

Robert L. McGee, Jr. One Energy Place
Regulatory & Pricing Manager Pensacola, Florida 32520-0780

Tel 850.444.6530
Fax 850.444.6026
RLMCGEE@southernco.com



August 4, 2015

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

RE: Docket No. 150001-EI

Dear Ms. Stauffer:

Attached for official filing in the above-referenced docket is Gulf Power Company's Risk Management Plan dated August 4, 2015.

Sincerely,

A handwritten signature in blue ink that reads "Robert L. McGee, Jr." The signature is written in a cursive, flowing style.

Robert L. McGee, Jr.
Regulatory and Pricing Manager

md

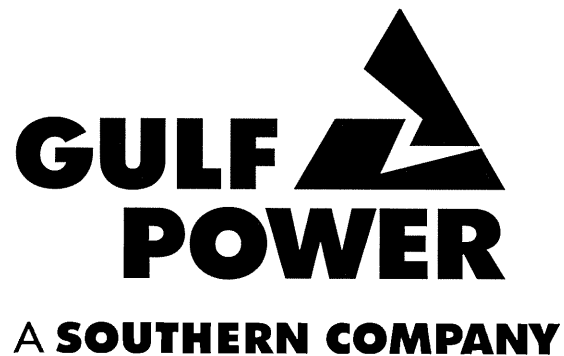
Attachments

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

GULF POWER COMPANY

**Risk Management Plan
For
Fuel Procurement
Docket No. 150001-EI**

Date of Filing: August 4, 2015



INDEX

<u>SECTION</u>		<u>PAGES</u>
1	GULF POWER COAL PROCUREMENT STRATEGY	3 - 5
2	GULF POWER COAL TRANSPORTATION STRATEGY	6 - 9
3	GULF POWER NATURAL GAS PROCUREMENT STRATEGY	10 - 14
4	GULF POWER OIL PROCUREMENT STRATEGY	15
5	GULF POWER RISK MANAGEMENT POLICY	16 – 19
6	SOUTHERN COMPANY GENERATION (SCGEN) RISK MANAGEMENT POLICY	20 – 57
7	SCS RISK OVERSIGHT ORGANIZATIONAL CHART	58

1 **GULF POWER**
2 **COAL PROCUREMENT STRATEGY FOR 2016**
3

4 **Coal Procurement Plan**

5 Based on burn forecast from the June update to the 2015 Energy Budget, the
6 Gulf Power Company program has an estimated uncommitted coal supply
7 need of [REDACTED] tons in 2016. Coal burn remains depressed as a result of low
8 natural gas pricing and decreased loads. Our procurement plan below is
9 based on the following assumptions:
10

11 **Plant Crist**

- 12 • Short Term: Its current marginal fuel selection consists of a [REDACTED]
13 [REDACTED]
- 14 • Long term: Current plan is to continue to utilize the [REDACTED]
15 [REDACTED]
- 16 • Plant Crist is forecasted to have a capacity factor of less than [REDACTED]
17 through 2019. An evaluation of the timing of when Crist units will be
18 generating electricity provides insight into how coal deliveries should be
19 procured. We forecast Crist to have at least one unit on line a majority
20 of the time.

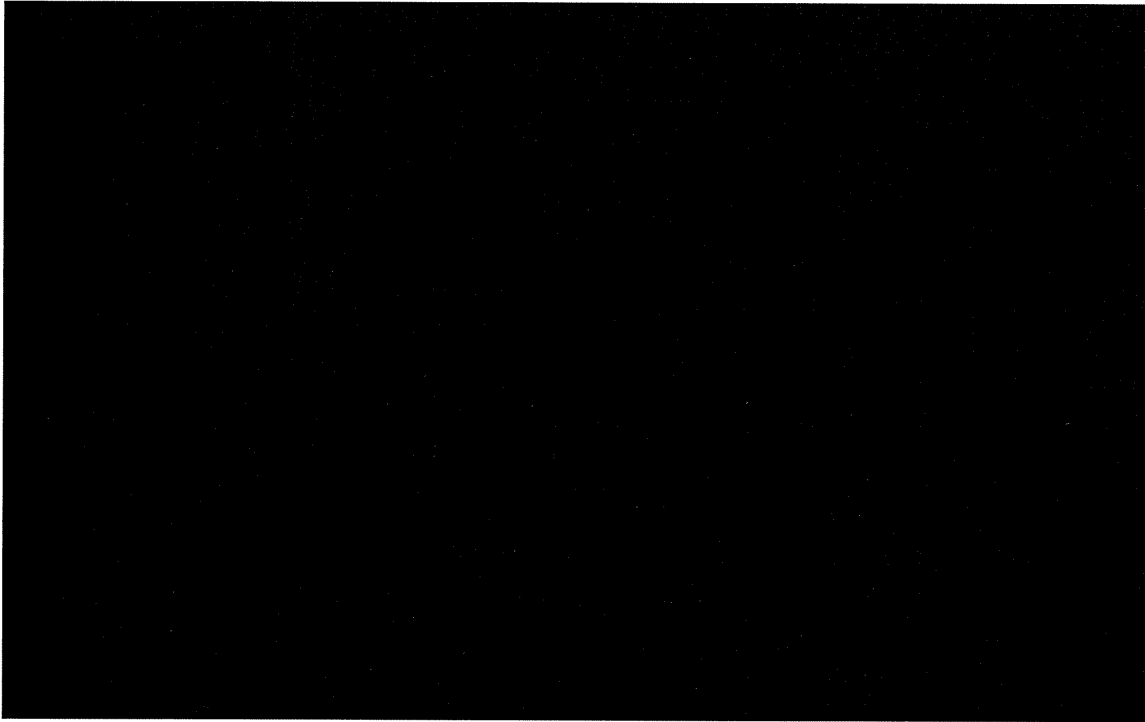
21
22 **Plant Smith**

23 The coal fired units at Plant Smith will be retired in April 2016. It is anticipated
24 that there will be no additional new coal supply needs at Plant Smith for 2016
25 and the existing coal inventory will be consumed by the retirement date.

1 **State of the Program:**

2 The relationship between burn projections, current commitment levels,
3 commitment targets per the coal procurement strategy, and corresponding
4 future needs are detailed in the following chart:

5



6

7

8 **Spot Coal Plan:**

9 Quarterly system-wide bituminous and sub-bituminous solicitations will be
10 issued to address short term coal supply needs that may develop. With the
11 uncertainty of burn that still exists today and with many coal units being
12 displaced by natural gas generation, this quarterly process provides flexibility
13 to better manage burn volatility. Gulf will purchase spot coal under these
14 quarterly solicitations as the need arises.

15

16

1 **Long-term Coal Plan:**

2 The Gulf program has [REDACTED] of its coal supply needs committed in 2016, and
3 has no coal supply commitments in 2017-2019. A system-wide long-term
4 bituminous solicitation will be issued late 2015 and/or early 2016 and Gulf will
5 evaluate the need for long-term purchases for delivery in 2016. The
6 purchases made will adhere to the percentage commitment guidelines set
7 forth in the Coal Procurement Strategy.

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 **GULF POWER**
2 **COAL TRANSPORTATION STRATEGY FOR 2016**

3
4 **Transportation Program Overview**

5
6 Crist and Smith receive both import and domestic coal by barge.

7 Western coals can be transported by the Burlington Northern Santa Fe
8 Railway (BNSF) or Union Pacific Railroad (UP) to multiple terminals on the
9 Ohio and Mississippi rivers or via interchanges with the Canadian National
10 Railway (CN), Norfolk Southern (NS) or CSX Transportation Inc. (CSXT) to
11 the Alabama State Docks facility in Mobile, AL.

12 Illinois Basin or Central Appalachian coal can be transported directly by barge
13 or by a combination of rail and barge to these plants as well. These coals can
14 be transported to the Alabama State Docks facility via interchanges with the
15 Canadian National Railway (CN), CSX Transportation Inc. (CSXT), Alabama
16 and Gulf Coast Railway (AGR), and Norfolk Southern (NS) railroads. At this
17 point the coal is transferred to barges and transported to the plants.

18 Import coal is delivered by ocean vessel to the Alabama State Docks where it
19 is transferred to barges and transported to the plants.

20
21 **Plant Daniel**

22 Daniel is served by the Mississippi Export Railroad (MSE) that interchanges
23 with the CSXT and the CN. Daniel accesses Powder River Basin (PRB) and
24 Colorado coal sources via multiple rail interchanges with the MSE from the
25 BNSF, UP and CN railroads.

1 Daniel can also take advantage of import coals, when economical, through
2 the Alabama State Docks. Import coal is transported by ocean vessel to the
3 Alabama State Docks facility where it is transferred to railcars for shipment to
4 the plant by the CN and MSE Railroads. Daniel can also receive Central
5 Appalachian coal via the CSXT and MSE. Another potential source of Central
6 Appalachian coal is via the NS railroad through an interchange agreement
7 with the CN railroad.

8

9 **Coal Transportation Procurement Strategy**

10 A transportation strategy must address reliability, competitive prices, flexibility
11 in volume commitments and the ability to adjust coal movements to changing
12 coal supply sources. The following information addresses these areas and
13 identifies tactical plans to manage them.

14

15 **Plant Crist**

16 CN Agreement CN-517554-AB provides for rail transportation of Illinois Basin
17 coal to the Alabama State Docks through December 31, 2015. The tactical
18 plan is to extend this agreement prior to its expiration date. Discussions with
19 the railroad regarding this agreement have begun with the goal to maintain a
20 no minimum volume requirement.

21 Marquette agreement (SC09005-T) provides primary barge transportation of
22 coal from the Alabama State Docks to Crist and Smith. Marquette agreement
23 (SC09006-T) provides a supply of barges to move coal to Crist and Smith.
24 The Marquette agreements have been extended through December 31, 2016.
25 Under these agreements, Gulf charters approximately 29 barges from
26 Marquette. The agreement with Marquette also includes towboat services to

1 support transport of coal to the plants. Four towboats are used to transport
2 coal by barge to Crist and Smith. There are no minimum annual volumes
3 included in the agreements.

