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claim of confidentiality  
 notice of intent  
 request for confidentiality  
filed by OPC

COMMISSION  
CLERK



May 23, 2013

For DN 02877-13, which  
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Ms. Ann Cole, Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee FL 32399-0850

**REDACTED**

Re: Docket No. 130092-EI – Petition of Gulf Power Company to include the Plant Daniel Bromine and ACI Project, the Plant Crist Transmission Upgrades Project, and the Plant Smith Transmission Upgrades Project in the Company's program, and approve the costs associated with those compliance strategies for recovery through the ECRC

Dear Ms. Cole:

Enclosed is Gulf Power Company's Request for Confidential Classification for certain portions of its response to Commission Staff's First Data Request concerning the Environmental Compliance Program Update to be filed in the above referenced docket.

Also enclosed is a CD containing the Request for Confidential Classification as well as exhibit C in Microsoft Word as prepared on a Windows based computer

Sincerely,

Robert L. McGee, Jr.  
Regulatory and Pricing Manager

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GCL \_\_\_\_\_  
IDM \_\_\_\_\_  
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cc: Beggs & Lane  
Jeffrey A. Stone, Esq.

DOCUMENT NUMBER DATE

02876 MAY 24 2013

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition of Gulf Power Company to include the Plant Daniel Bromine and ACI Project, the Plant Crist Transmission Upgrades Project, and the Plant Smith Transmission Upgrades Project in the Company's program, and approve the costs associated with those compliance strategies for recovery through the ECRC

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Docket No.: 130092-EI  
Date: May 24, 2013

**REQUEST FOR 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 a request that the Florida Public Service Commission enter an order protecting from public disclosure certain portions of the Company's response to Commission Staff's First Data Request concerning Gulf's Environmental Compliance Program Update for the Clean Air Interstate Rule, National Ambient Air Quality Standards, Mercury and Air Toxics Standards and Clean Air Visibility Rule (the "Compliance Program"). As grounds for this request, the Company states:

1. Gulf Power seeks confidential classification for portions of its response to Commission Staff's First Data Request concerning the Company's Compliance Program in the above referenced docket (the "Data Request") which is being filed concurrently with this request. Portions of Gulf's response include information relating to the competitive interests of the Company, the disclosure of which would impair the competitive business of Gulf Power and Gulf Power's ability to procure goods and services on a fair and reasonable basis. This information is entitled to confidential classification pursuant to section 366.093(3)(a) and (e), Florida Statutes.

DOCUMENT NUMBER: 02876  
MAY 24 2013  
FPSC-COMMISSION CLERK

2. The Company's response to Item No. 8 of the Data Request contains a table depicting projected CO2 pricing under nine different scenarios. These price projections are developed internally by the Southern Company and Gulf and are a key input to the Company's proprietary fuel cost projections. This information is subject to extensive efforts to maintain its secrecy and only select Company personnel with a "need to know" are granted access. Public disclosure of this information would enable vendors of commodities and services to tailor their pricing proposals to the Company's expected costs, resulting in higher costs for the Company and its customers. Additionally, the subject information is used in developing future generation strategies for Gulf. Generation wholesalers, power marketers or other competitors could utilize this information to tailor proposals with the intention of pricing products that could undermine the Company's market position. This information derives economic value from not being generally known to, and being readily ascertainable by proper means to, other persons who can obtain economic value from its disclosure or use. This information is considered proprietary and trade secret by Gulf Power and the Southern Company. For all of the foregoing reasons, this information is entitled to confidential classification pursuant to section 366.093(3)(a) and (e), Florida Statutes.

