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REDACTED



March 19, 2009

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

RECEIVED-FPSC  
09 MAR 20 PM 1:16  
COMMISSION  
CLERK

Dear Ms. Cole:

RE: Docket No. 090007-EI

Enclosed are an original and fifteen copies of Gulf Power Company's Request for Extended Confidential Classification regarding certain information produced in connection with Gulf Power's 2007 Supplemental Petition regarding its Environmental Compliance Program Update for the Clean Air Interstate Rule, Clean Air Mercury Rule, and Clean Air Visibility Rule filing in the above-referenced docket.

Sincerely,

*Susan D. Ritenour (lw)*

COM \_\_\_\_\_ mv

**ECR** \_\_\_\_\_

GCL   1   Enclosures

OPC \_\_\_\_\_ cc w/encl.:

RCP \_\_\_\_\_ Squire, Sanders & Dempsey, L.L.P.

SSC \_\_\_\_\_ Charles A. Guyton, Esq.

SGA \_\_\_\_\_ Beggs & Lane

ADM \_\_\_\_\_ Jeffrey A. Stone, Esq.

CLK   1  

DOCUMENT NUMBER-DATE

02472 MAR 20 08

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: **Environmental Cost** )  
**Recovery Clause** )  
\_\_\_\_\_ )

Docket No.: **090007-EI**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the foregoing has been furnished this  
19th day of March, 2009, by regular U. S. Mail to the following:

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DOCUMENT NUMBER-DATE

02472 MAR 20 8

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost  
Recovery Clause

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Docket No.: 090007-EI  
Date: March 19, 2009

**REQUEST FOR EXTENDED CONFIDENTIAL CLASSIFICATION**

GULF POWER COMPANY ["Gulf Power", "Gulf", or the "Company"], by and through its undersigned attorneys and pursuant to Rule 25-22.006, Florida Administrative Code, hereby files its request that the Florida Public Service Commission enter an order extending confidential classification for certain information produced in connection with Gulf Power's 2007 Supplemental Petition Regarding its CAIR/CAMR/CAVR Environmental Compliance Program. As grounds for this request, the Company states:

1. On August 6, 2007, Gulf Power filed its Second Amended Request for Confidential Classification of certain information produced in connection with its Supplemental Petition Regarding its CAIR/CAMR/CAVR Environmental Compliance Program. Specifically, Gulf Power sought confidential classification of information contained in four tables (Tables 4.3-2, 5.1-1, 5.1-2, and 5.5-1) included in Gulf Power's Environmental Compliance Program (the "Confidential Information").
2. On September 20, 2007, the Commission entered an order granting Gulf Power's request. See, PSC-07-0771-CFO-EI.
3. As provided in Section 366.093(4), Florida Statutes, and by the Commission's Order, the Confidential Information will be made public after a period of 18 months unless Gulf or another affected party shows, and the Commission finds, that the information continues to qualify as proprietary confidential business information.
4. Gulf hereby requests that the Commission enter an order extending the confidential classification for an additional 18-month period.
5. With the exception of data relating to years 2007-2009, the Confidential

DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

Information is entitled to continued confidential classification for the same reasons it was initially classified. In each case, the sensitive nature of the Confidential Information remains high, despite the passage of 18 months.

6. Table 4.3-2 provides the results of an economic viability study by Gulf Power of its generating assets. This shows detailed unit-specific cost data including fuel cost, O&M costs and capital expenditures for many years into the future as well as the near term. Wholesale competitors as well as suppliers of commodities and services could utilize this information to undermine Gulf's bargaining position in the markets where Gulf must compete to obtain such commodities and services or make purchases or sales of wholesale power. In addition, disclosure of this information could negatively impact Gulf's ability to negotiate pricing favorable to its customers in the event that Gulf determined to sell one or more of its generating assets.

