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REDACTED



November 16, 2007

Ms. Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0850

0602SI-EI

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07 NOV 19 PM 4:05
COMMISSION
CLERK

Re: Gulf Power Company's Electric Service
Quality and Reliability Audit -- Undocketed

Dear Ms. Cole:

Enclosed are an original and seven copies of Gulf Power's Request to Extend Confidential Classification Regarding Document Requests 1.6a, 1.21, 1.24, 1.30a, 1.32, 1.33a, 2.3e-f, 3.3b, 3.4, 4.4a-b and certain auditor working papers.

- CMP
- COM
- CTR
- ECR
- GCL 1
- OPC
- RCA
- SCR
- SGA
- SEC
- OTH None

Sincerely,

Susan D. Ritenour
buh

bh

Enclosures

cc w/encl.: Beggs & Lane
Jeffrey A. Stone, Esq.

DOCUMENT NUMBER-DATE
10390 NOV 19 07
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Gulf Power Company Electric
Service Quality and Reliability Audit

Docket No.: Undocketed
Date: November 19, 2007

REQUEST FOR EXTENDED CONFIDENTIAL CLASSIFICATION

GULF POWER COMPANY ["Gulf Power", "Gulf", or the "Company"], by and through its undersigned attorney and pursuant to Rule 25-22.006, Florida Administrative Code, hereby files a request that the Florida Public Service Commission enter an order extending confidential classification protecting from public disclosure Gulf Power's responses to Document Requests ("DR") 1.6a, 1.21, 1.24, 1.30a, 1.32, 1.33a, 2.3e-f, 3.3b, 3.4, 4.4a-b and certain auditor working papers. As grounds for this request, the Company states:

1. On March 14, 2006, Gulf filed its initial Request for Confidential Classification of certain portions of Gulf Power's responses to Document Requests ("DR") 1.6a, 1.21, 1.24, 1.30a, 1.32, 1.33a, 2.3e-f, 3.3b, 3.4, 4.4a-b and certain auditor working papers generated in connection with a Commission audit of Gulf Power's electric service quality and reliability (the "confidential documents").

2. On May 19, 2006, the Commission entered Order No. PSC-06-0427-CFO-EI granting Gulf Power's request.

3. As provided in section 366.093(4), Florida Statutes, and by the Commission's Order, the confidential documents will be made public after a period of 18 months unless Gulf or another affected party shows, and the Commission finds, that the confidential documents continue to contain proprietary confidential business information.

4. Gulf hereby requests that the Commission enter an order extending the confidential classification of the confidential documents for an additional 18-month period.

5. The confidential documents are entitled to continued confidential classification for the same reasons they were initially classified. As stated in Gulf's initial Request, the confidential

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documents contain proprietary and commercially sensitive information regarding competitive interests, trade secrets and contractual matters of Gulf Power, which if disclosed to the general public, would cause irreparable harm to Gulf Power and its customers. This information is entitled to continued confidential classification pursuant to section 366.093(3)(d) and (e), Florida Statutes.

A. Responses to Document Request One

6. The documents provided in response to DR-1.6a (pg. 2-21), DR-1.21 (pg. 3-8), DR-1.24 (pg. 3-16), DR-1.30a (pg. 3-9); DR-1.32 (exhibit 1), and DR-1.33a (exhibits 1-2) are entitled to confidential classification pursuant to section 366.093(3)(a) and (e), Florida Statutes. The documents contain proprietary business information which would cause irreparable harm to Gulf Power Company's competitive business interests if such information is disclosed to the general public. Specifically, with the exception of the responses to DR-1.30a (pg. 3-9) and DR-1.6a (pg. 2-21), the documents produced in response to document request 1 contain excerpts and/or summaries from proprietary Gulf Power and Southern Company procedures and specifications plates. The procedures and specifications contained in the plates embody Gulf Power and Southern Company's best practices on how to operate their systems. Revelation of this information would provide Gulf Power's competitors access to the Company's internal procedures and specifications and allow competitors to optimize their own systems at Gulf Power's expense. The response to DR-1.30a (pg. 3-9) reflects the types of distribution, transmission and substation transformers used by the Company and the current load characteristics and assumptions for the use of each. This is competitively sensitive proprietary business information which would cause irreparable harm to Gulf Power Company's competitive business interests if such information is disclosed to the general public. Like the plates discussed above, these documents embody Gulf Power and Southern Company's best practices on how to operate their systems. Revelation of this information would provide Gulf Power's competitors access to the Company's internal procedures and specifications and allow competitors to optimize their own systems at Gulf Power's expense.

7. Gulf Power's response to DR-1.6a (pg. 2-21) contains results of externally prepared customer surveys. These surveys are the property of the contractors who prepared them and are subject to a confidentiality agreement. Moreover, the Company uses the results of these surveys to gauge its performance relative to its competitors. The business strengths and weaknesses revealed by the surveys, as well as the survey questions themselves, constitute competitively sensitive information insofar as revelation of such information would allow competitors to optimize their systems and practices at Gulf Power's expense. These documents are entitled to confidential classification pursuant to Florida Statute section 366.093(e).

B. Responses to Document Request Two

8. The written responses provided in response to DR-2.3e-f are entitled to confidential classification pursuant to section 366.093(e), Florida Statutes. The responses contain competitively sensitive proprietary business information which would cause irreparable harm to Gulf Power Company's competitive business interests if such information is disclosed to the general public. Specifically, the responses outline employee target award opportunity goals, their annual achievement rates and dollars awarded. These documents reflect the company's design and structure of a compensation plan that allows it to successfully recruit and retain employees in a competitive market. It is akin to pricing of contracts for commodities and its disclosure would impair the Company's efforts to compete for qualified employees. This information is therefore protected pursuant to section 366.093(e), Florida Statutes.

C. Responses to Document Request Three

9. The documents provided in response to DR-3.3(b) are entitled to confidential classification pursuant to section 366.093(3)(e), Florida Statutes. The documents contain proprietary business information which would cause irreparable harm to Gulf Power Company's competitive business interests if such information is disclosed to the general public. Specifically,

the documents reflect an externally prepared assessment/critique of Gulf Power's response to hurricanes occurring in 2004. The assessment outlines Company hurricane protocols in detail along with strengths, weaknesses and suggestions for improvement. Disclosure of this information would harm Gulf Power insofar as it would reveal how the Company allocates its financial and non-financial resources relative to hurricane preparedness and would allow Gulf's competitors to capitalize on such information and optimize their practices at Gulf Power's expense.

10. The documents provided in response to DR-3.4 are entitled to confidential classification pursuant to section 366.093(3)(a) and (e), Florida Statutes. The documents contain proprietary business information which would cause irreparable harm to Gulf Power Company's competitive business interests if such information is disclosed to the general public. Specifically, the documents consist of Gulf Power's Area Distribution Studies. Company area distribution studies are akin to an audit. They are self-critical analyses which reveal internal company practices and procedures related to distribution and distribution reliability. Disclosure of this information would harm the Company insofar as it would allow competitors to capitalize on identified weaknesses and emulate identified strengths at the Company's expense.

C. Responses to Document Request Four

11. The documents provided in response to DR-4.4a-b (pg. 2-3) are entitled to confidential classification pursuant to section 366.093(3)(e), Florida Statutes. The documents contain proprietary business information which would cause irreparable harm to Gulf Power Company's competitive business interests if such information is disclosed to the general public. Specifically, the documents consist of company operational and financial targeted goals for employee performance. These documents reflect the Company's internal strategy for improving reliability and its business processes generally. Additionally, they reflect those specific operational goals which Gulf Power emphasizes in order to best serve its customers and the

degree to which such goals are emphasized relative to one another. Finally, the documents reflect the Company's monetary expenditures in furtherance of those goals. All of this information together provides insight into internal Company strategy which, if publicly disclosed, could be used by competitors to optimize their own business strategies at Gulf Power's expense.

D. Auditors' Working Papers

12. Gulf Power is also seeking extended confidential classification of certain portions of the auditors' working papers. The Company seeks confidential classification of page 8, lines 3 and 4 of an auditor's handwritten notes dated 10/19/05 and titled "Audits – Reliability Review" which references a specific monetary amount paid to an outside contractor. This information is entitled to confidential classification pursuant to section 366.093(3)(d), Florida Statutes, as contractual data the disclosure of which would impair efforts of Gulf Power to contract for goods and services on favorable terms.

13. Additionally, the Company seeks extended confidential classification for page 4, lines 8-27 and page 5, lines 1-8 of an auditor's handwritten notes entitled "Responses to Audits & Recs." This information is entitled to confidential classification pursuant to section 366.093(3)(b), Florida Statutes, as it summarizes the results of an internal compliance audit performed by Gulf power of its Pensacola District.

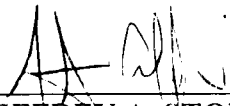
14. Finally, the Company seeks extended confidential classification for page 15, column B lines 5-19 of the "Document Summary and Control Log" for documents produced in response to DR-1. This information summarizes the documents produced in response to DR-1.30a and is confidential for the same reasons stated in paragraph 6 above.

15. To the best of this attorney's knowledge, all of the information filed pursuant to this Request is intended to be, and is treated as, confidential by the Gulf Power and has not been otherwise publicly disclosed.

16. Submitted as Exhibit "A" are copies of Gulf Power's responses to Document Requests 1.6a (pg. 2-21), 1.21 (pg. 3-8), 1.24 (3-16), 1.30a (pg. 3-9), 1.32 (exhibit 1), 1.33a (exhibits 1-2), 2.3e-f, 3.3b, 3.4, 4.4a-b and previously specified portions of auditor working papers. The confidential portions of the auditors' working papers and parts e-f of the response to DR-2.3 have been highlighted. Because Gulf Power is requesting confidential treatment for the remaining documents in their entirety, Gulf has not highlighted them. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" to this request are two copies of the redacted materials. Attached as Exhibit "C" to this request is a line-by-line/field-by-field justification for the request for confidential classification.

WHEREFORE, Gulf Power Company respectfully requests that the Commission enter an order protecting the information identified in Exhibit "A" from public disclosure as proprietary business information.

Respectfully submitted this 16th day of November, 2007.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

N RE: Gulf Power Company Electric
Service Quality and Reliability Audit

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REQUEST FOR CONFIDENTIAL CLASSIFICATION

EXHIBIT "A"

Provided to the Division Clerk under separate cover as
confidential information.

