42,467		42,467	42,467	42,467	42,467	42,468	294,800
18		946,619		800,353	986,390	1,042,495	855,919	903,649	5,537,474
19		283,343		168,458	244,162	104,077	(492,845)	(78,767)	256,628
20		2,085		3,068	3,709	4,310	3,344	1,968	18,482
21		327,242		599,823	734,155	930,560	1,005,450	503,712	327,242
22		(42,467)		(42,467)	(42,467)	(42,467)	(42,467)	(42,468)	(754,800)
23		570,203		726,880	939,560	1,005,480	503,712	384,447	347,552
<b>Adjustments (Including Interest)</b>									
24		26,076		483					28,559
25		1,572		(236)					1,572
26		(26)		213					(264)
27				6,815					213
28									6,815
29		599,823		734,155	939,560	1,005,480	503,712	384,447	384,447

Notes:  
 (A) Sum of line 15 on page 2 of Schedule 1b, and line 15 on page 3 of Schedule 1b  
 (B) Projected December - March ECR Revenues calculated based on retail rates plus (p. 2 of Sch 1b) x 143¢ per kWh / 1.01609  
 (C) Interest calculated for December through March at November's rate of 444.2% per month



Gulf Power Company  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Calculation of Estimated True-Up  
 October 1994 - March 1995  
 Total Energy Related Recoverable Environmental Costs (CAA & Other)

Line	Actual September 1994	Estimated October 1994	Actual October 1994	Estimated November 1994	Projected December 1994	Projected January 1995	Projected February 1995	Projected March 1995	Total
1	25,728,661	25,728,661	26,216,194	26,216,194	50,752,000	50,753,000	50,754,000	50,755,000	
2	(1,741,327)	(1,817,409)	(1,817,409)	(1,893,490)	(1,973,000)	(2,067,000)	(2,236,000)	(2,396,000)	
3	21,992,602	21,952,602	20,750,393	20,856,393	0	0	0	115,000	
4	(129,184)	(129,184)	(129,184)	(129,184)	(129,000)	(122,000)	(115,000)	(107,000)	
5	44,959,752	45,734,670	45,019,994	45,049,913	48,650,000	48,544,000	48,403,000	48,377,000	
6	45,342,711	45,342,711	46,849,957	46,849,957	48,597,000	48,597,000	48,473,500	48,390,000	
7	0.8906%	0.8906%	0.8906%	0.8906%	0.8906%	0.8906%	0.8906%	0.8906%	
8	403,872	403,872	417,246	432,805	432,805	431,705	430,961	430,961	2,517,620
9	Environmental Expenses								
10	O & M Expense	25,850	25,850	21,547	27,854	27,491	378,216	27,491	508,449
11	Depreciation/Amortization Expense	76,062	76,062	76,061	79,510	114,000	149,000	150,000	644,673
12	Property Taxes	2,352	2,352	2,352	2,352	4,776	4,776	4,776	21,384
13	Total Recoverable Costs (Lines 8 + 12)	104,264	104,264	99,960	109,716	146,267	531,992	182,267	1,174,506
14	Retail Jurisdictional Factor (Line 16)	508,106	508,106	501,061	526,962	579,072	903,697	613,228	3,692,126
15	Total Jurisdictional Recoverable Costs (Line 13 x Line 14 x 1.0014)	0.9646131	0.9646131	0.9633990	0.9639517	0.9640957	0.9625777	0.9629194	0.9649365
16	Calculation of Retail Jurisdictional Factor			499,812	493,398	506,677	559,532	928,932	591,316
17	Retail KWH Sales	636,406,662	636,406,662	563,563,095	670,707,000	710,572,000	578,000,000	611,916,000	611,916,000
18	Total Territorial KWH Sales	659,753,262	659,753,262	584,973,695	695,769,000	736,416,000	600,471,000	635,480,000	635,480,000
19	Retail %	0.9646131	0.9646131	0.9633990	0.9639517	0.9640957	0.9625777	0.9629194	0.9629194



Gulf Power Company  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Plant-in-Service  
 April 1995 - September 1995  
 (\$000's)

