

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: September 15, 2016
TO: Angela Charles, Commission Deputy Clerk II, Office of Commission Clerk
FROM: Lynn M. Deamer, Chief of Auditing, Office of Auditing and Performance Analysis
RE: Docket No.: 160001-EI
Company Name: Gulf Power Company
Company Code: EI804
Audit Purpose: A3a - Hedging Activities
Audit Control No: 16-068-1-1

Volume 2 of the audit working papers are forwarded for confidential treatment pursuant to Rule 25-22.006, Florida Administrative Code. The audit exit conference was held September 15, 2016.

LMD/cm
Attachments: Confidential Document Index
Confidential Binder(s) Listed Above

cc: Bureau of Auditing (File copy)

RECEIVED-FPSC
2016 SEP 15 AM 10:08
COMMISSION
CLERK

Ashley Quick
Received By

9/15/16
Date

COMMISSIONERS:
JULIE I. BROWN, CHAIRMAN
ART GRAHAM
LISA POLAK EDGAR
RONALD A. BRISÉ
Jimmy Patronis

STATE OF FLORIDA



OFFICE OF
AUDITING & PERFORMANCE ANALYSIS
DALE MAILHOT
DIRECTOR
(850) 413-6854

Public Service Commission

September 15, 2016

Mr. Robert L. McGee, Jr.
Regulatory and Pricing Manager
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780

Re: Hedging Activities Audit; Docket 160001-EI; ACN: 16-068-1-1; Courtesy Copy of Confidential Documents Provided to Company

Dear Mr. McGee:

We have completed our field work in the above referenced audit. Included with this letter are courtesy copies of the confidential audit work papers, which the Commission is maintaining in a Temporary Confidential Status with an index of the enclosed documents.

Please sign and date page two of this letter indicating that you have received these copies and email the sheet to me at Ldeamer@psc.state.fl.us, as soon as possible. The Utility must file a Request for Confidential Classification according to Rule 25-22.006, F.A.C. in order to maintain this confidentiality. This request must be filed with the Commission within twenty-one days from today or these work papers will become public documents.

Thank you for your assistance in this regard, and should you have any questions, please call me at (850) 413-6416.

Sincerely,

A handwritten signature in black ink that reads "Lynn M. Deamer".

Lynn M. Deamer
Chief of Auditing

LMD

Received by:

Signature: _____

Date: _____

Title: _____

Enclosures

cc: File//Audit Work papers (1)

INDEX OF CONFIDENTIAL WORKPAPERS

Gulf Power Company

Hedging Activities Audit

Docket 160001-EI, Audit Control Number 16-068-1-1

Item	Description	Work paper Number	# of Pages
1	Select pages from the General Ledger detail.	12 and 12.1	2
2	Hedging Information Report	10-2.1, 10-2.2, 10-2.3, 10-2.4, 10-2.5, 10-2.6, 10-2.7, 10-2.8, 10-2.10, 10-2.11, 10-2.12, 10-2.13, 10-2.14, 10-2.15, 10-2.16, 10-2.17, 10-2.18, 10-2.19, and 10-2.20	19
3	Billing Invoice Summary	48-14, 48-14.1, 48-14.2, 48-14.3, and 48-14.1	5
4	Monthly Hedging Reconciliation	48-1, 48-2, 48-3, 48-4, 48-5, 48-6, 48-7, 48-8, 48-9, 48-10, 48-11, and 48-12	12
5	Hedging Limits	48-13 and 48-13.1	2
6	Billing Invoice Summary	48-14.5, 48-14.6, 48-15, 48-15.1, 48-15.2, and 48-15.3	6

46 Total Pages

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Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780

**Re: Hedging Activities Audit; Docket 160001-EI; ACN: 16-068-1-1; Confidential Documents
Returned to Company**

Dear Mr. McGee:

We have completed our field work in the above referenced audit. Included with this letter are the documents provided by the Utility that we are not retaining as part of our audit work papers. Please sign this letter showing receipt of these materials and email this sheet to me at Ldeamer@psc.state.fl.us, as soon as possible.

Thank you for your assistance in this regard, and should you have any questions, please call me at (850) 413-6416.

Sincerely,

A handwritten signature in black ink, appearing to read "Lynn M. Deamer".

Lynn M. Deamer
Chief of Auditing

LMD

Received by:

Signature: _____

Date: _____

Title: _____

Enclosures

cc: File//Audit Work papers (1)

List of Items Returned:

Gulf Power Company
Hedging Activities Audit
Docket 160001-EI, Audit Control Number 16-068-1-1

Item No	Description	Number of Pages	Document Request #
1	Summarized General Ledger and the transaction detail file for August 2015 through December 2015 and January 2016 through May 2016	CD #1	Hedging 1
	Summarized General Ledger and the transaction detail file for August 2015 through January 2016 through July 2016	CD #4	Hedging 1
2	Unredacted copy of the Risk Management Plan or Fuel Procurement and Hedging Information Reports filed on April 18, 2016	CD #2	Hedging 2
3	Billing Invoice Summary for each month from August 1, 2015 to May 31, 2016	CD #2	Hedging 3
4	Billing Invoice Summary for each month from June 1, 2016 to July 31, 2016	CD #4	Hedging 3
5	Internal audits, external audits, or internal/external studies conducted regarding any aspect of the fuel procurement hedging program from August 1, 2015 through July 31, 2016	3	Hedging 6
6	Tolling arrangements and purchase power agreements	CD #3	Hedging 8
7	Detail for July 2015 accounting	CD #5	Hedging 10

5 CDs

3 pages