EXHIBIT "B"

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Please provide copies of customer surveys and results the company has conducted, or contracted to be completed, to survey customer opinion regarding Gulf Power's service quality and reliability during the period 1999-2005.

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Annual Public Opinion Questions

1999 - 2005

Please tell me if you agree, disagree, or have no opinion as to whether Gulf Power is doing a good job on (ATTRIBUTE).

	<u>Agree</u>	<u>Disagree</u>	<u>No Opinion</u>
Maintaining Reliable Service	1	2	3
Restoring service quickly when it goes out	1	2	3

Annual Public Opinion Results

		Public Confidence Results by Year					
		(% who strongly/somewhat agree with statements)					
<u>Attributes</u>	(Base)	Jan./	March/	May/	July/	Sept./	Nov./
		Feb.	April	June	August	Oct.	Dec.
		(200)	(200)	(200)	(200)	(200)	(200)
		%	%	%	%	%	%
1999							
Maintaining reliable service		88	94	94	94	92	96
Restoring service quickly when it goes out		84	90	82	94	89	86
2000							
Maintaining reliable service		95	93	92	94	89	92
Restoring service quickly when it goes out		87	91	88	88	84	89
2001							
Maintaining reliable service		92	91	96	94	94	92
Restoring service quickly when it goes out		88	88	90	88	93	88
2002							
Maintaining reliable service		92	94	92	92	94	90
Restoring service quickly when it goes out		86	87	81	86	88	88
2003							
Maintaining reliable service		90	92	90	92	92	94
Restoring service quickly when it goes out		86	86	84	88	88	90
2004							
Maintaining reliable service		92	92	90	94	93	92
Restoring service quickly when it goes out		86	86	86	88	88	92
2005							
Maintaining reliable service		94	94	95	93		
Restoring service quickly when it goes out		91	90	90	88		

F. Distribution and Transmission Ongoing, Remedial and Targeted Improvement Programs

Lightning Programs

21. Provide a current copy of the company's lightning protection procedures for distribution, transmission and substation facilities.

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Page 2 of 8

ANSWER:

Distribution

See attached distribution construction plates:

<u>Plate</u>	<u>Page</u>
OBZ-4	3
ODZ-1	4
OKZ-1	5
SOE01002	6
SOF00501	7
SOG01001	8

Transmission

Gulf Power does not have a written procedure for transmission lightning protection.

Substation

Gulf Power does not have a written procedure for substation lightning protection.

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Provide a copy of company animal protection procedures or guidelines for distribution transmission and substation facilities.

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ANSWER: See attached documents listed below:

Gulf Specific Specification Plate OTZ-1
Gulf Specific Specification Plate OTZ-2
Southern Company Specification Plate SOE-02.001
Southern Company Specification Plate SOE-03.001
Southern Company Specification Plate SOE-03.501
Southern Company Specification Plate SOE-03.801
Southern Company Specification Plate SOE-04.001
Southern Company Specification Plate SOE-05.001
Southern Company Specification Plate SOE-06.001
Southern Company Specification Plate SOE-07.001
Southern Company Specification Plate SOE-08.001
Southern Company Specification Plate SOE-09.001
Southern Company Specification Plate SOG-02.001
Southern Company Specification Plate SOG-03.001

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F. Distribution and Transmission Ongoing, Remedial and Targeted Improvement Programs

Transformer Loading

30. a. List separately the types of distribution, transmission and substation transformers used by the company, if not previously described, and the current load characteristics and assumptions for the use of each.

ANSWER:

Distribution Transformers

The types of distribution transformers are:

- Single phase overhead (10 kVA to 167 kVA)
- Single phase underground (25 kVA to 167 kVA)
- Three phase padmount (112.5 kVA to 2500 kVA)

For loading guidelines see charts on pages 3 thru 7.

Transmission and Substation Transformers

The types of transmission and substation transformers are:

- Single phase medium power (60 MVA or less)
- Three phase medium power (60 MVA or less)
- Three phase auto banks (Greater than 100 MVA)
- Three phase station service (60 MVA or less)
- Three phase generator step up (various - sized to Generator unit)
- Single Phase Station Service (Distribution Class)

For loading guidelines see charts on pages 8 and 9.

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Exhibit #1
Company Procedures relative to Substation Inspection Programs

Exhibit #1 to DR-1.32 consists of 80 pages.
Each of those pages has been redacted in its entirety.

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Document Request Number DR-1
Question # 33a
Exhibit 1
Pole and Overhead Line Inspection,
Wood Pole Treatment and Wood Pole Reinforcement
Technical Specifications

Exhibit #1 to DR-1.33a consists of 38 pages.
Each of those pages has been redacted in its entirety.

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Document Request Number DR-1
Question # 33a
Exhibit 2
Transmission Lines
Maintenance Standards




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Document Request DR-2

3. Explain Gulf Power's annual employee incentive program that relates to reliability and quality of service including:
 - a) When Gulf Power first began employee incentive programs for reliability and quality of service.
 - b) Whether incentives are based on individual, group or company-wide results.
 - c) An explanation of available annual incentive amount ranges for management and non-management employees.
 - d) An explanation of how management and non-management employee annual incentive amounts are calculated against performance.
 - e) Gulf Power's employee incentive targets each year 1999-2005 with actual achieved results.
 - f) Annual dollars paid for these incentives to management and non-management employees during 1999-2005.
 - g) An explanation of any administrative or other changes or revisions made to the employee incentive program during the period 1999-2005.

ANSWER:

Gulf Power does not have an annual employee incentive program that is strictly related to reliability and quality of service. Rather, Gulf incorporates goals regarding reliability and quality of service among the list of goals that are considered as part of Gulf's compensation program which involves paying employees based on performance. This program divides employee pay into two components: base pay or salary and performance pay. The performance pay component is a target award opportunity expressed as a percent of base pay or salary. The actual amount of performance pay is determined annually based on whether and to what degree annual operational, financial and individual goals are met. Based on achievement of company goals, an employee may earn up to two times their target award opportunity. This amount is subject to reduction if an employee's individual goals during a plan year are not achieved. Performance pay under the program is paid as a lump sum by March 15th for the previous fiscal year's performance.

- a) Reliability and quality of service have been determining factors for goal achievement in Gulf's program for performance pay since 1989.
- b) Gulf's program for performance pay is designed to reward all employees for achieving annual operational, financial and individual goals.
- c) Gulf's program for performance pay is a broad based annual program for which all employees are eligible. Each salary grade is assigned a target award opportunity expressed as a percent of salary. As a result, employees in the same grade have the same award opportunity.

d) Annually, operational goals (including customer satisfaction, transmission and distribution reliability, power plant availability, safety, cost and workforce diversity) and financial goals are established. At the end of the fiscal year, performance is measured against goals and goal achievement is determined. A factor is then applied against the employee's target award opportunity.

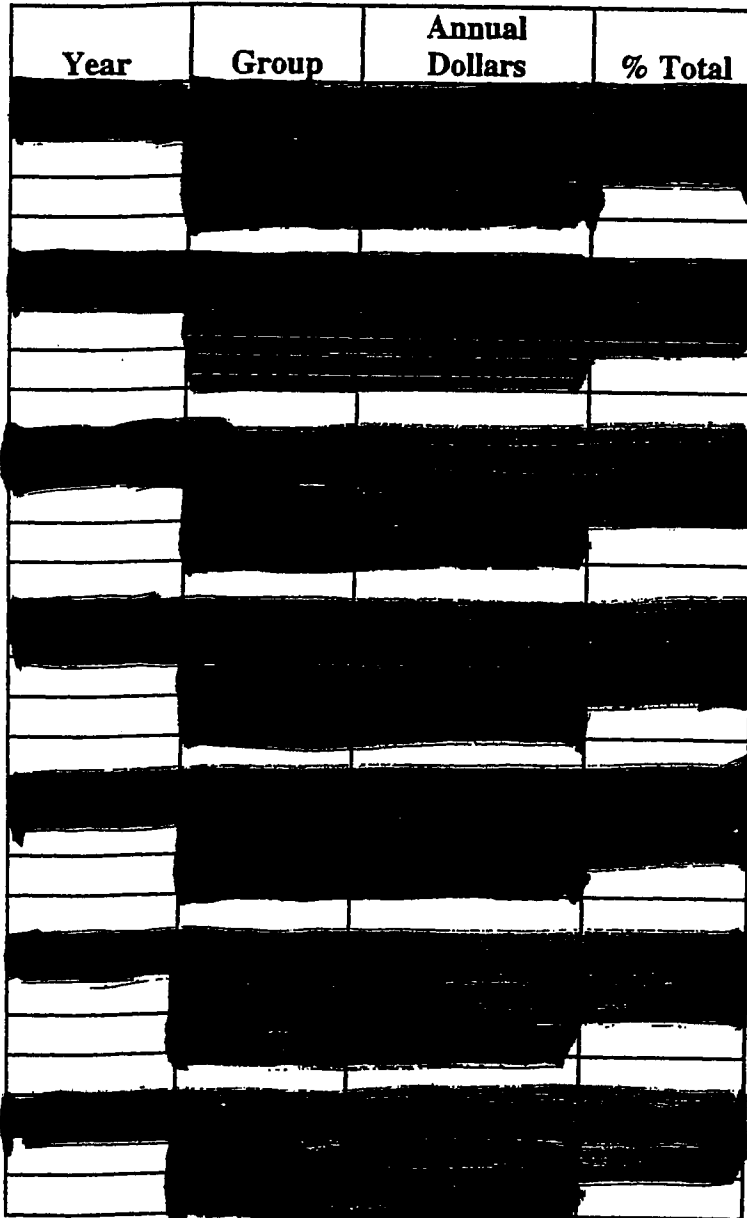
e)



Employee Group	Target Award Opportunity
[Redacted]	

Year Paid	Performance Pay Program Goal Achievement
[Redacted]	

f)



The table is a grid with four columns: 'Year', 'Group', 'Annual Dollars', and '% Total'. The content of the table is almost entirely obscured by thick black redaction bars. Only the column headers are clearly visible. There are approximately 15 rows in the table, with the first row containing the headers and the subsequent rows being redacted.