4 With Smith scheduled for retirement in April 2016, the tactical plan for the
5 Marquette agreements is to maintain the agreements through 2016 at
6 reduced levels in order to match reduced levels of coal shipments in 2015 and
7 2016. The Marquette agreements provide a very stable and flexible supply of
8 towboats and barges that have logistical control by Southern Company
9 Generation Fuel Services for Gulf.

10

11 **Plant Daniel**

12 UP agreement UP-55720 provides for rail transportation of Colorado coal to
13 Memphis in conjunction with CN-526887-AA for final delivery to Daniel
14 through December 31, 2015. The tactical plan is to let this agreement expire
15 unless additional Western coal is required for blending in 2016.

16 BNSF agreement BNSF-12777 provides for rail transportation of PRB coal to
17 Memphis, TN where BNSF interchanges with CN to deliver the PRB coal to
18 Daniel. The BNSF agreement expires December 31, 2015. The tactical plan is
19 to submit the movement for competitive bid during the third quarter of 2015 to
20 cover shipments in 2016.

21 CN/MSE agreement CN-526887-AA provides for rail transportation of PRB
22 and Colorado coal from Memphis, TN to Daniel. The CN/MSE agreement
23 expires December 31, 2015. The tactical plan is to extend this agreement only
24 for PRB coal unless additional Western coal is needed for blending in 2016. A
25 new CN/MSE agreement will be required on a short term basis beginning in
26 the third quarter of 2015 for emissions control testing at Daniel. Pending the

1 outcome of these tests, the spot agreement will either be extended or re-
2 negotiated. Discussions with the railroad regarding these agreements are
3 underway with the goal to maintain a no minimum volume requirement.

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 **Gulf Power 2016 Natural Gas Procurement Strategy**

2

3 **Gas Program Overview**

4 Natural Gas is used for primary fuel at the Smith 3 combined cycle unit, boiler lighter
5 fuel at Crist Units 4-7, and for generation secured under purchased power
6 agreements beginning in 2009. Prior to 2002, natural gas represented a relatively
7 small portion of Gulf's overall fuel budget. With the addition of the Smith 3
8 combined-cycle unit in 2002, natural gas became a more significant portion of Gulf's
9 overall fuel budget.

10 Gulf Power's natural gas procurement strategy is to purchase a cost effective yet
11 highly reliable fuel supply to support the operation of its generating facilities.

12 Securing competitive fuel prices for its customers and minimizing both price and
13 supply risk are the governing considerations in developing Gulf's fuel procurement
14 strategy.

15

16 **Projected Natural Gas Purchases**

17 Southern Company Services (SCS) as agent for Gulf purchases natural gas to be
18 delivered to Plant Crist for lighter purposes on the coal fired units and to Plant Smith
19 as primary fuel for Unit 3 which is a combined cycle generating unit. SCS will also
20 purchase natural gas to serve as primary fuel for the Shell (Central Alabama)
21 purchased power agreement. Gulf has contracted for storage capacity at Bay Gas
22 Storage near Mobile, AL, Leaf River Energy Center near Richton, MS, and at
23 Southern Pines Energy Center near Hattiesburg, MS and will purchase natural gas
24 to maintain targeted quantities of gas in storage during the year.

25

26

1 **Procurement Strategy**

2 Gulf's strategy for gas procurement is to purchase the commodity using long term
3 and spot agreements at market prices. Fuel purchased at market over a long period
4 is a low cost option for customers.



5
6
7
8
9
10
11
12
13 For Gulf, spot-market contracts have a term of less than one year and long-term
14 contracts have a term of 1 year or longer. All natural gas, regardless of whether it is
15 bought under long-term contracts or spot-market contracts, is purchased at market
16 based prices. While fuel purchased at market over long periods is a low cost option
17 for customers, it does expose the customers to short-term price volatility. Since
18 these price fluctuations can be severe, Gulf Power, at the direction of the Florida
19 Public Service Commission, will attempt to protect its customers against short-term
20 price volatility by utilizing hedging tools. It is understood that the cost of hedging will
21 sometimes lead to fuel costs that are higher than market prices but that this is a
22 reasonable trade-off for reducing the customers' exposure to fuel cost increases that
23 would result if fuel prices actually settle at higher prices than when the hedges were
24 placed.

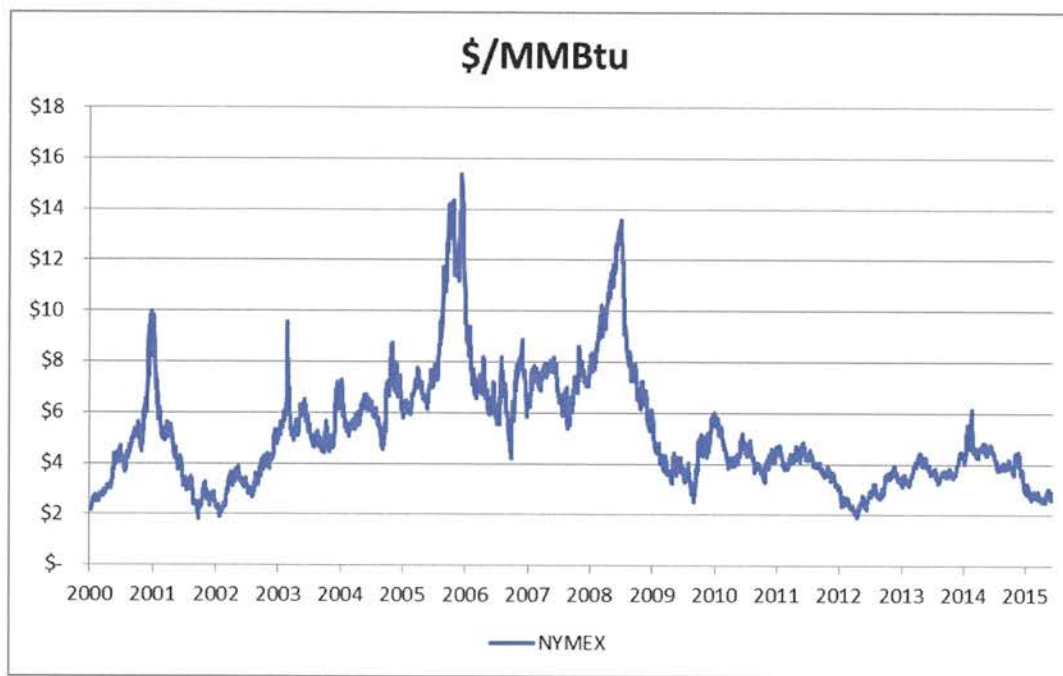
25

1 The following graph of actual natural gas prices is an indication of price volatility in
2 the gas commodity market:

3

4 **Historical Natural Gas Prices - NYMEX**

5



6

7

8 **Pricing Strategy**

9 Gulf Power will continue to purchase gas, both under long-term and spot contracts at
10 market based prices. However, pursuant to Commission order, Gulf Power will
11 financially hedge gas prices for some portion, generally between [REDACTED] percent of
12 Gulf Power's projected annual gas burn for the current year, in order to protect
13 against short-term price swings and to provide some level of price certainty. This [REDACTED]
14 [REDACTED] percent hedge range allows Gulf Power to provide a degree of price certainty
15 and protection against short-term price swings while still allowing the customers to
16 participate in markets where natural gas prices are low. Gulf Power will secure

1 natural gas hedges over a time period not to exceed [REDACTED] months, per the following
 2 schedule:

3 Period	Lower Target Hedge %	Upper Target Hedge %
4 Prompt Year (2016)	[REDACTED]	[REDACTED]
5 Year 2 (2017)	[REDACTED]	[REDACTED]
6 Year 3 (2018)	[REDACTED]	[REDACTED]
7 Year 4 (2019)	[REDACTED]	[REDACTED]
8 Year 5 (2020)	[REDACTED]	[REDACTED]

9 **Note:** The annual hedge percentage is based on the budgeted annual gas burn

10
 11 Although SCS will target the levels shown in the table above, SCS may accelerate or
 12 decelerate the plan accordingly based on market conditions. Gulf's hedging targets
 13 are expressed on an annual basis due to the potential for large variances in month
 14 to month gas consumption. The monthly variance in gas burn is due to Gulf's units
 15 being dispatched on an economic basis with the other generating units in the
 16 Southern electric system and the impact of unit outages on Gulf's total gas burn.

17
 18 SCS, working in partnership with Gulf Power, develops short-term hedge strategies
 19 based on current and projected market conditions. [REDACTED]

20 [REDACTED]
 21 [REDACTED]
 22 [REDACTED] SCS will employ both technical and
 23 fundamental analysis to determine appropriate times to hedge. However, the
 24 objective is not to speculate on market price or attempt to outguess or "beat the
 25 market". Gulf will utilize fixed priced swaps as its primary financial gas price hedging
 26 instrument but may also utilize options when appropriate.

1 While the hedging program will protect the customer from short-term price spikes,
2 hedges can also lead to higher costs when natural gas prices fall subsequent to
3 entering hedges. Gulf Power will limit the amount of fixed-price hedges to a
4 maximum of [REDACTED] percent of the projected fuel burn for the upcoming year. In
5 addition, Gulf Power will limit option priced hedges to [REDACTED] percent of its projected
6 burn. Finally, in order to protect its customers from market exposure in subsequent
7 years, Gulf Power will take forward hedge positions for up to [REDACTED] months into the
8 future.

