

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Gulf Power Company.

DOCKET NO.: 160186-EI

In Re: Petition for approval of 2016 Depreciation and dismantlement studies, approval of proposed depreciation rates and annual dismantlement accruals and Plant Smith Units 1 and 2 regulatory asset Amortization, by Gulf Power Company

DOCKET NO.: 160170

FILED: March 1, 2017

**THE FLORIDA INDUSTRIAL POWER USERS GROUP'S
COMMENTS REGARDING PROPOSED ISSUES**

The Florida Industrial Power Users Group (“FIPUG”), by and through their undersigned counsel, submits comments addressing FIPUG’s only proposed issue in the case. FIPUG also submits comments on one issue proposed by the Office of Public Counsel and one issue proposed by Wal-Mart.

FIPUG filed a request to intervene in this proceeding on December 7, 2016. Intervention was granted on December 19, 2016. The Florida Administrative Code, Section 120, Florida Statutes, governs administrative proceedings. Section 120.57(1)(b) provides in pertinent part that:

All parties shall have an opportunity to respond, to present evidence and argument on all issues involved, to conduct cross-examination and submit rebuttal evidence, to submit proposed findings of facts and orders, to file exceptions to the presiding officer’s recommended order, and to be represented by counsel or other qualified representative.

FIPUG raised its sole issue, on December 19, 2016. A copy of the e-mail in which FIPUG first raised the issue in question is attached as Exhibit “A”. FIPUG also included this issue in its prehearing statement. For convenience, the relevant excerpt from FIPUG’s

prehearing statement in which FIPUG's issue and position timely raised on December 19, 2016 is stated forth below:

FIPUG PROPOSED ISSUE: What need exists, if any, for Scherer Unit 3 to serve Gulf's retail customers?

FIPUG: Gulf, as the Petitioner in the matter, has the burden to prove that an item for which it seeks to recover new rates from its customers, such as for Scherer Unit 3, is prudent and needed to serve Gulf's retail customers. FIPUG contends that Scherer Unit 3 is not needed to serve Gulf's retail customers.

Gulf is seeking to recover tens of millions of dollars from its customers, including FIPUG members, for Scherer Unit 3 in this rate case. Gulf has tendered two witnesses, Terry Deason and Jeffrey Burlison, who both provided extensive testimony about Gulf's ownership interest in Plant Scherer Unit 3. Given that no prior Commission order or ruling has squarely and directly considered whether Plant Scherer Unit 3 is needed to serve Gulf's retail customers, FIPUG's proposed issue is relevant and within the scope of this rate case proceeding. FIPUG's issue should be expressly included in this proceeding as proposed, not cobbled together with another issue in the case or excluded from this proceeding.

FIPUG also supports the inclusion of the each issue sought to be raised the Office of Public Counsel and Wal-Mart as set forth below. These issues, like FIPUG's issue, are appropriate and timely were raised by parties in this matter, and should be included in the case.

OFFICE OF PUBLIC COUNSEL'S PROPOSED ISSUE

In the event federal legislation is passed and signed into law between now and a reasonable period after new base rates become effective that results in a change in the corporate income tax rate to which Gulf is subject, or changes in the depreciation allowance for tax purposes associated with plant additions incorporated in test year rate base, what adjustments or provisions, if any, should the Commission make to address such changes? Should the Order in this case require a limited reopening within a reasonable period after new base rates become effective to address income tax expense as well as the accumulated deferred income taxes in the capital structure in the event such legislation is passed that would impact Gulf's revenue requirements?

WALMART’S PROPOSED ISSUE

Should the Commission require Gulf to initiate a stakeholder process involving Gulf and its customers with the purpose of collaboratively developing additional energy supply options for Gulf and its customers, with particular emphasis on renewable energy measures and initiatives?

WHEREFORE, for the reasons set forth above, the issue raised by FIPUG in this proceeding should be expressly included in this case and decided by the Commission as a stand alone issue.

