

One Energy Place  
Pensacola, Florida 32520

Tel 850.444.6111



January 22, 2002

Ms. Blanca S. Bayo, Director  
Division of the Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 010949-EI

Enclosed are an original and fifteen copies of Gulf Power Company's Rebuttal Testimony to be filed in the above docket consisting of the following witnesses:

Robert A. Bell  
Charles A. Benore  
Francis M. Fisher, Jr.  
M. W. Howell  
J. Thomas Kilgore, Jr.  
Ronnie R. Labrato  
Richard J. McMillan  
Robert G. Moore  
Margaret D. Neyman  
Donald S. Roff  
R. Michael Saxon  
Tony A. Silva and Scott C. Twery

*DNS 00774-02 thru  
00785-02*

Sincerely,

A handwritten signature in cursive script that reads "Susan D. Ritenour".

Susan D. Ritenour  
Assistant Secretary and Assistant Treasurer

lw

Enclosure

cc: Beggs and Lane  
Jeffrey A. Stone, Esquire

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Request for rate increase by )  
Gulf Power Company )  
\_\_\_\_\_ )

Docket No. 010949-EI

Certificate of Service

I HEREBY CERTIFY that a copy of the foregoing has been furnished  
this 22nd day of January 2002 by U.S. Mail to the following:

Marlene Stern, Esquire  
Staff Counsel  
FL Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee FL 32399-0863

Douglas A. Shropshire, Lt. Col. USAFR  
AFCESA/Utility Litigation Team  
6608 War Admiral Trail  
Tallahassee FL 32309

Stephen Burgess, Esquire  
Office of Public Counsel  
c/o The Florida Legislature  
111 W. Madison St., Room 812  
Tallahassee FL 32399-1400

Michael A. Gross  
Vice President  
Florida Cable Telecommunications Assn  
246 East 6<sup>th</sup> Avenue, Suite 100  
Tallahassee FL 32303

Vicki Kaufman, Esquire  
McWhirter Reeves, P.A.  
117 S. Gadsden Street  
Tallahassee FL 32301

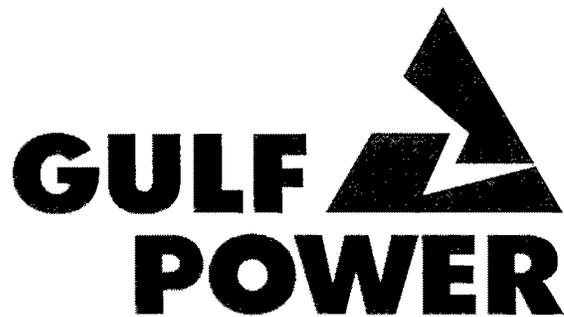


\_\_\_\_\_  
JEFFREY A. STONE  
Florida Bar No. 325953  
RUSSELL A. BADDERS  
Florida Bar No. 0007455  
Beggs & Lane  
P. O. Box 12950  
Pensacola FL 32576  
850 432-2451  
Attorneys for Gulf Power Company

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 010949-EI**

**REBUTTAL TESTIMONY AND EXHIBIT  
OF  
DONALD S. ROFF**



**A SOUTHERN COMPANY**

DOCUMENT NUMBER-DATE  
00783 JAN 22 8  
FPSC-COMMISSION CLERK

1 GULF POWER COMPANY

2 Before the Florida Public Service Commission  
3 Rebuttal Testimony and Exhibit of  
4 Donald S. Roff  
5 Docket No. 010949-EI  
6 In Support of Rate Relief  
7 Date of Filing: January 22, 2002

8 Q. Please state your name, address, and business affiliation.

9 A. My name is Donald S. Roff, and I am a Director with the public accounting  
10 firm of Deloitte & Touche LLP. My business address is 2200 Ross  
11 Avenue, Chase Tower, Suite 1600, Dallas, Texas 75201.

12 Q. Have you prepared an exhibit that contains information to which you will  
13 refer in your rebuttal testimony?

14 A. Yes. Exhibit (DSR-1) was prepared under my supervision and direction.  
15 Counsel: We ask that Mr. Roff's Exhibit (DSR-1) consisting of five  
16 schedules, be marked for identification as Exhibit No. \_\_\_\_.

17 Q. Please summarize your education and working experience.

18 A. My education and working experience are summarized on Schedule 1 of  
19 my rebuttal exhibit.

20 Q. Have you ever testified before other regulatory bodies on depreciation  
21 issues?

22 A. Yes. A list of my regulatory appearances is contained on Schedule 2 of  
23 my rebuttal exhibit.  
24  
25

1 Q. What is the purpose of your rebuttal testimony?

2 A. The purpose of my testimony is to respond to the direct testimony of  
3 Michael J. Majoros and William W. Zaetz relating to depreciation and  
4 dismantlement issues.