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

26

1 Gulf Power's 2016 Oil Procurement Strategy

2

3 Oil Program Overview

4 Oil is used at Gulf predominantly for boiler lighting. Oil is used as a boiler
5 lighter fuel at Crist units 4-7, Daniel 1&2, Scherer 3, and Smith 1&2. Oil is
6 also the primary fuel at the Smith A CT unit and as back-up fuel at the Shell
7 (Central Alabama) CC Plant currently under a purchase power agreement
8 with Gulf. Overall, oil use is projected to be a small portion of Gulf's overall
9 fuel budget.

10

11 Procurement Strategy

12 Gulf's strategy for oil procurement is to purchase the commodity at market
13 prices. Fuel purchased at-market over a long period is a low cost option for
14 customers.

15 Gulf purchases fuel oil on an annual basis through a formal bidding process.
16 As part of this bidding process, Gulf negotiates predetermined contracts to set
17 the index based market price for the commodity and delivery adders for fuel
18 oil delivery to each plant. As inventories are depleted during the year, Gulf
19 will purchase additional fuel oil quantities based on the negotiated contract for
20 the plant.

21

22 Pricing Strategy

23 Oil pricing will be indexed to current market prices at the time purchases are
24 made. Since fuel oil is such a small portion of the overall fuel budget, Gulf
25 does not currently plan to financially hedge oil prices.

26

Gulf Power Company Risk Management Policy

I. Introduction

Natural gas has become a large part of the Gulf Power Company (Company) fuel program. This increased need, combined with the market price volatility associated with natural gas and purchased energy, has created a need to begin hedging the risks related to the Company's overall fuel program.

II. Objectives

The primary objective of this Risk Management Policy (RMP) is to establish guidelines for use of hedging transactions associated with the Company's fuel program. Hedging transactions will allow the Company to:

- Reduce price volatility
- Provide more predictable stability to customers, and
- Provide additional flexibility and options in the procurement of fuel.

III. Guidelines

The risk management guidelines of The Southern Company require any business unit engaging in risk management activities to establish a Risk Oversight Committee (ROC). The officer listed below in Section IV will serve as the Company's ROC for this program.

The Southern Company Derivatives Policy states:

1 “It is the policy of The Southern Company that derivatives are to
2 be used only in a controlled manner, which includes identification,
3 measurement, management, control and monitoring of risks.
4 This includes, but is not limited to, well-defined segregation of
5 duties, limits on capital at risk, and established credit policies.
6 When the use of derivatives is contemplated, this policy requires
7 that a formal risk management plan be developed that adheres to
8 The Southern Company Risk Oversight Committee Business Unit
9 Guidelines. This policy also requires that, prior to initiation of a
10 risk management program that makes use of derivatives, the risk
11 management program must be approved by both the Chief
12 Financial Officer of the respective Southern Company subsidiary
13 and the Chief Financial Officer of The Southern Company.”

14

15 The Southern Company Generation Risk Management Policy (SCGen RMP),
16 attached in Section 6 of this document, will be the governing policy in the
17 administration of the Company’s fuel procurement program. The SCGen
18 RMP provides all criteria specified in the above extract from the Southern
19 Company Derivatives Policy.

20

21 The Gulf Power Company Board of Directors has authorized the use of
22 hedging transactions relating to contracts and other agreements for fuel
23 supplies. The board resolution is shown below:

24

1 **“RESOLVED,** That The Southern Company System Policy on
2 Use of Derivatives (the “Policy”) as presented to the
3 meeting is hereby approved; and

4
5 **RESOLVED FURTHER,** That the Officers are hereby
6 authorized to effect derivative transactions that comply
7 with the policy, including swaps, caps, collars, floors, swap
8 options, futures, forward and options, relating to energy
9 and associated commodities, weather, interest rates,
10 currencies, and contracts and other arrangements for fuel
11 supplies; and

12
13 **RESOLVED FURTHER,** That in connection with the foregoing,
14 the officers are hereby authorized to take any and all
15 actions and to execute, deliver and perform on behalf of
16 the Company any and all agreements and other
17 instruments as they consider necessary, appropriate or
18 advisable, each such agreement or other instrument to be
19 in such form as the officers executing the same shall
20 approve, the execution thereof to constitute conclusive
21 evidence of such approval.”

22
23 **IV. Process**

24
25 Certain officers of the Company were given authority to enter into hedging
26 transactions that they consider necessary in order to reduce risk associated

1 with procuring fuel and energy. The authorized officers are Vice President,
2 Chief Financial Officer and Comptroller for Gulf Power Company or his
3 designee.

4 Once authorization has been received, Southern Company Services Fuel
5 Services, agent for Gulf Power Company, will conduct all hedging
6 transactions in accordance with the Southern Company Generation Risk
7 Management Policy.

8 It is the responsibility of SCGen Risk Control (the mid-office) to inform the
9 Fuel Manager for Gulf Power Company or the Regulatory Accounting
10 Manager for Gulf Power Company about the use of hedging transactions
11 associated with Gulf generation resources and to provide open position
12 values (mark to market) to the above noted individuals and the Gulf Chief
13 Financial Officer and Comptroller.

14
15
16
17
18
19
20
21
22
23
24
25

Southern Company Energy Trading Risk Management Policy

**CONFIDENTIAL
FOR COMPANY USE ONLY**

CONTENTS

Policy Section

- I. Purpose
- II. Background
- III. Business Objectives
- IV. Business Strategies
- V. Authorizations
- VI. Segregation of Duties
- VII. Market Risk Identification
- VIII. Market Risk Measurement and Valuation
- IX. Market Risk Limits
- X. Credit Risk
- XI. New Products
- XII. Funding Liquidity
- XIII. Operating Procedures and Systems
- XIV. Accounting, Tax and Regulatory Reporting
- XV. Legal
- XVI. Monitoring and Reporting
- XVII. Personnel Trading
- XVIII. Business Recovery
- XIX. Compliance
- XX. Independent Review
- XXI. Policy Amendments

APPENDICES

- A. Approved Business Objectives
- B. Approved Commodities
- C. Approved Instruments
- D. Authorizations
- E. Segregation of Duties
- F. Market Risk Measurement
- G. Notification Levels
- H. Market Risk Limits
- I. Incumbent Listing; Authorized Individuals
- J. Accounting and Tax
- K. Employee Acknowledgement
- L. Definitions

1 I. Purpose

2
3 This Southern Company Energy Trading Risk Management Policy (“RMP”) applies
4 to energy related trading, hedging, and procurement activities, performed by
5 Authorized Individuals, as defined in Appendix D of this RMP, and the associated
6 risk management activities as defined within this RMP. The purpose of this RMP is
7 to:

- 8 • Provide collective limits and preset guidelines for each employee authorized
9 to legally bind Southern Company Services and the related Operating
10 Companies (collectively, the “Company”) to transactions covered by this
11 RMP;
- 12 • Establish sound guidelines to follow in managing and controlling risks; and
- 13 • Define the responsibilities for managing, monitoring, and reporting risks.

14
15 Notwithstanding anything to the contrary contained in this RMP, compliance with all
16 legal and regulatory requirements, pronouncements, orders, etc. is required.

17
18 II. Background

19 In August 1997, the Southern Company Risk Oversight Committee (“SROC”) approved a set of risk management guidelines. Also, at various times during 2000
20 through 2002, the boards of directors for Southern Company, the Operating
21 Companies (Alabama Power Company, Georgia Power Company, Gulf Power
22 Company, and Mississippi Power Company), and Southern Power Company
23 (“SPC”) adopted the Southern Company Policy on the Use of Derivatives
24 (“Derivatives Policy”). The Derivatives Policy was updated and approved by the
25 various boards in 2012.

26
27 During 2006, the risk oversight and governance framework for Southern Company
28 continued to evolve to further refine the oversight structure and to reflect
29 organizational changes since the original SROC approved risk management
30 guidelines in August 1997. As part of this evolution, the SROC was reconstituted,
31 and a Generation Risk Oversight Committee was formed. These groups, along with
32 the Risk Advisory and Controls Committee, replaced the Energy Risk Management
33 Board and assumed its responsibilities.

34
35 Effective November 19, 2007, as a result of the Separation Protocol, certain
36 functions for SPC were separated from the Operating Companies and certain
37 communications between them was restricted. It was decided that SPC would no
38 longer attend or have representation on the Generation Risk Oversight Committee.
39 This decision prompted the need separate SPC risk monitoring. The Generation
40 Risk Oversight Committee continues to monitor the consolidated energy trading
41 risks, including SPC positions.

42
43 The Southern Company Derivatives Policy requires any business unit engaging in
44 energy trading and marketing activities to develop a risk management policy. This
45 policy must be consistent with the Southern Company Enterprise Risk Management
46 Framework document and must include, but not be limited to, well-defined
47 segregation of duties, limits on capital at risk, credit policies, notification
48 requirements, and proper documentation and reporting.

1 III. Business Objectives

2

3 The Approved Business Objectives for the trading activities performed by
4 Authorized Individuals are defined in Appendix A.

5

6

7 IV. Business Strategies

8

9 The business objectives are achieved by entering into transactions involving the
10 approved commodities shown in Appendix B.

11

12

13

14

15

16

17

18

19

20

21

22

23 Various contract types or financial instruments will be used to achieve the
24 Approved Business Objectives. The Approved Risk Management Instruments
25 are listed in Appendix C. SCS Risk Control must be consulted before the
26 execution of any Approved Risk Management Instruments that have not been
27 previously used, including combinations of instruments not previously used.
28 SCS Risk Control must ensure that the requirements set forth in this RMP can
29 be followed with respect to those instruments.

30

31

32 V. Authorizations

33

34 Appendix D contains the individuals, boards, and committees authorized to
35 carry out various activities, reviews, and approvals.

