

C. Shane Boyett Regulatory and Cost Recovery Manager

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

Re: Docket No. 20180143-El – Petition to initiate rulemaking to revise and amend portions of Rule 25-6.0426, F.A.C., by Florida Power & Light Company, Gulf Power Company, and Tampa Electric Company

Dear Ms. Stauffer:

Attached for electronic filing is Gulf Power Company's response to Staff's Second Data Request in Docket 20180143-EI.

Sincerely,

C. Share Bayett

C. Shane Boyett Regulatory and Cost Recovery Manager

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Attachments

cc: Gulf Power Company Jeffrey A. Stone, Esq., General Counsel Beggs & Lane Russell Badders, Esq. Florida Public Service Commission Henry Merryday, Division of Economics Rosanne Gervasi, Office of General Counsel

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1. Please confirm that Gulf's 2018 Forecasted December Earnings Surveillance report shows jurisdictional operating revenues of \$1,265,112,225 and that 0.15% would be \$1,897,668, which represents for 2018 the limit of Gulf's economic development expenses pursuant to Rule 25-6.0426(2)(b), F.A.C. If not, please explain and state the correct amounts.

RESPONSE:

Gulf's economic development expenses pursuant to Rule 25-6.0426(2)(b) would be limited to 0.15% of gross annual revenues. In Gulf's 2018 Forecasted Surveillance report, gross annual revenues were projected to be \$1,421,533,167. As a result, 0.15% of gross annual revenues in Gulf's 2018 Forecasted Surveillance Report would be \$2,132,300.

The amount of \$1,265,112,225 in Gulf's 2018 Forecasted Surveillance report represents jurisdictional operating revenues before FPSC adjustments.

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2. The petition states on page 5 that Gulf is limited to \$2.3 million for economic development expenses under current Rule 25-6.0426, F.A.C. Please explain and show the calculation of the \$2.3 million amount.

RESPONSE:

The limitation of approximately \$2.3 million as referenced in the petition represents 0.15% of Gulf's actual 2017 gross annual revenues of \$1,516,490,166, as shown in the December 2017 Surveillance Report.

		Limitation of
2017 Gross		Economic
Annual		Development
Revenues		Expenses
	Х	
1,516,490,166	0.15%	2,274,735

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3. Please state Gulf's projected total 2018 economic development expenses.

RESPONSE:

Gulf's total economic development expenses are projected to be approximately \$1.6 million for 2018.

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4. Please state the dollar amounts of shareholder portion of economic development expenses for 2016, 2017, and 2018.

RESPONSE:

The shareholder portion of economic development expenses for 2016, 2017 and projected for 2018 are shown below.

- 2016 \$50,331
- 2017 \$63,522
- 2018 \$78,415

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5. For 2017, please show the derivation of the 5% shareholder contribution for economic development expenses. Gulf's December 2017 Earnings Surveillance Report shows \$63,522. Does this amount represent 5% of the total economic development expenses? If yes, please show each step of the calculation.

RESPONSE:

The \$63,522 shown in Gulf's December 2017 Earnings Surveillance Report represents 5% of net economic development expenses, which excludes expenses related to chamber of commerce dues and expenses.

	Total Economic Development Expenses	Less: Chamber of Commerce Dues & Expenses	Net Economic Development Expenses		Shareholder Contribution of Economic Development Expenses
2017	1,309,007	(38,575)	1,270,432	x 5%	63,522

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition to initiate rulemaking to revise and) amend portions of Rule 25-6.0426, F.A.C., by) Florida Power & Light Company, Gulf Power) Company, and Tampa Electric Company)

Docket No.: 20180143-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by electronic mail this 17th day of December, 2018 to the following:

Office of Public Counsel J. R. Kelly Patricia A. Christensen Public Counsel c/o The Florida Legislature 111 W. Madison Street, Room 812 Tallahassee, FL 32399-1400 kelly.jr@leg.state.fl.us christensen.patty@leg.state.fl.us Office of the General Counsel Rosanne Gervasi 2540 Shumard Oak Blvd Tallahassee, FL 32399-0850 RGervasi@PSC.STATE.FL.US Florida Power & Light Company Kenneth Hoffman 215 South Monroe Street, Suite 810 Tallahassee, FL 32301-1858 Ken.Hoffman@fpl.com

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