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November 10, 2020

-VIA ELECTRONIC FILING-

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

**RE: Docket No. 2020____: Gulf Power Company's Petition for Limited
Proceeding for Recovery of Incremental Storm Restoration Costs Related to
Hurricane Sally**

Dear Mr. Teitzman:

Enclosed for filing on behalf of Gulf Power Company ("Gulf") is a Petition for Limited Proceeding for Recovery of Incremental Storm Restoration Costs Related to Hurricane Sally.

Please contact me if you or your Staff has any questions regarding this filing at (561) 304-5662 or will.cox@fpl.com.

Sincerely,

/s/ William P. Cox
William P. Cox
Fla. Bar No. 0093531

Enclosure

cc: Russell Badders, Esq., VP and Associate General Counsel
Kenneth M. Rubin, Esq.
Jason Higginbotham, Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Gulf Power Company
for Limited Proceeding for Recovery of
Incremental Storm Restoration Costs Related to
Hurricane Sally

Docket No. 2020-_____EI

Filed: November 10, 2020

**PETITION BY GULF POWER COMPANY
FOR LIMITED PROCEEDING FOR RECOVERY OF INCREMENTAL
STORM RESTORATION COSTS RELATED TO HURRICANE SALLY**

Gulf Power Company (“Gulf,” “Gulf Power,” or the “Company”), pursuant to Section 366.076(1), Florida Statutes, Rules 25-6.0143 and 25-6.0431, Florida Administrative Code (“F.A.C.”) and the Stipulation and Settlement Agreement approved by the Florida Public Service Commission (“Commission”) in Order No. PSC-17-0178-S-EI¹ (the “2017 Stipulation and Settlement”), hereby files this petition (the “Petition”) requesting that the Commission authorize commencement of interim recovery of incremental storm restoration costs related to Hurricane Sally through a surcharge on customers’ electric bills beginning with bills rendered on meter readings starting on March 1, 2021 and continuing until the final determined recoverable amount has been recovered through the surcharge, subject to final true-up adjustments.²

In support of the Petition, Gulf Power states as follows:

1. The name and address of the Petitioner is:

Gulf Power Company
One Energy Place
Pensacola, FL 32520

¹ Docket No. 160186-EI, issued on May 16, 2017.

² As explained below, Gulf’s proposed restoration costs related to Hurricane Sally will not replenish Gulf’s retail storm reserve that the Company maintains in accordance with Rule 25-6.0143, F.A.C. because, prior to Hurricane Sally, Gulf’s storm reserve was in a deficit position as a result of incremental storm restoration costs due to Hurricane Michael.

Any pleading, motion, notice, order or other document required to be served upon the petitioner or filed by any party to this proceeding should be served upon the following individuals:

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2. The Commission has jurisdiction pursuant to Sections 366.04, 366.05, 366.06 and 366.076, Florida Statutes, and Rules 25-6.0143 and 25-6.0431, F.A.C.

3. Gulf is a corporation organized and existing under the laws of the State of Florida and is an electric utility as defined in Section 366.02(2), Florida Statutes.

4. This Petition is being filed consistent with Rule 28-106.201, F.A.C. The agency affected is the Commission, located at 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399. This case does not involve reversal or modification of an agency decision or an agency's proposed action. Therefore, subparagraph (c) and portions of subparagraphs (b), (e), (f) and (g) of subsection (2) of that rule are not applicable to this Petition. In compliance with subparagraph (d), Gulf states that it is not aware at this time whether there will be any disputed issues of material fact in this proceeding. The discussion below demonstrates how the Company's substantial interests will be affected by the agency determination.

5. This Petition seeks to initiate a limited proceeding under Section 366.076(1), Florida Statutes and Rule 25-6.0431, F.A.C. A limited proceeding is appropriate because Gulf's request is focused on the narrow issue of recovery, including interim recovery, of costs associated with Hurricane Sally. Pursuant to the 2017 Stipulation and Settlement, the determination of storm cost recovery does not involve the application of any form of earnings test or measure.

Hurricane Sally

6. On September 10, 2020, the National Hurricane Center began to monitor an area of disturbed weather over the Bahamas for possible development. The disturbance increased over the next two days, making landfall in Key Biscayne as Tropical Depression 19. By September 12, 2020, the storm had strengthened and moved into the Gulf of Mexico at which time it was named Tropical Storm Sally. Tropical Storm Sally continued to intensify over the next two days, and by September 14, 2020 was producing winds of 85 mph and a pressure of 985 millibars. That same day, the storm intensified into a Category 2 hurricane with winds up to 100 mph and a pressure of 987 millibars. Hurricane Sally lingered in the Gulf of Mexico with varying wind and pressure until it finally made landfall two days later, on September 16, 2020, near Gulf Shores, Alabama. The storm moved slowly northeastward for the next two days, impacting the Florida Panhandle area with significant impacts to Escambia County, which includes the City of Pensacola. The storm gradually decreased in strength and eventually dissipated on September 18, 2020 off the coast of the Carolinas.

7. Hurricane Sally caused significant damage to Gulf's service areas due to the strength and slow-moving nature of the storm. In addition to winds of up to 105 mph, the storm also produced between 15 and 20 inches of heavy rainfall including flash flooding and river

flooding that caused many of the main roadways in the area to be closed, which hampered the movement of resources and slowed restoration efforts.

8. On September 16, 2020, the impacts of Hurricane Sally caused approximately 285,000 customer outages. Gulf's Western District Management Area was impacted the most by Hurricane Sally with 90 percent of the customers in that area losing power. Gulf's retail customer outages by county peaked as follows: 147,000 outages in Escambia County, 54,000 outages in Santa Rosa County; 32,000 outages in Okaloosa County; 3,500 outages in Walton County; 8,000 outages in Bay County; and approximately 200 outages in Jackson, Holmes, and Washington Counties. The Company's distribution system experienced widespread and substantial physical damage, which required Gulf to replace approximately 1,000 poles, 80 miles of conductor, and 1,200 transformers. Although Gulf's transmission system was less impacted, Gulf was still required to make various repairs to 22 transmission line sections and 2 transmission structures as a result of Hurricane Sally. Additionally, Hurricane Sally produced significant rain and storm surge that flooded Gulf's Plant Crist turbine sub-basement.