3. Gulf's response to Item No. 9 of the Data Request contains a table depicting projected natural gas pricing under nine different scenarios. These pricing scenarios were developed by Gulf, the Southern Company and their consultant, Charles River Associates, using an extensive proprietary modeling analysis. These forecasts are based on non-public data, were developed at significant cost to the Company, and are considered proprietary and trade secret by Gulf Power, the Southern Company and their consultant. This information reveals key inputs into the Company's decision-making process and is subject to extensive efforts to maintain its

secrecy. Only select Company personnel with a “need to know” are granted access. Public disclosure of this information would enable competitors to access and utilize Gulf’s forecasts without incurring costs to obtain similar information, thus bestowing an economic advantage upon such competitors at the cost of Gulf and its customers. Additionally, public disclosure of this information would enable vendors of commodities and services to tailor their pricing proposals to the Company’s projections, resulting in higher costs for the Company and its customers. For example, if prospective fuel suppliers have access to such information those suppliers will view the forecasted prices as the lower limit of what Gulf expects to pay and will offer to supply fuel at higher prices. Finally, the subject information is used in developing future generation strategies for Gulf. Generation wholesalers, power marketers or other competitors could utilize this information to tailor proposals with the intention of pricing products that could undermine the Company’s market position. This information derives economic value from not being generally known to, and being readily ascertainable by proper means to, other persons who can obtain economic value from its disclosure or use. For all of the foregoing reasons, this information is entitled to confidential classification pursuant to section 366.093(3)(a) and (e), Florida Statutes.

4. Gulf’s responses to Item Nos. 10, 11, 12, 13 and 22 contain detailed capital investment requirements for various transmission projects that Gulf may be required to implement in order to comply with the EPA’s Mercury and Air Toxics Standards (“MATS”). Disclosure of this detailed cost information would negatively impact Gulf’s ability to negotiate pricing favorable to its customers when contracting with vendors of services and materials needed by Gulf in order to implement these compliance options. This information would enable vendors of commodities and services to tailor their pricing proposals to the Company’s expected

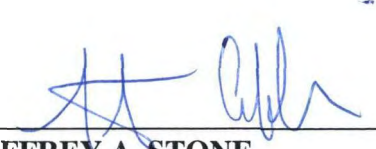
costs, resulting in higher costs for the Company and its customers. Consequently, this information is entitled to confidential classification pursuant to section 366.093(3)(e), Florida Statutes.

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

6. Submitted as Exhibit "A" are highlighted pages from Gulf's response to the Data Request which contain confidential information. Exhibit "A" should be treated as confidential pending a ruling on this request. Attached as Exhibit "B" are two 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 protecting the information highlighted on Exhibit "A" from public disclosure as proprietary confidential business information.

Respectfully submitted this 23rd day of March, 2013.



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**Attorneys for Gulf Power Company**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition of Gulf Power Company to include the Plant Daniel Bromine and ACI Project, the Plant Crist Transmission Upgrades Project, and the Plant Smith Transmission Upgrades Project in the Company's program, and approve the costs associated with those compliance strategies for recovery through the ECRC

Docket No.: 130092-EI  
Date: May 24, 2013

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**REQUEST FOR CONFIDENTIAL CLASSIFICATION**

**EXHIBIT "A"**

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

**EXHIBIT "B"**

8. On page 4 the witness testifies that the economic evaluation of Gulf's MATS considers a range of CO2 penalties.
- Please describe how the CO2 penalties, used in the economic evaluation, were developed.
  - Please provide the CO2 penalties (\$/metric tonne) for each year evaluated.

Response:

The Company considers a range of possible future controls on its emissions of CO2. Two of these possible future controls include i) a price on emissions beginning in 2017 at \$10 per metric ton and rising over the model period and ii) a price on emissions beginning in 2020 at \$20 per metric ton in 2020 and rising over the model period. The Company also considers the possibility that there will be no price on emissions during the model period. These possible future CO2 price projections were developed considering analyses of recent policy proposals. Recent policy proposals have included both price-based control mechanisms, such as CO2 cap-and-trade, and a carbon tax and technology-based control mechanisms, such as the draft New Source Performance Standards. The Company believes that the price projections it analyzes are a useful proxy for the possible future CO2 controls that may affect the operation of the Company's units.

**CO<sub>2</sub> Prices (Nominal \$/metric tonne)**

				A	B	C	D	E	F	G	H	
	Gas Scenario	CO2 View	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
1	Low	Existing	--	--	--	--	--	--	--	--	--	--
2	Low	Moderate	--	--								
3	Low	Substantial	--	--	--	--	--					
4	Moderate	Existing	--	--	--	--	--	--	--	--	--	--
5	Moderate	Moderate	--	--								
6	Moderate	Substantial	--	--	--	--	--					
7	High	Existing	--	--	--	--	--	--	--	--	--	--
8	High	Moderate	--	--								
9	High	Substantial	--	--	--	--	--					

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10. For Plant Crist MATS Option 1, included on page 14 of Gulf's Environmental Compliance Program Update, please describe each transmission upgrade that is needed. As part of this description please provide a schedule, similar to Schedule 10 of Gulf's Ten-Year Site Plan.