7. Table 5.1-1 identifies in detail Gulf Power's projected capital expenditures, by plant, for compliance with the CAIR, CAMR and CAVR. Disclosure of this information could negatively impact Gulf's ability to negotiate pricing favorable to its customers when contracting with vendors of materials needed by Gulf in order to implement its Compliance Program. Similarly, Table 5.1-2 identifies in detail Gulf Power's projected operation and maintenance expenses, by Plant, associated with the CAIR, CAMR and CAVR Compliance Plan. Disclosure of this information could negatively impact Gulf's ability to negotiate pricing favorable to its customers when contracting with vendors of services needed by Gulf in order to implement its Compliance Program.

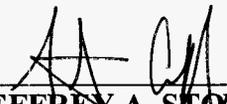
8. Finally, Table 5.5-1 identifies Gulf Power's projected allowance needs and costs between 2010 and 2017. Disclosure of this information could negatively impact Gulf's ability to negotiate pricing favorable to its customers when contracting for the purchase of allowances.

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

10. Submitted as Exhibit "A" are copies of Tables 4.3-2, 5.1-1, 5.1-2 and 5.5-1, on which are highlighted the information for which extended confidential classification is requested. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" are two (2) edited copies of Exhibit "A," which may be made available for public review and inspection. 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 extending the confidential classification of the information highlighted on Exhibit "A."

Respectfully submitted this 19<sup>th</sup> day of March, 2009.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost  
Recovery Clause

Docket No.: 090007-EI

Date: March 19, 2009

REQUEST FOR EXTENDED CONFIDENTIAL CLASSIFICATION

EXHIBIT "A"

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

EXHIBIT "B"

Table 4.3-2 (Page 1 of 2)  
Economic Viability Study

| Generating Unit                             | A                  | B                  | C                  | D                  | E                  | F                  | G                  | H                  |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | CRIST<br>UNIT 4    | CRIST<br>UNIT 5    | CRIST<br>UNIT 6    | CRIST<br>UNIT 7    | SMITH<br>UNIT 1    | SMITH<br>UNIT 2    | DANIEL<br>UNIT 1   | DANIEL<br>UNIT 2   |
|   | NPV 2006 -<br>2024 | NPV 2006 -<br>2026 | NPV 2006 -<br>2035 | NPV 2006 -<br>2038 | NPV 2006 -<br>2030 | NPV 2006 -<br>2032 | NPV 2006 -<br>2032 | NPV 2006 -<br>2036 |
| Avoided Cost Based Benefits                 |                    |                    |                    |                    |                    |                    |                    |                    |
| 1 Energy                                    |                    |                    |                    |                    |                    |                    |                    |                    |
| 2 Avoided Capacity Benefit                  |                    |                    |                    |                    |                    |                    |                    |                    |
| 3 Decommissioning Cost Deferral             |                    |                    |                    |                    |                    |                    |                    |                    |
| 4 Avoided Cost Benefits                     |                    |                    |                    |                    |                    |                    |                    |                    |
| Incremental Costs                           |                    |                    |                    |                    |                    |                    |                    |                    |
| 5 Fuel                                      |                    |                    |                    |                    |                    |                    |                    |                    |
| 6 SO <sub>2</sub>                           |                    |                    |                    |                    |                    |                    |                    |                    |
| 7 NO <sub>x</sub>                           |                    |                    |                    |                    |                    |                    |                    |                    |
| 8 CO <sub>2</sub>                           |                    |                    |                    |                    |                    |                    |                    |                    |
| 9 Hg  |                    |                    |                    |                    |                    |                    |                    |                    |
| 10 O&M                                      |                    |                    |                    |                    |                    |                    |                    |                    |
| 11 Capital Expenditures                     |                    |                    |                    |                    |                    |                    |                    |                    |
| 12 Total                                    |                    |                    |                    |                    |                    |                    |                    |                    |
| 14 Net Contribution                         |                    |                    |                    |                    |                    |                    |                    |                    |
| 15 Net Contribution in Thousands of Dollars |                    |                    |                    |                    |                    |                    |                    |                    |
| Environmental Control Year                  |                    |                    |                    |                    |                    |                    |                    |                    |
| SCR   |                    |                    | 2010               | Existing           |                    |                    | 2016               | 2017               |
| Scrubber                                    | 2009               | 2009               | 2009               | 2009               | 2017               | 2017               | 2011               | 2011               |
| SNCR  | Existing           | Existing           | Existing           |                    | 2009               | 2009               | 2009               | 2009               |
| Baghouse                                    |                    |                    |                    |                    |                    | 2017               |                    |                    |