Restoration and Response

9. On September 11, 2020, Gulf received the first weather alert associated with the tropical disturbance that was to become Hurricane Sally. On the same day, Gulf had its first of multiple Command Center calls with leadership to discuss preparation and plans for the following week. Through the weekend and the early part of the following week, Gulf's Power Delivery team began reviewing damage models and discussing the possible need for the shift of resources with its sister company, Florida Power & Light Company ("FPL"). On September 15, the Florida Panhandle was forecasted to be impacted by tropical storm-force winds along the coast and rain, and as such, the Gulf Power Command Center was activated during the day as the storm bands

came ashore causing minor outages. During the night, Hurricane Sally stalled and the storm path shifted drastically to a northeastern path directly impacting the Gulf Power service area. On the morning of September 16, while the winds were still at hurricane force, the Gulf Power Command Center and the entire Company went into full emergency operations mode. The Company began securing resources, making additional logistics plans, activating fueling contracts, and addressing other necessities for a major restoration effort. Restoration efforts were hampered throughout the day as heavy rain and tropical storm-force winds continued into the late afternoon. Gulf and FPL worked together through the day to secure outside resources and mutual assistance from the Southeastern Electric Exchange. On the evening of September 17, there were approximately 2,300 outside transmission, distribution, and vegetation management personnel onsite and an additional 2,300 personnel in route. Because of the quick ramp up of resources following the sudden shift and landfall in the Gulf Power footprint, the initial Estimated Restoration Time (“ERT”) was limited to 7 days.

10. By September 21, 2020, Gulf was able restore the energy grid to over 99 percent of the customers who could take service at that time, improving the original ERT by 2 days. A graphic depicting the progression of service restoration is attached as Exhibit 1. As restoration and clean-up work continued, Gulf was able to begin releasing outside transmission, distribution, and vegetation management crews from the system. Final restoration and cleanup of the electric energy grid has included: (i) physical restoration of poles and equipment that may remain damaged or is not to standards after initial restoration; (ii) removal of vegetation; (iii) reconnection of customers as repairs are made; and (iv) repair of the street and security lighting in the area. As of the date of this filing, Gulf continues to complete restoration follow-up activities.

11. Under the terms of the Stipulation and Settlement Agreement approved by the Commission in Order No. PSC-2020-0349-S-EI (“Hurricane Michael Settlement”), beginning with the 2021 storm season, Gulf agreed to implement certain storm restoration “Process Provisions” contained in the Commission-approved settlement in Docket No. 20180049-EI, *In re: Evaluation of storm restoration costs of Florida Power & Light Company related to Hurricane Irma*. Although Hurricane Sally made landfall in 2020, Gulf implemented nearly all of these provisions in its restoration efforts. The new Process Provisions utilized for Hurricane Sally included the use of the new smart phone app (iStormed) for recording certain contractor time and expense tracking and approval, including mobilization and demobilization time.

Communication and Coordination

12. Prior to, and throughout the storm restoration process, Gulf made it a priority to communicate and coordinate accurately and effectively with customers, state and local governments, and the public. These activities included: (i) embedding Gulf personnel with state and local emergency operations centers; (ii) coordinating pre and post-storm directly with local government officials; (iii) direct communication pre and post-storm with hospitals, other healthcare facilities such as skilled nursing facilities and assisted living facilities, military installations, and large commercial/industrial customers; and (iv) ongoing communications with the general body of customers and the public via a variety of communication channels including the Gulf smart phone application, Gulf website, email, radio advertising, television, radio and print media, and Gulf social media channels.

13. Gulf consistently communicated with its general body of customers and the public in a variety of ways. The Company’s Corporate Communications team developed a strategic storm communications plan prior to Hurricane Sally. The plan was a multi-channel 24/7 approach that

ensured customers had the information they needed, when and where they needed it to make the best decisions for their home, business and family. Throughout the storm restoration process, Gulf consistently provided the media and the public with restoration updates. These updates provided estimated storm restoration times for targeted geographical areas throughout the Company's service area.

Costs for Restoration

14. As noted above, post-storm restoration activities are still underway and final costs are still being determined. As a consequence, Gulf's actual restoration costs have been estimated based on available information. The Company currently estimates total recoverable storm-related restoration costs pursuant to the Commission's Incremental Cost and Capitalization Approach ("ICCA") methodology reflected in Rule 25-6.0143, F.A.C., will result in the retail incremental storm restoration costs eligible for recovery ("Eligible Storm Restoration Costs") of approximately \$206 million. See footnote 4 on page 1 of the schedule attached as Exhibit 2. Exhibit 2 breaks down the costs by major category, including line clearing, vehicle and fuel, materials and supplies, logistics, regular and overtime payroll, contractor costs and property damage for storm charges based on the company's estimate of costs that have already been incurred for completed restoration work, and estimates for follow-up restoration work that is still underway. Total costs shown on Exhibit 2 are \$246 million. Prior to Hurricane Sally, Gulf's Storm Reserve was in a deficit position, primarily due to the incremental costs incurred for Hurricane Michael which are still being recovered from customers and, as such, the Storm Reserve is fully depleted.

Interim Storm Restoration Recovery Charge

15. Interim recovery of the Hurricane Sally storm costs is governed by Paragraph 7 of the 2017 Stipulation and Settlement. Paragraph 7(a) provides in relevant part that "recovery of

storm costs from customers under this paragraph 7 will begin, on an interim basis, sixty days following the filing of a cost recovery petition and tariff sheets with the Commission and will be based on a 12-month Recovery Period if the storm costs do not exceed \$4.00/1,000 kWh on monthly residential customer bills.” In addition, “... Gulf may petition the Commission to allow Gulf to increase the initial 12-month recovery at rates greater than \$4.00/1,000 kWh, or for a period longer than 12 months, in the event Gulf incurs in excess of \$100 million of storm recovery costs that qualify for recovery in a given calendar year, inclusive of the amount needed to replenish the storm reserve to the level that existed as of December 31, 2016.” Order No. PSC-17-0178-S-EI, Attachment A, Paragraph 7.

