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September 11, 2008

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

RECEIVED-FPSC
08 SEP 12 AM 10:47
COMMISSION
CLERK

Dear Ms. Cole:

RE: Docket No. 080002-EG

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

1. Petition of Gulf Power Company.
2. Prepared direct testimony and exhibit of John N. Floyd.

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

Sincerely,

Susan D. Ritenour

testimony

- COM _____
- ECR CD
- GCL I
- OPC _____
- RCP _____
- SSC _____
- SGA _____
- ADM _____
- CLK _____

forwarded to ECR, R.N.D.

mv

Enclosures

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

DOCUMENT NUMBER-DATE

08524 SEP 12 8

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Conservation Cost Recovery)
) Docket No.: 080002-EG
) Filed: September 11, 2008
)

**PETITION OF GULF POWER COMPANY FOR APPROVAL OF
THE FINAL CONSERVATION COST RECOVERY TRUE-UP AMOUNTS
FOR JANUARY 2007 THROUGH DECEMBER 2007;
ESTIMATED CONSERVATION COST RECOVERY TRUE-UP AMOUNTS
FOR JANUARY 2008 THROUGH DECEMBER 2008;
PROJECTED CONSERVATION COST RECOVERY AMOUNTS
FOR JANUARY 2009 THROUGH DECEMBER 2009;
AND THE CONSERVATION COST RECOVERY FACTORS TO BE APPLIED
BEGINNING WITH THE PERIOD JANUARY 2009 THROUGH DECEMBER 2009**

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

Jeffrey A. Stone
Russell A. Badders
Steven R. Griffin
Beggs & Lane
P. O. Box 12950
Pensacola, FL 32591

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

GULF POWER COMPANY ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned attorneys, and pursuant to section 366.82(5), Florida Statutes, and Rule 25-17.015, Florida Administrative Code, hereby petitions the Florida Public Service Commission for recovery of the final conservation cost recovery true-up amounts for January 2007 through December 2007; for approval of its estimated energy conservation true-up amounts for the period January 2008 through December 2008; for approval of the projected energy conservation amounts for the period January 2009 through December 2009; and for approval of the proposed

energy conservation cost recovery factors to be applied beginning with the period January 2009 through December 2009. In support thereof, the Company would respectfully show:

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

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

3. Incorporated by reference into this Petition is the testimony and exhibit of John N. Floyd, submitted in May 2008 and the testimony and exhibit of John N. Floyd filed concurrently with this Petition.¹ Mr. Floyd's composite exhibits present reports of Gulf's various programs and incorporate the appropriate and necessary data and information to show the energy conservation cost calculations projected for the period January 2009 through December 2009 and the appropriate true-up adjustment to be applied based on actual data through July 2008 and estimated data for the remainder of the period through December 2008.

4. The "final conservation cost recovery true-up amounts" were filed with the Commission in May 2008 as shown on Schedule CT-1. The final true-up amount for the period January 2007 through December 2007, as presented in the testimony and exhibit of John N.

¹ The composite exhibit attached to Mr. Floyd's May 2008 testimony contains the Company's CT schedules for the twelve month period ending December 2007. The composite exhibit attached to Mr. Floyd's September 2008 testimony contains the Company's C schedules for the twelve month period ending December 2009 and includes data

Floyd filed in May 2008, is an over recovery of \$1,341,449 which amount is hereby submitted for approval by the Commission to be included in the calculation of the conservation cost recovery factors for the next period.

5. Gulf has calculated its estimated true-up amount for the period ending December 2008 to be an over recovery of \$1,248,047. This amount is hereby submitted for approval by the Commission to be included in the calculation of the conservation cost recovery factors for the next period.

6. Gulf projects recoverable expenditures of \$12,277,075 for its approved and pending² conservation programs during the twelve month period beginning January 2009 and ending December 2009.

7. Gulf projects that its retail energy sales during the period January 2009 through December 2009 will be 11,936,559,000 kilowatt hours (kWh).

8. On the basis of the final true-up for the period January 2007 through December 2007, the estimated true-up for the period January 2008 through December 2008, the cost projections for the period January 2009 through December 2009, and proper consideration of both projected kWh sales and the adjustment for revenue taxes, the Company's proposed conservation cost recovery factors by customer class for the period January 2009 through December 2009 are as follows:

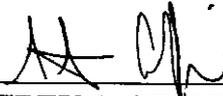
related to the current period January through July 2008, actual and August through December 2008, estimated.

² On June 25, 2008, Gulf Power petitioned the Commission for approval of addition of two new programs to its Demand Side Management Plan: a Solar Thermal Water Heating Pilot Program and an Energy Education Program. Gulf has included the projected costs associated with these proposed programs in its cost projections for 2009.

RATE CLASS	CONSERVATION COST RECOVERY FACTORS ¢/kWh
RS, RSVP	0.085
GS	0.083
GSD, GSDT, GSTOU	0.080
LP, LPT	0.076
PX, PXT, RTP, SBS	0.073
OSI, OSII	0.066
OSIII	0.075

WHEREFORE, Gulf Power Company respectfully requests the Commission to authorize the Company to recover its un-reimbursed costs reasonably and prudently incurred in accordance with this petition and thereby approve the final conservation cost recovery true-up amounts for the period January 2007 through December 2007, the estimated conservation cost recovery true-up amounts for January 2008 through December 2008, the projected conservation cost recovery amounts for January 2009 through December 2009, and the conservation cost recovery factors to be applied beginning with the period January 2009 through December 2009.

Dated this 11th day of September, 2008



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