Response:

The only transmission upgrades needed for Plant Crist MATS Option 1 are those identified as the "base transmission plan" for the Plant Crist area, which are not anticipated to be needed until the 2018-2025 timeframe as listed below:

- a. North Brewton – Alligator Swamp Transmission Line: Build new 59.5 mile 1351 ACSS 230 kV transmission line from Alabama Power substation to Gulf Power substation
- (1) **Point of Origin:** Brewton, AL (Escambia Co.) **Termination:** Pace, FL (Santa Rosa Co.)
  - (2) **Number of Lines:** 1
  - (3) **Right-of-Way:** Existing
  - (4) **Line Length:** 59.5 miles (42.5 miles for Gulf Power)
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** 2022
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** North Brewton, Alligator Swamp
  - (9) **Participation with Other Utilities:** Alabama Power Company
- b. Build new substation terminal at Alligator Swamp substation
- (1) **Point of Origin:** Pace, FL (Santa Rosa Co.)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A
  - (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** 2022
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Alligator Swamp
  - (9) **Participation with Other Utilities:** N/A
- c. Install Alligator Swamp +/- 100 MVAR Static VAR System (SVS)
- (1) **Point of Origin:** Pace, FL (Santa Rosa Co.)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A

- 1
- (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** 2018
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Alligator Swamp
  - (9) **Participation with Other Utilities:** N/A

d. Install Alligator Swamp 100 MVAR 230 kV Capacitor Bank

- 2
- (1) **Point of Origin:** Pace, FL (Santa Rosa Co.)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A
  - (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** 2022
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Alligator Swamp
  - (9) **Participation with Other Utilities:** N/A

e. Brentwood to Scenic Hills - Reconductor 4.8 miles of existing 1033.5 ACSR 115 kV transmission line with 1033.5 ACSS @ 200°C

- 3
- (1) **Point of Origin:** Pensacola, FL (Escambia Co.) **Termination:** Pensacola, FL (Escambia Co.)
  - (2) **Number of Lines:** 1
  - (3) **Right-of-Way:** Existing
  - (4) **Line Length:** 4.8 miles
  - (5) **Voltage:** 115 kV
  - (6) **Anticipated Construction Timing:** 2025
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Brentwood, Scenic Hills
  - (9) **Participation with Other Utilities:** N/A

f. Install West Pensacola 100 MVAR 230 kV Capacitor Bank

- 4
- (1) **Point of Origin:** Pensacola, FL (Escambia Co.)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A
  - (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** 2022
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** West Pensacola
  - (9) **Participation with Other Utilities:** N/A

- g. Install West Pensacola +/- 100 MVAR Static VAR System
- (1) **Point of Origin:** Pensacola, FL (Escambia Co.)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A
  - (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** 2020
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** West Pensacola
  - (9) **Participation with Other Utilities:** N/A

11. For Plant Crist MATS Option 4, included on pages 14-15 of Gulf's Environmental Compliance Program Update, please describe each transmission upgrade that is needed. As part of this description please provide a schedule, similar to Schedule 10 of Gulf's Ten-Year Site Plan.

Response:

For Plant Crist MATS Option 4, the following transmission upgrades need to be accelerated as required to meet and maintain MATS compliance.

- a. North Brewton – Alligator Swamp Transmission Line: Build new 59.5 mile 1351 ACSS 230 kV transmission line from Alabama Power substation to Gulf Power substation

(1) **Point of Origin:** Brewton, AL (Escambia Co.) **Termination:** Pace, FL (Santa Rosa Co.)