Line No.	PE No.	Description	March 1995	April 1995	May 1995	June 1995	July 1995	August 1995	September 1995
<b>CLEAN AIR ACT:</b>									
1	1006	Air Quality Assurance Testing	239	239	239	239	239	239	239
2	1119/6138	Crist 5 Precipitator Upgrade	0	0	0	0	0	400	400
3	1216	Crist 7 Precipitator Upgrade	10,964	10,964	10,964	10,964	10,964	10,964	10,964
4	1228	Crist 7 Flue Gas Conditioning	2,179	2,179	2,179	2,179	2,179	2,179	2,179
5	1236	Crist 7 Low NOx Burners	8,608	8,608	8,608	8,608	8,608	8,608	8,608
6	1240	Crist 7 CEMs	624	624	624	624	624	624	624
7	1242	Crist 6 Low NOx Burners	7,703	7,703	7,703	7,703	7,703	7,703	7,703
8	1243	Crist 6 Precipitator Replacement	14,703	14,703	14,703	14,703	14,703	14,703	14,703
9	1245	Crist 6 CEMs	597	597	597	597	597	597	597
10	1286/6216	Crist 1 CEMs	300	300	300	300	300	300	300
11	1289/6219	Crist 4 CEMs	492	492	492	492	492	492	492
12	1290/6220	Crist 5 CEMs	275	275	275	275	275	275	275
13	1323	Scholz 1 CEMs	906	906	906	906	906	906	906
14	1459	Smith 1 CEMs	839	839	839	839	839	839	839
15	1460	Smith 2 CEMs	423	423	423	423	423	423	423
16	1558	Daniel CEMs	573	573	573	573	573	573	573
17		Subtotal Clean Air Act	49,425	49,425	49,425	49,425	49,425	49,825	49,825
<b>OTHER PROJECTS (NON-CAA):</b>									
18	1232	Crist Cooling Tower Coll	907	907	907	907	907	907	907
19	1248	Crist 1-5 Dechlorination	306	306	306	306	306	306	306
20	1270	Crist Diesel Fuel Oil Remediation	48	48	48	48	48	48	48
21	1271	Crist Bulk Tanker Unload Sec Contain Struc	214	214	214	214	214	214	214
22	1275	Crist IWW Sampling System	65	65	65	65	65	65	65
23	1446	Smith Stormwater Collection System	2,347	2,347	2,347	2,347	2,347	2,347	2,347
24	1466	Smith Waste Water Treatment Facility	170	170	170	170	170	170	170
25	1535	Daniel Ash Management Project	12,910	12,910	12,910	12,910	12,910	12,910	12,910
26	4397	Underground Fuel Tank Replacement	325	336	347	358	369	380	387
27		Subtotal Other Projects	17,292	17,303	17,314	17,325	17,336	17,347	17,354
28		TOTAL PLANT-IN-SERVICE	66,717	66,728	66,739	66,750	66,761	67,172	67,179

Gulf Power Company  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Construction Work-in-Progress Non-Interest Bearing  
 April 1995 - September 1995  
 (\$000's)

Line No.	PE No.	Description	March 1995	April 1995	May 1995	June 1995	July 1995	August 1995	September 1995
<b>CLEAN AIR ACT:</b>									
1	1006	Air Quality Assurance Testing	0	0	0	0	0	0	0
2	1119/6138	Crist 5 Precipitator Upgrade	100	200	300	400	400	0	0
3	1216	Crist 7 Precipitator Upgrade	0	0	0	0	0	0	0
4	1228	Crist 7 Flue Gas Conditioning	0	0	0	0	0	0	0
5	1236	Crist 7 Low NOx Burners	0	0	0	0	0	0	0
6	1240	Crist 7 CEMs	0	0	0	0	0	0	0
7	1242	Crist 6 Low NOx Burners	0	0	0	0	0	0	0
8	1243	Crist 6 Precipitator Replacement	0	0	0	0	0	0	0
9	1245	Crist 6 CEMs	0	0	0	0	0	0	0
10	1286/6216	Crist 1 CEMs	0	0	0	0	0	0	0
11	1289/6219	Crist 4 CEMs	0	0	0	0	0	0	0
12	1290/6220	Crist 5 CEMs	0	0	0	0	0	0	0
13	1323	Scholz 1 CEMs	0	0	0	0	0	0	0
14	1459	Smith 1 CEMs	0	0	0	0	0	0	0
15	1460	Smith 2 CEMs	0	0	0	0	0	0	0
16		Subtotal Clean Air Act	100	200	300	400	400	0	0
<b>OTHER PROJECTS (NON-CAA):</b>									
17	1232	Crist Cooling Tower Cell	0	0	0	0	0	0	0
18	1248	Crist 1-5 Dechlorination	0	0	0	0	0	0	0
19	1270	Crist Diesel Fuel Oil Remediation	0	0	0	0	0	0	0
20	1271	Crist Bulk Tanker Unload Sec Contain Struc	0	0	0	0	0	0	0
21	1275	Crist IWW Sampling System	0	0	0	0	0	0	0
22	1446	Smith Stormwater Collection System	200	200	200	400	400	400	450
23	1466	Smith Waste Water Treatment Facility	0	0	0	0	0	0	0
24	4397	Underground Fuel Tank Replacement	0	0	0	0	0	0	0
25		Subtotal Other Projects	200	200	200	400	400	400	450
26		TOTAL CWIP-NIB	300	400	500	800	800	400	450

