

**Diamond Williams**

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**From:** Milstead, Natalie [NBMILSTE@SOUTHERNCO.COM]  
**Sent:** Monday, September 12, 2011 2:50 PM  
**To:** Filings@psc.state.fl.us  
**Cc:** Stone, Jeff A.; Badders, Russell A. (Beggs & Lane); Griffin, Steven R. (Beggs & Lane)  
**Subject:** If Power Company's Preliminary List of Issues and Positions  
**Attachments:** 9.12.11 Preliminary List of Issues and Positions.pdf

- A. s/Terry A. Davis  
Gulf Power Company  
One Energy Place  
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850.444.6664  
[tadavis@southernco.com](mailto:tadavis@southernco.com)
- B. Docket No. 110007-EI
- C. Gulf Power Company
- D. Document consists of 5 pages
- E. The attached document is Gulf Power Company's Preliminary List of Issues and Positions

9/12/2011

DOCUMENT NUMBER-DATE

06539 SEP 12 =

FPSC-COMMISSION CLERK

**Terry A. Davis**  
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September 12, 2011

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

Dear Ms. Cole:

Re: Docket No. 110007-EI

Enclosed is Gulf Power Company's Preliminary List of Issues and Positions, to be filed in the above referenced Environmental Cost Recovery Clause docket.

Sincerely,

A handwritten signature in cursive script that reads "Terry A. Davis".

nm

Enclosures

cc w/encl.: Beggs & Lane  
Jeffrey A. Stone, Esq.

DOCUMENT NUMBER-DATE  
06539 SEP 12 =  
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost )  
Recovery Clause. )  
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Docket No. 110007 - EI  
Filed: September 12, 2011

**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 2010 through December 31, 2010?

**GULF:** Over recovery of \$861,325. (Vick, Dodd)

**ISSUE 2:** What are the estimated/actual environmental cost recovery true-up amounts for the period January 2011 through December 2011?

**GULF:** Over recovery of \$14,380,513. (Vick, Dodd)

**ISSUE 3:** What are the projected environmental cost recovery amounts for the period January 2012 through December 2012?

**GULF:** \$169,103,827. (Vick, Dodd)

**ISSUE 4:** What are the environmental cost recovery amounts, including true-up amounts, for the period January 2012 through December 2012?

**GULF:** Recovery of \$153,861,989 (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 2012 through December 2012?

**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 2012 through December 2012?

**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 2012 through December 2012 for each rate group?

**GULF:** See table below: (Dodd)

<b>RATE CLASS</b>	<b>ENVIRONMENTAL COST RECOVERY FACTORS ¢/KWH</b>
RS, RSVP	1.328
GS	1.320
GSD, GSDT, GSTOU	1.308
LP, LPT	1.278
PX, PXT, RTP, SBS	1.261
OS-I/II	1.267
OSIII	1.289

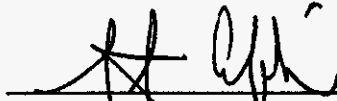
**ISSUE 8:**

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 2012 and thereafter through the last billing cycle for December 2012. The first billing cycle may start before January 1, 2012, and the last cycle may be read after December 31, 2012, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. (Dodd)

Respectfully submitted this 12 day of September, 2011.



**JEFFREY A. STONE**

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**Attorneys for Gulf Power Company**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: **Environmental Cost  
Recovery Clause**

Docket No. **110007-EI**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the foregoing has been furnished this 12th day of September, 2011, by electronic mail to the following:

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