36

37

38 VI. Segregation of Duties

39

40 The following functions are separated to ensure that the risk management
41 activities are properly carried out:

42

43

44

45

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47

[Redacted]

[Redacted]

Appendix E shows the organizational separation of function required by this RMP. The following is a summary of the responsibilities of the different functions:

Origination, Structuring, and Execution: The functions of origination, structuring, and execution include the following responsibilities:

[Redacted]

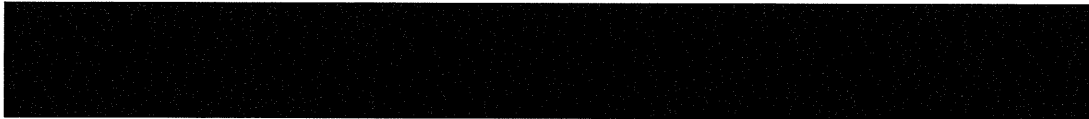
Confirmation, Monitoring, Reporting and Disclosure: The functions of trade confirmation, risk monitoring, risk reporting, and disclosure include the following responsibilities:

[Redacted]

Settlement: The function of settlement includes the following responsibilities:

[Redacted]

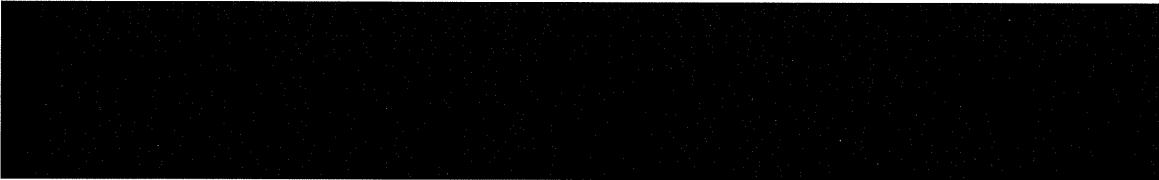
1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48



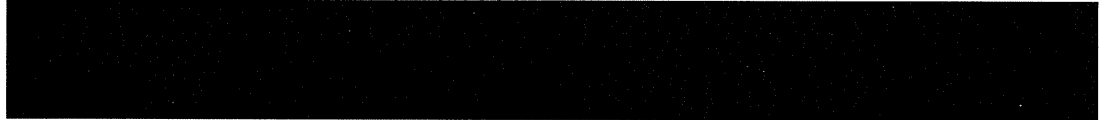
Cash Management: SCS Treasury is responsible for receiving and disbursing all funds from or to counterparties and for the delivery of margin / collateral requirements. SCS Treasury will also be responsible for investment of collateral provided by counterparties.

Accounting: SCS Accounting is responsible for posting transactions to the general ledger and reconciling the sub-ledgers to the general ledger.

VII. Market Risk Identification



VIII. Market Risk Measurement and Valuation



1 IX. Market Risk Limits

2

3 Exposure Limits

The maximum exposure limit for each business objective should not exceed the limits specified in Appendix H.

4

5

6

7 Notifications

Certain notifications to management are required as defined in Appendix G.

8

9

10 Volumetric Position Limits

Volumetric Position limits as defined by the Commodity Futures Trading Commission (CFTC), will be monitored and reported as necessary, according to CFTC rules.

11

12

13

14

15 X. Credit Risk

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30

31

32

33

34

35

36

37

38

39

40

41

42

43

44

45

46

47

XI. New Products

Structured transactions and new products may be developed from time to time that contain new risks or require new infrastructure support. The responsibilities associated with the approval of each structured transaction and new product include the following:

35

36

37

38

39

40

41

42

43

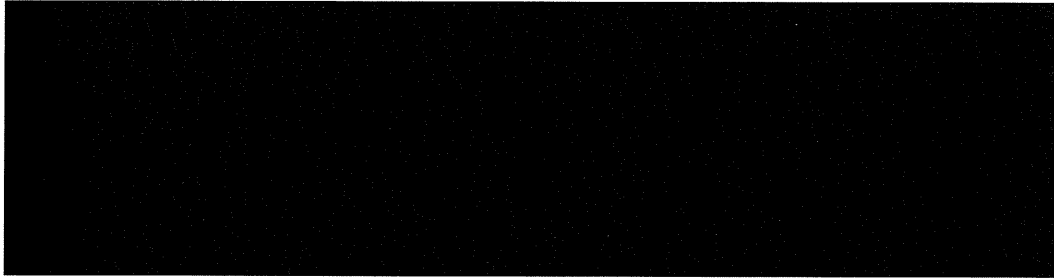
44

45

46

47

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48



XII. Funding Liquidity



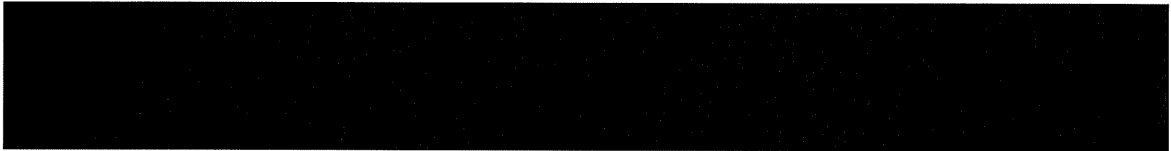
XIII. Operating Procedures and Systems



1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48



XIV. Accounting, Tax, and Regulatory Reporting



XV. Legal



XVI. Monitoring and Reporting

SCS Risk Control personnel will calculate and report the following items on a daily basis:



The Portfolio Management group will prepare regular position reports. The Energy Analysis group will report preliminary gross margins or P&L on a daily basis.

1 XVII. Personal Trading

2 All employees whose activities are governed by this RMP as defined in Section XIX
3 are prohibited from trading any approved commodity for their own account or for the
4 benefit of any party except as specifically authorized as part of the individual's duties
5 with the Company.

6

7 XVIII. Business Recovery

8

9

10

11

12

13 XIX. Compliance

14

15

16

17

18

19

20

21

22

23

24

25

26

27

28

29

30 XX. Independent Review

31

32

33

34

35

36

37

38

39

40 XXII. Policy Amendments

41

42

43

44

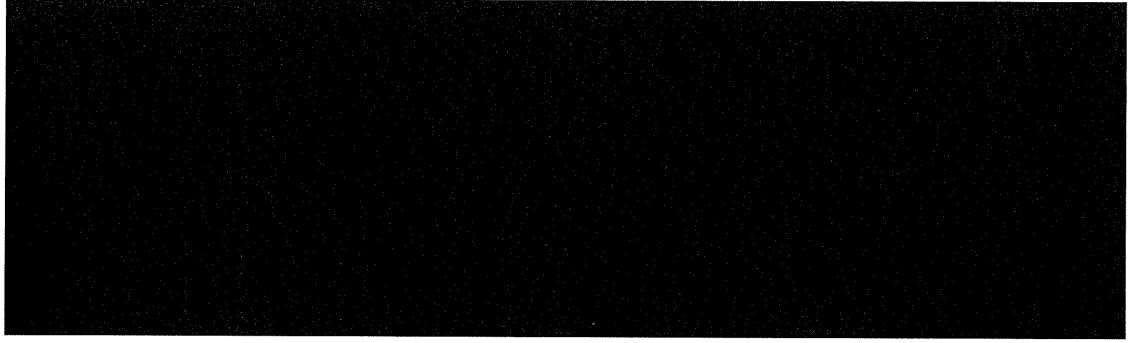
45

46

47

48

1
2
3
4
5
6
7
8



1
2 APPENDIX A
3 APPROVED BUSINESS OBJECTIVES
4

5 Fleet Operations and Trading
6

7 The primary objectives of Fleet Operations and Trading are to:
8



9
10
11
12
13
14
15 In addition to the primary objectives, Fleet Operations and Trading may execute
16 secondary activities as limited by Appendix H to achieve the following secondary
17 objectives to the extent permitted by all applicable policies and regulations:
18



19
20
21
22
23 Any Primary or Secondary Strategies that would require clearing and / or posting of
24 margin must be approved by the Risk Advisory and Controls Committee prior to
25 execution.
26

27
28 Southern Power Company Trading & Asset Management

29 The primary objectives of the SPC Trading and Asset Management activities are the
30 following:
31



32
33
34
35
36 In addition to the primary objectives, SPC Trading & Asset Management may
37 execute secondary activities as limited by Appendix H to achieve the following
38 secondary objectives to the extent permitted by all applicable policies and
39 regulations (including, but not limited to the IIC and Separation Protocol):
40



1 All SPC Secondary Strategies must be approved by the SPC Chief Financial Officer
2 and the SPC Chief Commercial Officer.
3 Any SPC Primary or Secondary Strategies that would require clearing and / or
4 posting of margin must be approved by the SPC Chief Financial Officer and the SPC
5 Chief Commercial Officer.

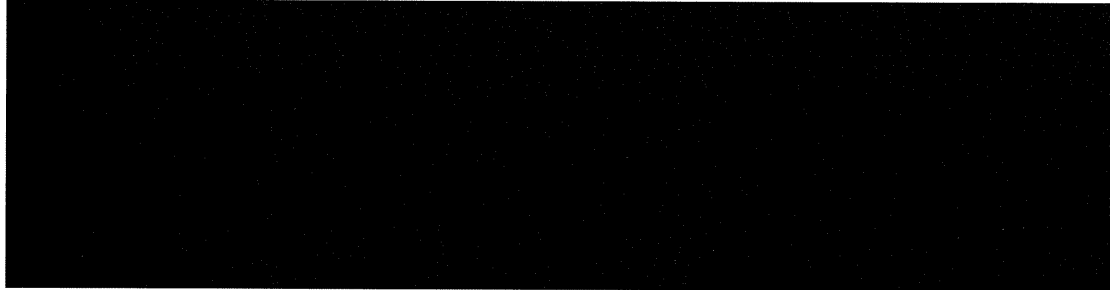
6
7

8 Natural Gas Fulfillment Function

9

10 The primary objectives of the Natural Gas Fulfillment Function are to:

11
12
13
14
15
16
17
18



19

20 Secondary activities of the natural gas fulfillment function are restricted to positions
21 intended to hedge secondary power positions, and which have been requested by
22 Fleet Operations and Trading or SPC Trading & Asset Management.

