

ORIGINAL

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Subject: Docket 060007-EI
Attachments: gulfpositions07.pdf

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The Docket No is: 060007-EI Environmental Cost Recovery Clause

Gulf Power Company - PRELIMINARY STATEMENT REGARDING ISSUES AND POSITIONS

Total Number of Pages: 4

Preliminary Statement of Gulf Power regarding issues and positions and Certificate of Service

- CMP _____
- COM _____
- CTR _____
- ECR _____
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- OPC _____
- RCA _____
- SCR _____
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DOCUMENT NUMBER-DATE:

08524 SEP 15 06

FPSC-COMMISSION CLERK

9/15/2006

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost)
Recovery Clause.)
_____)

Docket No. 060007-EI
Filed: September 15, 2006

PRELIMINARY STATEMENT OF GULF POWER COMPANY REGARDING ISSUES AND POSITIONS

Gulf Power Company, ("Gulf Power", "Gulf", or "the "Company"), by and through its undersigned attorneys, hereby files this preliminary statement of issues and positions, saying:

Generic Environmental Cost Recovery Issues

ISSUE 1: What are the appropriate final environmental cost recovery true-up amounts for the period January 2005 through December 2005?

GULF: Over recovery \$1,659,043. (Vick, Martin)

ISSUE 2: What are the estimated environmental cost recovery true-up amounts for the period January, 2006 through December, 2006?

GULF: Over recovery \$2,874,720. (Vick, Martin)

ISSUE 3: What are the total environmental cost recovery true-up amounts to be collected/refunded during the period January 2007 though December 2007?

GULF: Refund of \$4,533,763. (excluding revenue taxes). (Martin)

ISSUE 4: What are the appropriate projected environmental cost amounts to be included in the recovery factors for the period January 2007 through December 2007?

GULF: \$48,178,803. (Vick, Martin)

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2007 through December 2007?

DOCUMENT NUMBER-DATE

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GULF: The depreciation rates used to calculate the depreciation expense should be the rates that are in effect during the period the allowed capital investment is in service. (Martin)

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2007 through December 2007?

GULF: The demand jurisdictional separation factor is 96.64872%. Energy jurisdictional separation factors are calculated each month based on retail KWH sales as a percentage of projected total territorial KWH sales. (Martin)

ISSUE 7: What are the appropriate Environmental Cost Recovery Factors for each rate group?

GULF: See table below: (Martin)

RATE CLASS	ENVIRONMENTAL COST RECOVERY FACTORS ¢/KWH
RS, RSVP	.387
GS	.385
GSD, GSDT, GSTOU	.379
LP, LPT	.367
PX, PXT, RTP, SBS	.357
OS-I/II	.354
OSIII	.367

ISSUE 8: What should be the effective date of the new environmental cost recovery factors for billing purposes?

GULF: The factors should be effective beginning with the specified billing cycle and thereafter for the period January, 2007, through December, 2007. Billing cycles may start before January 1, 2007, and the last cycle may be read after December 31, 2007, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. (Martin)

Company-Specific Environmental Cost Recovery Issues

NONE RAISED BY GULF POWER COMPANY

Respectfully submitted this 15th day of September, 2006.

/s/Russell A. Badders

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: **Environmental Cost**)
Recovery Clause)
_____)

Docket No.: **060007-EI**

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished
this 15th day of September, 2006, by U. S. mail to the following:

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