16. Gulf proposes to initiate recovery of the estimated Eligible Storm Restoration Costs through an initial \$3.00/1,000 kWh surcharge (the “Interim Storm Restoration Recovery Charge” or “Recovery Charge”) to apply to residential customer bills effective March 1, 2021 until September 2023, after which Gulf proposes to increase the Recovery Charge, as explained below. The Recovery Charge will be included in the non-fuel energy charge on customer bills, which is consistent with Gulf’s practice of incorporating adjustment clause charges in the non-fuel energy charge line item. The period in which the Recovery Charge is in effect (the “Recovery Period”) would be subject to change based upon the Commission’s findings and application of appropriate true-up adjustments.

17. Gulf’s residential customer bills currently reflect a monthly surcharge of \$8.00/1,000 kWh for storm restoration costs related to Hurricane Michael (“Hurricane Michael Storm Costs”). The Hurricane Michael Storm Costs went into effect in July 2019 and are presently estimated to continue for a period of approximately 50 months from the effective date, until September 2023. For its recovery of restoration costs related to Hurricane Sally, the Company is

proposing an interim Recovery Charge of \$3.00/1,000 kWh on a monthly residential bill until Gulf has fully recovered the Hurricane Michael Storm Costs. Once Gulf has fully recovered the Hurricane Michael Storm Costs, Gulf proposes to increase the Recovery Charge for Hurricane Sally to \$10.00/1,000 kWh versus the \$11.00/1,000 kWh in effect immediately prior for the combined Hurricanes Michael and Sally surcharges.³ A surcharge with rates that correspond to \$3.00/1,000 kWh on a residential bill would yield approximately \$24 million per year. Therefore, without the proposed increase to \$10.00/1,000 kWh, the proposed surcharge of \$3.00/1,000 kWh would need to remain in effect for approximately 98 months, or until April 2029 for Gulf to fully recover the estimated Eligible Storm Restoration Costs for Hurricane Sally. As a result, Gulf believes its proposal to increase the Recovery Charge for Hurricane Sally storm restoration costs to \$10.00/1,000 kWh upon the full recovery of the Hurricane Michael Storm Costs will strike an appropriate balance between ensuring timely cost recovery and mitigating customer bill impacts.

18. For purposes of its proposed Recovery Charge, Gulf has allocated the estimated Eligible Storm Restoration Costs among rate classes consistent with the cost-of-service study filed in Docket No. 20160186-EI, which was the base rate proceeding giving rise to the 2017 Stipulation and Settlement. The computation of the resulting Recovery Charge for each rate class is shown on the attached Exhibit 3, Derivation of Rate Schedule Charges. For residential customers, the Recovery Charge is 0.3 cents per kWh, which equates to \$3.00 on a 1,000 kWh residential bill. Original Tariff Sheet No. 6.25.1, the Interim Storm Restoration Recovery Charge Tariff by which Gulf proposes to implement the Interim Storm Restoration Recovery Charge for each rate class, is attached as Exhibit 4 in legislative and clean formats.

³ Gulf will provide schedules showing the impact of any increase to the proposed \$3.00/1,000 kWh Interim Storm Restoration Recovery Charge with its petition for approval of final/actual storm restoration costs and associated true-up process related to Hurricane Sally. As noted, the proposed increase would not occur until the expiration of the current surcharge related to the Hurricane Michael Storm Costs estimated to occur in September 2023.

19. Consistent with Rule 25-6.0143(1)(i), Gulf has maintained the amount of Eligible Storm Restoration Costs that exceed the pre-storm balance of the retail Storm Reserve as a debit on Account 228.1. Gulf is not requesting Commission approval to establish a regulatory asset to be recorded in Account 182.1, Extraordinary Property Losses.

20. Once restoration activities are complete, all invoices are received, and insurance recoveries are confirmed, Gulf intends to file supplemental exhibits documenting the final, actual restoration and follow up costs for Commission review and approval. Gulf's supplemental filing will include an appropriate proposed adjustment to the duration of the Recovery Period, if warranted, as well as a proposed true-up mechanism for the difference between the amount collected through the end of the Recovery Period and the final, actual costs that the Company is authorized by the Commission to recover.

Summary of Issues to be Determined in this Limited Proceeding

21. Gulf maintains that a limited proceeding is appropriate for consideration of this request because the relevant issues are few and narrow. Specifically, the issues to be decided are:

- a. Has Gulf correctly calculated the Interim Storm Restoration Recovery Charges that are proposed herein to go into effect for customer electric bills effective March 1, 2021, for recovery of estimated restoration costs associated with Hurricane Sally?
- b. After Gulf's supplemental filing, what are the final, actual restoration costs for Hurricane Sally that Gulf may recover from customers?
- c. Based on the final, actual restoration costs for Hurricane Sally that Gulf is authorized to recover, what is the remaining period that the final storm cost recovery factors should be in effect?

- d. What is the appropriate true-up mechanism for any under- or over-recovery of the authorized recovery amount?

For clarity, through this Petition, Gulf seeks an early determination by the Commission of the issue in (a) above and authorization to begin recovery as stated therein. Gulf proposes that the issues in (b), (c) and (d) above be deferred until after Gulf makes its supplemental filing referenced therein and in paragraph 20 above.

22. Pursuant to Paragraph 7 of the 2017 Stipulation and Settlement, the determination of cost recovery does not involve the application of any form of earnings test or measure. Therefore, the issues relevant to this proceeding do not involve examination of Gulf's business as a whole, but rather are limited to a determination of the appropriate interim recovery factors, the determination of Gulf's final, actual recoverable costs, and whatever true-up is required so that Gulf recovers and customers pay only those costs.

23. As required by Rule 25-6.0431, F.A.C., Exhibit 3 to this Petition includes a schedule showing how Gulf proposes to allocate any change in revenues to the rate classes.

Conclusion

24. Consistent with the 2017 Stipulation and Settlement, Gulf respectfully submits that the Commission should enter an order approving the relief sought in this Petition. That will enable Gulf to begin prompt recovery of the significant and extraordinary storm-related costs Gulf incurred to repair the damage caused to the Company's transmission and distribution systems, power plant facilities and offices by Hurricane Sally, as contemplated by the 2017 Stipulation and Settlement.