Year	Group	Annual Dollars	% Total

g) During the period 1999 – 2005, the following changes have been made to the program:

- For fiscal year 2000, paid in 2001, separate programs regarding performance pay for non-management and management were

combined into a single program. The newly redesigned program combined the target award opportunities of the former programs. This change was made to:

- To improve the ability to attract and retain high performing employees
- To provide a more market competitive plan design
- To create better alignment with business drivers.
- The operational goals were amended in 2001 to include workforce diversity and in 2004 to include safety.
- Bargaining-unit employees elected not to participate in 2003 and 2004, as determined by the collective bargaining agreement.

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Electric Service Quality & Reliability Management Review
Document Request Number: DR-3
Question # 3.b.
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Provide copies of any externally-prepared hurricane assessments or critiques completed for Gulf Power during the period 1999-2005.

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ANSWER:

Hurricanes 2004
Southern Company Emergency Ops Review

Hurricanes 2004
Southern Company Emergency Ops Review

Hurricanes 2004
Southern Company Emergency Ops Review

Hurricanes 2004
Southern Company Emergency Ops Review

Hurricanes 2004
Southern Company Emergency Ops Review

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Hurricanes 2004
Southern Company Emergency Ops Review

Hurricanes 2004
Southern Company Emergency Ops Review

Gulf Power Company
Electric Service Quality & Reliability Management Review
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Please provide the company operational and financial targeted goals for employee performance incentives during the period 1999-2005.

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Gulf Power Company
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Please provide the company achieved operational and financial performance results during the period 1999-2005.

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ANSWER:

See answer to DR-4 question 4a.

16/19/05 Audits - Reliability Review

①

① Review of Asplundh Contract ^(underground) 3/30/99

Auditing recommended Power Delivery

- 1) determine time reqts for Aspl coordinators to monitor work sites
- 2) review Aspl. coordinators job responsibilities & determine whether tasks need to be reassigned to meet monitoring responsibilities under the contract or if additional resources are needed.
- 3) suggested Aspl. coordinators record their O.T. hours (Power Delivery rpt concurred)
- 4) Establish an effective method to monitor inventory provided to Aspl.

Recommended Warehouse + P. Delivery

Noted numerous minor billing errors by Aspl. ^{early 1998} & noted reduction in recent months, recommended

- 1) Aspl. field coords should perform thorough reviews of timesheets
- 2) should use invoice control totals
- 3) be authorized to make minor invoice corrections (\$150 or less) to expedite processing

Overall noted "adequate controls ^{have been} established + ^{are} in place"

(2)

Audits (cont) (FPC-99-020)

② Power Delivery Compliance Audit (4th Qtr 99)

compliance w/ OSHA, Health + Safety, Environmental,
HR + Employment Law

Overall - No areas of signif. improvement needed (red)
- all others "Adequate" or "Caution - minor issue"
(green) (yellow)

③ Capital Project Mgt (FPC-99-005) 2/3/00

findings: 1) Personnel ^(Project Owners) assigned ownership of cap projects should be provided w/ defined proj. mgt responsibilities
2) Actual cost reports should be avail to P.O.s to assist them in meeting budget goals
3) Accountability for the work order closeout process should be reviewed

mgt agreed + provided action plans for completion
in Feb + Mar '00..

④ Joint Use Audit (FPC-99-014) 2/25/00

(audit of Cable TV + Telephone pole joint use contract)

reviewed billing + payment processes, compared
billings to contracts

Overall: Adequate controls established + are in place
to ensure contract compliance

Audits (Cont)
review of the

⑤ Line Equipment Service Center (FPC 1998003)

(svc center that repairs tx's, paints + repairs other property)

Overall:

Concluded adequate controls, noted some opportunities for improvement had been noted + appropriate action already taken by mgt (no elaboration as seen in follow up audit below)

followed up here

⑤ Line Equipment Svc Center (FPC 99-089) 3/6/00

[Follow up on 1998-003]

meeting held 4/19/99 discussed status of items from

"No process in place to track the effectiveness of repairs."
Rick Sanchez advised that a manual log had been implemented in 1999 for all units returned for repair. Premature to judge effectiveness.

"Communicate the mission/Vision of the LESC"
Rick [Sanchez] stated that he thinks the LESC is only about at 50% productivity ... Rick stated that Charlie Jordan occasionally asks him what his opinion is ^{regarding} the LESC as being of value

⑥ Review of Outdoor/Street Lighting (FPC 2000-08) 12/21/00

Overall: adequate controls ... we noted opportunities to strengthen overall effectiveness (10 page attachment)

Audits (cont)

Street Lights p. 6

Item No 3 - Tracking of Lights

Gulf has no current tracking system for its outdoor lights, street lights and additional facilities. Power Delivery has initiated efforts to explore feas. of developing a tracking system."

"Outdoor lights + customer-owned lights are not mapped"

"There are no controls to ensure all w.o.'s are mapped in FAMS"

mgt agreed with above findings indicating a guideline for sending w.o.'s to Drafting for mapping had been drafted + that the "Powerful Ideas" team was assessing cost/benefits for a tracking system for outdoor lights

p. 7 "One important tool no longer available since the implementation of CSS is the "On + Unbilled" report

mgt replies issue being worked on by CSS Support + they are discussing best route to take (WFM vs a report)

p. 12 "Auditor recommends...establishing a plan to periodically audit lighting accounts and specific geographical locations."

mgt. agreed



Audits (cont)

⑦ Power Delivery Compliance Audit (FPC 2000-023) Oct? 2000 (exit 10/13/00)

Health + Safety and Environmental, OSHA

Recommendations

- continue efforts to increase awareness + adherence to safe work practices
- completion of training to be included in Bull's Corrective Action Plan

Mgt agreed to comply

⑧ Underground Locates (FPC 2000-30) 11/00 ("exit" 11/6/00)

"All Clear", a contractor was acquired by Asplund in 3/00 it performs field audits of all employees

Utiliqued, another contractor, also performs quality checks covering about 5% of tickets per month

⑨ Strategic Systems Plans (SSP) Transmission (workorder 870Bt (mentions Internal Auditing but not necessarily an audit perse)

- Recs:
- Define ownership + review control of SSP
 - major initiatives shd be eval a functional level
 - SSP recs should include cost analysis + less expen option
 - Any E-commerce initiative should be in line

Audits (cont)

⑩ Power Delivery Compliance Audit (FPC 2001-20)

Health + Safety and Environmental regs

Recommendations:

- Gulf continue its efforts to increase awareness + adherence to "safe work practices" (noted 2 incidents observed of safety rules not followed)

⑪ Transmission Line Maintenance System TLMMS DSAM Compliance Review Summary (SCS 2001-60) March 14, 2002

Evaluation of TLMMS project mgt. on a So Co wide basis (Not really relevant for our purposes)

[Took some of Lynn's stack]

⑫ District Substations Compliance Audit Follow Up (FPC 2005-07) March 14, 2005

1 page report confirming that re-audit shows prior audit's finding of deficiency was resolved.

That finding related to annual review of Permit Required

Audits (cont)

(21)

Mastec Contract Review (FPC 2004-08) 9/12/05

Operational review of Gulf's contract w/ Mastec for underground distrib. work

Adequate controls have been established to ensure effective contract mgt.

Recommendations:

- 1) ^{of inventory reconciliation} refinement process continue to ensure functional area responsibilities are clearly defined & supporting documentation is retained as evidence of an effectively working control (?)
- 2) an evaluation of method of issuing & accounting for material in Pensacola area should be conducted before awarding new contract to establish consistency of ops.

[Mgt agreed to do by 9/30/05]

- Each underground Coordinator should review & approve timesheets for accuracy & completeness

[Mgt agreed to do by 1st Qtr 05]

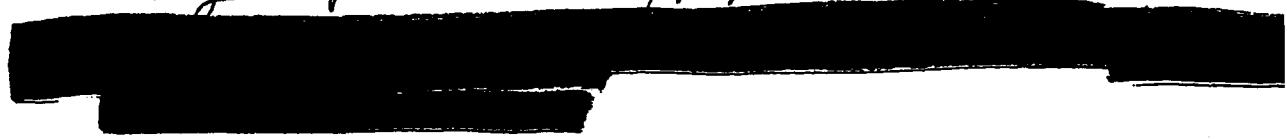
- UG Coordinator should sign each work order

[Mgt agreed to ^{require U.G. Coords to} approve W.O.'s returned from field by Mastec.

1 (22) TRIMS / Line Clearing (FPC 2000-13) 11/27/00

2
3
4

Audit of Gulf contract w/ Asplundh



Compliance w/ Contract

~~Our audit work~~

^ Certain processes are in place to help ensure Asplundh crews are adequately staffed and productive including a cost per mile goal, regular communication between the coordinators and the Asplundh general foremen, and field observations by the coordinators. Our audit work indicated the time available and allocated to field visits is limited. Lack of appropriate company oversight could lead to crew performance inefficiencies, decreases in quality, unsafe work practices, and improper billing. To reduce the potential risks to Gulf, Auditing suggests work activities be reviewed to ensure coordinator's time observing Asplundh crews is maximized.

In our opinion, adequate controls have been established & are in place...

1. Pensacola Dist. Compliance Audit Unannounced
Overall adequate compliance mgmt. programs for areas
reviewed & reasonable assurance of ongoing compliance w/
fed, state & local

1. Hazard Communication - unauthorized chemicals used by employees
2. Compliance Awareness - emphasize ongoing self-monitoring inspections of vehicles

2. Contract Admin. - Aepfundh (Transmission)
rebuild 40 miles of transmission line (8/01 - 5/02)
four jobs (\$3.7 million) Farley - Sivan Cemetery & B Smith Highland
City + Smith - Greenwood, and Callaway - Highland City. Contract
included project mgr to assist in oversight of Aepfundh crews
operations

- Effective controls to ensure contract work was awarded using Co. policy & proced.
- Compliance w/ contract specs; adequate # of trained employees on site to supervise
- Opportunities for enhancement in invoice approval & payment process
- * Project Mgrs. did not have Aepfundh hrs rates to verify extra work invoices
- * Several minor billing errors in unit price & extra work invoices
- * lack of supporting documentation (timesheets) on extra work invoices
- * original invoices submitted only to contracted project mgr.

