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September 10, 2010

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

Dear Ms. Cole:

Re: Docket No. 100007-EI

Enclosed are an original and fifteen copies of Gulf Power Company's Preliminary List of Issues, to be filed in the above referenced Environmental Cost Recovery Clause docket.

Sincerely,

vm

COM	_____	Enclosures
APA	2	
ECR	10	cc w/encl.: Beggs & Lane
GCL	2	Jeffrey A. Stone, Esq.
RAD	1	
SSC	_____	
ADM	_____	
OPC	_____	
CLK	_____	

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No.: **100007-EI**

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing has been furnished this 10th day of September, 2010, by US mail to the following:

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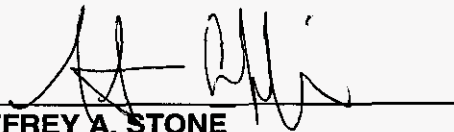
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No. 100007 - EI
Filed: September 13, 2010

**PRELIMINARY STATEMENT OF GULF POWER COMPANY
REGARDING ISSUES AND POSITIONS**

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

Generic Environmental Cost Recovery Issues

ISSUE 1: What are the final environmental cost recovery true-up amounts for the period January 2009 through December 31, 2009?

GULF: Over recovery of \$9,744,785. (Vick, Dodd)

ISSUE 2: What are the estimated/actual environmental cost recovery true-up amounts for the period January 2010 through December 2010?

GULF: Under recovery of \$234,779. (Vick, Dodd)

ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2011 through December 2011?

GULF: \$157,338,278. (Vick, Dodd)

ISSUE 4: What are the environmental cost recovery amounts, including true-up amounts, for the period January 2011 through December 2011?

GULF: Recovery of \$147,828,272 (excluding revenue taxes). (Dodd)

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2011 through December 2011?

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

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2011 through December 2011?

GULF: The demand jurisdictional separation factor is 96.44582%. Energy jurisdictional separation factors are calculated each month based on retail KWH sales as a percentage of projected total territorial KWH sales. (Dodd)

ISSUE 7: What are the appropriate Environmental Cost Recovery Factors for the period January 2011 through December 2011 for each rate group?

GULF: See table below: (Dodd)

RATE CLASS	ENVIRONMENTAL COST RECOVERY FACTORS ¢/KWH
RS, RSVP	1.343
GS	1.335
GSD, GSDT, GSTOU	1.324
LP, LPT	1.295
PX, PXT, RTP, SBS	1.278
OS-I/II	1.286
OSIII	1.306

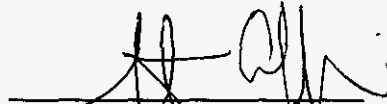
ISSUE 8:

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

GULF:

The new environmental cost recovery factors should be effective beginning with the first billing cycle for January 2011 and thereafter through the last billing cycle for December 2011. The first billing cycle may start before January 1, 2011, and the last cycle may be read after December 31, 2011, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. (Dodd)

Respectfully submitted this 10th day of September, 2010.



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