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Public Service Commission

November 5, 2009

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COMMISSION
CLERK

Ms. Susan D. Ritenour
Secretary and Treasurer and Regulatory Manager
Gulf Power Company
One Energy Place
Pensacola, Florida 32520-0781

Re: Docket No. 090319-EI, Gulf Power Company 2009 Depreciation and Dismantlement Study: Staff's Second Data Request

Dear Ms. Ritenour:

Upon further review staff has some additional questions to which we ask you provide responses.

Please provide your responses by December 3, 2009. If there are any questions, please contact Pat Lee at (850) 413-6453.

Sincerely,

A handwritten signature in black ink, appearing to read "Dave Dowds".

Dave Dowds
Supervisor, Cost Analysis Section
Bureau of Cost Analysis & Recovery

DD/ML:kb

Enclosure

Cc: **Office of Commission Clerk**
Office of General Counsel (Fleming)
Office of Public Counsel
Division of Economic Regulation (Devlin, Hinton)

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**Depreciation and Dismantlement Study at December 31, 2009, by Gulf Power Company.
Docket No. 090319-EI: Staff's Second Data Request**

38. For the following question, please refer to Gulf's Response to Staff's First Data Request, September 25, 2009, Item No. 28. Please explain or describe the difference between conduit that is included in Account 366 and the conduit charged and retired to Account 367.
39. For the following question, please refer to the Tab 11, Account 373 – Street Lighting. Please explain or describe why “lower modes [are] preferred by the data.”

For the following questions, please refer to Tab 8 of Gulf's 2009 Depreciation Study.

40. Please refer to pages 28-32. Please explain or describe why and how Gulf adjusts historical transmission, distribution and general plant account data for the impact of hurricanes.
 41. Please refer to p. 7, Account 354, Towers. Please explain or describe why cost of removal appears to be decreasing.
 42. Please refer to p. 12, Account 362, Station Equipment. Please explain or describe why there was gross salvage in 2006-2008.
 43. Please refer to p. 16, Account 367, Underground Conductors. Please explain or describe why gross salvage has been decreasing since 2002.
 44. Please refer to p. 17, Account 368, Line Transformers. Please explain or describe why there is a trend of “less net removal.”
 45. Please refer to p. 19, Account 369.2, Underground Services. Please explain or describe what is meant by the phrase “mitigated by industry experience.”
 46. Please refer to p. 20, Account 370, Meters. Please explain or describe why there has been “significantly higher salvage” since 2004.
 47. Please refer to p. 20, Account 370, Meters. Please explain or describe why the cost of removal “has been increasing . . . recently.”
 48. Please refer to p. 21, Account 373, Street Lighting. Please explain or describe why there has been a reduction in salvage since 2002.
 49. Please refer to p. 21, Account 373, Street Lighting. Please explain or describe the reason for the large cost of removal in 2006.
 50. Please refer to p. 23, Account 392.2, Light Trucks. Please explain or describe the reason for “decreasing salvage.” Does Gulf expect the trend to continue? Why or why not?
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51. Please refer to p. 24, Account 392.3, Heavy Trucks. Please explain or describe the reason for “decreasing salvage.” Does Gulf expect the trend to continue? Why or why not?
52. In response to Staff’s First Data Request No. 23, the Company indicates that it plans to implement AMI across its service territory over the next five years. Please provide the name of the manufacturer the Company plans to use.
53. Does the Company plan to implement a pilot program for the AMI system before a full-scale deployment? If so, when does the Company plan to start a pilot program and how many meters will initially be replaced?