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#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

## FUEL COST AND PURCHASED POWER COST RECOVERY CLAUSE

DOCKET NO. 000001-EI

# PREPARED DIRECT TESTIMONY AND EXHIBIT OF TERRY A. DAVIS

**ESTIMATED TRUE-UP** 

JANUARY - DECEMBER 2000 (Fuel)

JANUARY – DECEMBER 2000 (Capacity)

**AUGUST 21, 2000** 



A SOUTHERN COMPANY

DOCUMENT ALMOSP-DATE

FPSC-RECORDO/REPORTING

| 1  |    | GULF POWER COMPANY   |
|----|----|--|
| 2  |    | Before the Florida Public Service Commission Prepared Direct Testimony of                              |
| 3  |    | Terry A. Davis   |
| 4  |    | Docket No. 000001-EI  Fuel and Purchased Power Capacity Cost Recovery  Date of Filing: August 21, 2000 |
| 5  |    |  |
| 6  |    |  |
| 7  | Q. | Please state your name, business address and occupation.   |
| 8  | Α. | My name is Terry Davis. My business address is One   |
| 9  |    | Energy Place, Pensacola, Florida 32520-0780. I am the  |
| 10 |    | senior Staff Accountant in the Rates and Regulatory  |
| 11 |    | Matters Department of Gulf Power Company.  |
| 12 |    |  |
| 13 | Q. | Please briefly describe your educational background and  |
| 14 |    | business experience.   |
| 15 | Α. | I graduated from Mississippi College in Clinton,   |
| 16 |    | Mississippi in 1979 with a Bachelor of Science Degree in   |
| 17 |    | Business Administration and a major in Accounting.   |
| 18 |    | Prior to joining Gulf Power, I was an accountant for a   |
| 19 |    | seismic survey firm, Geophysical Field Surveys in  |
| 20 |    | Jackson, Mississippi. In that capacity, I was  |
| 21 |    | responsible for accounts receivable, accounts payable,   |
| 22 |    | sales, use, and fuel tax returns, and various other  |
| 23 |    | accounting activities. In 1986, I joined Gulf Power as   |
| 24 |    | an Associate Accountant in the Plant Accounting  |
| 25 |    | Department. Since then, I have held various positions  |

|   | 1  |    | of increasing responsibility with Gulf in Accounts       |
|---|----|----|--|
|   | 2  |    | Payable, Financial Reporting, and Cost Accounting. In    |
|   | 3  |    | 1993, I joined the Rates and Regulatory Matters area,    |
|   | 4  |    | where I have participated in activities related to the   |
|   | 5  |    | cost recovery clauses, budgeting, and other regulatory   |
|   | 6  |    | functions. In 1998, I was promoted to my current         |
|   | 7  |    | position, which includes preparation and coordination of |
|   | 8  |    | the Company's Fuel, Capacity and Environmental Cost      |
|   | 9  |    | Recovery Clause filings, administration of Gulf's retail |
|   | 10 |    | tariff, and review of other regulatory filings submitted |
| : | 11 |    | by the Company.  |
|   | 12 |    |  |
| : | 13 | Q. | Have you prepared an exhibit that contains information   |
| : | 14 |    | to which you will refer in your testimony?               |
|   | 15 | A. | Yes, I have.   |
|   | 16 |    | Counsel: We ask that Ms. Davis' Exhibit                  |
|   | 17 |    | consisting of five schedules be                          |
| : | 18 |    | marked as Exhibit No (TAD-2).                            |
| : | 19 |    |  |
| : | 20 | Q. | Are you familiar with the Fuel and Purchased Power       |
| • | 21 |    | (Energy) estimated true-up calculations for the period   |
| : | 22 |    | of January 2000 through December 2000 and the Purchased  |
| : | 23 |    | Power Capacity Cost estimated true-up calculations for   |
| : | 24 |    | the period of January 2000 through December 2000 set     |
|   | 25 |    | forth in your exhibit?                                   |

Witness: Terry A. Davis

|   | 1  | A. | Yes. These documents were prepared under my direction.    |
|---|----|----|---|
|   | 2  |    |   |
|   | 3  | Q. | Have you verified that to the best of your knowledge and  |
|   | 4  |    | belief, the information contained in these documents is   |
| • | 5  |    | correct?  |
|   | 6  | A. | Yes, I have.  |
| • | 7  |    |   |
|   | 8  | Q. | How were the estimated true-ups for the current period    |
|   | 9  |    | calculated for both fuel and purchased power capacity?    |
| - | 10 | A. | In each case for the estimated true-up calculations       |
| - | 11 |    | includes seven months of actual data and five months of   |
|   | 12 |    | estimated data.   |
| • | 13 |    |   |
| _ | 14 | Q. | Ms. Davis, what has Gulf calculated as the fuel cost      |
|   | 15 |    | recovery true-up to be applied in the period January      |
| - | 16 |    | 2001 through December 2001?                               |
| _ | 17 | A. | The fuel cost recovery true-up for this period is an      |
|   | 18 |    | increase of .0458¢/kwh. As shown on Schedule E-1A, this   |
| - | 19 |    | includes an estimated under-recovery for the January      |
|   | 20 |    | through December 2000 period of \$8,668,391, plus a final |
| - | 21 |    | over-recovery for January through December 1999 period    |
| - | 22 |    | of \$4,015,661 (see Schedule 1 filed April 1, 2000). The  |
|   | 23 |    | resulting under-recovery is \$4,652,730.                  |
| - | 24 |    |   |
|   | 25 |    |   |