WHEREFORE, for the above and foregoing reasons, Gulf Power Company respectfully requests that the Commission:

- (1) authorize commencement of interim recovery of the estimated incremental storm restoration costs related to Hurricane Sally;
- (2) approve the proposed Interim Storm Restoration Recovery Charge (attached as Exhibit 3), which sets forth an interim Recovery Charge of \$3.00/1,000 kWh on a monthly residential bill and corresponding Interim Storm Restoration Charges for the other non-residential rate classes;
- (3) approve Original Tariff Sheet No. 6.25.1 (attached as Exhibit 4), reflecting the proposed Interim Storm Restoration Recovery Charges effective on March 1, 2021;
- (4) maintain this docket open for receipt of the supplemental filing referenced in paragraph 20 above and conduct a limited proceeding for the purpose of entering final determinations addressing the amount to be recovered through the storm surcharge, the ending date for application of the storm surcharge, and the appropriate true-up mechanism for any under-or over-recovery of the authorized recovery amount;
- (5) take up this petition for consideration at its February 2021 agenda conference or sooner with Gulf's Petition for Limited Proceeding for Approval of Regulatory Assets Related to the Retirements of the Coal Generation Assets at Plant Crist Units 4, 5, 6, and 7, and Environmental Cost Recovery Clause filed concurrently with the instant petition;
and
- (6) provide any other just and reasonable relief as deemed appropriate by the Commission.

Respectfully submitted this 10th day of November, 2020.

/s/ Russell A. Badders

RUSSELL A. BADDERS

Vice President & Associate General Counsel

Florida Bar No. 007455

Russell.Badders@nexteraenergy.com

Gulf Power Company

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Pensacola, FL 32520-0100

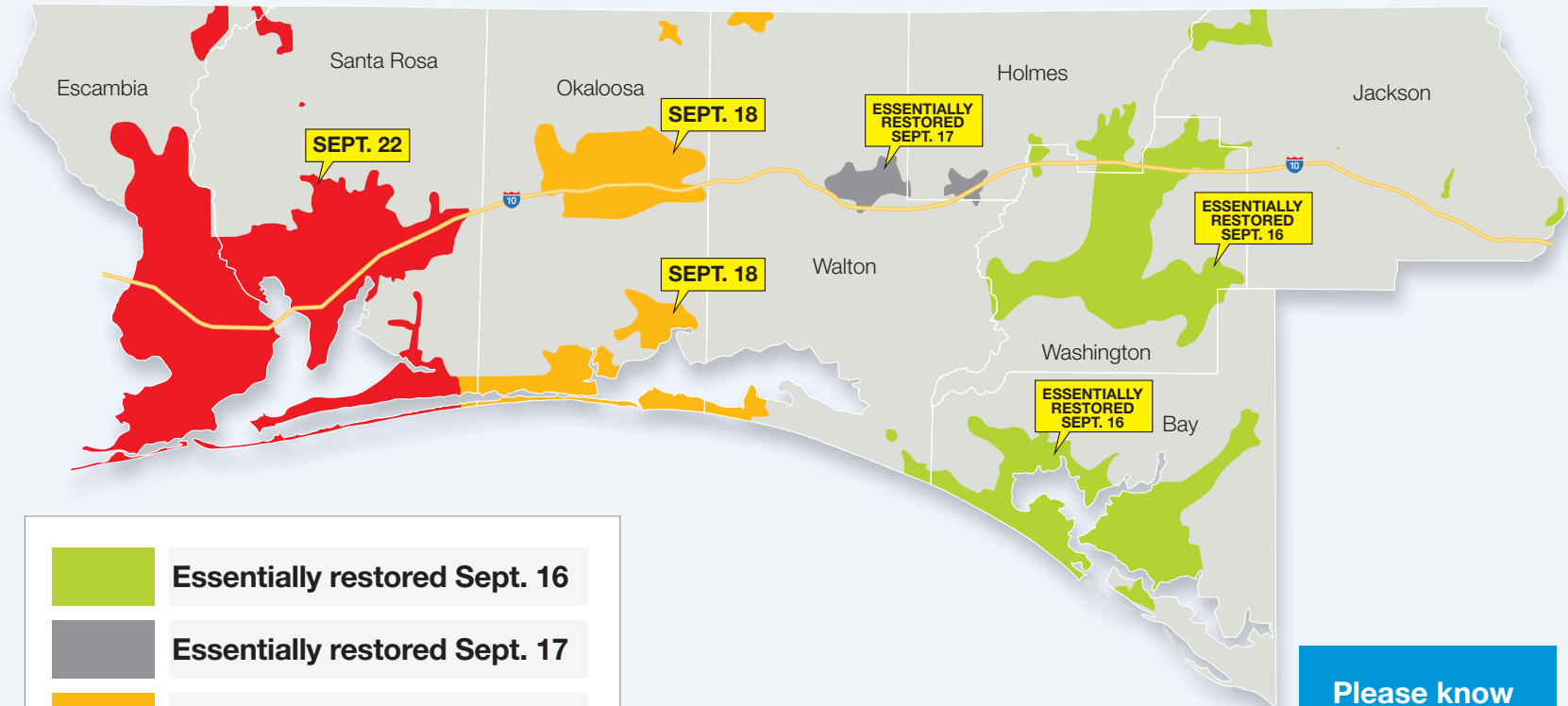
(850) 444-6550







Gulf Power®

Estimated Restoration Times

This is the most up to date information as of **Sept. 18**



	Essentially restored Sept. 16
	Essentially restored Sept. 17
	Sept. 18 by 11:59 p.m.
	Sept. 22 by 11:59 p.m.

For 95% of the customers who are able to accept electric service. Many customers will be restored before the date reflected.

Please know that our crews are working 24/7 to restore power to you and your family.



Gulf Power®

Estimated Restoration Times

This is the most up to date information as of **Sept. 19**



Sept. 20 by 11:59 p.m.



Sept. 21 by 11:59 p.m.