(2) **Number of Lines:** 1

(3) **Right-of-Way:** Existing

(4) **Line Length:** 59.5 miles (Gulf Power- 42.5 miles)

(5) **Voltage:** 230 kV

(6) **Anticipated Construction Timing:** January 2014 – June 2015

(7) **Anticipated Capital Investment:** [REDACTED]

(8) **Substations:** North Brewton, Alligator Swamp

(9) **Participation with Other Utilities:** Alabama Power Company

- b. Build new substation terminal at Alligator Swamp substation

(1) **Point of Origin:** Pace, FL (Santa Rosa Co.)

(2) **Number of Lines:** N/A

(3) **Right-of-Way:** N/A

(4) **Line Length:** N/A

(5) **Voltage:** 230 kV

(6) **Anticipated Construction Timing:** January 2014 – June 2015

(7) **Anticipated Capital Investment:** [REDACTED]

(8) **Substations:** North Brewton, Alligator Swamp

(9) **Participation with Other Utilities:** N/A

- c. Install Alligator Swamp +/- 100 MVAR Static VAR System (SVS)

(1) **Point of Origin:** Pace, FL (Santa Rosa Co.)

(2) **Number of Lines:** N/A

(3) **Right-of-Way:** N/A

- 1
- (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** April 2014 – April 2015
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Alligator Swamp
  - (9) **Participation with Other Utilities:** N/A

d. Install Alligator Swamp 100 MVAR 230 kV Capacitor Bank

- 2
- (1) **Point of Origin:** Pace, FL (Santa Rosa Co.)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A
  - (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** Jan 2015 – April 2015
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Alligator Swamp
  - (9) **Participation with Other Utilities:** N/A

e. Brentwood to Scenic Hills - Reconductor 4.8 miles of existing 1033.5 ACSR 115 kV transmission line with 1033.5 ACSS @ 200°C

- 3
- (1) **Point of Origin:** Pensacola, FL (Escambia Co.) **Termination:** Pensacola, FL (Escambia Co.)
  - (2) **Number of Lines:** 1
  - (3) **Right-of-Way:** Existing
  - (4) **Line Length:** 4.8 miles
  - (5) **Voltage:** 115 kV
  - (6) **Anticipated Construction Timing:** Dec 2016 – June 2017
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Brentwood, Scenic Hills
  - (9) **Participation with Other Utilities:** N/A

f. Install West Pensacola 100 MVAR 230 kV Capacitor Bank

- 4
- (1) **Point of Origin:** Pensacola, FL (Escambia Co.)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A
  - (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** Jan 2015 – April 2015
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** West Pensacola
  - (9) **Participation with Other Utilities:** N/A

g. Install West Pensacola +/- 100 MVAR Static VAR System

- (1) **Point of Origin:** Pensacola, FL (Escambia Co.)
- (2) **Number of Lines:** N/A
- (3) **Right-of-Way:** N/A
- (4) **Line Length:** N/A
- (5) **Voltage:** 230 kV
- (6) **Anticipated Construction Timing:** June 2017 – June 2018
- (7) **Anticipated Capital Investment:** [REDACTED]
- (8) **Substations:** West Pensacola
- (9) **Participation with Other Utilities:** N/A

12. For Plant Smith MATS Option 1 discussed in Gulf's Environmental Compliance Program Update, please describe each transmission upgrade that is needed. As part of this description please provide a schedule, similar to Schedule 10 of Gulf's Ten-Year Site Plan.

Response:

The only transmission upgrades needed for Plant Smith MATS Option 1 are those identified as the "base transmission plan" for the Plant Smith area, which are not anticipated to be needed until the 2020-2023 timeframe as listed below:

- a. Holmes Creek to Highland City - Build new 70 mile 1033 ACSS 230 kV transmission line from a Gulf Power substation located in Graceville, FL to a Gulf Power substation in Panama City, FL.
- (1) **Point of Origin:** Graceville, FL (Homes Creek Co.) **Termination:** Panama City, FL (Bay Co.)  
(2) **Number of Lines:** 1  
(3) **Right-of-Way:** Existing  
(4) **Line Length:** 70 miles  
(5) **Voltage:** 230 kV  
(6) **Anticipated Construction Timing:** 2023  
(7) **Anticipated Capital Investment:** [REDACTED]  
(8) **Substations:** Homes Creek, Highland City  
(9) **Participation with Other Utilities:** N/A
- b. Install a new 230 kV autobank at Holmes Creek substation, rebuild the 115 kV straight bus as a 115 kV ring bus, construct a new 230 kV ring bus and install a 230 kV 100 MVAR capacitor bank.
- (1) **Point of Origin:** Graceville, FL (Holmes Creek County)  
(2) **Number of Lines:** N/A  
(3) **Right-of-Way:** N/A  
(4) **Line Length:** N/A  
(5) **Voltage:** 230 kV  
(6) **Anticipated Construction Timing:** 2023  
(7) **Anticipated Capital Investment:** [REDACTED]  
(8) **Substations:** Homes Creek  
(9) **Participation with Other Utilities:** N/A



