



April 10, 2020

VIA ELECTRONIC FILING

Mr. Adam Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

**Re: Docket No. 20200091-EU, Gulf Power Company's Responses to Staff's First
SERC Data Request Nos. 1-4**

Dear Mr. Teitzman:

Enclosed please find Gulf Power Company's Responses to Staff's First SERC Data Request, Nos. 1-4, propounded in the above-referenced proceeding.

Please contact me at (561) 691-7108 if you or your Staff have any questions regarding this filing.

Sincerely,

/s/ Jason A. Higginbotham

Jason A. Higginbotham

Enclosure

cc: Sevini Guffey

QUESTION:

Recommended revision to Section (5) of Rule 25-6.064, F.A.C., states that new or upgraded overhead and underground facility costs applied to the formula in subsections (2) and (3) of Rule 25-6.064, F.A.C., should be based on the requirements of Rule 25-6.030, F.A.C., Storm Protection Plan, Rule 25-6.034, F.A.C., Standard of Construction, Rule 25-6.0341, F.A.C., Location of the Utility's Electric Distribution Facilities, and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities. Would the above requirements:

- a) Increase Gulf Power Company's (GPC) regulatory costs in excess of \$200,000 in the aggregate within one year after implementation of the rule?
- b) Reduce GPC's regulatory costs?
- c) Increase GPC's transactional costs (such as filing fees, license fees, cost of equipment required to be installed/used, procedures required to comply with rule requirements, additional operating costs, monitoring and/or reporting costs, and any other costs necessary to comply with the rule) in excess of \$200,000 in the aggregate within one year after implementation of the rule?
- d) Please describe typical types of transactional costs that would be incurred by GPC to implement the proposed revision to Section (5) of Rule 25-6.064, F.A.C.
- e) Please provide an explanation for the estimated transactional costs and methodology used.
- f) Would the proposed revision to Section (5) of Rule 25-6.064, F.A.C., have any adverse or positive impacts on small businesses, small cities, or small counties defined in Chapter 120.541(2)(e), F.S.?

RESPONSE:

- a) No
- b) No.
- c) No
- d) None
- e) N/A
- f) None that Gulf can identify at this time.

QUESTION:

Recommended revision to Section (2) of Rule 25-6.078, F.A.C., states that for the purpose of calculating the Estimated Average Cost Differential, cost estimates should reflect the requirements of Rule 25-6.030, F.A.C., Storm Protection Plan, Rule 25-6.034, F.A.C., Standard of Construction, Rule 25-6.0341, F.A.C., Location of the Utility's Electric Distribution Facilities, and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities. Would the above requirements:

- a) Increase GPC's regulatory costs in excess of \$200,000 in the aggregate within one year after implementation of the rule?
- b) Increase GPC's transactional costs (such as filing fees, license fees, cost of equipment required to be installed/used, procedures required to comply with rule requirements, additional operating costs, monitoring and/or reporting costs, and any other costs necessary to comply with the rule) in excess of \$200,000 in the aggregate within one year after implementation of the rule?
- c) Please provide typical types of transactional costs that would be incurred by GPC to implement the proposed revision to Section (2) of Rule 25-6.078, F.A.C.
- d) Please provide an explanation for the estimated transactional costs and methodology used.
- e) Would the proposed revision to Section (2) of Rule 25-6.078, F.A.C., have any adverse or positive impacts on small businesses, small cities, or small counties defined in Chapter 120.541(2)(e), F.S.?

RESPONSE:

- a) No
- b) No
- c) None
- d) N/A
- e) None that Gulf can identify at this time.

QUESTION:

Recommended revisions to Section (8)(a) of Rule 25-6.115, F.A.C., states that, the charge for the proposed underground facilities shall include: The estimated cost of construction of the underground distribution facilities based on the requirements of Rule 25-6.030 Storm Protection Plan, F.A.C., Rule 25-6.034, F.A.C., Standard of Construction, Rule 25-6.0341, F.A.C., Location of the Utility's Electric Distribution Facilities, and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities, including the construction cost . of the underground service lateral(s) to the meter(s) of the customer(s); Would the above requirements:

- a) Increase GPC's regulatory costs in excess of \$200,000 in the aggregate within one year after implementation of the rule?
- b) Reduce GPC's regulatory costs pursuant to the proposed revisions as opposed to the existing requirements? Please explain.
- c) Increase GPC 's transactional costs (such as filing fees, license fees, cost of equipment required to be installed/used, procedures required to comply with rule requirements, additional operating costs, monitoring and/or reporting costs, and any other costs necessary to comply with the rule) in excess of \$200,000 in the aggregate within one year after implementation of the rule?
- d) Please describe typical types of transactional costs that would be incurred by GPC to implement the proposed revision to Section (8)(a) of Rule 25-6.115, F.A.C.
- e) Please provide an explanation for the estimated transactional costs and methodology used.
- f) Would the proposed revision to Section (8)(a) of Rule 25-6.115, F.A.C., have any adverse or positive impacts on small businesses, small cities, or small counties defined in Chapter 120.541(2)(e), F.S.?

RESPONSE:

- a) No
- b) No
- c) No
- d) None
- e) N/A
- f) None that Gulf can identify at this time.

QUESTION:

Recommended revisions to Section (9) of Rule 25-6.115, F.A.C., states that, the charge for overhead facilities shall be the estimated construction cost to build new overhead facilities, including the service drop(s) to the meter(s) of the customer(s). Estimated construction costs shall be based on the requirements of Rule 25-6.030 Storm Protection Plan, F.A.C., Rule 25-6.034, F.A.C., Standard of Construction, Rule 25-6.0341, F.A.C., Location of the Utility's Electric Distribution Facilities, and Rule 25-6.0345, F.A.C., Safety Standards for Construction of New Transmission and Distribution Facilities. Would the above requirements:

- a) Increase GPC's regulatory costs in excess of \$200,000 in the aggregate within one year after implementation of the rule?
- b) Reduce GPC's regulatory costs pursuant to the proposed revisions as opposed to the existing requirements? Please explain.
- c) Increase GPC's transactional costs (such as filing fees, license fees, cost of equipment required to be installed/used, procedures required to comply with rule requirements, additional operating costs, monitoring and/or reporting costs, and any other costs necessary to comply with the rule) in excess of \$200,000 in the aggregate within one year after implementation of the rule?
- d) Please describe typical types of transactional costs that would be incurred by GPC to implement the proposed revision to Section (9) of Rule 25-6.115, F.A.C.
- e) Please provide an explanation for the estimated transactional costs and methodology used.
- f) Would the proposed revision to Section (9) of Rule 25-6.115, F.A.C., have any adverse or positive impacts on small businesses, small cities, or small counties defined in Chapter 120.541(2)(e), F.S.?

RESPONSE:

- a) No
- b) No
- c) No
- d) None
- e) N/A
- f) None that Gulf can identify at this time.