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Hublic Service Commission -M-E-M-O-R-A-N-D-U-M-

DATE: April 16, 2003
TO: Division of the Commission Clerk and Administrative Services
FROM: Division of Economic Regulation (Breman)
RE: Docket No. 030270-EI - Request for Exclusion under Rule 25-6.0455

Please place the attached letter in the docket file of the above referenced docket.

DATE SENT TO CCA _4/16/03_.

JB:kb Attachement

AUS _____ CAF _____ COM _____ CTR _____ ECR _____ GCL _____ OPC _____ MMS _____ SEC 1____ OTH _____

DOCUMENT NUMBER-DATE 03549 APR 17 % FPSC-COMMISSION CLERK

STATE OF FLORIDA

Commissioners: Lila A. Jaber, Chairman J. Terry Deason Braulio L. Baez Rudolph "Rudy" Bradley Charles M. Davidson



TIMOTHY DEVLIN, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

Hublic Service Commission

April 14, 2003

Ms. Susan Ritenour Assistant Secretary and Assistant Treasurer Gulf Power Company One Energy Place Pensacola, Florida 32520

Dear Ms. Ritenour:

RE: Docket No. 030270-EI, Request for Exclusion under Rule 25-6.0455(3)

The staff of the Florida Public Service Commission requires additional information on Docket No. 030270-EI in order to determine if the exclusion should or should not be granted. The information needed is identified below.

1) Please provide a list of all distribution equipment that was replaced or repaired to effect service restoration due to the February 22, 2003 weather event reference in Gulf's petition.

2) Provide a table listing the pole ID number, pole vintage, date of the most recent pole inspection and test results for all poles listed in response to question 1. Also indicate the wind speed design criteria for the pole that was replaced, wind speed experienced in the immediate vicinity of the replaced pole, and rationale for replacement of the pole.

3) Provide a table listing all lightning arresters included in response to question 1. Include in the table the last time Gulf inspected or surveyed the replaced lightning arrester and whether the lightning arrester was found to be operational at that time.

4) Provide a table listing all overhead cable/wire replacements listed in response to question 1. Include the vintage (date in service at that location) of the replaced cable/wire, whether or not splices had failed, the design criteria for each failed splice, design criteria for each failed cable/wire, and wind speed experienced in the immediate vicinity of the replaced overhead cable/wire.

5) Provide a table listing all transformers included in response to question 1. Include in the table the last time Gulf inspected/tested the replaced transformers.

Ms. Susan Ritenour Page 2 April 14, 2003 , ·

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6) Provide a feeder circuit schematic indicating the weather event foot print, the locations of the affected 63 feeders, the locations of the 6,072 affected customers, and the locations of the damaged distribution facilities. Include in your response what design criteria was exceeded at each location where weather phenomena damaged distribution facilities.

7) Gulf's petition indicates there were 6,072 affected customers while the Pensacola News Journal indicates 3,500 customers were affected. Please reconcile this difference.

8) Please explain how Gulf determined a SAIDI of 2.976 minutes for 02/22/03.

9) Please provide CAIDI, SAIFI, and LBAR using the same methodology used to calculate the SAIDI of 2.976 minutes included in the Petition.

10) Please explain how Gulf determined a 4 year SAIDI for 2/22 of 0.087 minutes. Include in your response a copy of the annual data used to calculate the 4 year SAIDI for 2/22. Please indicate whether local, regional or system data was used.

11) Is the SAIDI Gulf experienced on 2/22/03 a statistically significant variance from the daily data for the 4 year period Gulf reviewed? Include in your response the daily 4 years of data relied on to determine the SAIDI value in the Petition, the numerator and denominator of SAIDI for each day, and a discussion indicating which statistical were relied on and why.

12) Please explain how Gulf determined that "outages for the Districts (96) were 7 times greater than an average February day for the past 4 years." Include in your response the annual outage data and average number of outages for each month for each district for the 4 year period in question.

13) Please provide CAIDI, SAIFI, and LBAR using the same methodology used to calculate the SAIDI of 0.087 minutes included in the Petition.

14) Please define the term "Districts" as it is used in the statement "SAIDI impact for the Districts (2.976) was 34 times greater than an average February day for the past 4 years."

15) Please describe the significant differences, if any, between Gulf's Western District and the Fort Walton Beach District. Include in your response a discussion addressing district changes that have occurred since December 31, 2002 as represented by your Annual Distribution Service Reliability Report for 2002.

16) Is there a statistical basis supporting Gulf's comparison of the February 22, 2003 weather event affected area with Gulf's system wide distribution reliability statistics? If so, please explain.

17) On average, how many retail customers are served by one of Gulf's substations?

Ms. Susan Ritenour Page 3 April 14, 2003

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18) Does Gulf normally assess frequency of tornadic events, severity, probability of striking distribution facilities and expected damage level? If so, please provide a copy of such reference material.