Witness: Terry A. Davis

Ms. Davis, you stated earlier that you are responsible 1 Q. for the Purchased Power Capacity Cost true-up 2 calculation. Which schedules of your exhibit relate to 3 4 the calculation of these factors? Schedules CCE-1a and CCE-1b of my exhibit relate to the 5 Α. Purchased Power Capacity Cost true-up calculation to be 6 7 applied in the January 2001 through December 2001 period. 8 9 10 Q. What has Gulf calculated as the purchased power capacity 11 factor true-up to be applied in the period January 2001 12 through December 2001? 13 The true-up for this period is a decrease of \$1,301,436 Α. 14 as shown on Schedule CCE-1a. This includes an estimated over-recovery of \$416,814 for January 2000 through 15 16 December 2000. It also includes a final true-up over-17 recovery of \$884,622 for the period of January 1999 18 through December 1999 (see Schedule CCA-1 filed April 1, 19 2000). The resulting over-recovery is \$1,301,436. 20 21 Ms. Davis, does this complete your testimony? Q. 22 Α. Yes, it does. 23 24

25

Witness: Terry A. Davis

#### **AFFIDAVIT**

| STATE OF FLORIDA   | ) |
|--------------------|---|
|                    | ) |
| COUNTY OF ESCAMBIA | Ì |

Docket No. 000001-EI

Before me the undersigned authority, personally appeared Terry A. Davis, who being first duly sworn, deposes, and says that she is the senior Staff Accountant in the Rates and Regulatory Matters Department of Gulf Power Company, a Maine corporation, that the foregoing is true and correct to the best of her knowledge, information, and belief. She is personally known to me.

Terry A. Dayis Staff Accountant

LINDA C. WEBB Notary Public-State of FL Comm. Exp: May 31, 2002 Comm. No: CC 725969

### Schedule CCE-1a

# Purchased Power Capacity Cost Recovery Clause Calculation of True-up Gulf Power Company January 2001 - December 2001

| 1 | Estimated over/(under)-recovery, January 2000 - December 2000 (Schedule CCE-1b-1, Line 17) | \$416,814          |
|---|--|--------------------|
| 2 | Final True-Up, January - December 1999 (Exhibit No(TAD-1), filed April 1, 2000             | <u>884,622</u>     |
| 3 | Total Over/(Under)-Recovery (Line 1 & 2) (To be included in January 2001 - December 2001)  | <u>\$1,301,436</u> |
| 4 | Jurisdictional KWH sales, January 2001 - December 2001                                     | 10,157,572,000     |
| 5 | True-up Factor (Line 3 / Line 4) x 100 (Cents/KWH)   | (0.0128)           |

Schedule CCE-1b

# Purchased Power Capacity Cost Recovery Clause Calculation of Estimated True-Up Amount Gulf Power Company For the Period January 2000 - December 2000

|   |     |   | Actual<br>January | Actual<br>February | Actual<br>March | Actual<br>April | Actual<br>May | Actual<br>June | Actual<br>July | Estimated<br>August | Estimated<br>September | Estimated<br>October | Estimated<br>November | Estimated<br>December | Total       |
|---|-----|---|-------------------|--------------------|-----------------|-----------------|---------------|----------------|----------------|---------------------|------------------------|----------------------|-----------------------|-----------------------|-------------|
|   | 1   | IIC Payments/(Receipts) (\$)  | 731,509           | 455,463            | 188,112         | 228,081         | 487,164       | 1,266,921      | 2,973,922      | (324,720)           | (630,168)              | 13,154               | (87,516)              | 114,804               | 5,416,726   |
|   | 2   | Projected Capacity Payments to Monsanto (\$)  | 62,202            | 62,202             | 62,202          | 62,202          | 62,202        | 62,202         | 62,202         | 62,202              | 62,202                 | 62,202               | 62,202                | 62,202                | 746,424     |
|   | 3   | Transmission Revenue (\$)   | (5,211)           | (4,261)            | (7,733)         | (8,882)         | (9,417)       | (22,848)       | (11,604)       | (18,000)            | (18,000)               | (83,000)             | (84,000)              | (44,000)              | (316,956)   |
|   | 4   | Projected Market Capacity Payments  |                   |                    |                 |                 |               |                |                | 3,269,702           | 1,580,102              | 418,502              | 418,502               | 418,502               | 6,105,310   |
