ORIGINAL

GULF POWER COMPANY

Before the Florida Public Service Commission
Supplemental Direct Testimony of
Robert G. Moore
Docket No. 990325-EI
Date of Filing: May 17, 1999

Q. Please state your name and business address.

A. My name is Robert G. Moore, and my business address is One Energy Place, Pensacola, Florida 32520.

Q. Have you previously filed direct testimony in this docket?

A. Yes.

Q. What is the purpose of your supplemental direct testimony?

A. Since the Need Study was filed, Gulf has continued to refine the engineering design for Smith Unit 3 in an effort to achieve the best overall value. The purpose of this testimony is to describe the design changes that Gulf has made, and to update the construction cost estimate for the unit.

Q. Have you prepared an exhibit that contains information on these updates?

A. Yes. I have an exhibit consisting of one schedule that was prepared under my supervision and direction.

Counsel: We ask that Mr. Moore's Schedule 3 be marked as Exhibit ____ (RGM-2).

Q. What changes has Gulf made in the unit's design since the Need Study was filed?

A. Gulf has made changes to the steam fired portion of the combined cycle unit that allow it to produce a higher mass steam flow through the steam turbine.

Q. What is the effect of these changes?

A. As a result of these changes, the summer peak capacity of the unit has increased by 34 MW, from approximately 540 MW to approximately 574 MW. The changes associated with this 6.3% increase in maximum unit capability result in a slight reduction in the average annual output of the unit, from 521 MW to 519 MW. They also result in a slight increase in the average annual heat rate for the unit from 6,741 Btu/KWH to 6,761 Btu/KWH.

Q. Please describe the change in the total installed cost estimate for Smith Unit 3.

A. The total nominal cost estimate for Smith Unit 3 has increased by $9,670,000 to $196,922,000. On a per KW basis, the estimated total nominal cost has decreased from approximately $347/KW to approximately $343/KW. A breakdown of the updated cost estimate is shown on Schedule 3.

Q. Has Gulf analyzed the effect of these design and cost changes on the overall cost-effectiveness of the project?

A. Yes. Our analysis shows that these design changes provide additional benefits to Gulf and its customers. Ms. Burke will provide the details of this analysis. Based on this analysis, we are asking the Commission to find that Gulf has a need for the 574 MW represented by Smith Unit 3, and that this project is the most cost-effective alternative available.

Q. Does this conclude your testimony?

A. Yes.

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Docket No. 990325-EI
GULF POWER COMPANY
Witness: Robert G. Moore
Exhibit _____ (RGM-2)
Schedule 3

INSTALLED COST ESTIMATE FOR SMITH UNIT 3

DESCRIPTION:	AMOUNT (2002$)
Indirects	$ 25,661,966
Site, General	6,701,846
Heat Recovery Steam Generator Area	39,741,570
Turbine & Generator Area	91,143,505
Fuel Facilities (metering only)	856,111
Plant Water Systems	13,443,351
Electrical Distribution & Switchyard	12,847,183
Plant Instrumentation & Controls	2,591,303
Other	3,936,065
TOTAL	$196,922,900

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 990325-EI

Before me the undersigned authority, personally appeared Robert G. Moore, who being first duly sworn, deposes, and says that he is the Vice President of Power Generation and Transmission of Gulf Power Company, a Maine corporation, that the foregoing is true and correct to the best of his knowledge, information, and belief. He is personally known to me.

Robert G. Moore

Robert G. Moore
Vice President - Power Generation
and Transmission

Sworn to and subscribed before me this 14th day of May, 1999.

Notary Public, State of Florida at Large

NOTARY PUBLIC STATE OF FLORIDA

OFFICIAL SEAL
JEFFREY A. STONE
MY COMMISSION EXPIRES
APRIL 22, 2000
Comm. No. CC 525231