Dated this 1st day of March, 2017

Respectfully submitted,

/s/ Jon C. Moyle
Jon C. Moyle, Jr.
Karen A. Putnal
Moyle Law Firm, P.A.
118 North Gadsden Street
Tallahassee, Florida 32301
Telephone: (850)681-3828
Facsimile: (850)681-8788
jmoyle@moylelaw.com
kputnal@moylelaw.com

Attorneys for Florida Industrial Power Users Group

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by electronic mail this 1st day of March, 2017, to the following:

Lee Eng Tan
Kelly Corbari
Florida Public Service Commission
2540 Shumard Oak Blvd., Room 110
Tallahassee, FL 32399-0850
ltan@psc.state.fl.us
Kkcorbari@psc.state.fl.us

Jeffrey A. Stone
Russell A. Badders
Steven R. Griffin
Beggs & Lane
501 Commendencia Street
Pensacola, FL 32502

jas@beggslane.com
rab@beggslane.com
srg@beggslane.com

Robert L. McGee
Gulf Power Company
One Energy Place
Pensacola, FL 32520
rlmcgee@southernco.com

J.R. Kelly, Esq.
Stephanie Morse
Office of Public Counsel
111 West Madison Street, room 812
Tallahassee, FL 32301
kelly.jr@leg.state.fl.us
morse.stephanie@leg.state.fl.us

Diana Csank
Sierra Club
50 F St. NW, 8th Floor
Washington DC 20001
Diana.csank@sierraclub.org

Thomas Jernigan
c/o AFCEC/JA-ULFSC
139 Barns Drive, Suite 1
Tyndall AFB, FL 32403
Thomas.Jernigan.3@us.af.mil

Robert Scheffel Wright
John T. La Via,
Gardner Law Firm
1300 Thomaswood Drive
Tallahassee, FL 32308
schef@gbwlegal.com
jlavia@gbwlegal.com

/s/ Jon C. Moyle

Jon C. Moyle, Jr.

Jon Moyle

From: Jon Moyle
Sent: Monday, December 19, 2016 4:07 PM
To: 'Kelley Corbari'; 'Alisa Coe'; 'Andrew J. Unsicker'; 'Bob McGee (rlmcgee@southernco.com)'; 'Bradley Marshall'; 'Ebony Payton (Ebony.Payton.ctr@us.af.mil)'; 'J. R. Kelly'; 'Jeffrey Stone'; Karen Putnal; 'Lanny L. Zieman'; 'Natalie A. Cepak'; 'Rachel Uhland'; 'Russell Badders'; 'Stephanie Morse'; 'Steven Griffin'; 'Thomas A. Jernigan'; 'Diana Csank - Sierra Club'; 'Robert Sheffel Wright'; 'Charles J. Rehwinkel - OPC'; 'Denise Vandiver - OPC'
Cc: Laura King; Tom Ballinger; Andrew Maurey; Cheryl Bulecza-Banks; Judy Harlow; Greg Shafer; Keino Young; Mary Anne Helton; Keith Hetrick; Lee Eng Tan; Stephanie Cuello; Bianca Lherisson; Mark Cicchetti; Bart Fletcher
Subject: RE: 160186-EI Prelim Issue List (Revised 1)

Thanks. Here is FIPUG's proposed Scherer need issue that was discussed during the issue identification meeting:

FIPUG PROPOSED NEW ISSUE: What need exists, if any, for Scherer Unit 3 to serve Gulf's retail customers?

