STATE OF FLORIDA

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Public Service Commission

December 22, 2020

Russell A. Badders, Esquire
Gulf Power Company
One Energy Place
Pensacola, FL 32520
Russell.Badders@nexteraenergy.com

STAFF'S FOURTH DATA REQUEST
via e-mail

William P. Cox
Gulf Power Company
700 Universe Boulevard
Juno Beach, FL 33408
will.p.cox@fpl.com

RE: Docket No. 20200242-EI – Petition for approval of regulatory assets related to the retirements of the coal generation assets at Plant Crist Units 4, 5, 6, and 7, by Gulf Power Company.

Dear Mr. Badders:

By this letter, the Commission staff requests that Gulf Power Company (Gulf) provide responses to the following data requests:

1. Please refer to paragraph 5 of Gulf's Petition. Please verify if approval of the Company's request for the creation of the regulatory asset would still allow the Commission to review, without prejudice, whether the conversion to natural gas and/or early retirement of the coal generation assets of Crist Units 4-7 was reasonable and prudent as part of the Company's next base rate proceeding.

   a. Verify whether at the Company's next base rate proceeding, the Commission could make any adjustments at that time if necessary, up to and including the unwinding of the regulatory asset, if it finds early retirement to have been unreasonable and/or imprudent.

2. Please refer to Gulf's response to Staff's Third Data Request, Questions No. 3 and 9. Explain why Gulf selected the assumption of six months to burn the remaining coal, instead of a shorter time period (i.e., 2-3 months) to minimize the duration needed to

consume the available coal supplies. What effect would a shorter duration of burn have on the estimated costs for each scenario, if any?

3. Please refer to Gulf's response to Staff's Third Data Request No. 9.

   a. Explain why coal fuel costs would be incurred for the coal already in Gulf's inventory at Plant Crist given that in retirement scenario would result in the same coal being sold for no or minimal net gain to ratepayers.

   b. Explain why coal fuel costs would be incurred for the coal already in Gulf's inventory at the Alabama docks, given that in retirement scenario would result in the same coal being sold for the estimated $3.4 million net gain to ratepayers.

4. Please refer to Gulf's response to Staff's Third Data Request, No. 9. Explain how Gulf would receive the amount of insurance proceeds it assumes in the no repair scenarios.

5. Please refer to Gulf's Petition for approval of regulatory assets related to the Mid-Course Correction to its 2021 Environmental Cost Recovery Clause? (ECRC) Factors. On page 9 of the Petition, Gulf is requesting that the Commission approve revised tariff sheets reflecting the revised ECRC factors and that the tariff sheets be effective March 1, 2021. It is typically Commission practice to adjust the actual/estimated or true-up amounts, not the projected amounts, when revising ECRC factors and tariff sheets.

   a. Please explain why Gulf adjusted the projected amounts in its proposed tariff sheets alternative to using the true-up amounts for its calculations.

Please file all responses electronically no later than January 5, 2021 from the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6187 if you have any questions.

Sincerely,

/s/ Shaw Stiller

Shaw Stiller
Senior Attorney

SS/lms

cc: Office of Commission Clerk