\* Reflects 50% Gulf Power ownership

Notes: The financial viability study was based on the 8/14/06 budget forecast. Subsequent forecasts delayed the Daniel SNCR Installations to 2010-2011. This revision will not have a significant impact on the analysis results.

TRADE SECRET - PROTECTED

A B C D E F G H I J

Table 5.1-1  
 Projected CAIR, CAMR and CAVR Capital Expenditures  
 \$ in Thousands

|                   | 2007                    | 2008           | 2009           | 2010           | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Total |
|-------------------|-------------------------|----------------|----------------|----------------|------|------|------|------|------|------|------|------|-------|
| <b>By Plant</b>   |                         |                |                |                |      |      |      |      |      |      |      |      |       |
| Plant Crist       |                         |                |                |                |      |      |      |      |      |      |      |      |       |
| 1                 |                         |                | 900            |                |      |      |      |      |      |      |      |      |       |
| 2                 | Mercury Monitoring      | 3,661          |                |                |      |      |      |      |      |      |      |      |       |
| 3                 | Unit 6 SCR              | 1,702          | 8,331          | 23,899         |      |      |      |      |      |      |      |      |       |
| 4                 | Units 4-7 Scrubber      | 119,736        | 257,501        | 150,442        |      |      |      |      |      |      |      |      |       |
| Plant Scholz      |                         |                |                |                |      |      |      |      |      |      |      |      |       |
| 5                 | Mercury Monitoring      | 173            | 734            |                |      |      |      |      |      |      |      |      |       |
| Plant Smith       |                         |                |                |                |      |      |      |      |      |      |      |      |       |
| 6                 | Unit 2 Baghouse         |                |                |                |      |      |      |      |      |      |      |      |       |
| 7                 | Unit 1 SNCR             | 1,730          | 2,870          | 370            |      |      |      |      |      |      |      |      |       |
| 8                 | Unit 2 SNCR             | 1,730          | 2,870          | 370            |      |      |      |      |      |      |      |      |       |
| 9                 | Mercury Monitoring      | 506            | 1,121          |                |      |      |      |      |      |      |      |      |       |
| 10                | Units 1-2 Scrubber      |                |                |                |      |      |      |      |      |      |      |      |       |
| 11                | CAIR Parametric Monitor | 275            |                |                |      |      |      |      |      |      |      |      |       |
| Plant Daniel      |                         |                |                |                |      |      |      |      |      |      |      |      |       |
| 12                | Mercury Monitoring      | 109            | 768            |                |      |      |      |      |      |      |      |      |       |
| 13                | Unit 1 SCR              |                |                |                |      |      |      |      |      |      |      |      |       |
| 14                | Unit 2 SCR              |                |                |                |      |      |      |      |      |      |      |      |       |
| 15                | Units 1 & 2 Scrubber    | 5,866          | 41,186         | 59,858         |      |      |      |      |      |      |      |      |       |
| 16                | Unit 1 SNCR             |                |                |                |      |      |      |      |      |      |      |      |       |
| 17                | Unit 1 Low NOx Burners  | 200            | 50             | 3,610          |      |      |      |      |      |      |      |      |       |
| 18                | Unit 2 SNCR             |                |                |                |      |      |      |      |      |      |      |      |       |
| 19                | Unit 2 Low NOx Burners  | 200            | 3,700          | 21             |      |      |      |      |      |      |      |      |       |
| 20                | <b>Total by Year</b>    | <b>132,227</b> | <b>322,792</b> | <b>239,785</b> |      |      |      |      |      |      |      |      |       |
| <b>By Project</b> |                         |                |                |                |      |      |      |      |      |      |      |      |       |
| 21                | Mercury Monitoring      | 788            | 6,284          | 900            |      |      |      |      |      |      |      |      |       |
| 22                | SCRs                    | 1,702          | 8,331          | 23,899         |      |      |      |      |      |      |      |      |       |
| 23                | Scrubbers               | 125,602        | 298,687        | 210,300        |      |      |      |      |      |      |      |      |       |
| 24                | SNCRs                   | 3,460          | 5,740          | 1,055          |      |      |      |      |      |      |      |      |       |
| 25                | Baghouse                |                |                |                |      |      |      |      |      |      |      |      |       |
| 26                | CAIR Parametric Monitor | 275            |                |                |      |      |      |      |      |      |      |      |       |
| 27                | Low-NOx Burners         | 400            | 3,750          | 3,631          |      |      |      |      |      |      |      |      |       |
| 28                | <b>Total by Project</b> | <b>132,227</b> | <b>322,792</b> | <b>239,785</b> |      |      |      |      |      |      |      |      |       |