(Have reviewed) Recommend that project mgrs maintain resp. for verification

Delayed Billing - Laglundh was slow to submit invoices for work performed + extra work (\$167,000)
 Rec. that Gulf mgmt. communicate and exercise penalty for slow contractor invoicing in future (Truman mgmt agreed)
 Contract Scope Issues - Lunch is separated from normal work hrs daily and per diem separated

3. Capital ~~Proj~~ Project Mgmt. - Trans.

- Goal is to maintain spending within \pm 1% - 3%
- Trans cap budget \$48 million in '01 \$25 million in '02
- Act/budget variance 1% in '01 and 4% in '02

- Effective Controls established to prepare budget set + monitor actual costs

Recs: Proj. Mgmt. - mgmt should assign a Project Mgr. at the PE level, document responsibilities of personnel

Mgmt. Response - Single individual to be designated as overall PE mgr. for admin. + budget purposes

Cost Estimating - Rec. detailed documentation to support calculation of estimated labor costs to serve as an aid to more accurately estimate future projects; Mgmt agreed

Budget Deviation - Rec criteria for variance criteria \pm of 10% or \$10,000 whichever is more be reviewed; Mgmt procedure should be updated; Corp Planning will monitor expenditures in the same manner as they have in the past and ensure proper approval of variance

Communicate a deadline by which orders are to be ^{closed} ~~complete~~ out; exceptions to be reviewed by mgmt or functional area. Trans agrees & will work w/ Plant Accty. to resolve outstanding orders and establish guidelines & ensure future WOs closed on time

4. Trans Contract Governance Review

Scope - Trans line & substation constr. & selected maint. contracts
- adequate & effective processes & controls over majority of trans. contract procurement & admin. activities

Recs - improve existing processes & controls

Properly acct. for & Control Materials Not Installed on Trans Constr. projects & Close WOs in a Timely Manner

- WOs not closed by Trans personnel & reinstalled materials stored @ substation facilities; overstatement of plant assets & corresponding depreciation expense.

Rec. - physical inventory of materials stored @ substation facilities to properly acct. for & control materials; Trans mgmt should establish criteria to ensure WOs are closed in timely manner
Trans agreed & Ken Trump (Trans Syst. Super.) to coordinate action plan for compliance by 11/15/03

Rec - Improve Contractor Perf. Eval. Process - Rec. SCMs & Trans Mgmt. implement a process providing documentation and retention of perf. evaluation for contractors both lump sum & T&M; Agree & name Ken Trump prepare action plan by 11/15/03 & all evaluations for 2003 to be completed by 12/31/03

Coordinated per Ken

Ken Trump

This was done per Ken

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Lini Equip. Soc. Center (Unannounced)

Rec. - Training SHIPS training records indicate not all have received safety training related to respective jobs

Rec. compliance personnel develop training matrix & provide non-essential & out of date training be provided AS

Mgmt agreed & developed a LTSC training plan & training to be sched by 12/31/03 & documented upon completion

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7. So. Co. Gov. Bus. Assurance 2003 Assessment
N/A So-Co Gov. review of Assurance & Ins.
Continuity; At So. Co level regarding implementation of
Systems w/in Southern system delay of EMS & CBS

8. Joint Use Findings Control Improvements Required
Corrective Action Due By 12/31/03

Pole Attack Survey w/attach from BellSouth + Joint Use
Due to litigation did not audit Cable TV Period 2000-2002
- Audit Rec to develop a process to track detachments to
support total detachments & credits

Project Govs implemented change & bar applied to 2003 billing
Effective controls established & in place

5/05 9.

74 Joint Use Findings; prior Deficiency Resolved
Hulf mgmt has adequately addressed control improvements
associated w/ the finding from the prior audit. Mgmt
responded to rec.

10.

Dist. Substar. Compliance Audit - Finding;
Control Improvement Req. Corrective Action: 10/9/0

Rec. - controls should be implemented to ensure required
annual review of permit ^{required} Confined Space permits be
performed & documented;

Answer: Mgt will develop a process or procedure to
ensure approp. annual review of Permit Required
Confined Space permits is performed and documented
Ken Jend, ^{Dist.} Substation and Transmission Mgr, & Roll. H. H. H.

DOCUMENT SUMMARY AND CONTROL LOG

Division of Competitive Markets and Enforcement

Bureau of Performance Analysis

Company: Gulf Power Company
 Area: Electric Service Quality
 Auditor(s): L. Fisher

Workload Control#: RR-04-07-001

File Name: \aces\doclog\gul\DR-1log.doc

Document #: DR-1.1

Date Requested: 9/15/05

Date Received: 9/28/05

Comments: (i.e., Confidential)

Document Title and Purpose of Review: a. Please provide the most current organizational box chart of Gulf Power's executive level management structure and the direct reporting responsibilities to Southern Company. b. Please provide the most current organizational box chart of Gulf Power's executive level management structure showing reporting responsibilities for transmission and distribution. c. Please provide the most current organizational box chart for Gulf Power's transmission and distribution organizations showing functional responsibilities for each management level. d. Provide the total number of Gulf Power's management and non-management employees within each functional reporting group for the period 1999-2005. e. Provide the total number of transmission and distribution management and non-management employees, by function, within each operating division, during the period 1999-2005. f. Please describe any changes in Gulf's executive level management structure or reporting structure during the period 1999-2005. g. Please describe any management structure or reporting structure changes in Gulf Power's distribution and transmission organizations during the period 1999-2005.

Summary of Contents: a.) The President & CEO of Gulf Power reports directly to the President & CEO, Chairman of Southern Company; The President & CEO of Gulf Power has four direct reporting vice presidents of External Affairs & Corp. Svcs., CFO & Controller, VP&SPO, and Customer Operations. b.) Distribution reports directly up through the Distribution Operations Manager to the Power Delivery General Manager to the Customer Operations VP; transmission reports through the Transmission Manager dotted line to the Power Delivery General Manager and direct line to the Sr. VP & Chief Transmission Officer at Southern Company; c.) The Distribution Operations Center, Dispatch Center and Distribution Operations report to the Distribution Operations Manager; Distribution Engineering and Construction for each of the districts report to the Distribution Engineering & Constr. Manager d.) the number of management and non-management employees for GPC in 1999-2005 are: 1999-nm 1171-mgmt. 149; 2000-nm 1165-mgmt. 152; 2001- nm 1145- mgmt. 159; 2002- nm 1163- mgmt. 163; 2003-nm 1163- mgmt. 161; 2004- nm 1171- mgmt. 159; 2005- nm 1171- mgmt. 169 e.) Data provided for 1999-9/05 shows employees by function and district are: 1999- nm 386- mgmt. 32; 2000- nm.391- mgmt. 36; 2001-nm 385- mgmt. 38; 2002-nm 394-mgmt. 38; 2003- nm 401- mgmt. 39; 2004- nm 415-mgmt. 37; 2005-nm 405- mgmt 47 f.&g) 7/1/00, Finance re-organized into two functions, Comptroller & CFO and Secretary/Treasury & Regional CIO; 3/30/02 Transmission and System Control moved from Power Generation to the Power Delivery & Customer Operations function; 7/1/03 Changed reporting business units to External Affairs & Corporate Services Organization; Human Resources reports to Gulf Power President & CEO; Marketing reports to VP Customer Operations; 9/1/03 Secretary/Treasury and Regulatory reports to VP CFO & Comptroller; 4/4/04 T&D functions combined 4/28/04 Safety & Health reports to VP External Affairs & Corporate Services; 1/1/05 The Distribution Operations Dept. is formed containing the Operations Center and Dispatch Center; All transmission constr., operation, and maintenance began reporting to the Transmission Manager; Distribution was restructured as power Delivery Services and functions as Corporate Transmission & Distribution Service Organization; 4/8/05 Transmission changed reporting relationship from Customer Operations to Southern Company Services Sr. VP & Chief Transmission Officer.

Conclusions: a&b.) President & CEO of gulf reports directly to President of Southern Co.; Distribution function reports to Gulf Power VP of Customer Operations, while Transmission directly reports to Sr. VP & Chief Transmission Officer at Southern and dotted line to Gulf Power VP of Customer Operations c.) Distribution Operations Center, Dispatch Center and Distribution Operations report to the Distribution Operations Manager; Distribution Engineering and Construction for each of the districts report to the Distribution Engineering & Constr. Manager d.) Number of total employees dropped from 1999-2001, but has increased by 20 over 1999 level during the period 2002-2005. e.) T&D division/function total employees has increased from 1999-2004 and remained the same in 2005. f.&g.) Gulf changed the reporting structure and operational structure during the period to place distribution under the VP Customer Operations and the transmission Group under Services Sr. VP & Chief Transmission Officer.

Data Request(s) Generated:

No.	Description:

provided by Southern Co. the other is the Monthly Performance Report that calculates the T-SAIDI and the T-SAIFI reliability indices and is used as a check against the data from STOMP.

Conclusions: Gulf Power does not have documented procedures documenting the processes for statistical measurement of performance indices, but contends that it uses FPSC and IEEE guidelines to calculate and report measures to management

Data Request(s) Generated:
No. _____ Description:

Follow-up Required: 1.) Follow-up on the process Gulf Power uses to document results for both distribution and transmission. 2.) request other measurements used for T&D performance for the period 1999-2005 3) determine how distribution uses the distribution outage summary and verifies its reliability 4) determine how Gulf uses the customer survey and peer utility information to measure its performance 5) determine how transmission uses the Monthly Performance Report and Southern Co. report to check against data from STOMP

Document #:DR-1.4
Date Requested: 9/15/05
Date Received: 9/28/05
Comments: (i.e., Confidential)

Document Title and Purpose of Review: a. Describe the level of automated measurement the company is capable of monitoring for distribution and transmission service, reliability, and quality (i.e., substation, feeder, lateral, device and customer levels).
b. Describe any company improvements made in automated measurement capabilities during 1999-2005.

Summary of Contents: a.) For distribution Gulf's Trouble Call Management System (TCMS) captures outage data from the substation breaker level down to the meter level; for transmission Gulf's energy Management System (EMS) provides the ability to monitor and control the power grid from the transmission line level down to the feeder level; outage data is manually entered into Standard Transmission and Operations Maintenance Program (STOMP) based on the data received from EMS. b.) in 1999 Gulf was fully transitioned to its Trouble Call Management System (TCMS) for distribution. In 1999, Gulf upgraded from the Power Management System (PMS) to EMS for transmission.