19) Provide the name and qualifications of the Company staff person(s) or third party who participated in Gulf's weather analysis included in the petition.

20) Provide the name and qualifications of the Company staff person(s) who participated in Gulf's distribution reliability analysis included in the petition.

21) Did Gulf rely on data adjusted to exclude events pursuant to Rule 26-6.0455(2), FAC, in preparing its petition or in its response to question 11? If so, please provide the daily un-adjusted numerator and denominator of SAIDI for the 4 year period.

22) How many weather events similar to the event on February 22, 2003, have occurred in Gulf's service area during each of the calendar years 1997, 1998, 1999, 2000, 2001 and 2002? For each outage event list the date, location, number of service interruptions associated with the event, and outage event duration.

23) Why did Gulf not seek a rule waiver for any of the outage events listed in response to question 22?

24) The photographs and news clippings attached to the petition indicate pole damage primarily in the vicinity of the Blue Horizon condominium. Please provide the feeder names which were out of service and number of customers who experienced outages as a result of the weather event in the vicinity of the Blue Horizon condominium.

25) Please provide documentation of how the weather event resulted in 63 feeder outages. Include in your response documentation of all affected transmission facilities and substation facilities that resulted in outages to retail or wholesale customers.

26) Does approving Gulf's petition result in improved Commission assessment of the level of service Gulf's retail customers receive? Explain.

27) Does approving Gulf's petition impact employee (management and non-managerial) benefits such as incentives plans, payroll adjustments, retirement benefits? If so, describe the potential effects by contrasting the results of Commission approval and disapproval.

28) Describe all adverse consequences Gulf will experience if its petition is not approved.

29) Describe all adverse consequences Gulf's customers will experience if its petition is not approved.

Ms. Susan Ritenour Page 4 April 14, 2003

30) Describe all beneficial consequences Gulf will experience if its petition is approved.

31) Describe all beneficial consequences Gulf's customers will experience if its petition is approved.

32) How many weather events have resulted in more than 6,072 outages, in Gulf Power Company's territory since December 31, 1997? For each similar weather event with more than 6,072 outages, please identify the event, date of the event, location, number of service interruptions, and whether the event was excluded from the indices Gulf filed in its Annual Distribution Service Reliability Reports?

33) Which organization or government agency does Gulf rely on to determine a tornado event officially for purposes of its Annual Distribution Service Reliability Reports?

34) Based on past experience, what is the range of time lag between the time a weather event occurs and the time the weather event is declared a tornado by the National Weather Service?

35) What is the likelihood of the February 22, 2003 weather event being declared a tornado officially by the National Weather Service before March 1, 2004?

36) Please provide the number of paid and denied damage claims related to the weather event of February 22, 2003.

37) Did Gulf include in its Annual Distribution Service Reliability Report for 2002 any outages that were caused by factors beyond the Company's control? If so, please state why Gulf included those events in its report to the Commission.

38) Did Gulf use any of the indices reported in its 1998 through 2002 Annual Distribution Service Reliability Reports to the Commission for purposes of self assessment, corporate goals and/or employee incentive programs?

38A) If so, please provide responses to the following:

38.A.1) What events, if any, did Gulf exclude from any of its internal programs for 2002?

38.A.2) Please provide copies of Gulf's guidelines and procedures on how Gulf calculates the performance indices in each of its internal programs for purposes of calendar year 2002.

38.A.3) Please provide the indices Gulf calculates for purposes of its internal programs including numerators and denominators for each index for calendar year 2002.

38.A.4) When did Gulf last revise each such program and what was the nature of the last revision?

Ms. Susan Ritenour Page 5 April 14, 2003

39) Did Gulf provide any trade/professional organization such as EEI with values for any of distribution reliability indices for 1998 through 2002 that were not the same as those reported to the Commission in its Annual Distribution Service Reliability Report?

39.A) If so, please identify which organizations received different values for any distribution reliability indices for 1998 through 2002 that were not the same as those reported to the Commission in Gulf's Annual Distribution Service Reliability Report.

39.A.1) Provide a copy of the instructions and/or guidelines required by the trade/professional organization regarding the reporting of indices.

39.A.2) Reconcile all differences between the values of the indices reported to the Commission and the values of the indices reported to the respective trade/professional organization(s).

40) If the Commission grants an exclusion pursuant to 25-6.0455(3), F.A.C., what modifications, if any, will Gulf undertake to its internal programs for 2003 and 2004?

41) If the Commission grants an exclusion pursuant to 25-6.0455(3), F.A.C., what modifications, if any, will Gulf undertake to its reporting of indices to trade and professional organizations?

Please provide the requested information within the next 30 days. If you have any questions or wish to discuss this data request further, please call me at (850)413-6664. Thank you for your attention in this matter.

Sincerely,

James & Duma

James Breman USC Engineer Bureau of Electric Reliability

JB:kb cc: Cochran Keating, Legal Services