Capital expenditures are projected through 2018 to include the total project expenditures for those projects that began during the ten year forecast period.

Expenditures presented for Plant Daniel represent Gulf's ownership portion.

Table 5.1-2  
 Projected CAIR, CAMR and CAVR Plant O&M Expenses  
 \$ in Thousands

|                            | 2007 | 2008 | 2009  | A<br>2010 | B<br>2011 | C<br>2012 | D<br>2013 | E<br>2014 | F<br>2015 | G<br>2016 | H<br>Total |
|----------------------------|------|------|-------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| <b>By Plant</b>            |      |      |       |           |           |           |           |           |           |           |            |
| 1 Plant Crist              |      |      |       |           |           |           |           |           |           |           |            |
| 2 Mercury Monitoring       |      | 838  | 855   |           |           |           |           |           |           |           |            |
| 3 Unit 6 SCR               |      |      |       |           |           |           |           |           |           |           |            |
| 3 Units 4-7 Scrubber       |      |      |       |           |           |           |           |           |           |           |            |
| 4 Plant Scholz             |      |      |       |           |           |           |           |           |           |           |            |
| 4 Mercury Monitoring       |      |      | 214   |           |           |           |           |           |           |           |            |
| 5 Plant Smith              |      |      |       |           |           |           |           |           |           |           |            |
| 5 Unit 2 Baghouse          |      |      |       |           |           |           |           |           |           |           |            |
| 6 Unit 1 SNCR              |      |      | 892   |           |           |           |           |           |           |           |            |
| 6 Unit 2 SNCR              |      |      | 1,115 |           |           |           |           |           |           |           |            |
| 7 Mercury Monitoring       |      |      | 427   |           |           |           |           |           |           |           |            |
| 7 Units 1-2 Scrubber       |      |      |       |           |           |           |           |           |           |           |            |
| 8 CAIR Parametric Monitor  |      | 10   | 10    |           |           |           |           |           |           |           |            |
| 9 Plant Daniel             |      |      |       |           |           |           |           |           |           |           |            |
| 9 Mercury Monitoring       |      |      | 214   |           |           |           |           |           |           |           |            |
| 10 Unit 1 SCR              |      |      |       |           |           |           |           |           |           |           |            |
| 10 Unit 2 SCR              |      |      |       |           |           |           |           |           |           |           |            |
| 11 Units 1 & 2 Scrubber    |      |      |       |           |           |           |           |           |           |           |            |
| 12 Unit 1 SNCR             |      |      | 1,209 |           |           |           |           |           |           |           |            |
| 12 Unit 1 Low NOx Burners  |      |      |       |           |           |           |           |           |           |           |            |
| 13 Unit 2 SNCR             |      |      | 1,209 |           |           |           |           |           |           |           |            |
| 13 Unit 2 Low NOx Burners  |      |      |       |           |           |           |           |           |           |           |            |
| 14 Total by Year           |      | 848  | 6,145 |           |           |           |           |           |           |           |            |
| <b>By Project</b>          |      |      |       |           |           |           |           |           |           |           |            |
| 15 Mercury Monitoring      |      | 838  | 1,710 |           |           |           |           |           |           |           |            |
| 16 SCRs                    |      |      |       |           |           |           |           |           |           |           |            |
| 17 Scrubbers               |      |      |       |           |           |           |           |           |           |           |            |
| 18 SNCRs                   |      |      | 4,425 |           |           |           |           |           |           |           |            |
| 18 Baghouse                |      |      |       |           |           |           |           |           |           |           |            |
| 19 CAIR Parametric Monitor |      | 10   | 10    |           |           |           |           |           |           |           |            |
| 20 Total by Project        |      | 848  | 6,145 |           |           |           |           |           |           |           |            |