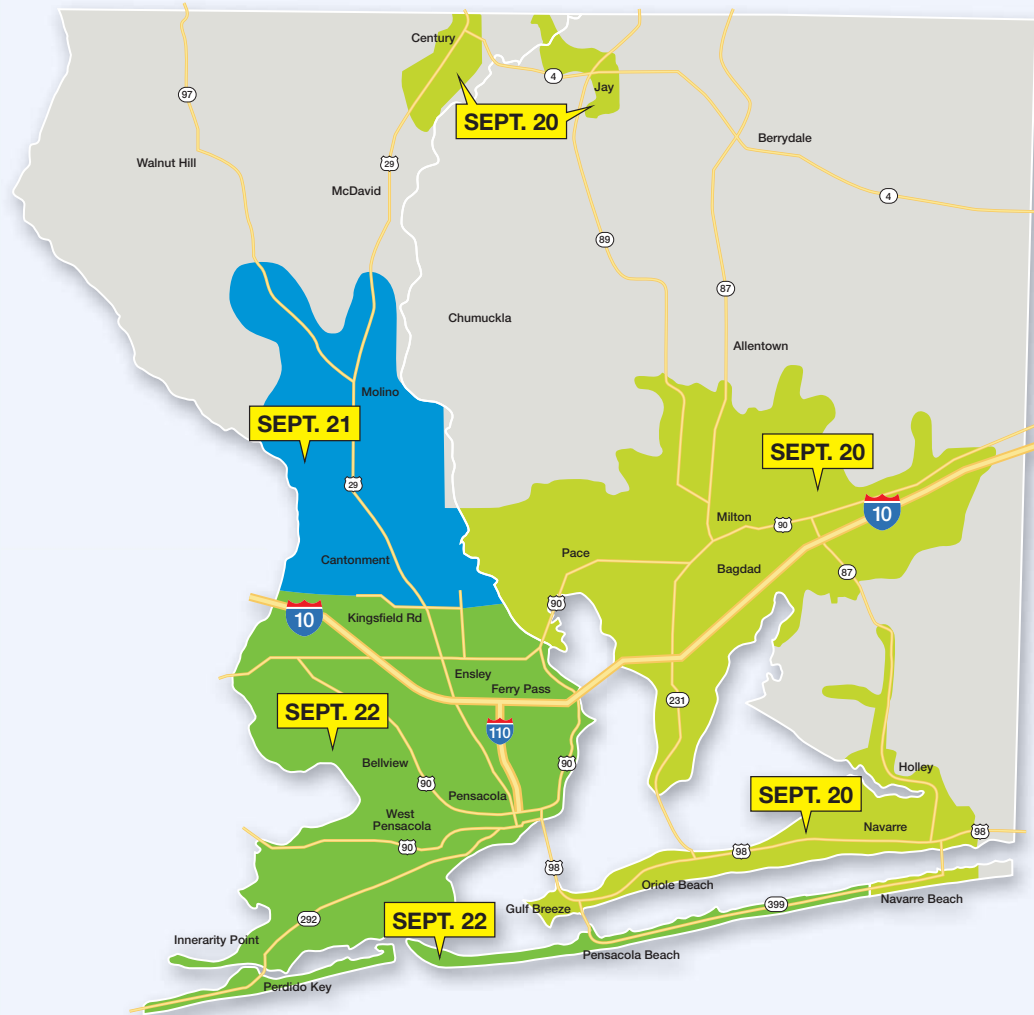
Sept. 22 by 11:59 p.m.

For 95% of the customers who are able to accept electric service.

Please keep in mind that many customers will be back on before these latest estimated restoration times. We are actively working to restore power in all communities.

Customers can check the status of their home or business at any time for the latest update on the Gulf Power Outage Map with the 'Check Status' link at the top of the map or through your Gulf Power app.

Please know that our crews are working 24/7 to restore power to you and your family.





Gulf Power®

Estimated Restoration Time

This is the most up to date information as of **Sept. 20**



Power Restored



Sept. 21 by 11:59 p.m.

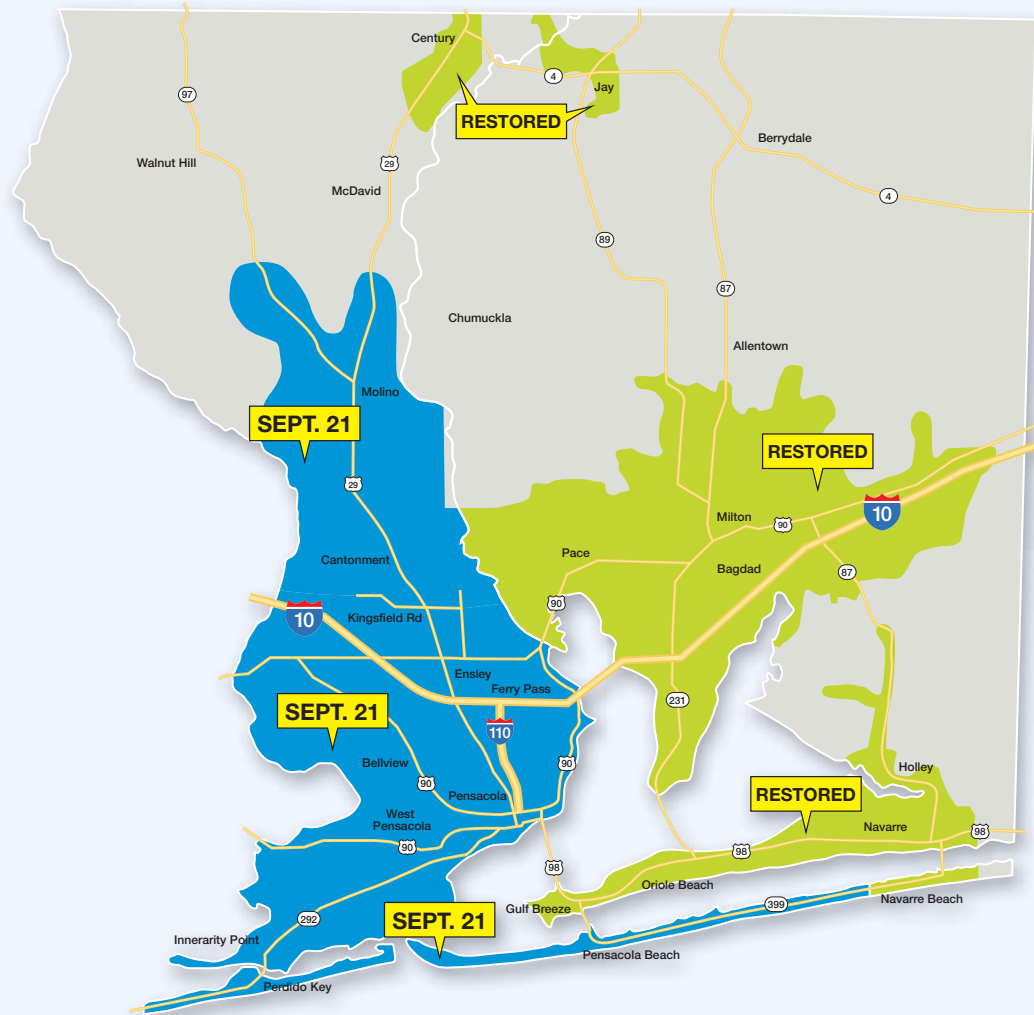
For 95% of the customers who are able to accept electric service.

