

**Diamond Williams**

100002-EG

**From:** Marchman, Vickie L. [VLMARCHM@southernco.com]  
**Sent:** Wednesday, October 13, 2010 3:11 PM  
**To:** Filings@psc.state.fl.us  
**Subject:** Prehearing Statement of Gulf Power Company in the 100002-EG docket  
**Attachments:** Docket 100002-EG Prehearing Statement.pdf; Docket 100002-EG Gulf Power Company Prehearing Statement.doc

- A. s/Susan D. Ritenour  
Gulf Power Company  
One Energy Place  
Pensacola FL 32520  
850.444.6231  
[Sdriteno@southernco.com](mailto:Sdriteno@southernco.com)
- B. Docket No. 100002-EG
- C. Gulf Power Company
- D. Document consists of 8 pages.
- E. The attached are the pdf and Word documents of Gulf Power Company's Prehearing Statement in the 100002-EG docket.

**Vickie Marchman**

Gulf Power Company  
One Energy Place  
Pensacola FL 32520-0786  
internal 8-420-6696  
external 850-444-6696  
fax 850-444-6026  
**email:** [vlmarchm@southernco.com](mailto:vlmarchm@southernco.com)

DOCUMENT NUMBER-DATE  
08564 OCT 13 2010  
FPSC-COMMISSION CLERK

10/13/2010

**Susan D. Ritenour**  
Secretary and Treasurer  
and Regulatory Manager

One Energy Place  
Pensacola, Florida 32520-0781

Tel 850.444.6231  
Fax 850.444.6026  
SDRITENO@southernco.com



October 13, 2010

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

Dear Ms. Cole:

RE: Docket No. 100002-EG

Enclosed is the Prehearing Statement of Gulf Power Company to be filed in the above docket. A copy of this Prehearing Statement as prepared in Microsoft Word is included as an attachment to Gulf's electronic filing.

Sincerely,

*Susan D. Ritenour*

vm

Enclosures

cc: Beggs & Lane  
Jeffrey A. Stone, Esq.

DOCUMENT NUMBER-DATE

08564 OCT 13 2010

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Energy Conservation Cost Recovery )

) Docket No.: 100002-EG

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic and/or US mail this 13<sup>th</sup> day of October 2010, to the following:

Akerman Law Firm  
Beth Keating  
106 East College Avenue, Suite  
1200  
Tallahassee, FL 32301

Patricia Ann Christensen, Esq.  
Office of Public Counsel  
111 W. Madison St., Suite 812  
Tallahassee FL 32399-1400

Paula K. Brown, Administrator  
Regulatory Coordination  
Tampa Electric Company  
P. O. Box 111  
Tampa FL 33601

Vicki Kaufman  
Jon Moyle  
Keefe Anchors Gordon & Moyle PA  
118 N. Gadsden St.  
Tallahassee, FL 32301

Katherine E. Fleming, Esq.  
Senior Attorney  
FL Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee FL 32399-0863

Paul Lewis, Jr.  
Progress Energy Florida, Inc.  
106 E. College Ave., Ste. 800  
Tallahassee FL 32301

Theresa Tan  
FL Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee FL 32399-0863

John T. Burnett, Esq.  
Progress Energy Service Co., LLC  
P. O. Box 14042  
St. Petersburg FL 33733-4042

Wade Litchfield  
Vice President  
Florida Power & Light Co.  
700 Universe Blvd  
Juno Beach, FL 33408-0420

James D. Beasley, Esq.  
J. Jeffry Wahlen  
Attorneys for Tampa Electric Co.  
Ausley & McMullen  
P. O. Box 391  
Tallahassee FL 32302

John W. McWhirter, Jr., Esq.  
Attorneys for FIPUG  
McWhirter Reeves & Davidson, P.A.  
P.O. Box 3350  
Tampa, FL 33601-3350

Kenneth Rubin  
Senior Attorney for Florida  
Power & Light Co.  
700 Universe Boulevard  
Juno Beach FL 33408-0420

Randy B. Miller  
White Springs Agricultural  
Chemicals  
PO Box 300  
15483 Southeast 78<sup>th</sup> Street  
White Springs, FL 32096

James W. Brew  
F. Alvin Taylor  
Brickfield, Burchette, et al., P.C.  
1025 Thomas Jefferson St., NW  
Eighth Floor, West Tower  
Washington, DC 20007-5201

Mr. Joseph Eysie  
Florida Public Utilities  
Company  
PO Box 3395  
West Palm Beach, FL 33402-  
3395

  
\_\_\_\_\_  
**JEFFREY A. STONE**  
Florida Bar No. 325953  
**RUSSELL A. BADDERS**  
Florida Bar No. 007455  
**STEVEN R. GRIFFIN**  
Florida Bar No. 0627569  
BEGGS & LANE  
P. O. Box 12950  
Pensacola FL 32591-2950  
(850) 432-2451  
Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Conservation Cost Recovery )  
Clause )  
)  
)

Docket No. 100002-EG  
Date Filed: October 13, 2010

**PREHEARING STATEMENT OF GULF POWER COMPANY**

Gulf Power Company, (“Gulf Power”, “Gulf”, or “the Company”), by and through its undersigned attorneys, and pursuant to Order No. PSC-10-0118-PCO-EG, issued February 26, 2010, establishing the prehearing procedure in this docket, files this prehearing statement, saying:

**A. APPEARANCES:**

JEFFREY A. STONE, Esquire, RUSSELL A. BADDERS, Esquire  
and STEVEN R. GRIFFIN, Esquire, of Beggs & Lane, P.O. Box  
12950, Pensacola, FL 32591-2950  
On behalf of Gulf Power Company.