Gulf's environmental O&M budget projection is based on a ten year forecast.  
 Expenses presented for Plant Daniel represent Gulf's ownership portion.  
 \* Project will not be placed in service during the ten year forecast period.



EXHIBIT "C"

**Line-by-Line/Field-by-Field Justification**

**Line(s)/Field(s)**

Table 4.3-2  
Page 1 of 2  
Lines 1-15, Columns A-H.

Table 5.1-1  
Page 1 of 1  
Line 1, Column J  
Line 2, Columns A, B, D, F and J  
Line 3, Columns A and J  
Line 4, Column J  
Line 5, Columns F-J  
Lines 6-8, Column J  
Line 9, Columns D-J  
Line 10-11, Column J  
Line 12, Columns C-G and J  
Line 13, Columns D-H and J  
Line 14-15, Columns A, B and J  
Line 16, Columns A and J  
Line 17, Columns A, B and J  
Line 18, Column J  
Line 19, Columns A-J  
Line 20, Column J  
Line 21, Columns A-H and J  
Line 22, Columns A, B, D-J  
Line 23, Columns A, B and J  
Line 24, Columns F-J  
Line 25, Column J  
Line 26, Columns A and J  
Line 27, Columns A-J

**Justification**

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

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

Table 5.1-2  
Page 1 of 1  
Lines 1, Columns A-H  
Line 2, Columns B-H  
Lines 3-9, Columns A-H  
Line 10, Columns G-H  
Line 1, Columns B-H  
Line 12-15, Columns A-H  
Line 16, Columns B-H  
Lines 17-20, Columns A-H

