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STATE OF FLORIDA



DIVISION OF ECONOMICS
GREG SHAFER
DIRECTOR
(850) 413-6410

Public Service Commission

June 29, 2017

STAFF'S SECOND DATA REQUEST via email

Jeffrey A. Stone, Esq.
Russell A. Badders, Esq.
Steven R. Griffin, Esq.
Beggs & Lane, R.L.L.P.
P.O. Box 12950
Pensacola, FL 32591-2950
jas@beggslane.com
rab@beggslane.com
srg@beggslane.com

Robert L. McGee, Jr.
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780
rlmcgee@southernco.com

Re: Docket No. 170074-EI – Petition for approval of 2017 revisions to underground residential distribution tariffs, by Gulf Power Company.

Gentlemen:

By this letter, Commission staff requests the following information from Gulf Power Company (Gulf). Staff notes that the references to the “2015 filing” refer to Docket No. 150112-EI, Gulf’s underground residential distribution filing.

1. The following requests refer to Gulf’s responses to staff’s first data request. Response No. 4 states that there have not been any design changes to either subdivision since 2015. Response No. 13 states overhead construction has seen the majority of cost increases due to the National Electrical Safety Code (NESC) Grade B construction standard. Response No. 14 states that the increase in underground construction cost is primarily due to two items, one being an increase in underground material, such as padmount transformers.
 - a. When did the NESC change referred to in Response No. 13 occur?
 - b. Was the NESC change referred to in Response No. 13 considered a design change to the model subdivisions? Please explain why or why not.

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- c. Are padmount transformers considered a design change to the model subdivisions? Please explain why or why not.
 - d. What are examples of design changes?
2. Referring to Gulf's response to staff's first data request, No. 11(a), please explain what the "change in the allocation of overheads" is and its effect on overhead construction.
3. Does Gulf continue to use the same methodology for the NPV calculation of operational costs as was approved in Order No. PSC-12-0531-TRF-EI (Docket No. 120075-EI) and used in the 2015 filing? If not, please explain what the differences are, why changes were made, and the impact on the instant filing's calculation.

Please file all responses electronically no later than Friday, July 14, 2017 via the Commission's website at www.floridapsc.com by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at 850-413-6540 if you have any questions.

Sincerely,

/s/ Sue Ollila

Economic Analyst

sollila@psc.state.fl.us

cc: Office of Commission Clerk