| 2 | 5   | Total Capacity Payments/(Receipts) (Line 1 + 2 + 3) (\$)                                | 788,500           | 513,404            | 242,581         | 281,401         | 539,949       | 1,306,275      | 3,024,520      | 2,989,184           | 994,136                | 410,858              | 309,188               | 551,508               | 11,951,504  |
|   | 6   | Jurisdictional %  | 0.9648271         | 0.9648271          | 0.9648271       | 0.9648271       | 0.9648271     | 0.9648271      | 0.9648271      | 0.9648271           | 0.9648271              | 0.9648271            | 0.9648271_            | 0.9648271             |             |
|   | 7   | Jurisdictional Capacity Payments/(Receipts) (Line 4 x Line 5) (\$)                      | 760,766           | 495,346            | 234,048         | 271,503         | 520,958       | 1,260,330      | 2,918,139      | 2,884,046           | 959,169                | 396,407              | 298,313               | 532,110               | 11,531,135  |
|   | 8   | Amount Included in Retail Base Rate Revenues (\$)                                       | (137,667)         | (137,667)          | (137,667)       | (137,667)       | (137,667)     | (137,666)      | (137,667)      | (137,667)           | (137,666)              | (137,667)            | (137,667 <u>)</u>     | (137,666)             | (1,652,001) |
|   | . 9 | Total Jurisdictional Recovery Amount (Line 6 - Line 7) (\$)                             | 898,433           | 633,013            | 371,716         | 409,170         | 658,625       | 1,397,997      | 3,055,806      | 3,021,713           | 1,096,835              | 534,074              | 435,980               | 669,776               | 13,183,138  |
|   | 10  | Retail KWH Sales  |                   |                    |                 |                 |               |                |                | 1,036,184,000       | 904,790,000            | 727,912,000          | 689,357,000           | 824,496,000           |             |
|   | 11  | Purchased Power Capacity Cost Recovery Factor (¢/KWH)                                   |                   |                    |                 |                 |               |                |                | 0.137               | 0.137                  | 0.137                | 0.137                 | 0.137                 |             |
|   | 12  | Capacity Cost Recovery Revenues (Line 9 x Line 10/100) (\$)                             | 1,032,280         | 932,931            | 913,770         | 898,931         | 1,246,982     | 1,357,645      | 1,549,608      | 1,419,572           | 1,239,562              | 997,239              | 944,419               | 1,129,560             | 13,662,499  |
|   | 13  | Revenue Taxes (Line 11 x .01572) (\$)   | 16,227            | 14,666             | 14,364          | 14,131          | 19,603        | 21,342         | 24,360         | 22,316              | 19,486                 | 15,677               | 14,846                | 17,757                | 214,775     |
|   | 14  | True-Up Provision (\$)  | 5,682             | 5,682              | 5,682           | 5,682           | 5,682         | 5,682          | 5,682          | 5,682               | 5,682                  | 5,682                | 5,681                 | 5,681                 | 68,182      |
|   | 15  | Capacity Cost Recovery Revenues net of Revenue Taxes (Line 11 - Line 12 + Line 13) (\$) | 1,021,735         | 923,947            | 905,088         | 890,482         | 1,233,061     | 1,341,985      | 1,530,930      | 1,402,938           | 1,225,758              | 987,244              | 935,254               | 1,117,484             | 13,515,906  |
|   | 16  | Over/(Under) Recovery (Line 15 - Line 9) (\$)   | 123,302           | 290,934            | 533,372         | 481,312         | 574,436       | (56,012)       | (1,524,876)    | (1,618,775)         | 128,923                | 453,170              | 499,274               | 447,708               | 332,768     |
|   | 17  | Interest Provision (\$)   | 4,805             | 5,886              | 8,063           | 10,923          | 14,201        | 16,113         | 11,776         | 3,243               | (830)                  | 721                  | 3,289                 | 5,856 _               | 84,046      |
|   | 18  | Total Estimated True-Up for the Period January 2000 - December 20                       | 00                |                    |                 |                 |               |                |                |                     |                        |                      |                       |                       | 416 914     |