Conclusions: a.) For distribution Gulf Power captures outage data from the substation breaker level down to the meter level; for transmission Gulf has the ability to monitor and control the power grid from the transmission line level down to the feeder level; outage data is manually entered into STOMP b.) In 1999 Gulf replaced its call management system with TCMS and the transmission management system was upgraded from PMS to EMS.

Data Request(s) Generated:
No. _____ Description:
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Follow-up Required: 1.) determine how the changes impacted results indices immediately after 2.) determine why transmission outage data is manually entered into STOMP and how STOMP uses that data 3) determine whether any future changes, modifications or upgrades are being pursued.

Document #:DR-1.5
Date Requested: 9/15/05
Date Received: 9/28/05
Comments: (i.e., Confidential)

Document Title and Purpose of Review: Describe any levels of manual measurement or estimating used by the company in monitoring and reporting distribution and transmission service reliability and quality (i.e., substation, feeder, lateral, device and customer levels).b. Describe any changes or improvements in company manual measurement capabilities during the period 1999-2005.

Summary of Contents: For distribution, Gulf has to manually review and compile operation data from EMS in order to calculate MAIFIE which is part of the FPSC reporting rules; For transmission, outages for those facilities without telemetry are based upon when the first customer call is received and ended based upon the actual restoration time.

Conclusions: Manual calculation of MAIFIE is used in distribution and for transmission non-telemetry facilities are based on customer first call in.

Data Request(s) Generated:
No. _____ Description:
No. _____ Description:

Follow-up Required: 1.) Get further explanation of the timing involved in the repair restoration measurement process 2.) determine how Gulf measures dispatch to arrival and total restoration 3.) Determine when Gulf places telemetry on transmission circuits and when it would not. 4.) determine how customer first call-in is captured.

Document #:DR-1.6
Date Requested: 9/15/05

Document Title and Purpose of Review: a. Please provide copies of customer surveys and results the company has conducted, or contracted to be completed, to survey customer opinion regarding Gulf Power's service quality and reliability during the period 1999-2005. b. Please explain how often surveys are conducted, who conducts the surveys, how company manager uses survey

transmission network.; these studies identify line overloads and low voltage conditions on the system; models are updated each year.

Data Request(s) Generated:
 No. _____ Description:
 No. _____ Description:

Follow-up Required: 1.) Determine how many Long Range Area Distribution Studies have been completed during the period and what recommendations came from the studies each year and whether they were implemented 2.) Copies of recommendations of transmission load flow during period 1999-2005 and how many implemented 3) how often are planning models checked against actual operating characteristics of transmission system?

Document #:DR-1.8
Date Requested: 9/15/05
Date Received: 9/28/05
Comments: (i.e., Confidential)

Document Title and Purpose of Review: a. Explain how the company monitors and assures voltage levels and grounding standards are consistent with Florida Public Service Commission rules. b. Explain which department or group is responsible for monitoring, inspecting, measuring, reporting and adjusting voltage when necessary and how often voltage levels are checked and adjusted. C. Describe the reports used to report voltage and grounding results to management and how often results are reported.

Summary of Contents: a.) Gulf uses the following to assure compliance of voltage standards specified in FPSC rules: a computer modeling package called Feeder Analysis Combined Systems (FACS) to perform load flow analysis studies on distribution; the distribution operations center continuously monitors the distribution system; the Southern Company Engineering Toolkit (SOCKET) is used to ensure distribution facilities for new or added customer loads; Gulf's field personnel complete spot checks of voltage levels throughout the year in conjunction with work assignments; Grounding standards are incorporated at the time of construction based on company construction practices; Transmission's EMS computer monitors the voltages throughout the system; there is no regular program to check transmission system grounding, bur periodically some lines are checked if there are operating situations or problems, such as high incidences of lightning to warrant inspecting the pole grounds. b.) the areas responsible for monitoring and adjusting voltage is for distribution: the Distribution Control Center, the District Engineering group, Technical Services and Planning; Distribution Control Center checks and adjusts voltage levels on a continuous basis through monitoring substation voltages using Gulf's SCADA system; the remaining groups check and analyze voltage levels on an as needed basis and through distribution studies; For Transmission the System Control Department monitors voltages on the system and adjusts the system as needed each day to keep the system operating as expected. c.) N/A

Conclusions: a.) It appears that although computer monitoring and modeling of the distribution and transmission system is used by Gulf Power, system distribution and transmission grounding is only evaluated and incorporated with new construction; methods to regularly inspect for grounding in either area does not appear to be completed b.) areas responsible for monitoring and adjusting voltage is for distribution: the Distribution Control Center, the District Engineering group, Technical Services and Planning; For Transmission the System Control Department monitors voltages on the system and adjusts the system.

Data Request(s) Generated:
 No. _____ Description:
 No. _____ Description:

Follow-up Required: 1.) Determine how FACS flow analysis studies identify low voltages in the distribution system and how SOCKET is used for added customer loads 2.) Determine whether system grounding is incorporated into any physical distribution or transmission inspections of facilities

Document #:DR-1.9
Date Requested: 9/15/05
Date Received: 10/05/05
Comments: (i.e., Confidential)

Document Title and Purpose of Review: a. Explain how the Company verifies constant current street lighting is meeting voltage standards and Florida Public Service Commission rules. b. Explain how often street lighting voltage is checked and adjusted, and what entity is responsible for monitoring, measuring, reporting and adjusting the voltage when necessary. c. If the Company does not verify constant current street light voltage and make necessary adjustments as required in rule 25-6.047, please explain what the company does to assure proper voltages and its reasoning for using any alternative methods.

Summary of Contents: a-c) Gulf Power Company does not use constant current street lighting; Gulf's street lights are installed on the distribution system itself and not dedicated street lighting circuits. Each light has its own photocell which eliminates the need to control light from a single point; each light has a ballast for its own voltage and current adjustments; the ballast contained in each light makes it possible to provide correct starting current and voltage for consistent lighting.

Conclusions: Gulf does not use constant current lighting technology for street lights.

Data Request(s) Generated:
 No. _____ Description:

	<p>SAIFI over the last 6 years; unknown outages account for about 10% of distribution SAIDI and 13% of SAIFI over the last 6 years. c.) when the cause is known, but an appropriate cause code is not defined "other" is used to describe the outage; transmission Other outages were 7% of transmission SAIDI and 10% of transmission SAIFI over the last 6 years; Other outages for distribution were approximately 3% of distribution SAIDI and 4% of distribution SAIFI; d.) During the period 1999-2005 Gulf Power did not revise any data filed with the FPSC e.) Gulf does not track transmission outages separately from substation outages; total transmission outages during 1999-2005 were 1999-34, 2000- 40, 2001- 33, 2002- 45, 2003- 50, 2004- 31, 2005- 31 (through September); for the period Western district had 118 outages; Central had 86 outages; Eastern had 60 outages f.) see response to ques. 11e.</p> <p>Conclusions: a.) distribution weather-related outages have three set conditions related to outage conditions and account for a higher percentage of SAIDI and SAIFI than do transmission weather-related outages, which are accounted for by known weather in the area and account for a much smaller percent of SAIDI and SAIFI transmission system outages. b.) unknown outages account for approximately 3% of transmission SAIDI and SAIFI, 10% of distribution SAIDI and 13% of distribution SAIFI over the last 6 yrs. c.) Other outages were 7% of transmission SAIDI and 10% of transmission SAIFI over the last 6 years; Other outages for distribution were approximately 3% of distribution SAIDI and 4% of distribution SAIFI d.) transmission outages during 1999-2005 were 1999-34, 2000- 40, 2001- 33, 2002- 45, 2003- 50, 2004- 31, 2005- 31 (through September); for the period Western district had 118 outages; Central had 86 outages; Eastern had 60 outages.</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: a,b,c.) verify other and unknown outage percentages w/ADRR; follow-up on determining T-SAIDI and T-SAIFI, how it differs from distribution calculations and how it impacts results (are distr. and trans. Comparable?) d.) determine why Western and Central transmission outages are substantially higher than Eastern over the period.</p>
<p>Document #:DR-1.12 Date Requested: 9/15/05 Date Received:9/28/05 Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Provide a current copy of company procedures related to receiving and processing customer repair requests, dispatching requests, and completing repair reports.</p> <p>Summary of Contents: Gulf Power Company procedures related to receiving and processing customer repair requests are per Customer Service Standards 5.2 Trouble Reporting (12-13-04 revision).; Gulf does not have written company procedures for dispatching repair requests and completing repair reports. The process is outlined in Gulf's response to DR-1.10b.; a copy of Customer Service Standards 5.2 Trouble Reporting is attached.</p> <p>Conclusions: No written procedures are prepared for the processing of repair requests other than per Customer Service Standards, but has outlined the process in response to DR-1.10b.</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: 1.) Determine whether other departments have similar procedures outlining responsibilities for trouble 2.) Determine whether other methods of reporting repair calls are used in addition to Customer service Representatives 3.) How much of reps time does the repair reporting function take vs. billing and other responsibilities ?</p>
<p>Document #:DR-1.13 Date Requested: 9/15/05 Date Received: 9/28/05 Comments: (i.e., Confidential)</p>	<p>Document Title and Purpose of Review: Does the Company report and measure distribution and transmission substation troubles and outages separately or differently than line related troubles? If yes, please explain how and why they are reported separately or differently than line related troubles and outages.</p> <p>Summary of Contents: No.</p> <p>Conclusions:</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: Find out how substation outages are reported and analyzed</p>
<p>Document #:DR-1.14 Date Requested: 9/15/05 Date Received:10/05/05</p>	<p>Document Title and Purpose of Review: a. Provide separately the number of distribution and transmission repair and restoration troubles completed annually, by district and trouble type, for the period 1999-2005.b. Provide the number of distribution and transmission restoration dispatches completed annually, by district and trouble type, for the period 1999-2005.</p>

Power labor for scheduled outages.

