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DIVISION OF ENGINEERING  
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# Public Service Commission

August 31, 2017

Ms. Rhonda J. Alexander  
Gulf Power Company  
One Energy Place  
Pensacola, Florida 32520-0780  
[rjalexad@southernco.com](mailto:rjalexad@southernco.com)

**STAFF'S FIRST DATA REQUEST  
VIA EMAIL & US MAIL**

**Re: Docket No. 20170169-EI - Petition for Approval of Negotiated Renewable Energy Power Purchase Agreement with Bay County, Florida.**

Dear Ms. Alexander:

Please provide responses to the following questions by September 21, 2017.

1. Please provide a copy of the fuel price forecast used for determining the net present value savings to Gulf Power Company's (Gulf or Utility) customers.
2. Please refer to page 3, the second sentence of paragraph 8 of the petition. Please provide an estimate of the monetary value, if any, of the Renewable Energy Credits that Gulf would receive.
3. Please refer to pages 3-4, paragraph 8 of the petition. Please provide copies of the two previous agreements between Gulf and Bay County mentioned.

Please refer to page 5, paragraph 10 of the petition for questions 4-9, below.

4. Please identify the sources and dates of Gulf's fuel price forecast used in support of its proposed purchase power agreement (PPA).
5. Please discuss the methodology employed for developing the fuel price forecast used in this docket.
6. Please detail whether or not Gulf compared, for reasonableness, the fuel price forecast used in this docket to any other fuel price forecast. If so, please provide all alternative fuel price forecasts of natural gas prices that Gulf used and the results of the comparison.
7. Please identify the date, if known, of Gulf's next/updated fuel price forecast that will be used for Utility/business planning purposes.

Ms. Rhonda J. Alexander

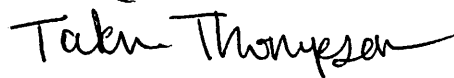
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8. Please detail whether or not Gulf performed any sensitivity analysis of its fuel price forecast for the purposes of determining the “net present value savings to its customers totaling approximately \$250,000 in 2017 dollars”.
  - a. If not, please explain why the Utility did not perform a sensitivity analysis of its fuel price forecast.
9. Please provide the net present value savings analysis that resulted in the approximately \$250,000 savings to customers for 2017.
  - a. Please provide an estimate of the total annual savings to customers throughout the entirety of the contract period with Bay County as compared to the purchase of as-available energy.
10. Please refer to page 8, paragraph 9 of the Agreement. Please explain why it was necessary to add the language “at no additional cost” in the first sentence.
11. Please refer to Exhibit B of Gulf’s petition. Please provide a copy, if different than the forecast provided in response to question 1, of the fuel price forecast used to formulate the “Territorial Energy” prices shown on this exhibit.

Please contact Takira Thompson by phone at (850) 413-6592 or by email at [tthomps@psc.state.fl.us](mailto:tthomps@psc.state.fl.us) if you have any questions.

Sincerely,



Takira Thompson  
Engineering Specialist  
Division of Engineering

TT:tj

cc: Office of Commission Clerk (Docket No. 20170169-EI)