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

Table 5.5-1  
Page 1 of 1  
Line 3-7, Columns B-I

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

Table 4.3-2 (Page 1 of 2)  
Economic Viability Study

| Generating Unit                             | A                  | B                  | C                  | D                  | E                  | F                  | G                  | H                  |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
|   | CRIST<br>UNIT 4    | CRIST<br>UNIT 5    | CRIST<br>UNIT 6    | CRIST<br>UNIT 7    | SMITH<br>UNIT 1    | SMITH<br>UNIT 2    | DANIEL<br>UNIT 1   | DANIEL<br>UNIT 2   |
|   | NPV 2006 -<br>2024 | NPV 2006 -<br>2026 | NPV 2006 -<br>2035 | NPV 2006 -<br>2038 | NPV 2006 -<br>2030 | NPV 2006 -<br>2032 | NPV 2006 -<br>2032 | NPV 2006 -<br>2036 |
| Avoided Cost Based Benefits                 |                    |                    |                    |                    |                    |                    |                    |                    |
| 1 Energy                                    |                    |                    |                    |                    |                    |                    |                    |                    |
| 2 Avoided Capacity Benefit                  |                    |                    |                    |                    |                    |                    |                    |                    |
| 3 Decommissioning Cost Deferral             |                    |                    |                    |                    |                    |                    |                    |                    |
| 4 Avoided Cost Benefits                     |                    |                    |                    |                    |                    |                    |                    |                    |
| Incremental Costs                           |                    |                    |                    |                    |                    |                    |                    |                    |
| 5 Fuel                                      |                    |                    |                    |                    |                    |                    |                    |                    |
| 6 SO <sub>2</sub>                           |                    |                    |                    |                    |                    |                    |                    |                    |
| 7 NO <sub>x</sub>                           |                    |                    |                    |                    |                    |                    |                    |                    |
| 8 CO <sub>2</sub>                           |                    |                    |                    |                    |                    |                    |                    |                    |
| 9 Hg  |                    |                    |                    |                    |                    |                    |                    |                    |
| 10 O&M                                      |                    |                    |                    |                    |                    |                    |                    |                    |
| 11 Capital Expenditures                     |                    |                    |                    |                    |                    |                    |                    |                    |
| 13 Total                                    |                    |                    |                    |                    |                    |                    |                    |                    |
| 14 Net Contribution                         |                    |                    |                    |                    |                    |                    |                    |                    |
| 15 Net Contribution in Thousands of Dollars |                    |                    |                    |                    |                    |                    |                    |                    |
| Environmental Control Year                  |                    |                    |                    |                    |                    |                    |                    |                    |
| SCR   |                    |                    | 2010               | Existing           |                    |                    | 2016               | 2017               |
| Scrubber                                    | 2009               | 2009               | 2009               | 2009               | 2017               | 2017               | 2011               | 2011               |
| SNCR  | Existing           | Existing           | Existing           |                    | 2009               | 2009               | 2009               | 2009               |
| Baghouse                                    |                    |                    |                    |                    |                    | 2017               |                    |                    |

\* Reflects 50% Gulf Power ownership

Notes: The financial viability study was based on the 8/14/06 budget forecast. Subsequent forecasts delayed the Daniel SNCR Installations to 2010-2011. This revision will not have a significant impact on the analysis results.

TRADE SECRET – PROTECTED

A B C D E F G H I J

Table 5.1-1  
 Projected CAIR, CAMR and CAVR Capital Expenditures  
 \$ in Thousands

|                            | 2007    | 2008    | 2009    | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | Total |
|----------------------------|---------|---------|---------|------|------|------|------|------|------|------|------|------|-------|
| <b>By Plant</b>            |         |         |         |      |      |      |      |      |      |      |      |      |       |
| Plant Crist                |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 1 Mercury Monitoring       |         | 3,661   | 900     |      |      |      |      |      |      |      |      |      |       |
| 2 Unit 6 SCR               | 1,702   | 8,331   | 23,899  |      |      |      |      |      |      |      |      |      |       |
| 3 Units 4-7 Scrubber       | 119,736 | 257,501 | 150,442 |      |      |      |      |      |      |      |      |      |       |
| Plant Scholz               |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 4 Mercury Monitoring       | 173     | 734     |         |      |      |      |      |      |      |      |      |      |       |
| Plant Smith                |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 5 Unit 2 Baghouse          |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 6 Unit 1 SNCR              | 1,730   | 2,870   | 370     |      |      |      |      |      |      |      |      |      |       |
| 7 Unit 2 SNCR              | 1,730   | 2,870   | 370     |      |      |      |      |      |      |      |      |      |       |
| 8 Mercury Monitoring       | 506     | 1,121   |         |      |      |      |      |      |      |      |      |      |       |
| 9 Units 1-2 Scrubber       |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 10 CAIR Parametric Monitor | 275     |         |         |      |      |      |      |      |      |      |      |      |       |
| Plant Daniel               |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 11 Mercury Monitoring      | 109     | 768     |         |      |      |      |      |      |      |      |      |      |       |
| 12 Unit 1 SCR              |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 13 Unit 2 SCR              |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 14 Units 1 & 2 Scrubber    | 5,866   | 41,186  | 59,858  |      |      |      |      |      |      |      |      |      |       |
| 15 Unit 1 SNCR             |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 16 Unit 1 Low NOx Burners  | 200     | 50      | 3,610   |      |      |      |      |      |      |      |      |      |       |
| 17 Unit 2 SNCR             |         |         | 315     |      |      |      |      |      |      |      |      |      |       |
| 18 Unit 2 Low NOx Burners  | 200     | 3,700   | 21      |      |      |      |      |      |      |      |      |      |       |
| 19 Total by Year           | 132,227 | 322,792 | 239,785 |      |      |      |      |      |      |      |      |      |       |
| <b>By Project</b>          |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 20 Mercury Monitoring      | 788     | 6,284   | 900     |      |      |      |      |      |      |      |      |      |       |
| 21 SCRs                    | 1,702   | 8,331   | 23,899  |      |      |      |      |      |      |      |      |      |       |
| 22 Scrubbers               | 125,602 | 298,687 | 210,300 |      |      |      |      |      |      |      |      |      |       |
| 23 SNCRs                   | 3,460   | 5,740   | 1,055   |      |      |      |      |      |      |      |      |      |       |
| 24 Baghouse                |         |         |         |      |      |      |      |      |      |      |      |      |       |
| 25 CAIR Parametric Monitor | 275     |         |         |      |      |      |      |      |      |      |      |      |       |
| 26 Low-NOx Burners         | 400     | 3,750   | 3,631   |      |      |      |      |      |      |      |      |      |       |
| 27 Total by Project        | 132,227 | 322,792 | 239,785 |      |      |      |      |      |      |      |      |      |       |