23
24

25 Environmental Products Management Function

26

27 The primary objectives of the Environmental Products Management Function are to:

28
29
30
31
32
33
34
35
36
37



38

39 Secondary activities of the Environmental Products Management Function are
40 restricted to positions intended to hedge secondary power positions, and which have
41 been requested by Fleet Operations and Trading or SPC Trading & Asset
42 Management.

43
44
45
46
47
48

1 Coal Fulfillment Function

2

3 The primary objectives of the Coal Fulfillment Function are to:

4

5

6

7

8

9

10

11

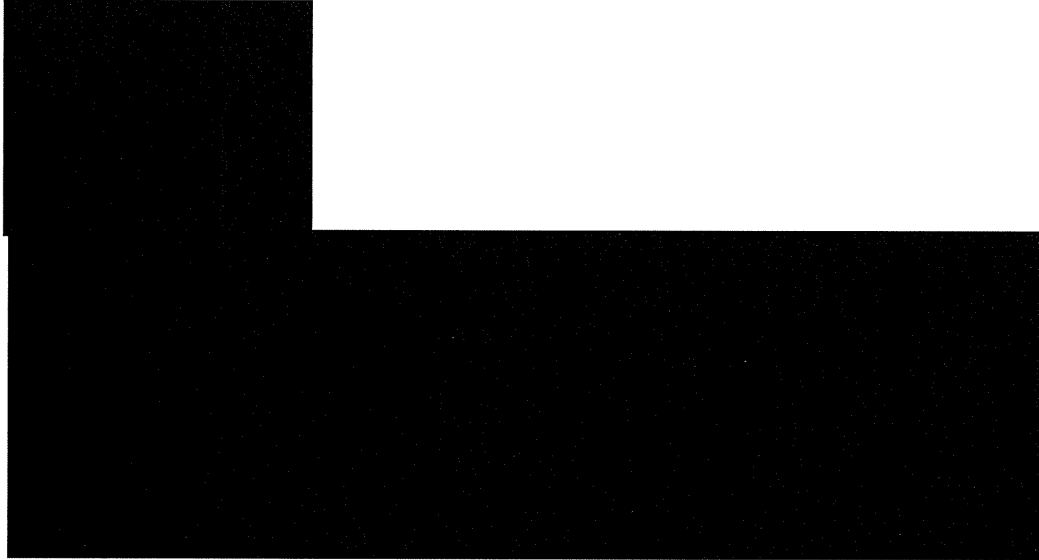
12

13 Secondary activities of the Coal Fulfillment Function are restricted to positions
14 intended to hedge secondary power positions, and which have been requested by
15 Fleet Operations and Trading or SPC Trading & Asset Management.

APPENDIX B
APPROVED COMMODITIES

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16

The approved commodities for this RMP are:



APPENDIX C
APPROVED INSTRUMENTS

1

2

3

4

5

The approved instruments are:

6

7

8

9

10

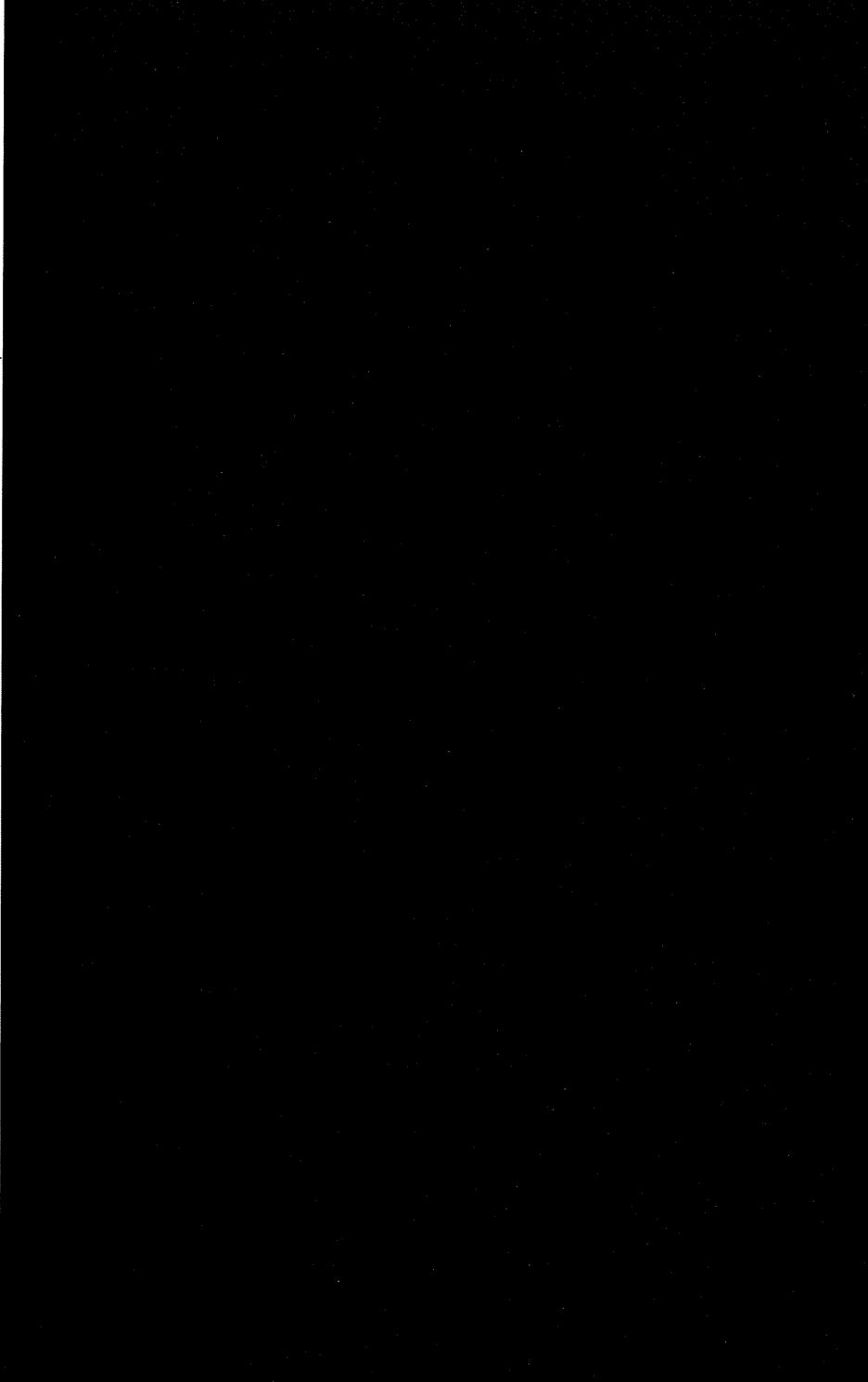
11



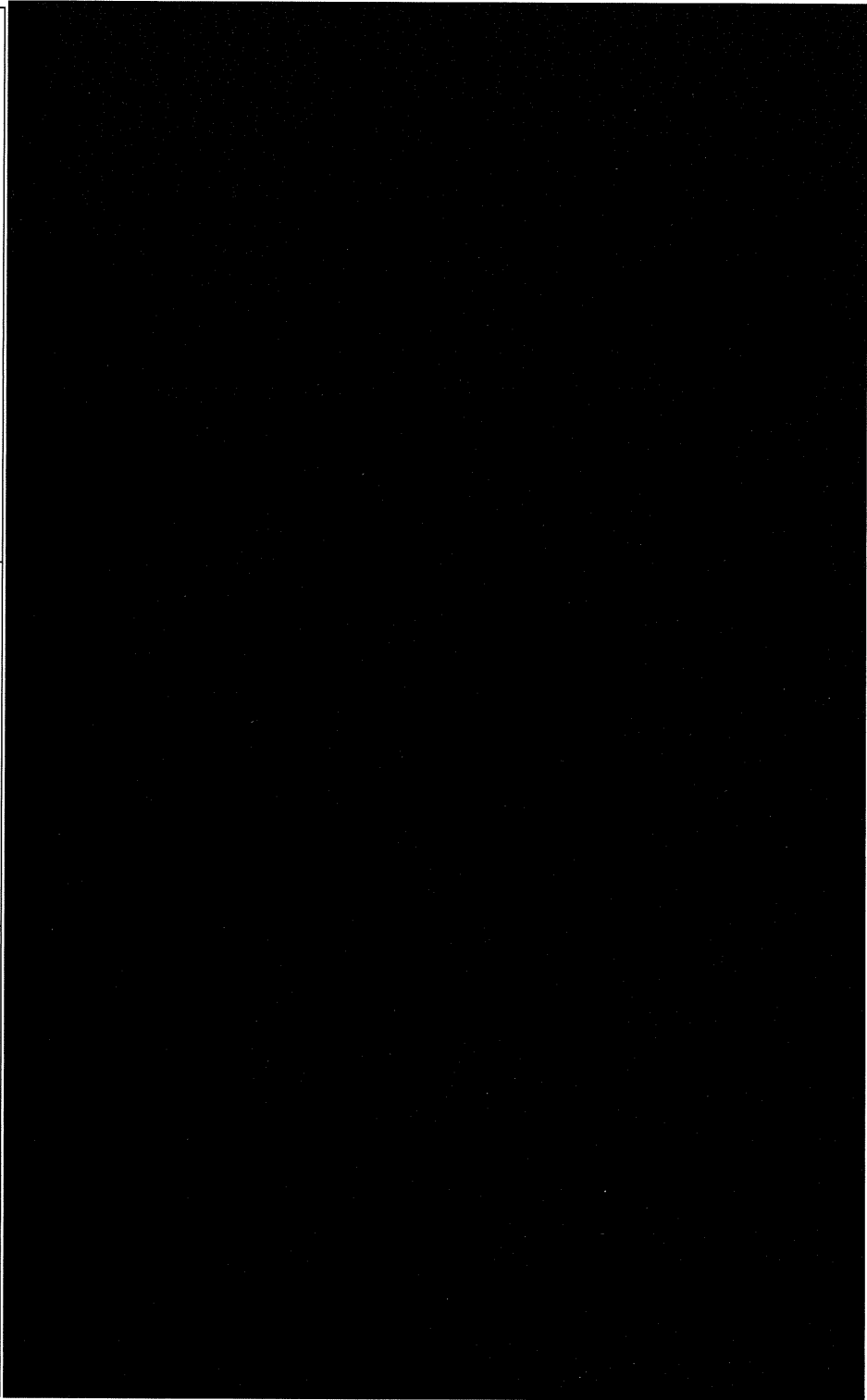
APPENDIX D
AUTHORIZATIONS

Name	Authority
Southern Company Risk Oversight Committee (SROC)	
Generation Risk Oversight Committee (GROC)	
Southern Power Risk Oversight Committee (SPROC)	
Risk Advisory and Controls Committee (RACC)	
Southern Company Generation Energy Credit Committee (ECC)	
Manager, Risk Control	