c. Install Sinai Cemetery - 100 MVAR 230 kV Capacitor Bank

- 1
- (1) **Point of Origin:** Sneads, FL (Jackson County)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A
  - (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** 2023
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Sinai Cemetery
  - (9) **Participation with Other Utilities:** N/A

d. Rebuild the Holmes Creek – Bonifay section (2 miles) of the Holmes Creek - Marianna 115 kV transmission line with double-circuit 230 kV structures.

- 2
- (1) **Point of Origin:** Graceville, FL (Holmes Creek Co.) **Termination:** Marianna, FL (Escambia Co.)
  - (2) **Number of Lines:** 1
  - (3) **Right-of-Way:** Existing
  - (4) **Line Length:** 2 miles
  - (5) **Voltage:** 115 kV
  - (6) **Anticipated Construction Timing:** 2023
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Holmes Creek
  - (9) **Participation with Other Utilities:** N/A

e. Highland City - Install +/- 100 MVAR Static VAR System

- 3
- (1) **Point of Origin:** Panama City, FL (Bay County)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A
  - (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** 2020
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Highland City
  - (9) **Participation with Other Utilities:** N/A

13. For Plant Smith MATS Option 2 discussed in Gulf's Environmental Compliance Program Update, please describe each transmission upgrade that is needed. As part of this description please provide a schedule, similar to Schedule 10 of Gulf's Ten-Year Site Plan.

Response:

For Plant Smith MATS Option 2, the following transmission upgrades need to be accelerated as required in order to meet and maintain MATS compliance:

- a. Holmes Creek to Highland City - Build new 70 mile 1033 ACSS 230 kV transmission line from a Gulf Power substation located in Graceville, FL to a Gulf Power substation in Panama City, FL.
- (1) **Point of Origin:** Graceville, FL (Homes Creek Co.) **Termination:** Panama City, FL (Bay Co.)  
(2) **Number of Lines:** 1  
(3) **Right-of-Way:** Existing  
(4) **Line Length:** 70 miles  
(5) **Voltage:** 230 kV  
(6) **Anticipated Construction Timing:** Oct 2013 – May 2015  
(7) **Anticipated Capital Investment:** [REDACTED]  
(8) **Substations:** Homes Creek, Highland City  
(9) **Participation with Other Utilities:** N/A
- b. Install a new 230 kV autobank at Holmes Creek substation, rebuild the 115 kV straight bus as a 115 kV ring bus, construct a new 230 kV ring bus and install a 230 kV 100 MVAR capacitor bank.
- (1) **Point of Origin:** Graceville, FL (Holmes Creek County)  
(2) **Number of Lines:** N/A  
(3) **Right-of-Way:** N/A  
(4) **Line Length:** N/A  
(5) **Voltage:** 230 kV  
(6) **Anticipated Construction Timing:** October 2013 – Dec 2014  
(7) **Anticipated Capital Investment:** [REDACTED]  
(8) **Substations:** Homes Creek  
(9) **Participation with Other Utilities:** N/A

