

Robert L. McGee, Jr.
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July 24, 2015

Erik L. Sayler
Associate Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400

Re: Docket No. 150001-EI

Dear Mr. Sayler:

Attached is Gulf Power Company's revised response to Citizens' First Set of Interrogatories (No. 4) in the above-referenced docket.

Sincerely,

A handwritten signature in blue ink that reads "Robert L. McGee, Jr." with a stylized flourish at the end.

Robert L. McGee, Jr.
Regulatory and Pricing Manager

md

Attachments

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

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost Recovery)
Clause with Generating Performance)
Incentive Factor.)

Docket No. 150001-EI

GULF POWER COMPANY'S REVISED RESPONSE TO
CITIZENS' FIRST SET OF INTERROGATORIES (NO. 4)

GULF POWER COMPANY ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned counsel, hereby submits the Company's revised response to Citizens' First Set of Interrogatories (No. 4) on the following pages.

Respectfully submitted by electronic mail the 24th day of July, 2015.



JEFFREY A. STONE

Florida Bar No. 325953

RUSSELL A. BADDERS

Florida Bar No. 007455

STEVEN R. GRIFFIN

Florida Bar No. 0627569

BEGGS & LANE

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(850) 432-2451

Attorneys for Gulf Power Company

4. In addition to the gain or loss on all of the commodities hedged from 2002 through 2014, please describe or explain:
- a. What other types of costs does the Company incur to support or operate its hedging program?
 - b. How much were those annual hedging costs for the time period 2002 through 2014 (i.e., the annual hedging program costs less the cost of the hedged commodities)?
 - c. Please explain whether the incremental costs needed to support or operate the Company's hedging program are recovered through the fuel adjustment clause or in base rates?

ANSWER:

- a. Salary and wages, overhead, travel and training expenses, and support service expenses.

b.

Year	Annual Hedging Costs (\$)
2002	0
2003	14,809
2004	21,112
2005	43,640
2006	105,754
2007	97,591
2008	83,232
2009	84,068
2010	80,667
2011	112,033
2012	96,270
2013	114,002
2014	109,975

- c. Incremental costs needed to support and operate the Company's hedging program are currently recovered through base rates.

AFFIDAVIT

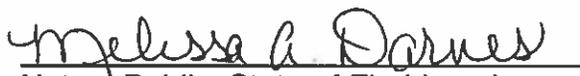
STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 150001-EI

Before me the undersigned authority, personally appeared Susan D. Ritenour, Corporate Secretary, Treasurer, and Corporate Planning Manager of Gulf Power Company, and who on behalf of said corporation, being first duly sworn, deposes, and says that pursuant to Rule 1.340(a), Florida Rules of Civil Procedure, she verifies that the foregoing answers to the interrogatories are submitted on behalf of said corporation, and that the foregoing constitute true and correct answers to the best of her knowledge, information, and belief based on the information provided by others in the course of business. She is personally known to me.


Susan D. Ritenour
Corporate Secretary, Treasurer and
Corporate Planning Manager

Sworn to and subscribed before me this 24th day of July, 2015.


Notary Public, State of Florida at Large



MELISSA A. DARNES
MY COMMISSION # EE 150873
EXPIRES: December 17, 2015
Bonded Thru Budget Notary Services

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: **Fuel and Purchased Power Cost**)
Recovery Clause with Generating)
Performance Incentive Factor)

Docket No.: 150001-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 24th day of July, 2015 to the following:

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