Jon Moyle
jmoyle@moylslaw.com



Moyle Law Firm, P.A.
The Perkins House
118 N. Gadsden St.
Tallahassee, FL 32301
850-681-3828 (Voice)
850-681-8788 (Fax)

From: Kelley Corbari [<mailto:KCorbari@psc.state.fl.us>]
Sent: Monday, December 19, 2016 3:49 PM
To: 'Alisa Coe'; 'Andrew J. Unsicker'; 'Bob McGee (rlmcgee@southernco.com)'; 'Bradley Marshall'; 'Ebony Payton (Ebony.Payton.ctr@us.af.mil)'; 'J. R. Kelly'; 'Jeffrey Stone'; Jon Moyle; Karen Putnal; 'Lanny L. Zieman'; 'Natalie A. Cepak'; 'Rachel Uhland'; 'Russell Badders'; 'Stephanie Morse'; 'Steven Griffin'; 'Thomas A. Jernigan'; 'Diana Csank - Sierra Club'; 'Robert Sheffel Wright'; 'Charles J. Rehwinkel - OPC'; 'Denise Vandiver - OPC'
Cc: Laura King; Tom Ballinger; Andrew Maurey; Cheryl Bulecza-Banks; Judy Harlow; Greg Shafer; Keino Young; Mary Anne Helton; Keith Hetrick; Lee Eng Tan; Stephanie Cuello; Bianca Lherisson; Mark Cicchetti; Bart Fletcher
Subject: 160186-EI Prelim Issue List (Revised 1)

Good Afternoon,

As discussed at the Issue Id meeting last week, attached is the preliminary issue list containing the comments and revisions discussed at the meeting. For your convenience, we have attached the issue list in redline and non-redline format.

Please submit any revisions or additions to the preliminary issue list (in word format) to staff counsel by **noon on December 29, 2016**. Once we receive everyone's comments/revisions, Staff will then compile a revised issue list and circulate it to all the parties.

Again, we ask that you please do not renumber the current preliminary list of issues. If you would like an issue to be considered earlier or have a different number, please make a comment notation under the issue as to where you believe the issue should fall. Staff will renumber the issues prior to circulating the revised issue list.

Please let me or Lee Eng know if you have any questions.

Thanks,
Kelley

Kelley F. Corbari,

Senior Attorney – Regulatory Analysis Section
Office of the General Counsel
FLORIDA PUBLIC SERVICE COMMISSION
Email: KCorbari@psc.state.fl.us
Direct Phone: (850) 413-6234
Direct Fax: (850) 413-6235

PLEASE NOTE: *Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.*

From: Kelley Corbari

Sent: Thursday, December 15, 2016 11:52 AM

To: Alisa Coe; Andrew J. Unsicker; Bob McGee (rlmcgee@southernco.com); Bradley Marshall; Ebony Payton (Ebony.Payton.ctr@us.af.mil); J. R. Kelly ; Jeffrey Stone; Jon C. Moyle Jr. (jmoyle@moylelaw.com); Karen A. Putnal; Lanny L. Zieman; Natalie A. Cepak; Rachel Uhland; Russell Badders; Stephanie Morse; Steven Griffin; Thomas A. Jernigan; Diana Csank - Sierra Club; 'Robert Sheffel Wright'; Charles J. Rehwinkel - OPC; Denise Vandiver - OPC

Cc: Laura King; Tom Ballinger; Andrew Maurey; Cheryl Bulecza-Banks; Judy Harlow; Greg Shafer; Keino Young; Mary Anne Helton; Keith Hetrick; Lee Eng Tan; Stephanie Cuello; Bianca Lherisson; Mark Cicchetti; Bart Fletcher

Subject: 160186-EI Staff Exhibit List (DRAFT 1)

As discussed at the Issue ID meeting today, attached is the first draft of Staff's exhibit list. Please review and let us know if you have any edits or comments by close of business December 29, 2016.

Kelley F. Corbari,

Senior Attorney – Regulatory Analysis Section

Office of the General Counsel

FLORIDA PUBLIC SERVICE COMMISSION

2540 Shumard Oak Boulevard

Tallahassee, FL 32399-0850

Email: KCorbari@psc.state.fl.us

Direct Phone: (850) 413-6234

Direct Fax: (850) 413-6235



PLEASE NOTE: Florida has a very broad public records law. Most written communications to or from state officials regarding state business are considered to be public records and will be made available to the public and the media upon request. Therefore, your e-mail message may be subject to public disclosure.