APPENDIX D
AUTHORIZATIONS (continued)
Energy Marketing

Name	Authority
Vice President, Commercial Operations & Services	
Vice President, Chief Commercial Officer, SPC	
Sr. Vice President, Chief Financial Officer, SPC	
Vice President, Fleet Operations and Trading	

Energy Trading Manager
Manager, SPC Trading and Asset Management
Term Traders
Energy Coordinators
Transmission Project Coordinators and Energy Schedulers

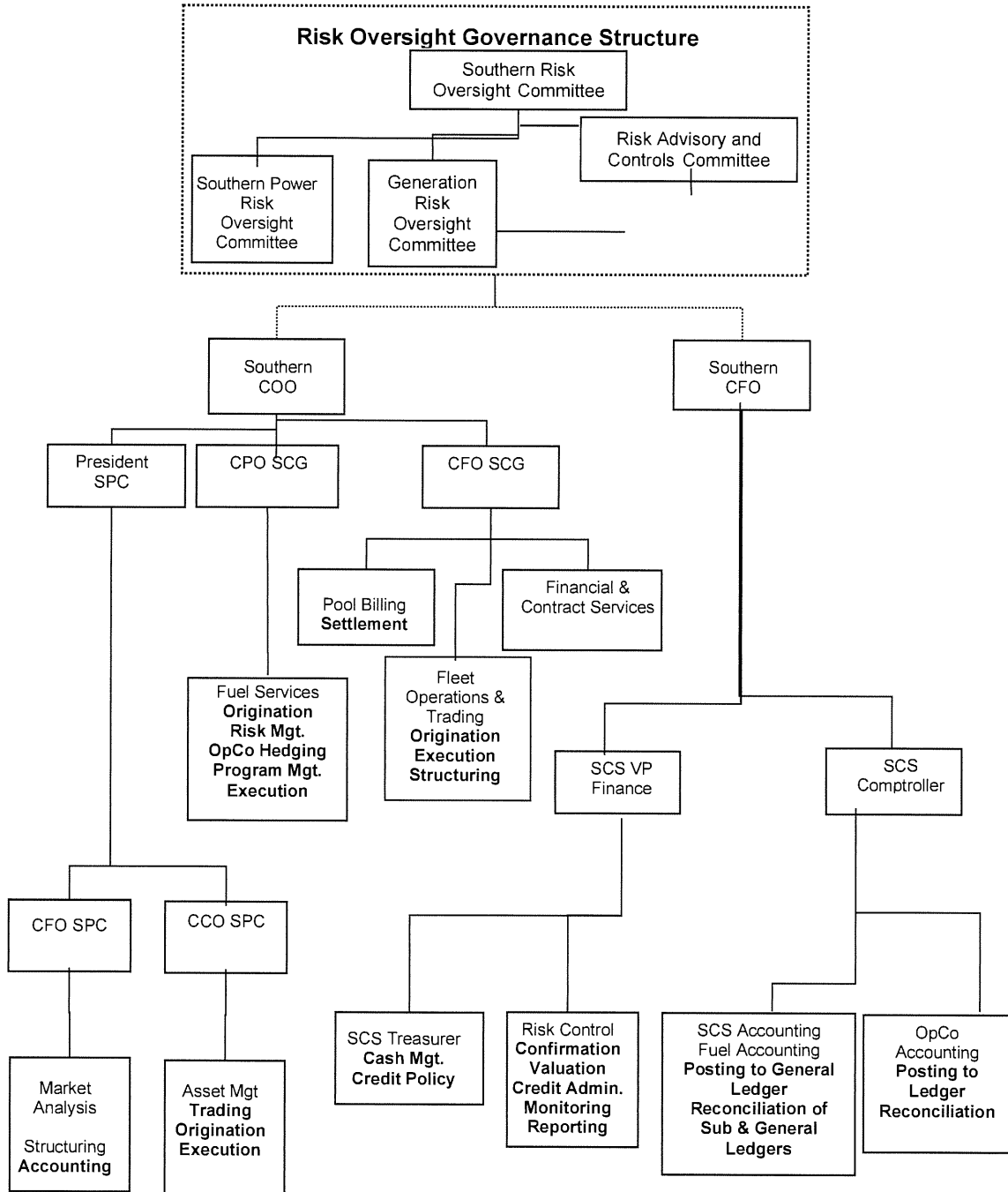


APPENDIX D
 AUTHORIZATIONS (continued)
 SCS Fuel Services

Name	Authority
Vice President, Fuel Services	
Gas Services Director	
Gas Operations Manager	
Gas Trading Manager	
Natural Gas Trader - Physical	
Natural Gas Trader - Financial	
Natural Gas Schedulers	
Coal Services Director	

APPENDIX E
SEGREGATION OF DUTIES

To ensure that risk management activities are properly carried out, certain functions will be separated. The following chart identifies these functions (depicted as **BOLD** bullet items) and their reporting process.



APPENDIX F
MARKET RISK MEASUREMENT

Approved Commodities	
Electrical Power	
Natural Gas	
Coal	
Environmental Products	
Oil Products	
RECs	

Parametric VaR Methodology

Formula Components

Component	Symbol	Comments
Value at Risk	VaR	See Equation Below
Position	PSN	Given in Applicable Measurement Units
Daily Standard Deviation of Price Change	ΔP	Given in \$/Applicable Measurement Units
Holding Period – Business Days	HP	Taken From Parameters Table Shown Below
Confidence Interval Multiplier	CI	For Example: CI = 1.65 for 95-% Confidence Interval

Equation

$$\text{VaR} = \text{PSN} * \Delta P * \text{Square Root of HP} * \text{CI}$$

Parameters/Commodity	Holding Period (HP)	Multiplier (CI)
Electric Power Term <= 1 Year Term > 1 Year		
Natural Gas Term <= 1 Year Term > 1 Year		

APPENDIX F
STRESS TESTING METHODOLOGY

The purpose of stress testing is to generate percentage price changes for the forward curve that answer this question:

If an extreme event occurs, what can we expect to happen to prices and the portfolio value?

The stress test is designed to capture the expected value of an extreme event as defined by an extreme value distribution. To differentiate, there is a downward and an upward stress test.

Specifically, the expected downward stress is calculated as:

$E[\Delta p/p \mid \Delta p/p < \Theta] = \text{the Integral of } f(x) \times dx \text{ from negative infinity to } \Theta$
and the expected upward stress is calculated as:

$E[\Delta p/p \mid \Delta p/p > \Theta] = \text{the Integral of } f(x) \times dx \text{ from } \Theta \text{ to infinity}$

where Θ is the threshold that defines classification as an extreme event, $f(x)$ is an extreme value distribution fitted to a specific contract, and x is a percentage price change.

Price Return Distribution	
Holding Period	
Extreme Event Threshold	

Ad Hoc Stress Testing

Ad hoc stress testing will be performed as appropriate based on price scenarios determined using alternative methods including, but not limited to, the following:

- specific historical scenarios;
- rating agency defined price changes;
- analysis of out-of-the money option trading; and
- subjectively determined price changes.

APPENDIX G
NOTIFICATION LEVELS

Position Classification	Income Change	Notify
Secondary Objectives		
Secondary Objectives		
Secondary Objectives		

APPENDIX G
NOTIFICATION LEVELS

Position Classification	Income Change	Notify
All positions with mark-to-market changes immediately reflected in income (both primary and secondary activities)		
All positions with mark-to-market changes immediately reflected in income (both primary and secondary activities)		

APPENDIX G
NOTIFICATION LEVELS

Position Classification	Value-at-Risk	Notify
All positions, except hedges associated with a commission approved program which provides for its own limits and/or cost recovery		

NOTE: Recipients of notification events will only receive detailed information pertinent to their business needs, and any correspondence will be in compliance with the Separation Protocol.

APPENDIX G
NOTIFICATION LEVELS

Position Classification	Income Change	Notify
SPC Secondary Objectives		
SPC Secondary Objectives		
SPC Secondary Objectives		

Position Classification	Income Change	Notify
All SPC positions with mark-to-market changes immediately reflected in income		
All SPC positions with mark-to-market changes immediately reflected in income		

Position Classification	Value-at-Risk	Notify
All SPC positions		

APPENDIX H
MARKET RISK LIMITS

Net Open Position Limits

		Value –at- Risk Limit
Secondary Activities		
All positions with marked-to-market changes immediately reflected in income		

NOTE: Although the value-at-risk limit applies to positions marked to market through income, VaR is calculated and monitored for all positions, and there are notification requirements as defined in Appendix G.

If such open position limits are exceeded, SCS Risk Control will calculate and equitably allocate the responsibilities to bring the positions back into compliance.