Capital expenditures are projected through 2018 to include the total project expenditures for those projects that began during the ten year forecast period.

Expenditures presented for Plant Daniel represent Gulf's ownership portion.

Table 5.1-2  
 Projected CAIR, CAMR and CAVR Plant O&M Expenses  
 \$ in Thousands

|                         | 2007 | 2008 | 2009  | A<br>2010 | B<br>2011 | C<br>2012 | D<br>2013 | E<br>2014 | F<br>2015 | G<br>2016 | H<br>Total |
|-------------------------|------|------|-------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| <b>By Plant</b>         |      |      |       |           |           |           |           |           |           |           |            |
| Plant Crist             |      |      |       |           |           |           |           |           |           |           |            |
| 1 Mercury Monitoring    |      | 838  | 855   |           |           |           |           |           |           |           |            |
| 2 Unit 6 SCR            |      |      |       |           |           |           |           |           |           |           |            |
| 3 Units 4-7 Scrubber    |      |      |       |           |           |           |           |           |           |           |            |
| Plant Scholz            |      |      |       |           |           |           |           |           |           |           |            |
| 4 Mercury Monitoring    |      |      | 214   |           |           |           |           |           |           |           |            |
| Plant Smith             |      |      |       |           |           |           |           |           |           |           |            |
| Unit 2 Baghouse         |      |      |       |           |           |           |           |           |           |           |            |
| 5 Unit 1 SNCR           |      |      | 892   |           |           |           |           |           |           |           |            |
| 6 Unit 2 SNCR           |      |      | 1,115 |           |           |           |           |           |           |           |            |
| 7 Mercury Monitoring    |      |      | 427   |           |           |           |           |           |           |           |            |
| 8 Units 1-2 Scrubber    |      |      |       |           |           |           |           |           |           |           |            |
| CAIR Parametric Monitor |      | 10   | 10    |           |           |           |           |           |           |           |            |
| Plant Daniel            |      |      |       |           |           |           |           |           |           |           |            |
| 9 Mercury Monitoring    |      |      | 214   |           |           |           |           |           |           |           |            |
| 10 Unit 1 SCR           |      |      |       |           |           |           |           |           |           |           |            |
| Unit 2 SCR              |      |      |       |           |           |           |           |           |           |           |            |
| 11 Units 1 & 2 Scrubber |      |      |       |           |           |           |           |           |           |           |            |
| 12 Unit 1 SNCR          |      |      | 1,209 |           |           |           |           |           |           |           |            |
| Unit 1 Low NOx Burners  |      |      |       |           |           |           |           |           |           |           |            |
| 13 Unit 2 SNCR          |      |      | 1,209 |           |           |           |           |           |           |           |            |
| Unit 2 Low NOx Burners  |      |      |       |           |           |           |           |           |           |           |            |
| 14 Total by Year        |      | 848  | 6,145 |           |           |           |           |           |           |           |            |
| <b>By Project</b>       |      |      |       |           |           |           |           |           |           |           |            |
| 15 Mercury Monitoring   |      | 838  | 1,710 |           |           |           |           |           |           |           |            |
| 16 SCRs                 |      |      |       |           |           |           |           |           |           |           |            |
| 17 Scrubbers            |      |      |       |           |           |           |           |           |           |           |            |
| 18 SNCRs                |      |      | 4,425 |           |           |           |           |           |           |           |            |
| 19 Baghouse             |      |      |       |           |           |           |           |           |           |           |            |
| CAIR Parametric Monitor |      | 10   | 10    |           |           |           |           |           |           |           |            |
| 20 Total by Project     |      | 848  | 6,145 |           |           |           |           |           |           |           |            |