Please keep in mind that many customers will be back on before the latest estimated restoration time. We are actively working to restore power in all communities.

Customers can check the status of their home or business at any time for the latest update on the Gulf Power Outage Map with the 'Check Status' link at the top of the map or through your Gulf Power app.

If power is restored in your neighborhood and you still do not have power, first please check your breakers. If this is not the issue, please report your outage on the Gulf Power App or call 1-800-GUPOWER.

Please know that our crews are working 24/7 to restore power to you and your family.



Docket No. 2020 _____ -EI
Hurricane Sally Incremental Cost and
Capitalization Approach Adjustments
Exhibit 2, Page 1 of 2

Gulf Power Company
Hurricane Sally Incremental Cost and Capitalization Approach Adjustments
through October, 2020
(\$000s)

LINE NO.	Storm Costs By Function(A)						Total (6)	Calculation of Recoverable Storm Amount (7)
	Steam & Other (1)	Transmission (2)	Distribution (3)	General (4)	Customer Service (5)			
1	Storm Reserve Balance (Pre-Storm) (B)							\$ -
2								
3	Storm Restoration Costs							
4		\$1,703	\$248	\$4,786	\$343	\$64	\$7,145	
5		\$860	\$166	6,105	\$372	\$48	\$7,551	
6		\$21,301	\$748	106,013	\$2,979	\$70	\$131,111	
7		\$0	\$0	19,048	\$0	\$0	\$19,048	
8		\$0	\$15	7,617	\$0	\$0	\$7,633	
9		\$18,570	\$43	5,083	\$130	\$0	\$23,824	
10		\$1	\$69	46,630	\$4	\$0	\$46,704	
11		\$0	\$87	2,726	\$112	\$40	\$2,965	
12	Total Storm Related Restoration Costs	\$42,437	\$1,376	\$198,007	\$3,939	\$222	\$245,981	
13	Less: Non-Incremental Costs, Capital Costs and Third-Party Reimbursements (C)							
14		\$25,825	\$260	\$11,276	\$2,712	\$111	\$40,183	
15								
16	Total Incremental Storm Losses	\$16,612	\$1,116	\$186,731	\$1,227	\$112	\$205,798	
17								
18	Jurisdictional Factor (D)	0.9720	0.9741	0.9963	0.9841	1.0000		
19								
20	Retail Recoverable Costs	\$ 16,147	\$ 1,087	\$ 186,044	\$ 1,207	\$ 112	\$ 204,598	
21								
22	Plus: Interest on Unamortized Reserve Balance							910
23								
24	Subtotal - System Storm Losses to be Recovered from Customers (Lines 20 + 22)							205,508
25								
26	Regulatory Assessment Fee Multiplier							1.00072
27								
28	Total System Storm Losses to be Recovered from Customers ("Recoverable Storm Amount") (Lines 24 * 26)							\$ 205,656

Notes:

- (A) Storm costs are as of October 31, 2020. Totals may not add due to rounding.
- (B) Storm reserve balance was in a deficit position pre-storm
- (C) Expected insurance recoveries
- (D) Jurisdictional Factors are based on factors approved in Docket No. 160186-EI.

Gulf Power Company
 Incremental Storm Restoration Costs Related to Hurricane Sally
 Unrecovered Eligible Restoration Costs Balance
 (In dollars)