APPENDIX I
INCUMBENT LISTING; AUTHORIZED INDIVIDUALS

Southern Company Risk Oversight Committee

Title
CFO & CRO, Southern Company
Chairman, President, and CEO, Southern Company
EVP, President & CEO, SCS
EVP & COO, SCS
EVP, Southern Company & President & CEO, APC
EVP, Southern Company & President & CEO, GPC
EVP, Southern Company & President & CEO, MPC
EVP, Southern Company & President & CEO, Gulf
EVP, Southern Company & President & CEO, Southern Nuclear
EVP, Southern Company & President External Affairs
EVP, General Counsel, and Corporate Secretary, Southern Company
EVP, Finance & Treasurer – invited guest

Southern Company Risk Advisory & Controls Committee

Title
CFO & CRO, Southern Company
CFO, APC
CFO, GPC
CFO, Gulf Power Company
CFO, MPC
CFO, Operations
CFO, SPC
CFO, VP & Treasurer Southern Communications
VP Comptroller & Treasurer, SNC
Comptroller, CAO, & SVP, SCS
EVP Finance & Treasurer, SCS
VP & Associate General Counsel, SCS
Chief Audit Executive – invited guest

APPENDIX I
INCUMBENT LISTING; AUTHORIZED INDIVIDUALS

Southern Company Generation Risk Oversight Committee

Title
Compliance Officer & VP, SCS
EVP of E&CS, SCG
Chief Production Officer, SCG
Legal Counsel, Balch & Bingham – invited guest
CFO, Operations
Enterprise Risk Management Director
Internal Audit Representative – invited guest

Southern Power Risk Oversight Committee

Title
CFO, SPC
President, SPC
Chief Commercial Officer, SPC
Senior Production Officer, SPC
External & Regulatory Affairs VP, SPC

Southern Company Generation Energy Credit Committee

Title
Assistant Treasurer, SCS
VP, Fuel Services
VP, Commercial Operations & Services
Enterprise Risk Management Director
Energy Trading Manager – invited guest

APPENDIX I
INCUMBENT LISTING; AUTHORIZED INDIVIDUALS (continued)

Authorized Individuals

Title	Application / Role (3)	Approved Commodities								
		Electricity		Natural Gas			Coal	Oil	Allowances	RECs
		Energy	Trans.	Gas	Trans- port	Storage				
Southern Company Generation										
Energy Term Trading Mgr.	SCS GemTrader / Trader	X	X	(2)			(2)	(2)	(2)	(2)
Term Trader	SCS GemTrader / Trader	X	X	(2)			(2)	(2)	(2)	(2)
Trading Operations & Technical Svcs. Mgr.	SCS GemTrader/Public	(1)	(1)							
Hourly Trading Mgr.	SCS GemTrader / NextHour	X	X							
Energy Coordinator	SCS GemTrader / NextHour	X	X							
Scheduling Supervisor – Day Ahead	SCS GemTrader / Trader	X	X	(2)			(2)	(2)	(2)	(2)
Scheduling Supervisor – Hourly	SCS GemTrader / Trader	X	X	(2)			(2)	(2)	(2)	(2)
Scheduler	SCS GemTrader / Scheduler	(1)	X							
Trading Analyst	SCS GemTrader / TraderAnalyst	(1)	(1)							

Notes:

- (1) Authority to make changes to transactions including entering transactions related to loss adjustments and full/partial requirements customers.
- (2) Authority to direct a transaction.
- (3) A complete list of approved individuals is located in the following Cool Compliance entities: SCS GemTrader, Trader, Deal Entry; Attaché; Attaché Emissions; Attaché Financials & Trading. Choose the appropriate role to see a complete list of authorized individuals.

APPENDIX I
INCUMBENT LISTING; AUTHORIZED INDIVIDUALS (continued)

Authorized Individuals

Title	Application / Role (3)	Approved Commodities								
		Electricity		Natural Gas			Coal	Oil	Allow- ances	RECs
		Energy	Trans.	Gas	Trans- port	Storage				
SCS Fuel Services										
Gas Services, Director	Attache / Guest			X	X	X		X		
Gas Operations Mgr.	Attache / Front Office			X	X	X				
NG Buyer - Physical	Attache / Marketer			X	X	X				
Financial Trading Mgr.	Attache Financials & Trading / Fuel Trader			X				X		
NG Buyer - Financial	Attache Financials & Trading / Fuel Trader			X				X		
NG Scheduler	Attache / Front Office				X	X				
Coal & Transport Procure Manager	ComTrac / Fuel Procurement						X			
Emissions Trading Mgr.	Attache Emissions / Emissions Trader								X	X
Emissions Trader	Attache Emissions / Emissions Trader								X	X

Title	Application / Role (3)	Approved Commodities								
		Electricity		Natural Gas			Coal	Oil	Allow- ance	RECs
		Energy	Trans.	Gas	Trans- port	Storage				
Southern Power Company										
Manager - Trading & Asset Management	SPC GemTrader / Trader	X	(2)	(2)			(2)	(2)	(2)	(2)
Asset Management	SPC GemTrader / Public			(2)						(2)
Term Trading Manager	SPC GemTrader / Trader	X	X	(2)			(2)	(2)	(2)	(2)
Term Trader	SPC GemTrader / Trader	X	X	(2)			(2)	(2)	(2)	(2)
Asset Manager	SPC GemTrader / Public			(2)	(2)	(2)				

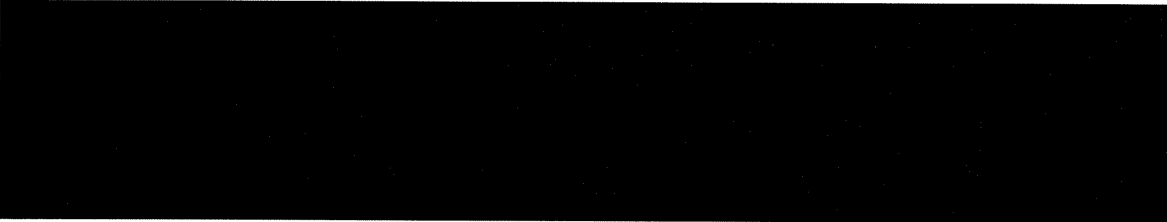
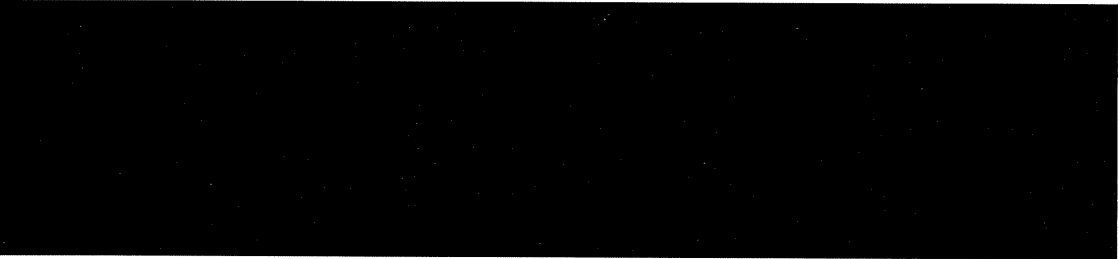
Notes:

- (1) Authority to make changes to transactions including entering transactions related to loss adjustments and full/partial requirements customers.
- (2) Authority to direct a transaction.
- (3) A complete list of approved individuals is located in one of the following Cool Compliance entities: SCS GemTrader, Trader, Deal Entry; Attaché; Attaché Emissions; Attaché Financials & Trading. Choose the appropriate role to see a complete list of authorized individuals.

APPENDIX J
ACCOUNTING AND TAX

FASB Accounting Standards Codification (“ASC”) 815 Derivatives and Hedging, ASC 820 Fair Value Measurements and related GAAP standards are the primary pronouncements addressing hedge accounting and provides guidance for exchange-traded contracts.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47



1 APPENDIX K
2 EMPLOYEE ACKNOWLEDGMENT
3

4 I have been provided a copy of the Southern Company Energy Trading Risk
5 Management Policy (RMP) and have had an opportunity to read and familiarize
6 myself with its contents and understand the requirements that apply to my position.
7

8 I understand that the officers and Board of Directors of SCS place a very high
9 priority on each employee adhering to the requirements, policies, and procedures
10 described in the RMP and on the accurate tracking and reporting of levels and types
11 of risks as described in the RMP.
12

13 I agree to comply with the policies, requirements, and procedures of the RMP as all
14 or portions of the RMP apply to my position. I do not have any questions regarding
15 or need to clarify any matters contained in the RMP. I understand that failure to
16 comply with the RMP or associated or related policies can result in disciplinary
17 actions up to and including termination of employment.
18

19 _____
20 Printed Name

21 _____
22 Signature

23 Date: _____, 20____
24

25
26
27 Note, as an alternative to acquiring and maintaining a physical signature, employees
28 will acknowledge the policy through Cool Compliance effective August 2012.
29