- 1
- c. Sinai Cemetery - Install 100 MVAR 230 kV Capacitor Bank
- (1) **Point of Origin:** Sneads, FL (Jackson County)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A
  - (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** September 2014 – Dec 2014
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Sinai Cemetery
  - (9) **Participation with Other Utilities:** N/A
- 2
- d. Rebuild the Holmes Creek – Bonifay section (2 miles) of the Holmes Creek - Marianna 115 kV transmission line with double-circuit 230 kV structures.
- (1) **Point of Origin:** Graceville, FL (Holmes Creek Co.) **Termination:** Marianna, FL (Escambia Co.)
  - (2) **Number of Lines:** 1
  - (3) **Right-of-Way:** Existing
  - (4) **Line Length:** 2 miles
  - (5) **Voltage:** 115 kV
  - (6) **Anticipated Construction Timing:** Jan 2014 – May 2014
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Holmes Creek
  - (9) **Participation with Other Utilities:** N/A
- 3
- e. Highland City - Install +/- 100 MVAR Static VAR System
- (1) **Point of Origin:** Panama City, FL (Bay County)
  - (2) **Number of Lines:** N/A
  - (3) **Right-of-Way:** N/A
  - (4) **Line Length:** N/A
  - (5) **Voltage:** 230 kV
  - (6) **Anticipated Construction Timing:** April 2014 – April 2015
  - (7) **Anticipated Capital Investment:** [REDACTED]
  - (8) **Substations:** Highland City
  - (9) **Participation with Other Utilities:** N/A

22. Please provide an itemized breakdown of the costs associated with the proposed transmission projects.

Response:

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Transmission Upgrades	Cost	In-Service Year
Holmes Creek – Bonifay 115 kV transmission line section rebuild on 230 kV structures		2014
North Brewton – Alligator Swamp 1351 ACSS 230 kV transmission line		2015
Alligator Swamp New Substation Terminal		2015
Alligator Swamp +/- 100 MVAR Static VAR System		2015
Alligator Swamp 100 MVAR Capacitor Bank		2015
West Pensacola 100 MVAR Capacitor Bank		2015
Holmes Creek – Highland City 1033 ACSS 230 kV transmission line		2015
Holmes Creek Autobank , 100 MVAR Capacitor Bank, 115 kV ring bus and 230 kV ring bus		2015
Sinai Cemetery Capacitor bank		2015
Highland City +/- 100 MVAR Static VAR System		2015
Brentwood – Scenic Hills 115 kV T.L. Reconductor		2017
West Pensacola +/- 100 MVAR Static VAR System		2018
Total		

Note: Cost estimates as of April 2013 as shown in Table 3.1-1 of Gulf's Compliance Program Update.

EXHIBIT "C"

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

<b><u>Line(s)/Field(s)</u></b>	<b>Justification</b>
<p><b>Response to Item No. 8</b>            Page 1, Line 2, Columns A-H            Page 1, Line 3, Columns D-H            Page 1, Line 5, Columns A-H            Page 1, Line 6, Columns D-H            Page 1, Line 8, Columns A-H            Page 1, Line 9, Columns D-H</p>	<p>This information is entitled to confidential classification pursuant to §366.093(3)(a) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 2.</p>
<p><b>Response to Item No. 9</b>            Page 2, Lines 1-9, Columns A-J</p>	<p>This information is entitled to confidential classification pursuant to §366.093(3)(a) and (e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 3.</p>
<p><b>Response to Item 10</b>            Page 1, Lines 1-2            Page 2, Lines 1-4            Page 3, Line 1</p>	<p>This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 4.</p>
<p><b>Response to Item No. 11</b>            Page 1, Lines 1-2            Page 2, Lines 1-4            Page 3, Line 1</p>	<p>This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 4.</p>
<p><b>Response to Item No. 12</b>            Page 1, Lines 1-2            Page 2, Lines 1-3</p>	<p>This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 4.</p>
<p><b>Response to Item No. 13</b>            Page 1, Lines 1-2            Page 2, Lines 1-3</p>	<p>This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 4.</p>

**Response to Item No. 22**  
Page 1, Lines 1-13, Column A

This information is entitled to confidential classification pursuant to §366.093(3)(e), Florida Statutes. The basis for this information being designated as confidential is more fully set forth in paragraph 4.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition of Gulf Power Company to include ) Docket No.: 130092-EI  
the Plant Daniel Bromine and ACI Project, )  
the Plant Crist Transmission Upgrades )  
Project, and the Plant Smith Transmission )  
Upgrades Project in the Company's program, )  
and approve the costs associated with those )  
compliance strategies for recovery through )  
the ECRC )

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of the foregoing was furnished by overnight mail this 23rd day of May, 2013 on the following:

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