1	2	3	4	5	6	7	8	9	10	11	12
Month	Year	Unrecovered Eligible Restoration Costs - Beginning Balance	Less: Current Month Amortization (A)	Unrecovered Eligible Restoration Costs - Before Current Month Interest (Col. 3 + 4)	Average Unrecovered Restoration Costs ((Col. 3 + 5) / 2)	Interest Rate - First day of Business Reporting Month (B)	Interest Rate - First day of Subsequent Reporting Month (B)	Average Interest Rate (50% of Col. 7 + 8)	Monthly Average Interest Rate (1/12 of Col. 9)	Monthly Interest (Col. 6 x 10)	Unrecovered Eligible Restoration Costs - Ending Balance (Col. 5 + 11)
March	2021	204,597,751	(1,647,766)	202,949,985	203,773,868	0.21000%	0.21000%	0.21000%	0.01750%	26,745	202,976,730
April	2021	202,976,730	(1,654,091)	201,322,639	202,149,685	0.21000%	0.21000%	0.21000%	0.01750%	26,532	201,349,171
May	2021	201,349,171	(1,834,021)	199,515,150	200,432,161	0.21000%	0.21000%	0.21000%	0.01750%	26,307	199,541,457
June	2021	199,541,457	(2,285,384)	197,256,073	198,398,765	0.21000%	0.21000%	0.21000%	0.01750%	26,040	197,282,112
July	2021	197,282,112	(2,563,496)	194,718,617	196,000,365	0.21000%	0.21000%	0.21000%	0.01750%	25,725	194,744,342
August	2021	194,744,342	(2,585,764)	192,158,578	193,451,460	0.21000%	0.21000%	0.21000%	0.01750%	25,391	192,183,968
September	2021	192,183,968	(2,420,332)	189,763,637	190,973,802	0.21000%	0.21000%	0.21000%	0.01750%	25,065	189,788,702
October	2021	189,788,702	(2,037,778)	187,750,923	188,769,813	0.21000%	0.21000%	0.21000%	0.01750%	24,776	187,775,699
November	2021	187,775,699	(1,715,333)	186,060,367	186,918,033	0.21000%	0.21000%	0.21000%	0.01750%	24,533	186,084,900
December	2021	186,084,900	(1,759,690)	184,325,210	185,205,055	0.21000%	0.21000%	0.21000%	0.01750%	24,308	184,349,518
January	2022	184,349,518	(1,994,514)	182,355,004	183,352,261	0.21000%	0.21000%	0.21000%	0.01750%	24,065	182,379,069
February	2022	182,379,069	(1,819,017)	180,560,052	181,469,561	0.21000%	0.21000%	0.21000%	0.01750%	23,818	180,583,870
March	2022	180,583,870	(1,648,769)	178,935,101	179,759,485	0.21000%	0.21000%	0.21000%	0.01750%	23,593	178,958,694
April	2022	178,958,694	(1,652,744)	177,305,950	178,132,322	0.21000%	0.21000%	0.21000%	0.01750%	23,380	177,329,330
May	2022	177,329,330	(1,830,601)	175,498,728	176,414,029	0.21000%	0.21000%	0.21000%	0.01750%	23,154	175,521,883
June	2022	175,521,883	(2,302,204)	173,219,679	174,370,781	0.21000%	0.21000%	0.21000%	0.01750%	22,886	173,242,565
July	2022	173,242,565	(2,558,262)	170,684,303	171,963,434	0.21000%	0.21000%	0.21000%	0.01750%	22,570	170,706,873
August	2022	170,706,873	(2,554,354)	168,152,518	169,429,696	0.21000%	0.21000%	0.21000%	0.01750%	22,238	168,174,756
September	2022	168,174,756	(2,413,642)	165,761,114	166,967,935	0.21000%	0.21000%	0.21000%	0.01750%	21,915	165,788,029
October	2022	165,788,029	(2,052,045)	163,735,984	164,757,006	0.21000%	0.21000%	0.21000%	0.01750%	21,624	163,752,608
November	2022	163,752,608	(1,704,468)	162,048,140	162,900,374	0.21000%	0.21000%	0.21000%	0.01750%	21,381	162,069,521
December	2022	162,069,521	(1,757,781)	160,311,740	161,190,630	0.21000%	0.21000%	0.21000%	0.01750%	21,156	160,332,896
January	2023	160,332,896	(1,987,369)	158,345,528	159,339,212	0.21000%	0.21000%	0.21000%	0.01750%	20,913	158,366,441
February	2023	158,366,441	(1,812,928)	156,553,513	157,459,977	0.21000%	0.21000%	0.21000%	0.01750%	20,667	156,574,180
March	2023	156,574,180	(1,641,273)	154,932,907	155,753,543	0.21000%	0.21000%	0.21000%	0.01750%	20,443	154,953,349
April	2023	154,953,349	(1,645,117)	153,308,233	154,130,791	0.21000%	0.21000%	0.21000%	0.01750%	20,230	153,328,462
May	2023	153,328,462	(1,824,282)	151,504,180	152,416,321	0.21000%	0.21000%	0.21000%	0.01750%	20,005	151,524,185
June	2023	151,524,185	(2,300,681)	149,223,503	150,373,844	0.21000%	0.21000%	0.21000%	0.01750%	19,737	149,243,240
July	2023	149,243,240	(2,559,864)	146,683,376	147,963,308	0.21000%	0.21000%	0.21000%	0.01750%	19,420	146,702,797
August	2023	146,702,797	(2,557,176)	144,145,621	145,424,209	0.21000%	0.21000%	0.21000%	0.01750%	19,087	144,164,708
September	2023	144,164,708	(2,416,667)	141,748,041	142,956,374	0.21000%	0.21000%	0.21000%	0.01750%	18,763	141,766,804
October	2023	141,766,804	(6,840,033)	134,926,771	138,346,787	0.21000%	0.21000%	0.21000%	0.01750%	18,158	134,944,929
November	2023	134,944,929	(5,677,246)	129,267,683	132,106,306	0.21000%	0.21000%	0.21000%	0.01750%	17,339	129,285,022
December	2023	129,285,022	(5,859,354)	123,425,668	126,355,345	0.21000%	0.21000%	0.21000%	0.01750%	16,584	123,442,252
January	2024	123,442,252	(6,625,590)	116,816,662	120,129,457	0.21000%	0.21000%	0.21000%	0.01750%	15,767	116,832,429
February	2024	116,832,429	(6,048,813)	110,783,615	113,808,022	0.21000%	0.21000%	0.21000%	0.01750%	14,937	110,798,553
March	2024	110,798,553	(5,465,953)	105,332,600	108,065,576	0.21000%	0.21000%	0.21000%	0.01750%	14,184	105,346,783
April	2024	105,346,783	(5,473,175)	99,873,608	102,610,196	0.21000%	0.21000%	0.21000%	0.01750%	13,468	99,887,076
May	2024	99,887,076	(6,063,981)	93,823,095	96,855,085	0.21000%	0.21000%	0.21000%	0.01750%	12,712	93,835,807
June	2024	93,835,807	(7,655,370)	86,180,437	90,008,122	0.21000%	0.21000%	0.21000%	0.01750%	11,814	86,192,251
July	2024	86,192,251	(8,520,985)	77,671,265	81,931,758	0.21000%	0.21000%	0.21000%	0.01750%	10,754	77,682,019
August	2024	77,682,019	(8,511,943)	69,170,075	73,426,047	0.21000%	0.21000%	0.21000%	0.01750%	9,637	69,179,713
September	2024	69,179,713	(8,046,392)	61,133,320	65,156,516	0.21000%	0.21000%	0.21000%	0.01750%	8,552	61,141,872
October	2024	61,141,872	(6,840,987)	54,300,885	57,721,379	0.21000%	0.21000%	0.21000%	0.01750%	7,576	54,308,461
November	2024	54,308,461	(5,685,331)	48,623,130	51,465,796	0.21000%	0.21000%	0.21000%	0.01750%	6,755	48,629,885
December	2024	48,629,885	(5,880,907)	42,748,978	45,689,432	0.21000%	0.21000%	0.21000%	0.01750%	5,997	42,754,975
January	2025	42,754,975	(6,663,851)	36,091,125	39,423,050	0.21000%	0.21000%	0.21000%	0.01750%	5,174	36,096,299
February	2025	36,096,299	(6,076,954)	30,019,345	33,057,822	0.21000%	0.21000%	0.21000%	0.01750%	4,339	30,023,684
March	2025	30,023,684	(5,486,120)	24,537,564	27,280,624	0.21000%	0.21000%	0.21000%	0.01750%	3,581	24,541,145
April	2025	24,541,145	(5,487,937)	19,053,208	21,797,176	0.21000%	0.21000%	0.21000%	0.01750%	2,861	19,056,069
May	2025	19,056,069	(6,077,356)	12,978,713	16,017,391	0.21000%	0.21000%	0.21000%	0.01750%	2,102	12,980,815
June	2025	12,980,815	(7,678,314)	5,302,501	9,141,658	0.21000%	0.21000%	0.21000%	0.01750%	1,200	5,303,701
July	2025	5,303,701	(8,547,358)	(3,243,657)	1,030,022	0.21000%	0.21000%	0.21000%	0.01750%	135	(3,243,522)
August	2025	(3,243,522)	(8,536,378)	(11,779,900)	(7,511,711)	0.21000%	0.21000%	0.21000%	0.01750%	-	(11,779,900)
September	2025	(11,779,900)	(8,067,530)	(19,847,430)	(15,813,665)	0.21000%	0.21000%	0.21000%	0.01750%	-	(19,847,430)
October	2025	(19,847,430)	(6,855,154)	(26,702,584)	(23,275,007)	0.21000%	0.21000%	0.21000%	0.01750%	-	(26,702,584)
November	2025	(26,702,584)	(5,697,260)	(32,399,844)	(29,551,214)	0.21000%	0.21000%	0.21000%	0.01750%	-	(32,399,844)
December	2025	(32,399,844)	(5,900,805)	(38,300,650)	(35,350,247)	0.21000%	0.21000%	0.21000%	0.01750%	-	(38,300,650)