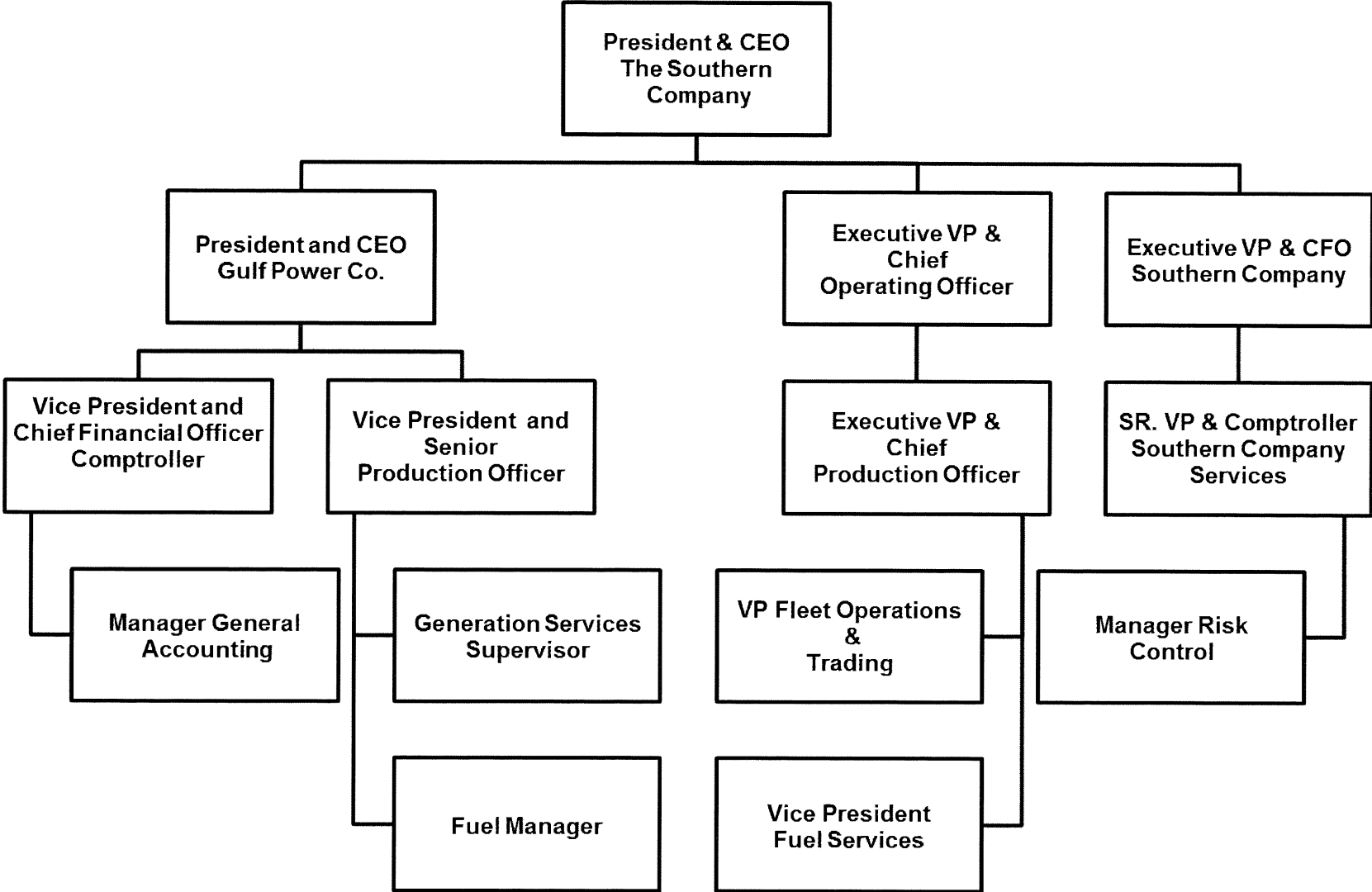
APPENDIX L DEFINITIONS

Allowances	An authorization to emit chemical pollutants, including but not limited to sulfur dioxide, nitrous oxide, or greenhouse gases. These are usually traded in over-the-counter markets via brokers with one allowance permitting the emission of one ton of the pollutant.
Approved Business Objectives	Those business objectives defined in Appendix A which have been approved.
Approved Commodity	Those commodities listed in Appendix B which have been approved.
Authorities	All applicable limitations imposed on SCG RMP trading activities, and shall include, but not necessarily be limited to, authorized trading limits, daily loss exposure limits, maximum approved value at risk, income limits, and term limits.
Authorized Individuals	Employees whose position may involve: (1) the authority (or appearance of authority) to directly bind the Company to agreements with third parties; and/or (2) the authority (or appearance of authority), acting through its various brokers and other representatives, to the Company to exchange-traded futures and option contracts.
Approved Risk Management Instruments	Those instruments listed in Appendix C which have been approved.
Authorized Trading Limit	The levels set out in Appendix H. Such levels are expressed in dollars that establish boundaries for maximum value at risk due to changes in market prices.
Credit Policy	Southern Company Energy Trading Credit Risk Management Policy
Daily Portfolio Value	The net present value on a mark-to-market basis of yet to be performed transactions from all approved portfolios.
Financial Instruments	Futures, forwards, options, swaps, and other derivative or financial risk management transactions entered into to hedge price risks.

Forwards	An agreement to buy or sell a quantity of a product, at an agreed price, on a given date, with a specific counterparty. Forwards are typically trading in the over-the-counter (OTC) markets.
Futures	An agreement to buy or sell a quantity of a product, at an agreed price, on a given date, traded on an exchange, and cleared by a clearinghouse.
Hedging Strategy	A trading strategy intended to reduce risk.
Illiquid Market	A market characterized by wide bid/offer spreads, lack of transparency, and large movements in price after any sizable deal.
Mark to Market (MTM)	The value of a financial instrument, or risk book of such instruments, at current market rates, or prices of the underlying commodity.
Market Positions	Positions taken that are readily liquidated at a readily observable and transparent price.
Net Open Position	The sum of all open positions for the approved commodities on an equivalent basis.
Open Position	The difference between long positions and short positions in any given risk book.
Option	An instrument which provides the holder the right, but not the obligation, to sell to (or buy from) the option seller the underlying commodity at a specified price and time.
Originator	The lead individual responsible for negotiating the transaction with the counterparty.
P&L	Profit and loss
Premises	Southern Company Generation business office located in Birmingham, Alabama.
Products	Financial instruments and related transactions for approved commodities as dictated by usage.
Risk Book	The official record in which details of all transactions are maintained for valuing, monitoring, managing, and reporting said risk.

RMP	Risk Management Policy
Separation Protocol	The separation of SPC functions from the Southern Operating Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) including information sharing and a separation of personnel in order to comply with a Federal Energy Regulatory Commission (FERC) Order.
SCS	Southern Company Services, Inc.
SPC	Southern Power Company
Swaps	An agreement to exchange net future cash flows.
Structured Transaction	Any negotiated transaction not readily traded in the market and the price of which is not easily validated.
Transactions	Futures, forwards, options, swaps, or other instruments conducted over-the-counter or via organized exchanges including long- and short-term agreements involving approved commodities or financial instruments.
Value at Risk (VaR)	The expected loss that will be incurred on the portfolio with a given level of confidence over a specified holding period, based on the distribution of price changes over a given historical observation period. (This is not an estimate of worst possible loss.)

Risk Management for Fuel and Wholesale Energy



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 4th day of August, 2015 to the following:

Florida Public Utilities Company
Florida Division of Chesapeake
Utilities Corp
Mike Cassel, Director
Regulatory and Governmental Affairs
1750 SW 14th Street, Suite 200
Fernandina Beach, FL 32034
mcassel@fpuc.com

PCS Phosphate – White Springs
c/o Stone Mattheis Xenopoulos &
Brew, PC
James W. Brew/Owen J. Kopon
Laura A. Wynn
Eighth Floor, West Tower
1025 Thomas Jefferson St, NW
Washington, DC 20007
jbrew@smxblaw.com
ojk@smxblaw.com
laura.wynn@bbrslaw.com

Duke Energy Florida
John T. Burnett
Dianne M. Triplett
299 First Avenue North
St. Petersburg, FL 33701
Dianne.triplett@duke-energy.com
John.burnett@duke-energy.com

Florida Power & Light Company
John T. Butler
700 Universe Boulevard (LAW/JB)
Juno Beach, FL 33408-0420
John.Butler@fpl.com

Florida Power & Light Company
Kenneth Hoffman
215 South Monroe Street,
Suite 810
Tallahassee, FL 32301-1858
Ken.Hoffman@fpl.com

Ausley Law Firm
James D. Beasley
J. Jeffry Wahlen
Ashley M. Daniels
Post Office Box 391
Tallahassee, FL 32302
jbeasley@ausley.com
adaniels@ausley.com
jwahlen@ausley.com

Gunster Law Firm
Beth Keating
215 South Monroe Street, Suite 601
Tallahassee, FL 32301-1839
bkeating@gunster.com

Office of Public Counsel
Patricia A. Christensen
Associate Public Counsel
c/o The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee, FL 32399-1400
Christensen.patty@leg.state.fl.us


Duke Energy Florida, Inc.
Matthew R. Bernier
Cameron Cooper
106 East College Avenue,
Suite 800
Tallahassee, FL 32301-7740
Matthew.bernier@duke-energy.com
Cameron.Cooper@duke-energy.com

Florida Industrial Power Users Group
c/o Moyle Law Firm
Jon C. Moyle, Jr.
118 North Gadsden Street
Tallahassee, FL 32301
jmoyle@moylelaw.com

Tampa Electric Company
Ms. Paula K. Brown, Manager
Regulatory Coordination
P. O. Box 111
Tampa, FL 33601-0111
Regdept@tecoenergy.com

Office of the General Counsel
Suzanne Brownless
Martha Barrera
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850
sbrownle@psc.state.fl.us
mbarrera@psc.state.fl.us
tefarley@psc.state.fl.us
ASoete@psc.state.fl.us

Florida Retail Federation
Robert Scheffel Wright
John T. LaVia
c/o Gardner Law Firm
1300 Thomaswood Drive
Tallahassee, FL 32308
schef@gbwlegal.com
jlavia@gbwlegal.com



JEFFREY A. STONE
Florida Bar No. 325953
jas@beggslane.com
RUSSELL A. BADDERS
Florida Bar No. 007455
rab@beggslane.com
STEVEN R. GRIFFIN
Florida Bar No. 0627569
srg@beggslane.com
BEGGS & LANE
P. O. Box 12950
Pensacola FL 32591-2950
(850) 432-2451
Attorneys for Gulf Power