

**Susan D. Ritenour**  
Secretary and Treasurer  
and Regulatory Manager

One Energy Place  
Pensacola, Florida 32520-0781

Tel 850.444.6231  
Fax 850.444.6026  
SDRITENO@southernco.com



September 13, 2007

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

RECEIVED-FPSC  
07 SEP 14 AM 9:23  
COMMISSION  
CLERK

Dear Ms. Cole:

Re: Docket No. 070007-EI

Enclosed are an original and fifteen copies of Gulf Power Company's Preliminary List of Issues, to be filed in the above referenced Environmental Cost Recovery Clause docket.

Sincerely,

*Susan D. Ritenour*  
*bah*

OPERATION CENTER  
07 SEP 14 AM 9:16

CMP \_\_\_\_\_

COM \_\_\_\_\_

CTR \_\_\_\_\_

ECR \_\_\_\_\_ bh

GCL 1 Enclosures

OPC \_\_\_\_\_

RCA 4 cc: Beggs & Lane  
Jeffrey A. Stone, Esq.

SCR \_\_\_\_\_

SGA \_\_\_\_\_

SEC \_\_\_\_\_

OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

08357 SEP 14 5

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost )  
Recovery Clause. )  
\_\_\_\_\_ )

Docket No. 070007-EI  
Filed: September 14, 2007

**PRELIMINARY STATEMENT OF GULF POWER COMPANY**  
**REGARDING ISSUES AND POSITIONS**

Gulf Power Company, ("Gulf Power", "Gulf", or "the "Company"), by and through its undersigned attorneys, hereby files this preliminary statement of issues and positions, saying:

**Generic Environmental Cost Recovery Issues**

**ISSUE 1:** What are the appropriate final environmental cost recovery true-up amounts for the period January 2006 through December 2006?

**GULF:** Over recovery \$2,258,385. (Vick, Martin)

**ISSUE 2:** What are the estimated environmental cost recovery true-up amounts for the period January 2007 through December 2007?

**GULF:** Under recovery \$2,117,926. (Vick, Martin)

**ISSUE 3:** What are the total environmental cost recovery true-up amounts to be collected/refunded during the period January 2008 through December 2008?

**GULF:** Refund of \$140,459 (excluding revenue taxes). (Martin)

**ISSUE 4:** What are the appropriate projected environmental cost amounts to be included in the recovery factors for the period January 2008 through December 2008?

**GULF:** \$49,861,194. (Vick, Martin)

**ISSUE 5:** What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2008 through December 2008?

DOCUMENT NUMBER-DATE

08357 SEP 14 5

FPSC-COMMISSION CLERK

**GULF:** The depreciation rates used to calculate the depreciation expense should be the rates that are in effect during the period the allowed capital investment is in service. (Martin)

**ISSUE 6:** What are the appropriate jurisdictional separation factors for the projected period January 2008 through December 2008?

**GULF:** The demand jurisdictional separation factor is 96.642160%. Energy jurisdictional separation factors are calculated each month based on retail KWH sales as a percentage of projected total territorial KWH sales. (Martin)

**ISSUE 7:** What are the appropriate Environmental Cost Recovery Factors for each rate group?

**GULF:** See table below: (Martin)

<b>RATE CLASS</b>	<b>ENVIRONMENTAL COST RECOVERY FACTORS ¢/KWH</b>
RS, RSVP	.436
GS	.431
GSD, GSDT, GSTOU	.423
LP, LPT	.411
PX, PXT, RTP, SBS	.401
OS-I/II	.391
OSIII	.413

**ISSUE 8:** What should be the effective date of the new environmental cost recovery factors for billing purposes?

**GULF:** The factors should be effective beginning with the specified billing cycle and thereafter for the period January 2008, through December 2008. Billing cycles may start before January 1, 2008, and the last cycle may be read after December 31, 2008, so that each customer is billed for twelve months regardless of when the adjustment factor became effective. (Martin)

**Company-Specific Environmental Cost Recovery Issues**

NONE RAISED BY GULF POWER COMPANY

Respectfully submitted this 13<sup>th</sup> day of September, 2007.



**JEFFREY A. STONE**

Florida Bar No. 325953

**RUSSELL A. BADDERS**

Florida Bar No. 7455

**Steven R. Griffin**

Florida Bar No. 0627569

**Beggs & Lane**

P. O. Box 12950

Pensacola, FL 32591

(850) 432-2451

**Attorneys for Gulf Power Company**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: **Environmental Cost** )  
**Recovery Clause** )  
\_\_\_\_\_ )

Docket No.: **070007-EI**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a copy of the foregoing has been furnished this 13<sup>TH</sup> day of September, 2007, by regular U. S. Mail to the following:

Martha Carter Brown, Esq.  
Senior Counsel  
FL Public Service Comm.  
2540 Shumard Oak Blvd.  
Tallahassee FL 32399-0850

John W. McWhirter, Jr., Esq.  
McWhirter Reeves & Davidson  
400 N Tampa St., Suite 2450  
Tampa FL 33602

Paula K. Brown, Administrator  
Regulatory Coordination  
Tampa Electric Company  
P. O. Box 111  
Tampa FL 33601

John T. Butler, Esq.  
Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach FL 33408-0420

Lee L. Willis, Esq.  
James D. Beasley, Esq.  
Ausley & McMullen  
P. O. Box 391  
Tallahassee FL 32302

Cheryl Martin  
Florida Public Utilities Company  
P. O. Box 3395  
West Palm Beach FL 33402-3395

Patricia Ann Christensen, Esq.  
Office of Public Counsel  
111 W. Madison St., Room 812  
Tallahassee FL 32399-1400

John T. Burnett, Esq.  
R. Alexander Glenn, Esq.  
Progress Energy Service Co.  
P. O. Box 14042  
St. Petersburg FL 33733-4042

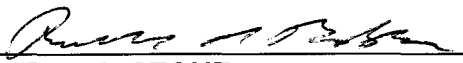
Gary V. Perko, Esq.  
Virginia C. Dailey, Esq.  
Hopping Green & Sams  
P. O. Box 6526  
Tallahassee FL 32314

Paul Lewis, Jr.  
Progress Energy Florida, Inc.  
106 E. College Ave., Ste. 800  
Tallahassee FL 32301-7740

William G. Walker, III  
Florida Power & Light Co.  
215 South Monroe St., Suite 810  
Tallahassee FL 32301-1859

Norman H. Horton, Jr., Esq.  
Messer, Caparello & Self, P.A.  
P. O. Box 15579  
Tallahassee FL 32317

R. Wade Litchfield, Esq.  
Florida Power & Light Company  
700 Universe Boulevard  
Juno Beach FL 33408-0420

  
**JEFFREY A. STONE**  
Florida Bar No. 325953  
**RUSSELL A. BADDERS**  
Florida Bar No. 007455  
**STEVEN GRIFFIN**  
Florida Bar No. 0627569  
**BEGGS & LANE**  
P. O. Box 12950  
Pensacola FL 32591-2950  
(850) 432-2451  
**Attorneys for Gulf Power Company**