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# Public Service Commission

May 30, 2019

Mr. Steven Griffin  
Beggs Law Firm  
P.O. Box 12950  
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srg@beggsllane.com

**STAFF'S FIRST DATA REQUEST**  
*via e-mail*

RE: Docket No. 20190078-EI – Petition for approval of 2019 revisions to underground residential distribution tariffs, by Gulf Power Company.

Dear Mr. Griffin:

By this letter, the Commission staff requests that Gulf Power Company (Gulf) provide responses to the following data requests:

Some of the following questions pertain to the current filing (Docket No. 20190078-EI) while others ask about the differences between the current filing and Gulf's 2017 underground differential filing in Docket No. 20170074-EI (2017 filing).

1. Please refer to Revised Tariff Sheet No. 4.25, legislative format, Section 6.3.2(a). Please explain the reasons for the increase for both the low and high density subdivisions for options 1, 2, and 3.
2. Please refer to Revised Tariff Sheets Nos. 4.25-4.26.2, legislative format, beginning with Section 6.32.2(b).
  - a. Please explain the basis for the increases.
  - b. Please explain why there is no charge per foot for certain two phases and all three phases.
3. Please confirm whether the model low density and high density URD subdivision designs used in this docket are the same designs that were used in Docket No. 170074-EI. If applicable, please provide a detailed description of any differences (including design drawings) and included supporting documentation illustrating the impact to the "per lot" differentials caused by the design changes.

4. Are the 2019 charges for labor based on calendar year 2018 values? If not, what is the basis?
5. Does Gulf's labor rate continue to be based on the actual labor costs negotiated in bargaining unit contracts? If yes, what is the effective beginning and end date of the current contract? If no, please explain the basis.
6. Referring to the 210 low density lot summary sheets in the current filing (Appendix B, page 4) and the 2017 filing, please explain the approximate 20% increase in the cost of underground and overhead labor.
7. Referring to the 176 high density lot summary sheets of the current filing (Appendix B, page 10) and the 2017 filing, please explain the approximate 19% increase in the cost of underground and overhead labor.
8. The following questions concern contractor labor.
  - a. Does Gulf continue to use contractor labor to perform trenching activities and install duct work for underground facilities as it did in 2017? If not, please explain.
  - b. Does Gulf use contractor labor for any other activities? Please explain.
9. Do Gulf employees continue to perform all overhead activities as in 2017? If not, please explain.
10. Are the 2019 charges for material based on calendar year 2018 values? If not, what is the basis?
11. Please refer to Appendix B pages 5, 6, 11, and 12 from the petition.
  - a. Please explain the reason that the Engineering & Staff cost increased from 52% in 2017 to 69% in 2019.
  - b. Please provide the inputs used to calculate the "Store Handling" and "Engineering" costs in each of the company's Overhead and Underground "Cost per Lot" summary breakdowns for both models.
12. What is the basis for Discount Rate of 7.35% used on pages 15a – 15c of the current filing?
13. Are Hurricane Michael storm costs included in the calculations of overhead storm expense in this filing? If not, what are the anticipated impacts on overhead/underground costs?

Please file all responses electronically no later than June 13, 2019 from the Commission's website at [www.floridapsc.com](http://www.floridapsc.com), by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6234 if you have any questions.

Sincerely,

*/s/ Kurt Schrader*

Kurt Schrader  
Senior Attorney

KMS/lms

cc: Office of Commission Clerk  
Holly Henderson