8 Total Estimated True-Up for the Period January 2000 - December 2000 (Line 15 + Line 16) (\$)

416,814

### **SCHEDULE E-1A**

## CALCULATION OF TRUE-UP GULF POWER COMPANY

FOR THE PERIOD: JANUARY 2001 - DECEMBER 2001

|   | 1. | Estimated over/(under)-recovery, JANUARY - DECEMBER 2000 (Sch. E-1B, page 2, line 8)        | (\$8,668,391)  |
|---|----|---|----------------|
| - |    |   |                |
| - | 2. | Final over/(under)-recovery JANUARY - DECEMBER 1999 (EXHIBIT No(TAD-1), filed April 1, 2000 | 4,015,661      |
|   |    |   |                |
|   | 3. | Total over/(under)-recovery (Lines 1 + 2) To be included in JANUARY 2001 - DECEMBER 2001    |                |
|   |    | (Schedule E1, Line 28)  | (\$4,652,730)  |
| _ |    |   |                |
|   | 4. | Jurisdictional KWH sales FOR THE PERIOD: JANUARY 2001 - DECEMBER 2001                       | 10,157,572,000 |
|   | 5. | True-up Factor (Line 3 / Line 4) x 100 (¢ / KWH)  | 0.0458         |

#### CALCULATION OF ESTIMATED TRUE-UP GULF POWER COMPANY FOR THE PERIOD JANUARY 2000 - DECEMBER 2000

|            |   | JANUARY         | FEBRUARY               | MARCH           | APRIL                  | MAY             | JUNE            | TOTAL             |  |  |  |  |
|------------|---|-----------------|------------------------|-----------------|------------------------|-----------------|-----------------|-------------------|--|--|--|--|
|            |   | ACTUAL          | ACTUAL                 | ACTUAL          | ACTUAL                 | ACTUAL          | ACTUAL          | SIX MONTHS        |  |  |  |  |
|            |   | (a)             | (b)                    | (c)             | (d)                    | (e)             | (f)             | (g)               |  |  |  |  |
| A i        | Fuel Cost of System Generation  | 14,021,089.79   | 13,428,211.25          | 12,896,340.67   | 13,347,848.58          | 20,776,281.44   | 21,272,087.31   | \$95,741,859.04   |  |  |  |  |
| 2          | Fuel Cost of Power Sold   | (4,113,980.05)  | (3,989,105.46)         | (2,928,274.98)  | (5,243,179.96)         | (9,640,946.04)  | (9,642,174.06)  | (\$35,557,660.55) |  |  |  |  |
| 3          | Fuel Cost of Purchased Power  | 2,027,842.21    | 1,543,359.56           | 2,694,948.91    | 3,008,613.38           | 3,440,876.24    | 7,217,018.25    | 19,932,658.55     |  |  |  |  |
| 3          | Demand & Non-Fuel Cost Of Purchased Power                                     | 0.00            | 0.00                   | 0.00            | 0.00                   | 0.00            | 0.00            | 0.00              |  |  |  |  |
| 31         | Energy Payments to Qualified Facilities                                       | 601,799.00      | 368,274.00             | 377,135.00      | 283,147.00             | 515,934.00      | 368,090.00      | 2,514,379.00      |  |  |  |  |
| 4          | Energy Cost of Economy Purchases  | 0.00            | 0.00                   | 0.00            | 0.00                   | 0.00            | 0.00            | 0.00              |  |  |  |  |
| 5          | Other Generation  | 151,054.19      | 168,728.41             | 0.00            | 161,974.42             | 118,139.11      | 152,396.04      | 752,292.17        |  |  |  |  |
| 6          | TOTAL FUEL & NET POWER TRANSACTIONS   | \$12,687,805.14 | \$11,519,467.76        | \$13,040,149.60 | \$11,558,403.42        | \$15,210,284.75 | \$19,367,417.54 | \$83,383,528.21   |  |  |  |  |
|            | (Sum of Lines A1 Thru A5)   | <del></del>     |                        |                 |                        |                 |                 |                   |  |  |  |  |
| Ві         | Jurisdictional KWH Sales  | 737,442,157     | 677,565,065            | 677,033,195     | 663,960,794            | 906,407,499     | 966,469,367     | 4,628,878,077     |  |  |  |  |
| 2          | Non-Jurisdictional KWH Sales  | 28,362,431      | 24,508,474             | 23,145,905      | 22,837,248             | 31,546,765      | 33,275,818      | 163,676,641       |  |  |  |  |
| 3          | TOTAL SALES (Lines B1 + B2)   | 765,804,588     | 702,073,539            | 700,179,100     | 686,798,042            | 937,954,264     | 999,745,185     | 4,792,554,718     |  |  |  |  |
| 4          | Jurisdictional % Of Total Sales (Line B1/B3)                                  | <u>96.2964%</u> | 96.5091%               | <u>96.6943%</u> | 96.6748%               | 96.6366%        | <u>96.6716%</u> |                   |  |  |  |  |
| <b>C</b> 1 | Jurisdictional Fuel Recovery Revenue (1) (Net of Revenue Taxes)               | \$14,132,372.93 | \$12,992,296.44        | \$12,957,636.33 | \$12,733,935.78        | \$17,424,913.18 | \$18,600,345.77 | \$88,841,500.43   |  |  |  |  |
| 2          | True-Up Provision   | (1,146,038.25)  | (1,146,038.25)         | (1,146,038.25)  | (1,146,038.25)         | (1,146,038.25)  | (1,146,038.25)  | (6,876,229.50)    |  |  |  |  |
| 2:         | •   | 3,008.54        | 3,008.54               | 3,008.54        | 3,008.54               | 3,008.54        | 3,008.54        | 18,051.24         |  |  |  |  |
| 3          | FUEL REVENUE APPLICABLE TO PERIOD   | \$12,989,343.22 | \$11,849,266.73        | \$11,814,606.62 | \$11,590,906.07        | \$16,281,883.47 | \$17,457,316.06 | \$81,983,322.17   |  |  |  |  |
| 3          | (Sum of Lines C1 Thru C2a)  | \$12,707,343.22 | <b>411,047,200.</b> 73 | Ψ11,011,000.02  | <b>911</b> ,370,700.07 | \$10,251,005.17 | Ψ1,,131,310.00  | WO1,703,523717    |  |  |  |  |
| 4          | Fuel & Net Power Transactions (Line A6)                                       | \$12,687,805.14 | \$11,519,467.76        | \$13,040,149.60 | \$11,558,403.42        | \$15,210,284.75 | \$19,367,417.54 | \$83,383,528.21   |  |  |  |  |
| 5          | Jurisdictional Fuel Cost Adj, for Line Losses<br>(Line A6 x Line B4 x 1.0014) | 12,235,004.65   | 11,132,898.93          | 12,626,734.09   | 11,189,707.08          | 14,719,280.22   | 18,749,004.32   | \$80,652,629.29   |  |  |  |  |
| 6          | Over/(Under) Recovery (Line C3-C5)  | 754,338.57      | 716,367.80             | (812,127.47)    | 401,198.99             | 1,562,603.25    | (1,291,688.26)  | \$1,330,692.88    |  |  |  |  |
| 7          | Interest Provision (2)  | (41,736.40)     | (33,574.64)            | (29,094.21)     | (25,371.44)            | (15,239.41)     | (8,777.73)_     | (\$153,793.83)    |  |  |  |  |
| 8          | TOTAL ESTIMATED TRUE-UP FOR THE PERIOD JANUARY 2000 - JUNE 2000               |                 |                        |                 |                        |                 |                 |                   |  |  |  |  |