Gulf Power Company  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Accumulated Depreciation  
 April 1995 - September 1995  
 (\$000's)

Line No.	PE No.	Description	March 1995	April 1995	May 1995	June 1995	July 1995	August 1995	September 1995
<b>CLEAN AIR ACT:</b>									
1	1006	Air Quality Assurance Testing	43	46	49	52	55	58	61
2	1119/6138	Crist 5 Precipitator Upgrade	0	0	0	0	0	0	1
3	1216	Crist 7 Precipitator Upgrade	1,414	1,446	1,478	1,510	1,542	1,574	1,606
4	1228	Crist 7 Flue Gas Conditioning	155	161	167	173	179	185	191
5	1236	Crist 7 Low NOx Burners	441	466	491	516	541	566	591
6	1240	Crist 7 CEMs	27	29	31	33	35	37	39
7	1242	Crist 6 Low NOx Burners	55	77	99	121	143	165	187
8	1243	Crist 6 Precipitator Replacement	107	150	193	236	279	322	365
9	1245	Crist 6 CEMs	26	28	30	32	34	36	38
10	1286/6216	Crist 1 CEMs	3	4	5	6	7	8	9
11	1289/6219	Crist 4 CEMs	8	9	10	11	12	13	14
12	1290/6220	Crist 5 CEMs	7	8	9	10	11	12	13
13	1323	Scholz 1 CEMs	36	39	42	45	48	51	54
14	1459	Smith 1 CEMs	33	36	39	42	45	48	51
15	1460	Smith 2 CEMs	12	13	14	15	16	17	18
16	1558	Daniel CEMs	3	4	5	6	7	8	9
17		Subtotal Clean Air Act	2,370	2,516	2,662	2,808	2,954	3,100	3,247
<b>OTHER PROJECTS (NON-CAA):</b>									
18	1232	Crist Cooling Tower Cell	67	70	73	76	79	82	85
19	1248	Crist 1-5 Dechlorination	2	3	4	5	6	7	8
20	1270	Crist Diesel Fuel Oil Remediation	2	2	2	2	2	2	2
21	1271	Crist Bulk Tanker Unload Sec Contain Struc	2	3	4	5	6	7	8
22	1275	Crist IWW Sampling System	1	1	1	1	1	1	1
23	1446	Smith Stormwater Collection System	19	26	33	40	47	54	61
24	1466	Smith Waste Water Treatment Facility	4	5	6	7	8	9	10
25	1535	Daniel Ash Management Project	104	134	164	194	224	254	284
26	4397	Underground Fuel Tank Replacement	5	6	7	8	9	10	11
27		Subtotal Other Projects	206	250	294	338	382	426	470
28		<b>TOTAL ACCUMULATED DEPRECIATION</b>	<b>2,576</b>	<b>2,766</b>	<b>2,956</b>	<b>3,146</b>	<b>3,336</b>	<b>3,526</b>	<b>3,717</b>

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Gulf Power Company  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Depreciation and Amortization Expense  
 April 1995 - September 1995  
 (\$000's)