Gulf's environmental O&M budget projection is based on a ten year forecast.  
 Expenses presented for Plant Daniel represent Gulf's ownership portion.  
 \* Project will not be placed in service during the ten year forecast period.

Table 5.5-1  
Gulf Power Allowance Projection and Costs  
(2009-2017)

Annual Emissions in Excess of Allocations

|                                 | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
|---------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| SO <sub>2</sub> (tons)          | 43,650      | 13,578      | 0           | 0           | 0           | 0           | 0           | 0           | 0           |
| Mercury (ounces)                | N/A         | 2,111       | 30          | 393         | 540         | 453         | 128         | 0           | 0           |
| Annual NO <sub>x</sub> (tons)   | 6,057       | 5,678       | 2,176       | 972         | 1,358       | 1,228       | 2,239       | 1,705       | 877         |
| Seasonal NO <sub>x</sub> (tons) | 2,476       | 2,266       | 607         | 276         | 195         | 219         | 1,258       | 1,153       | 732         |

A      B      C      D      E      F      G      H      I

| Cost of Emissions in Excess of Allocations (\$ in thousands)* |                 |             |             |             |             |             |             |             |             |
|---|-----------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|   | <u>2009</u>     | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> | <u>2016</u> | <u>2017</u> |
| SO <sub>2</sub>   | \$26,383        |             |             |             |             |             |             |             |             |
| Mercury   | NA              |             |             |             |             |             |             |             |             |
| Annual NO <sub>x</sub>  | \$8,167         |             |             |             |             |             |             |             |             |
| Seasonal NO <sub>x</sub>                                      | \$6,190         |             |             |             |             |             |             |             |             |
| <b>Total Cost</b>   | <b>\$40,740</b> |             |             |             |             |             |             |             |             |

\*Projected cost is at forecasted price of the spot market in a given year; 2009 SO<sub>2</sub> costs include credit from prior year bank balance; forecast does not include pending transactions or commitments to purchase.

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**ACKNOWLEDGEMENT**

**DATE: March 20, 2009**

**TO: Susan Ritenour/Gulf Power**

**FROM: Marguerite H. McLean, Office of Commission Clerk**

**RE: Acknowledgement of Receipt of Confidential Filing**

This will acknowledge receipt of a **CONFIDENTIAL DOCUMENT** filed in Docket Number 090007-E or, if filed in an undocketed matter, concerning certain information produced in connection with GPC's 2007 supplemental petition re: CAIR/CAMR/CAVR Environmental Compliance Program, 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 McLean, Deputy Clerk**, at (850) 413-6770.

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