#### CALCULATION OF ESTIMATED TRUE-UP GULF POWER COMPANY FOR THE PERIOD JANUARY 2000 - DECEMBER 2000

|            |   | JULY              | AUGUST          | SEPTEMBER                             | OCTOBER         | NOVEMBER                                      | DECEMBER        | TOTAL             |
|------------|---|-------------------|-----------------|---------------------------------------|-----------------|---|-----------------|-------------------|
|            |   | ACTUAL            | ESTIMATED       | ESTIMATED                             | ESTIMATED       | ESTIMATED                                     | ESTIMATED       | PERIOD            |
|            |   | (a)               | (b)             | (c)                                   |                 |   |                 | (d)               |
| <b>A</b> 1 | Fuel Cost of System Generation  | 22,310,924.25     | 21,823,642.00   | 17,513,543.00                         | 13,563,278.00   | 15,268,803.00                                 | 16,309,140.00   | \$202,531,189.29  |
| 2          | Fuel Cost of Power Sold   | (8,659,808.29)    | (5,994,000.00)  | (3,690,000.00)                        | (2,669,000.00)  | (3,777,000.00)                                | (3,449,000.00)  | (\$63,796,468.84) |
| 3          | Fuel Cost of Purchased Power  | 15,263,917.45     | 6,078,000.00    | 2,381,000.00                          | 1,494,000.00    | 582,000.00                                    | 1,620,000.00    | \$47,351,576.00   |
| 3a         | Demand & Non-Fuel Cost Of Purchased Power                                     | 0.00              | 0.00            | 0.00                                  | 0.00            | 0.00  | 0.00            | \$0.00            |
| 3Ъ         | Energy Payments to Qualified Facilities                                       | 734,305.00        | 78,551.00       | 12,317.00                             | 3,718.00        | 0.00  | 0.00            | \$3,343,270.00    |
| 4          | Energy Cost of Economy Purchases  | 0.00              | 0.00            | 0.00                                  | 0.00            | 0.00  | 0.00            | \$0.00            |
| 5          | Other Generation  | 154,580.23        | 163,212.00      | 157,959.00                            | 163,212.00      | 157,959.00                                    | 163,212.00      | \$1,712,426.40    |
| 6          | TOTAL FUEL & NET POWER TRANSACTIONS   | \$29,803,918.64   | \$22,149,405.00 | \$16,374,819.00                       | \$12,555,208.00 | \$12,231,762.00                               | \$14,643,352.00 | \$191,141,992.85  |
|            | (Sum of Lines A1 Thru A5)   |                   |                 |                                       |                 |   |                 |                   |
| B 1        | Jurisdictional KWH Sales  | 1,093,167,365     | 1,036,184,000   | 904,790,000                           | 727,912,000     | 689,357,000                                   | 824,496,000     | 9,904,784,442     |
| 2          | Non-Jurisdictional KWH Sales  | 37,320,755        | 35,512,000      | 31,339,000                            | 28,316,000      | 26,426,000                                    | 28,098,000      | 350,688,396       |
| 3          | TOTAL SALES (Lines B1 + B2)   | 1,130,488,120     | 1,071,696,000   | 936,129,000                           | 756,228,000     | 715,783,000                                   | 852,594,000     | 10,255,472,838    |
| 4          | Jurisdictional % Of Total Sales (Line B1/B3)                                  | <u>96,6987%</u>   | <u>96.6864%</u> | <u>96.6523%</u>                       | <u>96.2556%</u> | <u>96.3081%</u>                               | <u>96.7044%</u> |                   |
| <b>C</b> 1 | Jurisdictional Fuel Recovery Revenue (1) (Net of Revenue Taxes)               | \$21,049,417.92   | \$19,930,999.24 | \$17,403,635.65                       | \$14,001,387.32 | \$13,259,781.90                               | \$15,859,180.56 | \$190,345,903.02  |
| . 2        | True-Up Provision   | (1,146,038.25)    | (1,146,038.25)  | (1,146,038.25)                        | (1,146,038.25)  | (1,146,038.25)                                | (1,146,038.25)  | (\$13,752,459.00) |
| 2a         | Incentive Provision   | 3,008.54          | 3,008.54        | 3,008.54                              | 3,008.54        | 3,008.54                                      | 3,008.54        | \$36,102.48       |
| 3          | FUEL REVENUE APPLICABLE TO PERIOD   | \$19,906,388.21   | \$18,787,969.53 | \$16,260,605.94                       | \$12,858,357.61 | \$12,116,752.19                               | \$14,716,150.85 | \$176,629,546.50  |
|            | (Sum of Lines C1 Thru C2a)  |                   |                 | · · · · · · · · · · · · · · · · · · · |                 | <u>,, i, , ,                             </u> |                 |                   |
| 4          | Fuel & Net Power Transactions (Line A6)                                       | \$29,803,918.64   | \$22,149,405.00 | \$16,374,819.00                       | \$12,555,208.00 | \$12,231,762.00                               | \$14,643,352.00 | \$191,141,992.85  |
| 5          | Jurisdictional Fuel Cost Adj. for Line Losses<br>(Line A6 x Line B4 x 1.0014) | 28,860,349.88     | 21,445,443.96   | 15,848,796.48                         | 12,102,009.92   | 11,796,669.83                                 | 14,180,590.76   | \$184,886,490.12  |
| 6          | Over/(Under) Recovery (Line C3-C5)  | (8,953,961.67)    | (2,657,474.43)  | 411,809.46                            | 756,347.69      | 320,082.36                                    | 535,560.09      | (\$8,256,943.62)  |
| 7          | Interest Provision (2)  | (30,452.60)       | (56,013.82)     | (56,192.62)                           | (47,069.74)     | (38,147.09)                                   | (29,777.45)     | (\$411,447.15)    |
| 8          | TOTAL ESTIMATED TRUE-UP FOR THE PERIO   | DD JANUARY 2000 - | DECEMBER 200    | 0                                     |                 |   |                 | (\$8,668,390.77)  |

Note 1: Estimated Revenues based on the 2000 Fuel Factor excluding revenue taxes o

Note 2: Interest Calculated for August through December at July's rate of

1.9235 ¢/KWH

0.5450

'n

# COMPARISON OF ESTIMATED/ACTUAL VERSUS ORIGINAL PROJECTIONS OF THE FUEL AND PURCHASED POWER COST RECOVERY FACTOR GULF POWER COMPANY