Line No.	PE No.	Description	1994 Depr Rate (%)	April 1995	May 1995	June 1995	July 1995	August 1995	September 1995	Total April - Sep 1995
<b>CLEAN AIR ACT:</b>										
1	1006	Air Quality Assurance Testing	7-Yr Amort	3	3	3	3	3	3	18
2	1119/6138	Crist 5 Precipitator Upgrade	3.47	0	0	0	0	0	1	1
3	1216	Crist 7 Precipitator Upgrade	3.47	32	32	32	32	32	32	192
4	1228	Crist 7 Flue Gas Conditioning	3.47	6	6	6	6	6	6	36
5	1236	Crist 7 Low NOx Burners	3.47	25	25	25	25	25	25	150
6	1240	Crist 7 CEMs	3.47	2	2	2	2	2	2	12
7	1242	Crist 6 Low NOx Burners	3.47	22	22	22	22	22	22	132
8	1243	Crist 6 Precipitator Replacement	3.47	43	43	43	43	43	43	258
9	1245	Crist 6 CEMs	3.47	2	2	2	2	2	2	12
10	1286/6216	Crist 1 CEMs	3.47	1	1	1	1	1	1	6
11	1289/6219	Crist 4 CEMs	3.47	1	1	1	1	1	1	6
12	1290/6220	Crist 5 CEMs	3.47	1	1	1	1	1	1	6
13	1323	Scholz 1 CEMs	3.71	3	3	3	3	3	3	18
14	1459	Smith 1 CEMs	3.66	3	3	3	3	3	3	18
15	1460	Smith 2 CEMs	3.66	1	1	1	1	1	1	6
16	1558	Daniel CEMs	2.79	1	1	1	1	1	1	6
17		Subtotal Clean Air Act		146	146	146	146	146	147	877
<b>OTHER PROJECTS (NON-CAA):</b>										
18	1232	Crist Cooling Tower Cell	3.47	3	3	3	3	3	3	18
19	1248	Crist 1-5 Dechlorination	3.47	1	1	1	1	1	1	6
20	1270	Crist Diesel Fuel Oil Remediation	3.47	0	0	0	0	0	0	0
21	1271	Crist Bulk Tanker Unload Sec Contain Strux	3.47	1	1	1	1	1	1	6
22	1275	Crist IWW Sampling System	3.47	0	0	0	0	0	0	0
23	1446	Smith Stormwater Collection System	3.66	7	7	7	7	7	7	42
24	1466	Smith Waste Water Treatment Facility	3.66	1	1	1	1	1	1	6
25	1535	Daniel Ash Management Project	2.79	30	30	30	30	30	30	180
26	4397	Underground Fuel Tank Replacement	3.8	1	1	1	1	1	1	6
27		Subtotal Other Projects		44	44	44	44	44	44	264
28		TOTAL DEPRECIATION AND AMORTIZATION EXPENSE		190	190	190	190	190	191	1,141

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Gulf Power Company  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Recoverable Operation and Maintenance Expenses  
 April 1995 - September 1995  
 (\$)

Line No.	FERC Account	Allocator	April 1995	May 1995	June 1995	July 1995	August 1995	September 1995	6-Month Total
1	502	Energy	2,000	2,000	2,000	2,000	2,000	2,000	12,000
2	506	Energy	18,193	18,193	18,193	18,193	141,693	18,193	232,658
3		Demand	116,573	116,573	116,573	116,573	116,573	116,573	699,438
4	512	Energy	2,000	2,000	2,000	2,000	2,000	2,000	12,000
5	514	Energy	13,284	13,284	13,284	13,284	13,284	13,284	79,704
6	562	Demand	(34,003)	(34,003)	(34,003)	(34,003)	(34,003)	(34,003)	(204,018)
7	569	Demand	9,065	9,065	9,065	9,065	9,065	9,065	54,390
8	591	Demand	81,585	81,585	81,585	81,585	81,585	81,585	489,510
9	595	Demand	1,250	1,250	1,250	1,250	1,250	1,250	7,500
10	920	Demand	7,012	7,245	7,012	7,245	7,245	7,012	42,771
11	921	Demand	2,018	2,018	2,016	2,018	2,018	2,018	12,108
12	923	Demand	83	83	83	83	83	83	498
13	935	Demand	3,125	3,125	3,125	3,125	3,125	3,125	18,750
14	Total		<u>222,185</u>	<u>222,418</u>	<u>222,185</u>	<u>222,418</u>	<u>345,918</u>	<u>222,185</u>	<u>1,457,309</u>

Summary of Breakdown Between Demand and Energy:

15	Total Energy-Related	35,477	35,477	35,477	35,477	158,977	35,477	336,362
16	Total Demand-Related	186,708	186,941	186,708	186,941	186,941	186,708	1,120,947
17	Total	<u>222,185</u>	<u>222,418</u>	<u>222,185</u>	<u>222,418</u>	<u>345,918</u>	<u>222,185</u>	<u>1,457,309</u>

Gulf Power Company  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Calculation of ECR Factors  
 April 1995 - September 1995

