

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Gulf Power Company's petition for authority) Docket No. 96 0789 -EI
to implement Gulf's proposed Commercial/Industrial) Filed: June 28, 1996
Service Rider on a pilot/experimental basis.)
_____)

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**MOTION FOR EXPEDITED CONSIDERATION OF GULF POWER COMPANY'S
PETITION FOR AUTHORITY TO IMPLEMENT PROPOSED
COMMERCIAL/INDUSTRIAL SERVICE RIDER
ON A PILOT/EXPERIMENTAL BASIS**

GULF POWER COMPANY ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned counsel, hereby requests the Florida Public Service Commission ("the Commission") to place the Company's Petition for Authority to Implement Proposed Commercial/Industrial Service Rider on a Pilot/Experimental Basis on the agenda for consideration by the full Commission at the agenda conference scheduled for July 16, 1996. In support of this motion, the Company states:

1. Gulf's petition described above has been filed with the Commission contemporaneously with the filing of this motion.
2. At its agenda conference on June 11, 1996, the Commission denied approval of Gulf's original proposed new optional Commercial/Industrial Service Rider ("CIS Rider"). Although it denied Gulf's petition in that proceeding (Docket No. 951161-EI), the Commission strongly encouraged Gulf Power to meet with the Commission's staff in an attempt to develop a solution to the staff's concerns with the original filing and quickly refile an amended tariff for implementation on a pilot or experimental basis.
3. Consistent with the direction received from the Commission from its discussion of the CIS Rider at the June 11 agenda conference, Gulf has meet with the staff on two occasions since June 11 (June 20 and June 27) and has expedited the Company's development of the revised

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tariff sheets and Pilot Study Implementation Plan attached to its petition in this docket. This pilot/experimental rate schedule is designed to provide Gulf with a tool needed to achieve benefits for its general body of customers in the form of retained or added contribution to fixed costs from incremental load on Gulf's system. These benefits would otherwise not exist in the absence of the flexibility to negotiate terms and conditions for service to specific customers with "at-risk" load on a timely basis that is contemplated by the Company's proposed experimental rate schedule and pilot study implementation plan set forth in Gulf's petition.

4. Gulf Power's initial request for flexible contracting authority via its proposed CIS Rider was filed September 27, 1995. Since that time, at least one neighboring state commission has granted similar authority to a large investor-owned electric utility under its jurisdiction. That utility apparently already has some load covered under contracts executed by the utility pursuant to the authority granted by its commission. Gulf is aware of several pending situations where the tool represented by the Company's proposed rate schedule may prove critical to Gulf's ability to obtain the benefits associated with attracting or retaining otherwise "at-risk" load for Gulf's system and the Company's general body of customers. The existing mechanism for dealing with special contracts with its requirement of pre-approval injects too much uncertainty and delay into the negotiating process.¹ In order to enhance the Company's ability to be successful in

¹Gulf is aware of four special contracts by electric utilities that have been presented to the Commission for approval under the special contract rule, Rule 25-9.034 F.A.C., three of which were approved as being in the best interests of the electric utility's general body of customers. Gulf's existing Air Products contract was filed for approval on May 1, 1987 and was approved by an order issued July 5, 1988, over fourteen months later. FP&L's proposed Union Carbide contract was filed for approval on October 2, 1987 and was denied approval by an order issued April 26, 1988. Gulf's Monsanto contract was filed for approval on May 5, 1988 and was approved by an order issued October 17, 1988, over five months later. The City of Tallahassee's contract regarding service to the magnetic laboratory was filed for approval on November 30,

negotiations for the opportunity to serve “at-risk” load, it needs to have the authority to be both flexible in its proposals and firm in its commitments to those proposals. The Company also needs the ability to respond to customer demands in a timely manner. Gulf’s proposed rate schedule, if approved, provides the Company with that needed authority and removes some of the regulatory constraint that impedes that ability.

5. By its petition in this docket and this request for expedited consideration, Gulf is attempting to give the Florida Public Service Commission and Gulf Power Company the opportunity to study the impacts and effects of a trial implementation of the Company’s proposed Commercial and Industrial Service (“CIS”) Rider under “real world” conditions. As noted by several Commissioners at the June 11 agenda conference, this proposed pilot study need not wait for the conclusion of the generic proceeding opened as a result of the Commission’s vote on June 11, 1996 in Docket No. 951161-EI.²

6. Assuming the Commission considers and approves Gulf’s proposed rate schedule and implementation plan at the July 16, 1996 agenda conference, the tool will not be immediately available to the Company. There is an inherent lag in the regulatory process resulting from the need to issue an order and allow a protest period to expire before the new tariff can be effective.

1994 and approved by an order issued April 12, 1995, approximately five months later.

²From the discussion at the June 11, 1996 agenda conference:

COMMISSIONER DEASON: . . . But what I was hoping is, after the discussion today we could identify what was wrong with this tariff, send it back, and say, “Gulf, this is what was wrong. Work with our staff and see if these problems can be addressed, refile your tariff. See how quickly we can get it done so we can give you the tool that you need.”

CHAIRMAN CLARK: Well, I would suggest that even opening a generic investigation doesn’t prevent them from doing just that.

COMMISSIONER GARCIA: Absolutely.

Agenda Transcript at pages 56-57.

WHEREFORE, Gulf Power Company respectfully requests that this matter be brought before the Commission for its consideration at the earliest possible date. If at all possible, Gulf would like to have this matter considered as part of the Commission's agenda conference scheduled for July 16, 1996.

Respectfully submitted the 28th day of June, 1996.

A handwritten signature in black ink, appearing to read "J. A. Stone", written over a horizontal line.

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CERTIFICATE OF SERVICE

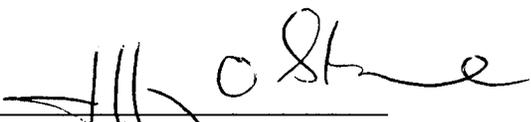
I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery
(or U.S. Mail as noted) this 28th day of June, 1996 on the following:

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