Data Request(s) Generated:

No. _____ Description:
No. _____ Description:

Follow-up Required: 1.) determine how the company identifies distribution activities necessary for upkeep 2.) determine how Gulf determines the most critical projects and prioritizes them 3.) what management reports are used to monitor progress of distribution projects and make appropriate adjustments? 4.) what is Gulf Power's long term distribution planning horizon and who is responsible for long term planning? 5.) when is the annual planning for distribution and transmission started and completed each year? Who is responsible for completing the budget and monitoring its progress? 6.) is distribution substation planning completed by the distribution or transmission organization? 7.) where is transmission aerial and ground patrol data maintained? (STOMP?) 8.) how and how often are aerial and ground patrols scheduled? 9.) are written procedures and criteria for inspections available? 10.) what do aerial and ground patrol inspections review? 11.) are contractors used for any of these inspections or any repairs necessary? 12.) how often are preventive diagnostics used to monitor substation equipment? 13.) where is this data kept? 14.) how and how often are substation inspections completed? 15.) where are results kept? How is this data used for substation maintenance and planning? 16.) explain the process Gulf uses to schedule outages for repairs based on inspection results for transmission lines and substations

Document #:DR-1.17
Date Requested: 9/15/05
Date Received:10/05/05
Comments: (i.e., Confidential)

Document Title and Purpose of Review: a. Provide total company budgeted and actual dollars, by year and by district, for distribution reliability enhancement programs during the period 1999-2005. b. Provide total company budgeted and actual dollars, by year and by district, for transmission reliability enhancement programs during the period 1999-2005.

Summary of Contents: a.) N/A; b.) N/A

Conclusions: Not applicable

Data Request(s) Generated:

No. _____ Description:
No. _____ Description:

Follow-up Required: 1.) determine why company budgeted and actual dollars for distribution reliability programs are not applicable

Document #:DR-1.18
Date Requested: 9/15/05
Date Received: 10/05/05
Comments: (i.e., Confidential)

Document Title and Purpose of Review: a. List separately and briefly describe company Ongoing Programs for distribution and transmission facilities conducted, by year and by district, during the period 1999-2005. b. Provide separately the distribution and transmission budgeted and actual dollars, by year and by district, for the programs above. c. Describe any distribution or transmission Ongoing Programs modified or deleted, during the period 1999-2005, and explain the specific reasons for modifying or deleting the program. d. Describe any improvements in service reliability or quality results due to the changes made in Ongoing Programs for distribution and transmission. e. Are distribution and transmission Ongoing Programs implemented uniformly across the company? f. If Ongoing Programs are not uniformly implemented, please explain how they are implemented throughout the company's districts. g. Describe any distribution and transmission Ongoing Programs, or portions of programs, outsourced or completed by contractors.

Summary of Contents: a.) It is not practical to provide an itemized list of all activities that Gulf has included in its budget that are related to transmission and distribution reliability. Gulf's budget and accounting systems do not separately categorize and track capital expenditures or O&M expenses on the basis that they are related specifically to transmission and distribution reliability. In general, virtually all transmission and distribution functional capital projects and O&M expenses have been or will be undertaken as part of Gulf's commitment to provide customers with reliable and high quality electric service. For example, the past construction of a new distribution feeder as an additional distribution source to an area has an impact on distribution reliability and quality of service. b.) O&M activities that most directly impact transmission and distribution reliability are provided in separate tables: For O&M, the following categories are provided: OH Line Maintenance, OCR Maintenance, Pole Inspection/Replacement, Substation maint., Tree Trim Dist., Tree Trim Trans., UG Line Maintenance; for Capital the following categories are provided: Transmission Substations, Transmission Line, Distribution Substations, Distribution Line; c.) N/A d.) N/A e.) the programs listed in the response to 18b are implemented uniformly across the company f.) N/A g.) Gulf outsources tree trimming and portions of pole inspections, transmission and distribution line and substation maintenance activities.

	No. _____ Description: No. _____ Description: Follow-up Required: 1.) Determine whether additional procedural information is available for distribution 2.) Determine whether similar written procedures are available for transmission and substation.
Document #:DR-1.22 Date Requested: 9/15/05 Date Received: 10/05/05 Comments: (i.e., Confidential)	<p>Document Title and Purpose of Review: a.) Describe company programs to identify lightning-related deficiencies and improve lightning protection during the period 1999-2005. b.) Provide budgeted and actual dollars, by year and by district, for distribution lightning protection programs during the period 1999-2005. c.) Provide budgeted and actual dollars, by year and by district, for transmission lightning protection programs during the period 1999-2005. d.) Provide budgeted and actual dollars, by year and by district, for substation lightning protection programs during the period 1999-2005. e.) Provide lightning-related SAIDI, CAIDI and SAIFI results for the period 1999-2005. f.) Describe the improvement results realized, by year and by district, from lightning protection programs during the period 1999-2005. g.) Describe any lightning programs modified or deleted, during the period 1999-2005, and the specific reasons for modifying or deleting the programs. h.) Describe any distribution, transmission or substation lightning programs, or portions of programs, outsourced or completed by contractors during the period 1999-2005.</p> <p>Summary of Contents: a.) Gulf does not track specific programs that pertain only to lightning protection. The company designs, builds and operates systems with reliability and protection of equipment from damage by lightning being key considerations and continues to seek opportunities for improvements. b.) Gulf does not budget for specific programs that pertain only to lightning protection. c.) same as b d.) same as b&c e.) Lightning-related SAIDI, CAIDI and SAIFI are provided for distribution and transmission during the period: Distribution SAIDI dropped from 35.7 in 1999 to 22.9 in 2003, and increased to 31.4 in 2005; Distribution CAIDI decreased from 111.9 in 1999 to 98.7 in 2003, but increased again in 2004-2005; Distribution SAIFI decreased from .3187 in 1999 to .1714 in 2004, but increased in 2005 to .2653; Transmission SAIDI decreased from 5.4 in 1999 to 1.2 in 2004 and is 1.7 in 2005; CAIDI is not measured for transmission; SAIFI decreased from .0493 in 1999 to .0092 in 2003, increased to .0431 in 2004 and decreased in 2005 to .0265. f.) Gulf does not track specific programs pertaining to lightning protection. The company designs, builds and operates systems with reliability and protection of equipment as key considerations and makes improvements when opportunities arise. g.) same as f. h) N/A</p> <p>Conclusions: a,b,c&d) Gulf does not specifically measure system improvement caused by lightning protection or track lightning protection dollars e.) Distribution SAIDI is lower than in 1999, CAIDI is higher than in 1999 and SAIFI is lower than in 1999; Transmission SAIDI is lower than in 1999 and SAIFI is lower than in 1999.f.&g) Gulf doesn't measure or budget for lightning protection separately. h.) N/A</p> <p>Data Request(s) Generated: No. _____ Description: No. _____ Description:</p> <p>Follow-up Required: 1.) has the company completed any lightning studies during the period? 2.) how often does the company evaluate "opportunities for improvements" to lightning protection. 3.) what did gulf do to reach a 17.1 lightning related distribution SAIDI in 2001? 4.) what did Gulf do to reduce CAIDI in 2005? 5.) what has Gulf done to reduce transmission SAIFI since 2001?</p>
Document #:DR-1.23 Date Requested: 9/15/05 Date Received: 10/05/05 Comments: (i.e., Confidential)	<p>Document Title and Purpose of Review: Describe the types of distribution, transmission and substation lightning and fault protection devices used by the company, during the period 1999-2005, and explain any changes made in protection devices during the period.</p> <p>Summary of Contents: <u>Trans & Substation-</u> lightning protection for transmission and substation equipment is provided by high voltage surge arresters. These devices are connected from the phase conductor to ground and are designed to shunt the over-voltage condition caused by lightning. There have been no changes made to this protection scheme in the period 1999-2005. Transmission and substation fault protection is provided by overcurrent relays, impedance relays, and /or fuses. Although the particular relays and fuses used in these protection schemes have changed since 1999, the applications and principles of operation have not. <u>Overhead Distribution-</u> Lightning protection for overhead distribution equipment is typically provided by heavy duty, distribution class polymer housed metal oxide varistor surge arresters and by the use of heavy duty, under oil surge arresters in stainless steel overhead transformers, used mainly in seacoast environments. These devices are connected from the phase conductor to ground and are designed to shunt over-voltage conditions to protect OH distribution equipment There have been no changes in the types of OH distribution protection devices used during the period 1999-2005. <u>UG Distribution</u> – Lightning protection for underground distribution equipment is provided by heavy duty distribution class metal oxide varistor elbow surge arresters and by the use of</p>

guidelines in 2003, the results at the district level are inconclusive. We are continuing to seek opportunities at the district level to realize further improvements. Transmission - N/A; Substation- N/A .g.) Distribution see 25a, Transmission- N/A, Substation- N/A h.) Distribution- N/A, Transmission- installation of swan diverters is performed by contractors; Substation-N/A

Conclusions: Gulf construction specifications, outage reporting, and training on guidelines for using animal guides have been used to reduce animal-related outages. Gulf Power has reduced overall animal-related outages since the implementation of new guidelines in 2003. Results at the district level are not conclusive. Gulf uses contractors to place swan diverters on transmission facilities.

Data Request(s) Generated:
 No. _____ Description:
 No. _____ Description:

Follow-up Required: 1.) Get a copy of the 2003 guidelines leading to the decrease in animal-related outages 2.) get district level results for the period 3.) Determine what Gulf does for animal protection in transmission and in substation 4.) determine the number of electrostatic guards placed, by district, during the period, or at least since 2003. 5.) determine when and where these are used 6.) determine how many have been placed during the period [see DR-2]

Document #:DR-1.26
Date Requested: 9/15/05
Date Received: 10/05/05
Comments: (i.e., Confidential)

Document Title and Purpose of Review: Describe the types of animal protection devices used by the company for distribution, transmission and substation protection.

Summary of Contents: Distribution- 1) Hand wheel protector, 2) Funnel protector, 3) electrostatic animal guard, 4) wildlife wire, 5) therma-guard-protector, 6) arrester caps, 7) capacitor banks; Substation- 1) electronic motion sensing ultrasonic property guard, 2) electric fence, 3) Bus insulator squirrel guard ; Transmission- 1) bird perch discouragers, 2) swan diverters

Conclusions: Gulf Power uses multiple varieties of animal protectors and discouragers for birds and squirrels for distribution, substation and transmission applications.