#### FOR THE PERIOD JANUARY 2000 - DECEMBER 2000

| Nuclear Fuel Disposal Costs   0 0 0 0   #N/A   0 0 0 0   #N/A    |     |  | DOLLARS      |              |              |          |                 | KWH             |               |         |          |          | ¢/KWH    |         |  |  |
|---|-----|--|--------------|--------------|--------------|----------|-----------------|-----------------|---------------|---------|----------|----------|----------|---------|--|--|
| (a) (b) (c) (d) (e) (f) (g) (h) (i) (j) (k) (l) (1   Fuel Cost of System Net Generation (A3) 202,531,189 195,007,137 7,524,052 3.86 12,297,413,000 12,169,190,000 128,223,000 1.05 1.6469 1.6025 0.0444 2.77 Nuclear Fuel Disposal Costs 0 0 0 0 0 #N/A #N/A #N/A #N/A #N/A #N/A #N/A #N/A  |     |  | ESTIMATED/   | ESTIMATED/   | DIFFERE      | ENCE     | ESTIMATED/      | ESTIMATED/      | DIFFEREN      | CE      |          | ***      | DIFFER   | ENCE    |  |  |
| Fuel Cost of System Net Generation (A3)   202,531,189   195,007,137   7,524,052   3.86   12,297,413,000   12,169,190,000   128,223,000   1.05   1.6469   1.6025   0.0444   2.77   |     |  | ACTUAL       | ORIGINAL     | AMOUNT       |          | ACTUAL          | ORIGINAL        | AMOUNT        |         | ACTUAL   | EST.     |          |         |  |  |
| Nuclear Fuel Disposal Costs   0   |     |  | (a)          | (b)          | (c)          | (d)      | (e)             | (f)             | (g)           | (h)     | (i)      | (j)      |          | (1)     |  |  |
| Coal Car Investment   | I   | Fuel Cost of System Net Generation (A3)                      | 202,531,189  | 195,007,137  | 7,524,052    | 3.86     | 12,297,413,000  | 12,169,190,000  | 128,223,000   | 1.05    | 1,6469   | 1.6025   | 0.0444   | 2.77    |  |  |
| 4 Other Generation 1,712,426 1,927,026 (214,600) (11.14) 99,742,000 102,720,000 (2,978,000) (2.90) 1.7169 1.876 (0.1591) (8.44) (1.14) 1.716 (1.14) | 2   | Nuclear Fuel Disposal Costs                                  | 0            | 0            | 0            |          | 0               | 0               | 0             | #N/A    | #N/A     | #N/A     | #N/A     | #N/A    |  |  |
| 5 TOTAL COST OF GENERATED POWER  204,243,615  196,934,163  7,309,452  3.71  12,397,155,000  12,271,910,000  125,245,000  1.02  1.6475  1.6048  0.0427  2.66  Fuel Cost of Purchased Power (Exclusive of Economy) (A8)  0 0 0 0 0 0 #N/A #N/A #N/A #N/A #N/A #N/A #N/A #N/A  | 3   | Coal Car Investment  | 0            | 0            | 0            | #N/A     | •               | 0               | 0             |         | #N/A     | #N/A     |          | #N/A    |  |  |
| 6 Fuel Cost of Purchased Power (Exclusive of Economy) (A8) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0  | 4   | Other Generation   | 1,712,426    | 1,927,026    | (214,600)    | (11.14)  |                 |                 | (2,978,000)   | (2.90)  | 1.7169   | 1.876    | (0.1591) | (8.48)  |  |  |
| 7 Energy Cost of Schedule C&X Econ. Purchases (Broker) (A9) 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0   | 5   | TOTAL COST OF GENERATED POWER                                | 204,243,615  | 196,934,163  | 7,309,452    |          | 12,397,155,000  | 12,271,910,000  | 125,245,000   | 1.02    | 1.6475   | 1.6048   | 0.0427   | 2.66    |  |  |
| 8 Energy Cost of Other Economy Purchases (Nonbroker) (A9) 47,351,576 31,414,000 15,937,576 100,00 1,440,071,961 1,072,290,000 367,781,961 34.30 3.2881 2.926 0.3585 12.2 9 Energy Cost of Schedule E Economy Purchases (A9) 0 0 0 0 0 #N/A #N/A #N/A #N/A #N/A #N/A #N/A #N/A   | 6   | ` ;  | 0            | 0            | 0            |          | 0               | 0               | 0             |         |          |          |          | #N/A    |  |  |
| 9 Energy Cost of Schedule E Economy Purchases (A9) 10 Capacity Cost of Schedule E Economy Purchases 10 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0  | 7   |  | -            | 0            | =            |          | 0               | =               | •             |         | ***      |          |          | #N/A    |  |  |
| 10 Capacity Cost of Schedule E Economy Purchases 0 0 0 0 #N/A #N/A #N/A #N/A #N/A #N/A #N/A #N/A  | 8   | Energy Cost of Other Economy Purchases (Nonbroker) (A9)      | 47,351,576   | 31,414,000   | 15,937,576   | 100.00   | 1,440,071,961   | 1,072,290,000   | 367,781,961   | 34.30   | 3.2881   | 2.9296   | 0.3585   | 12.24   |  |  |