**B. WITNESSES:** All witnesses known at this time, who may be called by Gulf Power Company, along with the subject matter and issue numbers which will be covered by the witness' testimony, are as follows:

<u>Witness</u> (Direct)	<u>Subject Matter</u>	<u>Issues</u>
1. John N. Floyd	True-up; components of Gulf's conservation plan and associated costs; projections and program results	1, 2, 3
2. Jennifer L. Todd	True-up; components of Gulf's conservation plan and associated costs; projections and program results	1, 2, 3, 4

C. EXHIBITS:

<u>Exhibit Number</u>	<u>Witness</u>	<u>Description</u>
(JNF-1)	Floyd	Schedules CT - 1 through CT - 6
(JLT-1)	Todd	Schedules C - 1 through C - 5

D. STATEMENT OF BASIC POSITION

Gulf Power Company's Statement of Basic Position:

It is the basic position of Gulf Power Company that the proposed ECCR factors present the best estimate of Gulf's Conservation expense at this time for the period January 2011 through December 2011, including the true-up calculations and other adjustments allowed by the Commission.

E. STATEMENT OF ISSUES AND POSITIONS

**Generic Energy Conservation Cost Recovery Issues**

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

**GULF:** Over recovery of \$1,325,593. (Floyd, Todd)

**ISSUE 2:** What are the total conservation cost recovery amounts to be collected during the period January 2011 through December 2011?

**GULF:** Recovery of \$20,202,156 (excluding revenue taxes). (Floyd, Todd)

At the request of Staff, two alternative amounts are also being provided.

Alternative 1 which includes programs in Gulf's existing DSM Plan, plus the recently approved solar pilot programs.

Recovery of \$8,429,664 (excluding revenue taxes). (Floyd, Todd)

Alternative 2 which includes programs in Gulf's existing DSM Plan, exclusive of the recently approved solar pilot programs.

Recovery of \$7,526,687 (excluding revenue taxes). (Floyd, Todd)

**ISSUE 3:** What are the conservation cost recovery factors for the period January 2011 through December 2011?

**GULF:** The Company's proposed conservation cost recovery factors by customer class for the period January 2011 through December 2011 are as follows: (Floyd, Todd)

<b>RATE CLASS</b>	<b>CONSERVATION COST RECOVERY FACTORS ¢/kWh</b>
RS, RSVP	0.187
GS	0.184
GSD, GSDT, GSTOU	0.180
LP, LPT	0.174
PX, PXT, RTP, SBS	0.170
OSI, OSII	0.165
OSIII	0.173

**GULF:**

At the request of Staff two alternative sets of cost recovery factors are also being provided.

Alternative 1 which includes programs in Gulf's existing DSM Plan, plus the recently approved solar pilot programs.

The Company's proposed conservation cost recovery factors by customer class for the period January 2011 through December 2011 for Alternative 1 are as follows: (Floyd, Todd)

<b>RATE CLASS</b>	<b>CONSERVATION COST RECOVERY FACTORS ¢/kWh</b>
RS, RSVP	0.080
GS	0.077
GSD, GSDT, GSTOU	0.074
LP, LPT	0.071
PX, PXT, RTP, SBS	0.068
OSI, OSII	0.063
OSIII	0.069

**GULF:** At the request of Staff two additional alternative sets of cost recovery factors are also being provided.

Alternative 2 which includes programs in Gulf's existing DSM Plan, exclusive of the recently approved solar pilot programs.

The Company's proposed conservation cost recovery factors by customer class for the period January 2011 through December 2011 for Alternative 2 are as follows: (Floyd, Todd)

<b>RATE CLASS</b>	<b>CONSERVATION COST RECOVERY FACTORS ¢/kWh</b>
RS, RSVP	0.071
GS	0.069
GSD, GSDT, GSTOU	0.066
LP, LPT	0.063
PX, PXT, RTP, SBS	0.061
OSI, OSII	0.056
OSIII	0.061

**ISSUE 4:** What should be the effective date of the new conservation cost recovery factors for billing purposes?

**GULF:** The new conservation 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. (Todd)



F. STIPULATED ISSUES

GULF: Yet to be determined. Gulf is willing to stipulate that the testimony of all witnesses whom no one wishes to cross examine be inserted into the record as though read, cross examination be waived, and the witness's attendance at the hearing be excused.

G. PENDING MOTIONS:

GULF: None.

H. PENDING CONFIDENTIALITY REQUEST:

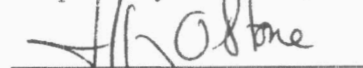
GULF: None.

I. OTHER MATTERS:

GULF: To the best knowledge of counsel, Gulf has complied, or is able to comply, with all requirements set forth in the orders on procedure and/or the Commission rules governing this prehearing statement. If other issues are raised for determination at the hearings set for November 1-3, 2010, Gulf respectfully requests an opportunity to submit additional statements of position and, if necessary, file additional testimony.

Dated this 13<sup>th</sup> day of October, 2010.

Respectfully submitted,



**JEFFREY A. STONE**

Florida Bar No. 0325953

**RUSSELL A. BADDERS**

Florida Bar No. 0007455

**STEVEN R. GRIFFIN**

Florida Bar No. 0627569

**Beggs & Lane**

P. O. Box 12950

Pensacola, FL 32591-2950

(850) 432-2451

**Attorneys for Gulf Power Company**