Data Request(s) Generated:
 No. _____ Description:
 No. _____ Description:

Follow-up Required: 1) determine how Gulf measures the results of these protection devices.

Document #:DR-1.27
Date Requested: 9/15/05
Date Received: 9/28/05
Comments: (i.e., Confidential)

Document Title and Purpose of Review: a. By distribution transformer size, provide the standard number of residential customers served from each distribution transformer the company uses. (example: 25 KVA-7 cust/trans. 50 KVA-14 cust/trans, 75 KVA-21 cust/trans). b. By distribution transformer size, provide the standard number of business customers served from distribution transformer by the Company (example: 25 KVA-7 cust/trans. 50 KVA-14 cust/trans, 75 KVA-21 cust/trans). c. Describe any changes in company transformer design philosophy or load characteristics during the period 1999-2005.

Summary of Contents: a.) Gulf Power does not have a standard specifying the number of residential customers for each distribution transformer. Each transformer site is specifically designed for the varying load and voltage requirements of each customer premise b.) same as a c.) N/A

Conclusions: Gulf Power individually determines the required need of every customer and conforms its transformer use to meet those requirements.

Data Request(s) Generated:
 No. _____ Description:
 No. _____ Description:

Follow-up Required: 1.) Determine what guideline is used for new developments and used for the URD tariff

Document #:DR-1.28
Date Requested: 9/15/05
Date Received: 10/05/05
Comments: (i.e., Confidential)

Document Title and Purpose of Review: a.) Provide separately the total number of distribution line and substation transformer related outages, by year and by district, for the period 1999-2005.b.) Provide separately the total number of transmission line and substation transformer related outages, by year and by district, for the period 1999-2005.

Summary of Contents: a.) Distribution Transformer related outages for the period 1999-2005, by district , were:

District	1999	2000	2001	2002	2003	2004	2005 (thru 9/05)
Central	1025	1156	1265	1364	1287	968	704
Eastern	687	636	648	677	746	605	444
Western	2951	3095	3590	3518	2971	2443	1858
Total	4663	4887	5303	5559	5004	4016	3006

considered CONFIDENTIAL.

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Summary of Contents: a.) Gulf Power uses distribution transformers of the following type: Single phase OH (10kVA to 167 kVA), Single phase UG (25kVA to 167 kVA), Three phase padmount (112.5 kVA to 2500 kVA) Transmission and substation transformers of the following types are used: Single phase medium power (60 MVA or less) , Three phase medium power (60 MVA or less), Three phase auto banks (greater than 100 MVA), Three phase station service (60 MVA or less), Three phase generator step up (various- sized to Generator unit) , Single phase Station Service (Distribution Class) b.)

Data Request(s) Generated:

No. _____ Description:
No. _____ Description:

Follow-up Required: 1) further review data

Document #:DR-1.31
Date Requested: 9/15/05
Date Received: 9/28/05
Comments: (i.e., Confidential)

Document Title and Purpose of Review: a. Provide company documented procedures for distribution, transmission and substation transformer inventory, replenishment and restocking time frames for the period 1999-2005.b. Describe the organization responsible for distribution, transmission and substation transformer inventory, replenishment and restocking time frames, and equipment reserve levels for normal and emergency conditions, during the period 1999-2005. c. Provide company annual distribution, transmission and substation transformer restock levels and criteria for replenishment of transformers, by type and by district, during the period 1999-2005. d. Provide company distribution, transmission and substation transformer reserve levels for normal and emergency conditions during the period 1999-2005. e. Provide the number of company distribution, transmission and substation transformers in service, by type and by district, for the period 1999-2005. f. Provide the number of spare distribution, transmission and substation transformers, by type and by district, if different from those held for normal and emergency reserve during the period 1999-2005.

Summary of Contents: a.) Gulf Power has no documented procedures for distribution, transmission, or substation transformer inventory, replenishment and restocking b.) Supply Chain Management (SCM) is responsible for distribution line transformer inventory. Gulf Power Company Transmission is responsible for the transmission and substation transformer inventory. c.) Gulf Power Company uses historical usage data combined with monthly review of the capital budget and planned and unplanned work orders to determine transformer purchase decisions and inventory requirements. SCM is responsible for inventory management at all Gulf Power Company Transmission and Distribution warehouses. SCM has the authority to transfer material, i.e. distribution line transformers, between locations as required. Transmission and substation transformers are ordered as needed d.) for distribution line transformers, Gulf Power Company uses a combination of in-stock as well as consignment stock of transformer inventory for normal and emergency conditions. Additionally, transformer inventory levels are typically higher during the summer months in anticipation of storms. In the event of a catastrophic event such as hurricane damage, suppliers and other Southern Companies will sell to Gulf Power Company available transformer units to ensure adequate inventory to meet requirements. A listing of distribution line transformer inventory balances for 1999-2000 were not available. Transmission does not maintain transformer reserves. e.) Gulf Power Company provides an in-service Mass Property List that shows transformers by type and T&D substation transformers by a location.

performed annually; power factor testing is performed every 6 years. Transformers; Dissolved gas analysis is performed annually; power factor testing is performed every 6 yrs.

Conclusions: a.) Gulf has procedures for inspection programs distribution, transmission and substation equipment. b.) As part of the distribution ground-line pole inspection program, a visual inspection is performed for visual damage; Also as part of the pole inspection program, broken ground wires are repaired and missing or damaged guy guards are replaced; Substation: batteries are inspected every 6 mos. ; SF6 breakers have diagnostics performed every 3 yrs; 12 kV vacuum breakers have diagnostics performed every 4 yrs f.) Trans.- Gulf Power has used contractors to paint re-gasket and reclaim oil for large power transformers. Gulf has also used contractors to identify leaks in FS6 breakers on the system

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required: 1) what are the distribution system inspection intervals for each district? 2) how often are distribution inspections conducted and are contractors used for any part? 3) get a sample of distribution inspections from each district for the period 4.) get a sample of substation inspections completed in each district during the period [see DR-2]

Document #:DR-1.33

Date Requested: 9/15/05

Date Received:10/05/05

Comments: (i.e., Confidential)

Document Title and Purpose of Review: a. Provide a copy of current documented company procedures relative to distribution and transmission pole inspection programs and describe any changes made to procedures, during 1999-2005. b. Provide the number of company distribution and transmission pole inspections completed annually, by district, for the period 1999-2005. c. Describe all company distribution and transmission pole inspection programs completed during the period 1999-2005. d. Describe company transmission tower inspection programs during the period 1999-2004, if different or not included in the response to transmission pole inspection programs. e. Provide pole-related SAIDI, CAIDI and SAIFI results for the period 1999-2005.f. Provide company budgeted and actual dollars, by year and by district, for distribution and transmission pole inspection programs during the period 1999-2005. g. Describe improvement results realized, by year and by district, from company pole inspection programs during the period 1999-2005. h. Describe any portions of company pole inspection programs, outsourced or completed by contractors during the period 1999-2005.

Summary of Contents: a.) Distribution- Gulf's specifications for 1999-2002 required a full excavate (18-24 inches) and external treatment of non-CCA 9chromated copper arsenic) treated poles. Starting in 2003, after completing Gulf's first cycle of pole inspections, Gulf changed its specifications to include the inspection and treatment of CCA poles; Transmission- Prior to 2004 Gulf did not have documented procedures relative to transmission pole inspections. In 2004, Gulf adopted the Southern Company Ground Line Inspection program. b.) The number of pole inspections completed during the period 1999-2005 is: 1999-2001 (poles originally scheduled for 1999 were inspected during the last quarter of 1998 (Western 7,585, Central 3,682 and Eastern 3,704) there were no pole inspections completed; In 2002-2005 annual totals were: 2002- 24,684, 2003- 19,887 and 2004- 20,864; 2005 inspections began on October 1, 2005; Transmission- 2004- Gulf Power inspected 1,000 wood and concrete poles, and towers. c.) Distribution- see answers 33a &b; Transmission- see answer 33a, exhibit 2 d.) see answer 33a, exhibit 1 e.) N/A f.) Distribution budget dollars for 1999-2005 are: 1999-2000 had no budgeted distribution dollars for inspection, but spent \$454,000 in 1999 and 350,000 in 2000;

Distribution:

<u>Year</u>	<u>Actual</u>	<u>Budget</u>
2001	\$202,781	\$345,000
2002	\$848,692	\$670,000
2003	\$353,917	\$500,000
2004	\$307,267	\$500,000
2005	\$ 70,696	\$197,367 (YTD 8/05)

Transmission:

<u>Year</u>	<u>Actual</u>	<u>Budget</u>
2004	\$102,266	\$211,000
2005	\$114,778	\$

Forestry Services. Three Line Clearance Specialists are responsible for developing work-plans, overseeing contractor activities, and serving as the local Gulf Power contact for cities, towns, and customers regarding vegetation management activities. Two Forestry Services Technicians are responsible for supporting Line Clearance Specialists activities, patrolling and evaluating vegetative conditions, and providing customer service support.; Average annual contractor crew counts for the period 1999-2005 included 30 distribution crews containing 63 people, and 7 transmission crews containing 21 people. Gulf Power does not have any company tree crews.; Performance of the Forestry Services Organization is evaluated in terms of safety, customer satisfaction, reliability trends, and budget management. c.) The philosophy toward distribution vegetation management remains largely unchanged since 1999. Areas with vegetation problems are reported to Forestry Services from a variety of sources (customer call center, engineering, Power Delivery Technical Services, visual observations from Forestry Services field patrols, etc.). Each report is evaluated in the field and corrective spot pruning is scheduled if necessary.; In addition to spot pruning, full maintenance pruning is scheduled on selected feeders. Feeders are prioritized based on the various sources listed above as well as data from the TCMS. In recent years, more emphasis has been placed on increasing the number of miles receiving full maintenance pruning.; Distribution methods have not changed since 1999. Two or three man lift crews are used to perform distribution pruning. Transmission: Transmission rights-of-way conditions are analyzed yearly through the use of ground and aerial patrols. Hazard trees and areas with less than one year's clearance are corrected as they are identified throughout the year. Data from field patrols is used to develop work plans for areas that will receive full scale herbicide treatment, side trimming, or mowing.; Since 1999, Gulf Power has made two significant changes to transmission vegetation management methods. Prior to 2002, danger trees and tall vegetation were identified using aerial patrols. In 2002 and 2003, an annual ground patrol was added to the aerial patrols to closely evaluate the vegetative condition of each line. All vegetative conditions that could threaten the line within growing season are identified and corrected; The second change was to implement the large scale use of herbicides on transmission rights-of-way to reduce the need for mowing. d.) Full maintenance trimming completed each year 1999-2005 were:

Distribution

<u>Year</u>	<u>Central</u>	<u>Eastern</u>	<u>Western</u>	<u>Total</u>
1999	317	149	326	792
2000	111	53	77	241
2001	100	74	35	209
2002	203	138	1000	1341
2003	169	232	574	975
2004	123	192	324	639
2005	75	87	96	258 (thru 09/05)

Transmission (Herbicide)

<u>Year</u>	<u>Acres Treated</u>
1999	6,273
2000	4,781
2001	2,350
2002	265
2003	12,580
2004	5,456
2005	0 (thru 09/05)

Transmission (Side Trimming)

<u>Year</u>	<u>Miles Trimmed</u>
2002	0
2003	243
2004	197
2005	0 (thru 09/05)

2001	\$1,584,971	\$ 960,000
2002	\$1,078,538	\$ 895,430
2003	\$1,726,965	\$ 800,000
2004	\$1,648,792	\$ 900,000
2005	\$ 500,207	\$1,245,843 (thru 08/05)

g.) Charts are provided for distribution and transmission vegetation SAIDI and SAIFI trends during the period; chart shows distribution trend was downward prior to Ivan but is up afterward; Transmission SAIDI and SAIFI trends are both downward.
h.) During the period 1999-2005 all scheduled vegetation maintenance herbicide, trimming, mowing, and other field vegetation maintenance activities were completed by contractors.

Conclusions: a.) Gulf Power subscribes to NESC and ANSI standards for tree trimming b.) The Forestry Service Section is responsible for all transmission and distribution vegetation management. Forestry Services is a section of Power Delivery Contract Services. The Forestry Service Team Leader reports directly to the Contract Services Supervisor and is responsible for managing the day-to-day operations of Forestry Services.; Three Line Clearance Specialists are responsible for developing work-plans, overseeing contractor activities; Average annual contractor crew counts for the period 1999-2005 included 30 distribution crews containing 63 people, and 7 transmission crews containing 21 people. Gulf Power does not have any company tree crews c.) The philosophy toward distribution vegetation management remains largely unchanged since 1999; In addition to spot pruning, full maintenance pruning is scheduled on selected feeders. Feeders are prioritized based on the various sources listed above as well as data from the TCMS. In recent years, more emphasis has been placed on increasing the number of miles receiving full maintenance pruning.; Transmission rights-of-way conditions are analyzed yearly through the use of ground and aerial patrols. Hazard trees and areas with less than one year's clearance are corrected as they are identified throughout the year. Data from field patrols is used to develop work plans for areas that will receive full scale herbicide treatment, side trimming, or mowing.; Prior to 2002, danger trees and tall vegetation were identified using aerial patrols. In 2002 and 2003, an annual ground patrol was added to the aerial patrols to closely evaluate the vegetative condition of each line ; large scale use of herbicides on transmission rights-of-way to reduce the need for mowing. d,e,&f) See charts g.) see charts h.) During the period 1999-2005 all scheduled vegetation maintenance herbicide, trimming, mowing, and other field vegetation maintenance activities were completed by contractors.

Data Request(s) Generated:

No. _____ Description:
No. _____ Description:

Follow-up Required: 1) organizational reporting 2) budget and actual trends 3) vegetation trimming trends 4) vegetation contracts 5) vegetation contractor crews 6) contractor performance evaluations and measurements 7) quality assurance for vegetation management 8) feeder and lateral tree trimming miles and trends 9) T&D performance measurements for vegetation management

Document Title and Purpose of Review: a. Describe how often the Company bids the distribution and transmission vegetation management contracts, the terms for contract extension without re-bidding, and how vendor performance is measured. b. Describe any changes in company vegetation management programs, or in vegetation management contracting methods, during the period 1999-2005.

Summary of Contents: a.) Hourly contracts are competitively bid and generally established for a three year period. The vendor is eligible for an extension at the end of the contract if their work quality, response, and overall performance is satisfactory. If a market analysis determines the contractor's rates are below market, then a contract can be extended for one to three years, depending on the vendors willingness to maintain a below market rate structure. Unit pricing and lump sum bids are established for specific projects and are competitively bid. The length of these contracts ranges from a few months to three years depending on the specific project. These contracts are generally not extended without competitive bidding. Vendor performance is measured in terms of work quality, response, and cost per unit. The cost per unit of work completed on an hourly contract is monitored and compared to fixed cost bids of similar work to ensure unit costs of hourly contracts are in line with market pricing. b.) In summary, Increased emphasis on completing full maintenance pruning on distribution feeders, increased use of unit pricing and lump sum contracts, increased usage of herbicide on transmission rights-of-way and annual field patrols of transmission rights-of-way. Additionally, the company has continued to hire and train personnel with the arboricultural skills needed to effectively implement and manage its vegetation management program. Prior to 1999, there was one Certified Arborist on staff. Today there are six.

Conclusions: a.) hourly bids are competitively bid for a 3 yr. period w/1-3 yr. extension if satisfactory work, quality and cost

Document #:DR-1.35
Date Requested: 9/15/05
Date Received: 10/05/05
Comments: (i.e., Confidential)

each type for 2002-2005; The Total Customer Inquiries for the period 1999-2005 are:

Year	Agents	IVR	Total
1999	759,641	212,611	972,252
2000	796,274	163,621	959,895
2001	830,791	172,999	1,003,790
2002	917,656	178,401	1,096,088
2003	952,143	188,217	1,140,360
2004	984,317	450,700	1,438,580
2005	658,851	384,089	1,042,940 (thru 08/05)

Conclusions: a) response is directed at handling FPSC complaints b.) customer complaints can be received through the Customer Service Center (CSC) on-line customer care system and an Interactive Voice Response Unit (IVRU); Gulf has interfaced its customer service system and customer service center system to automate the ordering, restoration and billing processes; and provide customer reps real-time order status; Gulf dispatches field work orders and updates records through mobile computers; c) Our monitoring system, (Witness) provides the ability to record and listen to customer calls. Emphasis is placed on quality and first call resolution, ensuring that customers are handled effectively and are satisfied. This year, Gulf Power has also implemented an after call survey which provides customers an opportunity to provide immediate feedback on the service that they received. d) A report providing data on FPSC complaints and inquiries is sent to management monthly for review and evaluation. The report lists the nature of the complaint and the geographic location; e.) A number of indicators are used to gauge performance against this goal, including comprehensive customer surveys designed to benchmark the performance of Gulf Power Company relative to other major utilities in the region and nation; Gulf Power Company also has a goal to maintain the lowest level of complaint activity among investor-owned electric utilities in the state of Florida; f.) the Customer Service Center is the primary source for receiving customer inquiries. This operation is centralized; therefore customer inquiries for the entire company are handled through the CSC; Gulf Power does not group calls by district. Gulf uses codes to identify the type of calls received;

Data Request(s) Generated:

No. _____ Description:

No. _____ Description:

Follow-up Required: 1) determine whether all complaints are totaled, reported and reviewed by management or just FPSC complaints; 2) why doesn't Gulf evaluate complaints by district? 3) how many complaints are handled by the over-flow vendor annually, and how are they accounted for? 4) does Gulf use the overflow vendor only for large outages, or are there other uses? 5) is Gulf meeting its goal to maintain the lowest level of complaint activity (complaints logged per million customers) among investor owned utilities in Florida? 6) what future plans does Gulf have to reduce overall customer complaint levels? 7) what future plans does Gulf Power have to improve the complaint handling and reporting process? 8) what future plans does Gulf have to improve customer satisfaction?

2.

EXHIBIT C

Document Request One

DR-1.6a (pg. 2-21),
DR-1.21 (pg. 3-8),
DR-1.24 (pg. 3-16),
DR-1.30a (pg. 3-9),
DR-1.32 (exhibit 1), and
DR-1.33a (exhibits 1-2)
--In their entirety--

This information is entitled to confidential classification pursuant to §366.093(3)(a) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraphs 6-7.

Document Request Two

DR-2.3 e-f
--In their entirety--

This information is entitled to confidential classification pursuant to §366.093(3)(a) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 8.

Document Request Three

DR-3.3b and
DR-3.4
--In their entirety--

This information is entitled to confidential classification pursuant to §366.093(3)(a) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraphs 9-10.

Document Request Four

DR-4.4 a-b (pg. 2-3)
--In their entirety--

This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 11.

Auditors' Working Papers

Auditor's handwritten notes dated 10/19/05 and titled "Audits – Reliability Review" (page 8, lines 3-4)

This information is entitled to confidential classification pursuant to §366.093(3)(d), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 12.

Auditor's handwritten notes entitled "Responses to Audits & Rees" (page 4, lines 8-27; page 5, lines 1-8)

This information is entitled to confidential classification pursuant to §366.093(3)(b), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 13.

Auditors' Working Papers Contd.

Page 15, column B lines 5-19 of the "Document Summary and Control Log" for documents produced in response to DR-1.

This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraphs 6 and 14.

STATE OF FLORIDA

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CONFIDENTIAL

Public Service Commission

ACKNOWLEDGEMENT

DATE: November 19, 2007

TO: S. Ritenour/Gulf Power Company

FROM: Ruth Nettles, Office of Commission Clerk

RE: Acknowledgement of Receipt of Confidential Filing

This will acknowledge receipt of a **CONFIDENTIAL DOCUMENT** filed in Docket Number 060251-EI or, if filed in an undocketed matter, concerning Gulf's responses to Document Requests 1.6a, 1.21, 1.24, 1.30a, 1.32, 1.33a, 2.3e-f, 3.3b, 3.4, 4.4a-b, and certain auditor working papers, and filed on behalf of Gulf Power Company. The document will be maintained in locked storage.

If you have any questions regarding this document, please contact Marguerite Lockard, Deputy Clerk, at (850) 413-6770.

DOCUMENT NUMBER-DATE
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