| 11       Energy Payments to Qualifying Facilities (A9a)       3,343,270       208,732       3,134,538       1,501.70       99,378,479       9,130,000       90,248,479       988.48       3.3642       2.2862       1.0780       47.1         12       TOTAL COST OF PURCHASED POWER       50,694,846       31,622,732       19,072,114       60.31       1,539,450,440       1,081,420,000       458,030,440       42.35       3.293       2.9242       0.3688       12.6         13       Total Available KWH (Lines 4 + Line 12)       254,938,461       228,556,895       26,381,566       11.54       13,936,605,440       13,353,330,000       583,275,440       4.37         14       Fuel Cost of Economy Sales (A6)       (3,090,860)       (4,355,000)       1,264,140       29.03       (153,089,761)       (189,030,000)       35,940,239       19.01       (2.0190)       (2.3039)       0.2849       12.3         15       Gain on Economy Sales (A6)       (481,507)       (440,000)       (41,507)       (9.43)       (153,089,761)       (189,030,000)       35,940,239       19.01       (2.0190)       (2.3039)       0.2849       12.3         15       Gain on Economy Sales (A6)       (481,507)       (440,000)       (41,507)       (9.43)       (153,089,761)       (189,030,000) <td< td=""><td>9</td><td>•</td><td>0</td><td>0</td><td>0</td><td>#N/A</td><td>0</td><td>0</td><td>0</td><td>#N/A</td><td></td><td></td><td></td><td>#N/A</td></td<>  | 9   | •  | 0            | 0            | 0            | #N/A     | 0               | 0               | 0             | #N/A    |          |          |          | #N/A    |  |  |
| 12 TOTAL COST OF PURCHASED POWER 50,694,846 31,622,732 19,072,114 60.31 1,539,450,440 1,081,420,000 458,030,440 42.35 3.293 2.924 0.3688 12.6 13 Total Available KWH (Lines 4 + Line 12) 254,938,461 228,556,895 26,381,566 11.54 13,936,605,440 13,353,330,000 583,275,440 4.37 14 Fuel Cost of Economy Sales (A6) (3,090,860) (4,355,000) 1,264,140 29.03 (153,089,761) (189,030,000) 35,940,239 19.01 (2.0190) (2.3039) 0.2849 12.3 15 Gain on Economy Sales (A6) (481,507) (440,000) (41,507) (9.43)  | 10  | Capacity Cost of Schedule E Economy Purchases                | 0            | 0            | 0            | #N/A     | 0               | 0               | 0             | #N/A    |          |          |          | #N/A    |  |  |
| 13 Total Available KWH (Lines 4 + Line 12) 254,938,461 228,556,895 26,381,566 11.54 13,936,605,440 13,353,330,000 583,275,440 4.37  14 Fuel Cost of Economy Sales (A6) (3,090,860) (4,355,000) 1,264,140 29.03 (153,089,761) (189,030,000) 35,940,239 19.01 (2.0190) (2.3039) 0.2849 12.3  15 Gain on Economy Sales (A6) (481,507) (440,000) (41,507) (9.43) 0 #N/A #N/A #N/A #N/A #N/A #N/A #N/A #N/A  | 11  | Energy Payments to Qualifying Facilities (A9a)               | 3,343,270    | 208,732      | 3,134,538    | 1,501.70 | 99,378,479      | 9,130,000       | 90,248,479    | 988.48  | 3.3642   | 2.2862   | 1.0780   | 47.15   |  |  |
| 14 Fuel Cost of Economy Sales (A6) (3,090,860) (4,355,000) 1,264,140 29.03 (153,089,761) (189,030,000) 35,940,239 19.01 (2.0190) (2.3039) 0.2849 12.3<br>15 Gain on Economy Sales (A6) (481,507) (440,000) (41,507) (9.43) 0 #N/A #N/A #N/A #N/A #N/A #N/A #N/A   | 12  | TOTAL COST OF PURCHASED POWER                                | 50,694,846   | 31,622,732   | 19,072,114   | 60.31    | 1,539,450,440   | 1,081,420,000   | 458,030,440   | 42.35   | 3.293    | 2.9242   | 0.3688   | 12.61   |  |  |
| 15 Gain on Economy Sales (A6) (481,507) (440,000) (41,507) (9.43) 0 #N/A #N/A #N/A #N/A #N/A #N/A   | 13  | Total Available KWH (Lines 4 + Line 12)                      | 254,938,461  | 228,556,895  | 26,381,566   | 11.54    | 13,936,605,440  | 13,353,330,000  | 583,275,440   | 4.37    |          |          |          |         |  |  |
| · · · · · · · · · · · · · · · · · · ·   | 14  | Fuel Cost of Economy Sales (A6)                              | (3,090,860)  | (4,355,000)  | 1,264,140    | 29.03    | (153,089,761)   | (189,030,000)   | 35,940,239    | 19.01   | (2.0190) |          |          | 12.37   |  |  |
| 16 Eval Cost of Unit Prover Sales (A6) (15.525.220) (13.810.000) (1.715.220) (12.42) (200.766.184) (720.170.000) (20.506.184) (11.05) (1.9172) (1.9030) (0.0733) (1.2.20)   | 15  | Gain on Economy Sales (A6)                                   | (481,507)    | (440,000)    | (41,507)     | (9.43)   |                 |                 | 0             | #N/A    | #N/A     | #N/A     |          | #N/A    |  |  |
| (11,11,11,11,11,11,11,11,11,11,11,11,11,  | 16  | Fuel Cost of Unit Power Sales (A6)                           | (15,525,220) | (13,810,000) | (1,715,220)  | (12.42)  | (809,766,184)   | (729,170,000)   | (80,596,184)  | (11.05) | (1.9172) | (1.8939) | (0.0233) | (1.23)  |  |  |
| 17 Fuel Cost of Other Power Sales (A6) (44,698,882) (24,866,000) (19,832,882) (79.76) (2,062,304,312) (1,393,865,000) (668,439,312) (47.96) (2.1674) (1.7840) (0.3834) (21.49)  | 17  | Fuel Cost of Other Power Sales (A6)                          | (44,698,882) | (24,866,000) | (19,832,882) | (79.76)  | (2,062,304,312) | (1,393,865,000) | (668,439,312) | (47.96) | (2.1674) | (1.7840) | (0.3834) | (21.49) |  |  |
| 18 TOTAL FUEL COST AND GAINS ON POWER SALES (63,796,469) (43,471,000) (20,325,469) (46.76) (3,025,160,257) (2,312,065,000) (713,095,257) (30.84) (2.1089) (1.8802) (0.2287) (12.1080)   | 18  | TOTAL FUEL COST AND GAINS ON POWER SALES                     | (63,796,469) | (43,471,000) | (20,325,469) | (46.76)  | (3,025,160,257) | (2,312,065,000) | (713,095,257) | (30.84) | (2.1089) | (1.8802) | (0.2287) | (12.16) |  |  |
| (LINES 14+15+16+17)   |     | (LINES 14+15+16+17)  |              |              |              |          |                 |                 |               |         |          |          |          |         |  |  |
|   | 19  | Net Inadvertent Interchange                                  |              |              |              |          |                 |                 |               |         |          |          |          | #N/A    |  |  |
