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July 2, 2015



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

Re: Docket No. 150086-EG – Petition for approval of demand-side management plan
of Gulf Power Company

Dear Ms. Stauffer:

Attached for electronic filing is Gulf Power Company's response to Staff's Third Data
Request pertaining to Gulf's petition for approval of its demand-side management plan.

Sincerely,

A handwritten signature in cursive script that reads "Robert L. McGee, Jr." The signature is written in dark ink and is positioned above the typed name.

Robert L. McGee, Jr.
Regulatory and Pricing Manager

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Attachments

cc: Florida Public Service Commission
Lee Eng Tan, Senior Attorney, Office of General Counsel
Beggs & Lane
Jeffrey A. Stone, Esq.

1. Please provide a summary of Gulf's cost-effectiveness test results based on the assumptions used in the goal-setting docket. Please provide this information in a table format.

RESPONSE:

2015 DSM Plan Measure Evaluation Results utilizing 2015 Goals Docket Rates & Avoided Costs			
Measure Name	RIM Value	Participant Test Value	TRC Value
Residential			
Energy Select	1.42	99.90	3.01
High Performance Window	1.18	1.48	1.69
Reflective Roof	1.05	4.22	4.27
Duct Repair	0.97	1.54	1.38
HVAC Maintenance	1.05	5.93	4.23
HVAC Quality Installation	1.01	8.81	4.50
Community Energy Saver	0.62	25.93	3.94
Energy Star Window A/C	1.15	3.89	3.85
Commercial			
Insulation - ceiling/roof	1.42	2.75	3.33
Reflective Roof	1.27	2.10	2.56
HVAC Geothermal	0.99	1.55	1.56
HVAC Retrocommissioning	1.08	5.27	4.35

2015 DSM Plan Program Evaluation Results utilizing 2015 Goals Docket Rates & Avoided Costs			
Program Name	RIM Value	Participant Test Value	TRC Value
Residential Programs			
Community Energy Saver	0.62	25.93	3.94
Residential Custom Incentive	N/A	N/A	N/A
HVAC Efficiency Program	1.02	4.53	3.28
Residential Building Efficiency	1.10	2.36	2.48
Energy Select	1.42	99.90	3.01
Commercial/Industrial Programs			
Commercial/Industrial Energy Audit	N/A	N/A	N/A
HVAC Retrocommissioning	1.08	5.27	4.35
Commercial Building Efficiency	1.27	2.09	2.54
Commercial/Industrial Custom Incentive	N/A	N/A	N/A

2. Please provide an explanation and the work papers used to develop the Energy Conservation Cost Recovery Factors of the newly proposed residential RSTOU program.

RESPONSE:

Attachment A depicts the calculation used to develop the Energy Conservation Cost Recovery Factors as well as the total prices for RSTOU less gross receipts, taxes, and franchise fees. The high and low tier factors for the ECCR were designed to recover the same amount of revenue that the applicable RS ECCR factor would recover in total. Total kWh comes from Gulf Power's most recent filed Cost of Service Load Research Study dated June 28, 2013, and total revenue is developed by using Gulf Power's 2015 RS base rates and clause rates multiplied by total kWh. The total kWh was separated by time period in the high and low tiers.

TOUR

2015 Total R5 and Flatbill Revenue = \$ 568,046,482.11

		2012 Load Research RS Energy Splits			TOUR Price	TOUR kWh	TOUR Revenue	TOUR Revenue Splits	
2012 Total RS and Flatbill kWh =	4,845,399,472	Low	84%	4,083,376,333	Low	8.312	4,083,376,333	\$ 339,429,489.21	60%
		High	16%	763,023,139	High	29.962	763,023,139	\$ 228,616,992.91	40%

Energy Price (cents per/kWh) = 11.721

2015 RS Rates				
Energy/Demand	FCR	ECR	PPCC	ECCR
4.585	4.369	1.592	0.916	0.259 Standard

\$222,207,415.79 Energy/Demand Revenue
 \$211,739,192.93 FCR Total Revenue
 \$77,154,679.59 ECR Total Revenue
 \$44,393,019.16 PPCC Total Revenue
 \$12,552,174.63 ECCR Total Revenue
\$568,046,482.11 Total Revenue

2015 RSTOU Rates				
Energy/Demand	FCR	ECR	PPCC	ECCR
4.585	4.369	1.592	0.916	0.259 Standard
				-3.150 Low
				18.500 High

(\$128,607,106.08) ECCR Low Revenue
 \$141,159,280.72 ECCR High Revenue
\$12,552,174.63 ECCR Total Revenue

Low 8.312 cents per/kWh
 High 29.962 cents per/kWh

Does not include gross receipts, franchise fees, or any other applicable taxes

Staff's Third Data Request
 Docket No. 150086-EG
 GULF POWER COMPANY
 July 2, 2015
 Attachment A

3. Please explain why Gulf elected to limit the maximum total incentive for its Residential Custom Incentive Program to an amount which would produce a customer payback in no less than one year.

RESPONSE:

Gulf believes that the primary targets of incentives for the Residential Custom Incentive Program are multi-family and low-income properties. Utilizing the more liberal criterion of a one year payback instead of a two year payback allows Gulf the potential to address the needs of what may otherwise be underserved groups of renters and low-income customers.