Gulf Power Company
Storm Restoration Costs Related to Hurricane Sally
Derivation of Rate Schedule Charges

(1)	(2)	(3)	(4)	(5)
<u>RATE CLASS</u>	<u>ALLOCATION %</u>	<u>ALLOCATED \$</u>	<u>KWH SALES MAR 2021 - FEB 2022</u>	<u>CENTS/KWH</u>
RESIDENTIAL	66.992%	\$16,255,141	5,418,380,257	0.300
GS	4.255%	\$1,032,446	313,989,884	0.329
GSD/GSDT	17.207%	\$4,175,147	2,504,049,569	0.167
LP/LPT	4.022%	\$975,954	751,947,319	0.130
MAJOR ACCTS	6.172%	\$1,497,599	1,730,283,473	0.087
OS	1.352%	\$328,115	137,236,141	0.239
TOTAL RETAIL:	<u>100.000%</u>	<u>\$24,264,401</u>	<u>10,855,886,642</u>	<u>0.224</u>

Gulf Power Company
Storm Restoration Costs Related to Hurricane Sally
Derivation of Rate Schedule Charges

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
<u>CATEGORY</u>	<u>WEIGHT¹</u>	<u>RESIDENTIAL</u>	<u>GS</u>	<u>GSD/GSDT</u>	<u>LP/LPT</u>	<u>MAJOR ACCTS</u>	<u>OS</u>
PRODUCTION	7.89%	4.368%	0.219%	1.731%	0.532%	1.001%	0.041%
TRANSMISSION	0.53%	0.298%	0.015%	0.116%	0.035%	0.065%	0.002%
DISTRIBUTION	90.93%	61.932%	3.980%	15.248%	3.424%	5.049%	1.298%
GENERAL	0.59%	0.369%	0.033%	0.104%	0.026%	0.048%	0.010%
CUSTOMER SERVICE	0.05%	0.025%	0.008%	0.008%	0.005%	0.008%	0.000%
TOTAL	<u>100.00%</u>	<u>66.992%</u>	<u>4.255%</u>	<u>17.207%</u>	<u>4.022%</u>	<u>6.172%</u>	<u>1.352%</u>

¹Weights calculated from Exhibit 2, Page 1, Line 20

Allocation factors are based on weight multiplied by percent allocation of plant share by rate class consistent with the Cost-of-Service study filed in Docket No. 160186-EI.

**Gulf Power Company
Storm Restoration Costs Related to Hurricane Sally
Jurisdictional Factors**

(1)	(2)	(3)
FUNCTION	JURISDICTIONAL FACTOR	SOURCE
PRODUCTION	0.9720	MFR B-6, Page 1, Line 2
TRANSMISSION	0.9741	MFR B-6, Page 1, Line 12
DISTRIBUTION	0.9963	MFR B-6, Page 1, Line 25
GENERAL	0.9841	MFR B-6, Page 1, Line 26
CUSTOMER SERVICE	1.0000	MFR C-4, Page 4, Line 22

Jurisdictional factors based on the MFRs filed in Docket No. 160186-EI.



Section No. VI
Original Sheet No. 6.25.1

RATE SCHEDULE STORM
INTERIM STORM RESTORATION RECOVERY

<u>PAGE</u> <u>1 of 1</u>	<u>EFFECTIVE DATE</u> <u>March 1, 2021</u>
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APPLICABILITY:

Applicable to each filed retail schedule under which a Customer receives service.

DETERMINATION OF INTERIM STORM RESTORATION RECOVERY SURCHARGE

The Interim Storm Restoration Recovery Surcharge is designed to recover incremental storm-related costs incurred by the Company related to Hurricane Sally. The factor is applicable to the Energy Charge under the Company's various rate schedules.

Interim Storm Restoration Recovery Surcharge factors are shown below:

<u>Rate Schedule</u>	<u>¢/kWh</u>
<u>RS, RSVP</u>	<u>0.300</u>
<u>GS</u>	<u>0.329</u>
<u>GSD, GSDT, GSTOU</u>	<u>0.167</u>
<u>LP, LPT</u>	<u>0.130</u>
<u>PX, PXT, RTP, SBS</u>	<u>0.087</u>
<u>OS-I/II</u>	<u>0.239</u>
<u>OS-III</u>	<u>0.239</u>

Service under this rate schedule is subject to Rules and Regulations of the Company and the Florida Public Service Commission.

ISSUED BY: Tiffany Cohen



Section No. VI
Original Sheet No. 6.25.1

**RATE SCHEDULE STORM
INTERIM STORM RESTORATION RECOVERY**

PAGE 1 of 1	EFFECTIVE DATE March 1, 2021
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APPLICABILITY:

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PX, PXT, RTP, SBS	0.087
OS-I/II	0.239
OS-III	0.239

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ISSUED BY: Tiffany Cohen