| 20 TOTAL FUEL & NET POWER TRANSACTIONS 191,141,992 185,085,895 6,056,097 3.27 10,911,445,183 11,041,265,000 (129,819,817) (1.18) 1.7518 1.6763 0.0755 4.5   | 20  | TOTAL FUEL & NET POWER TRANSACTIONS                          | 191,141,992  | 185,085,895  | 6,056,097    | 3.27     | 10,911,445,183  | 11,041,265,000  | (129,819,817) | (1.18)  | 1.7518   | 1.6763   | 0.0755   | 4.50    |  |  |
| (LINES 5+12+18+19)  |     | (LINES 5+12+18+19)   |              |              |              |          |                 |                 |               |         |          |          |          |         |  |  |
| 21 Net Unbilled Sales 0 0 0 #N/A 0 0 0 #N/A #N/A #N/A #N/A #N/A #N/A #N/A #N/A  | 21  | Net Unbilled Sales   | 0            | 0            | 0            | #N/A     | 0               | 0               | 0             | #N/A    | #N/A     | #N/A     | #N/A     | #N/A    |  |  |
|   | 22  | Company Use •  | 372,001      | 377,218      | (5,217)      | (1.38)   |                 | 22,503,000      | (1,267,661)   |         | 1,7518   | 1.6763   |          | 4.50    |  |  |
|   |     |  |              |              |              | 2.93     |                 |                 | (9,679,994)   | , ,     |          |          |          | 4.50    |  |  |
|   | 24  | TERRITORIAŁ (SYSTEM) SALES                                   | 191,141,992  | 185,085,895  | 6,056,097    |          | , , ,           | 10,374,345,000  | (118,872,162) | • ,     |          |          |          | 4.47    |  |  |
|   | 25  | Wholesale Sales  | 6,513,981    | 6,433,893    | 80,088       |          |                 | <del></del>     | (9,935,604)   | (2.76)  | 1.8575   |          |          | 4.11    |  |  |
| 10 1,020,011 10,020,000 (100)   | 26  | Jurisdictional Sales   | 184,628,011  |              | 5,976,009    | 3.35     | 9,904,784,442   | 10,013,721,000  | (108,936,558) | (1.09)  | 1.864    | 1.7841   | 0.0799   | 4.48    |  |  |
| 26a Jurisdictional Loss Multiplier 1.0014 1.0014  | 26a | Jurisdictional Loss Multiplier                               | 1.0014       | 1.0014       |              |          |                 |                 |               |         |          |          |          |         |  |  |
| 27 Jurisdictional Sales Adj. for Line Losses (Line 26 x 1.0014) 184,886,490 178,902,115 5,984,375 3.35 9,904,784,442 10,013,721,000 (108,936,558) (1.09) 1.8666 1.7866 0.0800 4.4   | 27  | Jurisdictional Sales Adj. for Line Losses (Line 26 x 1.0014) | 184,886,490  | 178,902,115  | 5,984,375    | 3.35     | 9,904,784,442   | 10,013,721,000  | (108,936,558) | (1.09)  | 1.8666   | 1.7866   | 0.0800   | 4.48    |  |  |
|   | 28  | TRUE-UP **   | 13,752,459   | 13,752,459   | 0            | 0.00     | 9,904,784,442   | 10,013,721,000  | (108,936,558) | (1.09)  |          |          |          | 1.09    |  |  |
| 29 TOTAL JURISDICTIONAL FUEL COST 198,638,949 192,654,574 5,984,375 3.11 9,904,784,442 10,013,721,000 (108,936,558) (1.09) 2.0054 1.9239 0.0815 4.2   | 29  | TOTAL JURISDICTIONAL FUEL COST                               | 198,638,949  | 192,654,574  | 5,984,375    | 3.11     | 9,904,784,442   | 10,013,721,000  | (108,936,558) | (1.09)  | 2.0054   | 1.9239   | 0.0815   | 4.24    |  |  |
| 30 Revenue Tax Factor   | 30  | Revenue Tax Factor   |              |              |              |          |                 |                 |               |         | 1.01609  | 1.01597  |          |         |  |  |
| 31 Fuel Factor Adjusted for Revenue Taxes 2.0377 1.9546 0.0830 4.2  | 31  | Fuel Factor Adjusted for Revenue Taxes                       |              |              |              |          |                 |                 |               |         | 2.0377   | 1,9546   | 0.0830   | 4.25    |  |  |
| 32 GPIF Reward / (Penalty) ** (36,679) (36,679) 0 0.00 9,904,784,442 10,013,721,000 (108,936,558) (1.09) (0.0004) (0.0004) 0.0000 0.0   | 32  | GPIF Reward / (Penalty) **                                   | (36,679)     | (36,679)     | 0            | 0.00     | 9,904,784,442   | 10,013,721,000  | (108,936,558) | (1.09)  | (0.0004) | (0.0004) | 0.0000   | 0.00    |  |  |
| 33 Fuel Factor Adjusted for GPIF Reward / (Penalty) 2.0373 1.9542 0.0831 4.2  | 33  | Fuel Factor Adjusted for GPIF Reward / (Penalty)             |              | ·            |              |          |                 |                 |               |         | 2.0373   | 1.9542   | 0.0831   | 4.25    |  |  |
| 34 FUEL FACTOR ROUNDED TO NEAREST .001(CENTS/KWH) 2.037 1.954 0.083 4.2   | 34  | FUEL FACTOR ROUNDED TO NEAREST .001(CENTS/I                  | KWH)         |              |              |          |                 |                 |               |         | 2.037    | 1.954    | 0.083    | 4.25    |  |  |

<sup>\*</sup> Included for Informational Purposes Only

Note: Amounts Included in the Estimated/Actual Column represent 7 months actual and 5 months estimate. Amounts Included in the Estimated Original Column represent amounts originally projected.

<sup>\*\*</sup> Calculation Based on Jurisdictional KWH Sales