Rate Class	A Average 12 CP Load Factor at Meter	B April -Sept 95 Projected KWH Sales at Meter	C Projected Avg 12 CP KW at Meter Col B / (4,380 hours x Col A)	D Demand Loss Expansion Factor	E Energy Loss Expansion Factor	F April -Sept 95 Projected KWH Sales at Generation Col B x Col E	G Projected Avg 12 CP KW at Generation Col C x Col D	H Percentage of KWH Sales at Generation Col F / Total Col F	I Percentage of 12 CP KW Demand at Generation Col G / Total Col G
RS, RST	57.126207%	2,098,877,434	838,837.00	1.1019333	1.0766175	2,259,688,176	924,342.42	45.98978%	55.46143%
GS, GST	58.469577%	123,830,280	48,352.93	1.1019255	1.0766135	133,317,351	53,281.33	2.71331%	3.19693%
GSD, GSDT	76.711657%	1,067,310,774	317,654.80	1.1016647	1.0764011	1,148,854,491	349,949.08	23.38180%	20.99728%
LP, LPT, SBS (1)	86.657515%	930,880,458	245,252.57	1.0601470	1.0444167	972,227,096	260,003.78	19.78703%	15.60048%
PX, PXT, SBS (2)	106.636161%	347,950,396	74,496.99	1.0313379	1.0235079	356,129,979	76,831.57	7.24805%	4.60997%
OS-I, OS-II	NA	29,520,928	0.00	1.1020255	1.0766162	31,782,709	0.00	0.64685%	0.00000%
OS-III	101.474026%	8,997,470	2,024.38	1.1024447	1.0766529	9,687,152	2,231.77	0.19716%	0.13391%
OS-IV	NA	1,643,731	0.00	1.1024447	1.0766529	1,769,728	0.00	0.03602%	0.00000%
TOTAL	69.056977%	4,609,011,471	1,526,618.67			4,913,456,682	1,666,639.95	100.00000%	100.00000%

Notes:

Col A - Average 12 CP load factor based on actual 1993 load research data

Col C - 4,380 is the number of hours in 6 months.

(1) includes Rate Schedule SBS customers with a Contract Demand in the range of 500 to 7,499 KW

(2) includes Rate Schedule SBS customers with a Contract Demand over 7,499 KW

Gulf Power Company  
 Environmental Cost Recovery (ECR) Clause Projection Filing  
 Calculation of ECR Factors  
 April 1995 - September 1995

Rate Class	A April - Sept 95 Percentage of KWH Sales at Generation Page 1, Col H	B Percentage of 12 CP KW Demand at Generation Page 1, Col I	C Energy- Related Costs (\$)	D Demand- Related Costs (\$)	E Total Environmental Costs (\$) Col C + Col D	F April - Sept 95 Projected KWH Sales at Meter Page 1, Col B	G Environmental Cost Recovery Factors (\$ / KWH) Col E / Col F x 100
RS, RST	45.98978%	55.46143%	1,619,300	1,239,563	2,858,863	2,098,877,434	0.136
GS, GST	2.71331%	3.19693%	95,536	71,451	166,987	123,830,280	0.135
GSD, GSDT	23.38180%	20.99728%	823,273	469,289	1,292,562	1,067,310,774	0.121
LP, LPT, SBS (1)	19.78703%	15.60048%	696,701	348,671	1,045,372	930,880,458	0.112
PX, PXT, SBS (2)	7.24805%	4.60997%	255,204	103,033	358,237	347,950,396	0.103
OS-I, OS-II	0.64685%	0.00000%	22,776	0	22,776	29,520,928	0.077
OS-III	0.19716%	0.13391%	6,942	2,993	9,935	8,997,470	0.110
OS-IV	0.03602%	0.00000%	1,268	0	1,268	1,643,731	0.077
<b>TOTAL</b>	<b>100.00000%</b>	<b>100.00000%</b>	<b>\$3,521,000</b>	<b>\$2,235,000</b>	<b>\$5,756,000</b>	<b>4,609,011,471</b>	<b>0.125</b>

Notes:

Col C - Schedule 1, page 2 of 3, line 20.

Col D - Schedule 1, page 3 of 3, line 20.

(1) Includes Rate Schedule SBS customers with a Contract Demand in the range of 500 to 7,499 KW

(2) Includes Rate Schedule SBS customers with a Contract Demand over 7,499 KW