

BEGGS & LANE

ATTORNEYS AND COUNSELLORS AT LAW
POST OFFICE BOX 12950
PENSACOLA, FLORIDA 32576-2950

SEVENTH FLOOR BLOUNT BUILDING
3 WEST GARDEN STREET
PENSACOLA, FLORIDA 32501
TELEPHONE (904) 432-2451
TELECOPIER (904) 469-3330

ROBERT P. GAINES
WILLIAM GUY DAVIS, JR.
W. SPENCER MITCHEM
JAMES M. WEBER
ROBERT L. CRONGEYER
JOHN F. WINDHAM
J. NIXON DANIEL, III
G. EDISON HOLLAND, JR.
RALPH A. PETERSON
GARY B. LEUCHTMAN
JOHN P. DANIEL
JEFFREY A. STONE
JAMES S. CAMPBELL
TERESA E. LILES
RUSSELL F. VAN SICKLE
RUSSELL A. BADDERS
DAVID J. BARBERIE

E DIXIE BEGGS
Retired
BERT H. LANE
1917-1981

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June 1, 1995

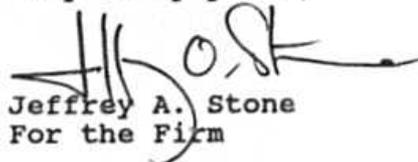
Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 950001-EI

Enclosed are an original and fifteen copies of Gulf Power Company's Notice of Intent to Raise Company Specific-Issue to be filed in the above referenced docket.

Very truly yours,


Jeffrey A. Stone
For the Firm

ACK
AFA
APP _____
CAF _____
CMU _____ lw
CTR _____
DUB
LW
ENT
FIS _____
J _____
SEC
WLS _____
WST _____

Enclosures

cc: Gulf Power Company
Jack L. Haskins

DOCUMENT NUMBER-DATE
05256 JUN-2 1995
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power Cost)
Recovery Clauses and Generating)
Performance Incentive Factor)

Docket No. 950001-EI
Filed: June 2, 1995

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GULF POWER COMPANY'S
NOTICE OF INTENT TO RAISE COMPANY SPECIFIC-ISSUE

Gulf Power Company, ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned attorneys, hereby gives notice of the Company's intent to raise the following company specific issue for resolution at the regularly scheduled August hearings in this docket:

Gulf Power Company-Specific Capacity Cost Recovery Issues

ISSUE: Is it reasonable and appropriate for Gulf Power Company to change the cycle for setting the purchased power capacity cost recovery factors from two sets of six-month factors (October-March; April-September) to one set of twelve-month factors (October-September)?

GULF: Yes. The nature of Gulf's purchased power capacity costs recovered through the capacity cost recovery factors, in conjunction with Gulf's seasonal differences in energy (kWh) sales, is such that the current six-month recovery cycle routinely causes a major change in the recovery factors between the April-September and the October-March recovery periods. This variation in the recovery factors experienced by Gulf's customers primarily results from the significant differences between the Company's energy (kWh) sales occurring in the April-September recovery period and those sales occurring in the October-March recovery period. By changing Gulf's capacity cost recovery cycle to allow the Company to apply one set of twelve-month factors established on an annual basis, Gulf's customers will benefit because the resulting factors will be levelized over the year. (Howell, Cranmer)

The proposed issue and the statement of position set forth above are preliminary in nature. Gulf expects to address this issue in its projection testimony and exhibits to be filed later this month in

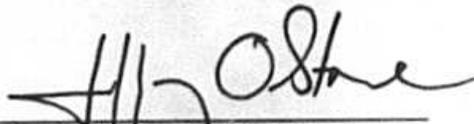
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FPSC-RECORDS/REPORTING

anticipation of the regularly scheduled hearings to be held in August regarding this docket. It is anticipated that the Company's testimony and exhibits for the August hearing will present both the traditional six-month recovery factors and the proposed alternative twelve-month recovery factors.

Respectfully submitted this 1st day of June 1995.



JEFFREY A. STONE
Florida Bar No. 325953
RUSSELL A. BADDERS
Florida Bar No. 7455
Beggs & Lane
P. O. Box 12950
(700 Blount Building)
Pensacola, FL 32576-2950
(904) 432-2451
Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power Cost)
Recovery Clause with Generating)
Performance Incentive Factor)

Docket No. 950001-EI

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail this 1st day of June 1995 on the following:

Martha Brown, Esquire
FL Public Service Commission
101 East Gaines Street
Tallahassee FL 32399-0863

Jack Shreve, Esquire
Office of Public Counsel
111 W. Madison St., Suite 812
Tallahassee FL 32399-1400

James McGee, Esquire
Florida Power Corporation
P. O. Box 14042
St. Petersburg FL 33733-4042

Matthew M. Childs, Esquire
Steel, Hector & Davis
215 South Monroe, Suite 601
Tallahassee FL 32301-1804

Suzanne Brownless, Esquire
2546 Blair Stone Pines Drive
Tallahassee FL 32301

Joseph A. McGlothlin, Esq.
McWhirter, Reeves, McGlothlin,
Davidson & Bakas, P.A.
315 S. Calhoun St., Suite 716
Tallahassee FL 32301

Lee L. Willis, Esquire
James D. Beasley, Esquire
Macfarlane Ausley Ferguson
& McMullen
P. O. Box 391
Tallahassee FL 32302

Floyd R. Self, Esquire
Messer, Vickers, Caparello,
French and Madison
P. O. Box 1876
Tallahassee FL 32302-1876

Richard J. Salem, Esquire
Salem, Saxon & Nielsen, P.A.
101 E. Kennedy Blvd.
Suite 3200, One Barnett Plaza
P. O. Box 3399
Tampa FL 33601

John W. McWhirter, Jr., Esq.
McWhirter, Reeves, McGlothlin,
Davidson & Bakas, P.A.
P. O. Box 3350
Tampa FL 33601-3350



JEFFREY A. STONE
Florida Bar No. 325953
RUSSELL A. BADDERS
Florida Bar No. 0007455
BEGGS & LANE
P. O. Box 12950
Pensacola FL 32576
(904) 432-2451
Attorneys for Gulf Power Company