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September 26, 2005

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 050002-EG

Enclosed for official filing in the above referenced docket are an original and ten (10) copies of the following:

1. Petition of Gulf Power Company.
2. Prepared direct testimony and exhibit of William D. Eggart.

Also enclosed is a 3.5 inch double sided, high density diskette containing the Petition in Microsoft Word format as prepared on a Windows NT based computer.

Sincerely,

A handwritten signature in cursive script that reads "Susan D. Ritenour".

lw

Enclosures

cc: Beggs and Lane
J. A. Stone, Esq.

DOCUMENT NUMBER-DATE

09161 SEP 27 05

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost Recovery)
_____)

Docket No. 050002-EG

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail this 26th day of September 2005 to the following:

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Conservation Cost Recovery)
) Docket No.: 050002-EG
) Filed: September 27, 2005
)

**PETITION OF GULF POWER COMPANY FOR APPROVAL OF
THE FINAL CONSERVATION COST RECOVERY TRUE-UP AMOUNTS
FOR JANUARY 2004 THROUGH DECEMBER 2004;
ESTIMATED CONSERVATION COST RECOVERY TRUE-UP AMOUNTS
FOR JANUARY 2005 THROUGH DECEMBER 2005;
PROJECTED CONSERVATION COST RECOVERY AMOUNTS
FOR JANUARY 2006 THROUGH DECEMBER 2006;
AND THE CONSERVATION COST RECOVERY FACTORS TO BE APPLIED
BEGINNING WITH THE PERIOD JANUARY 2006 THROUGH DECEMBER 2006**

Notices and communications with respect to this petition and docket should be addressed to:

Jeffrey A. Stone
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Pensacola, FL 32591

Susan D. Ritenour
Secretary and Treasurer
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780

GULF POWER COMPANY ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned attorneys, and pursuant to Section 366.82(5) of the Florida Statutes and Rule 25-17.015 of the Florida Administrative Code, hereby petitions the Florida Public Service Commission for recovery of the final conservation cost recovery true-up amounts for January 2004 through December 2004; for approval of its estimated energy conservation true-up factor for the period January 2005 through December 2005 for approval of the projected energy conservation amounts for the period January 2006 through December 2006; and for approval of the proposed energy conservation cost recovery factors to be applied beginning with the period

January 2006 through December 2006. In support thereof the Company would respectfully show:

1. Gulf is a corporation with its headquarters located at 500 Bayfront Parkway, Pensacola, Florida 32520. The Company is an investor-owned electric utility operating under the jurisdiction of this Commission.

2. Pursuant to Section 366.82 of the Florida Statutes, Gulf's energy conservation programs and goals have been approved and adopted by order of this Commission. The implementation of these programs has resulted in certain reasonable and prudent unreimbursed costs incurred or to be incurred which the Company hereby petitions to be recovered through its rates and charges pursuant to Rule 25-17.015, F.A.C., and the orders and procedures of this Commission.

3. Incorporated by reference into this petition are the testimony and exhibit of William D. Eggart, submitted in May 2005 and the testimony and exhibit of William D. Eggart submitted with this petition.¹ The two composite exhibits present reports of Gulf's various programs and incorporate the appropriate and necessary data and information to show the energy conservation cost calculations projected for the period January 2006 through December 2006 and the appropriate true-up adjustment to be applied based on actual data through August 2005 and estimated data for the remainder of the period through December 2005.

¹The composite exhibit attached to the May testimony contains the Company's CT schedules for the twelve month period ending December 2004. The composite exhibit attached to this testimony contains the Company's C schedules for the twelve month period ending December 2005 and includes data related to the current period January through August 2005 actual and September through December 2005 estimated.

4. The "final conservation cost recovery true-up amounts" were filed with the Commission in May 2005 as shown on Schedule CT-1. The final true-up amount for the period January 2004 through December 2004, as presented in the testimony and exhibit of William D. Eggart filed in May 2005, is \$396,983 over recovery which amount is hereby submitted for approval by the Commission to be included in the calculation of the conservation cost recovery factors to be refunded in the next period.

5. Gulf has calculated its estimated true-up amount for the period ending December 2005 to be an over recovery of \$486,491. This amount is hereby submitted for approval by the Commission to be included in the calculation of the conservation cost recovery factors to be collected during the projection period.

6. Gulf projects recoverable expenditures of \$10,001,621 for its approved conservation programs during the twelve month period beginning January 2006 and ending December 2006.

7. Gulf projects its retail energy sales during the period January 2006 through December 2006 will be 11,319,439,000 kilowatthours (kWh).

8. On the basis of the final true-up for the period January 2004 through December 2004, the estimated true-up for the period January 2005 through December 2005, the cost projections for the period January 2006 through December 2006, and proper consideration of both projected kilowatthour sales and the adjustment for revenue taxes, the Company's proposed conservation cost recovery factors by customer class for the period January 2006 through December 2006 are as follows:

RATE CLASS	CONSERVATION COST RECOVERY FACTORS 4/kWh
RS, RST	0.088
GS	0.087
GSD, GSDT, GSTOU	0.084
LP, LPT	0.079
PX, PXT, RTP, CSA	0.074
OSI, OS11	0.069
OSIII	0.077
SBS	0.074

WHEREFORE, Gulf Power Company respectfully requests the Commission to authorize the Company to recover its unreimbursed costs reasonably and prudently incurred in accordance with this petition and thereby approve the final conservation cost recovery true-up amounts for the period January 2004 through December 2004, the estimated conservation cost recovery true-up amount for January 2005 through December 2005, the projected conservation

cost recovery amounts for January 2006 through December 2006, and the conservation cost recovery factors to be applied beginning with the period January 2006 through December 2006.

Dated this 26th day of October 2005



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