5

6 Q. Are you familiar with Gulf Power's 2001 Depreciation Study that was  
7 utilized in the preparation of Gulf's Minimum Filing Requirements?

8 A. Yes. The 2001 Depreciation Study was prepared for Gulf by Deloitte &  
9 Touche, and I supervised and directed that project.

10

11 Q. What are the issues addressed by Mr. Majoros and Mr. Zaetz?

12 A. Mr. Majoros specifically addresses the Company's proposed depreciable  
13 life of 20 years for Smith Unit 3. He further recommends minimum life  
14 spans for the Company's other generating units. Finally, he recommends  
15 that the Commission reconsider the issue of dismantlement costs.  
16 Mr. Zaetz merely concludes that the dismantlement of the Company's  
17 existing generating units is an unlikely event.

18

19 Q. Do you agree with the Office of Public Counsel's (OPC) proposals?

20 A. No. First, let me address Mr. Zaetz's conclusion regarding dismantlement  
21 of the Company's generating facilities. Mr. Zaetz presents a summary of a  
22 survey of retired generating units and related dismantlement activities.  
23 Based upon the survey, he concludes that utilities do not necessarily  
24 dismantle generating units when they are retired for a variety of  
25 undisclosed reasons, although he does offer one example of when a utility

1 would not dismantle a facility. Based upon this one statement, he  
2 concludes that the dismantlement of Gulf's existing units is an unlikely  
3 event. This is an insufficient basis to ask this Commission to abandon its  
4 long-standing practice of allowing recovery of projected dismantlement  
5 costs. The Florida Public Service Commission (FPSC) provides very  
6 specific guidance on how to account for and recover dismantlement costs.  
7 In fact, the Staff Report on Gulf's Depreciation Study provides a current  
8 update of dismantlement costs and the related recovery of these  
9 estimates. As I discuss below, the Company has accepted the Staff's  
10 revised calculations and requests the inclusion of those amounts in its  
11 revenue filing. I also believe this Commission should ignore Mr. Zaetz's  
12 testimony and conclusion as being unfounded and not supported.

13

14 Q. Please address Mr. Majoros' testimony and recommendations.

15 A. Mr. Majoros challenges the Company's proposed life span and average  
16 service life for the Smith Unit 3 facility. He makes reference to an analysis  
17 of retired steam and other production units. Lastly, he appears to rely on  
18 the experience of Mr. Zaetz.

19

20 Q. Do you agree with Mr. Majoros?

21 A. No. Mr. Majoros seems to cling to a "one size fits all" mentality. By this I  
22 mean: he collects a sampling of data, extrapolates a result, and then  
23 claims this result must apply to everything else. Moreover, it is unclear as  
24 to how his analysis was conducted. Based upon the calculations set forth  
25 on Schedule 4 of my exhibit, even if you accept his methodology, I do not

1 agree with his results. I have prepared Schedule 4 which is a re-creation  
2 of Mr. Zaetz's Exhibit \_\_\_\_ (WMZ-5), which was relied upon by  
3 Mr. Majoros. I have corrected what I believe are some incorrect figures  
4 from his exhibit, as well as eliminated duplicate entries and a nuclear unit.  
5 This exhibit develops a capacity weighted average life span of 38.2 years,  
6 much lower than the 55 years espoused by Mr. Majoros. In fact, the range  
7 of span lives shown on my Schedule 4 is from ten (10) years to sixty-three  
8 (63) years. Equally significant is the fact that few retirements of large  
9 generating units have been recorded. This precludes the generic use of  
10 his analysis for all types of generating facilities, and makes it particularly  
11 inapplicable to large units such as Smith Unit 3.

12

13 Q. What conclusions do you draw from your analysis?

14 A. First and foremost, the life spans used for calculating the recommended  
15 depreciation rates for Gulf Power Company's generating units are within a  
16 range of reasonableness, consistent with past experience and in line with  
17 general industry practice. This is further substantiated by the fact that the  
18 Staff Report on Gulf's Depreciation Study accepts the Company's  
19 depreciation results for Production Plant. Schedule 5 of my exhibit reveals  
20 the range of life spans used for Gulf Power Company's units.

21

22 Q. In your opinion, can Mr. Majoros' life analysis be used as a basis for  
23 determining the appropriate life span and average service life for Smith  
24 Unit 3?

25

1 A. No. There are no retirements of modern combined cycle units in this  
2 database. The analysis presented by the Company is based upon sound  
3 judgments and reliance on projected operational characteristics. In  
4 addition, the Staff Report finds the proposed 20-year life of Smith Unit 3 to  
5 be within the limits of reasonableness and consistent with other similar  
6 units within the Commission's jurisdiction. Mr. Majoros' testimony should  
7 be rejected.

8  
9 Q. Do you have any other concerns or comments on the testimony of  
10 Mr. Majoros?

11 A. Yes. His statement beginning on page 5, line 14, extending through  
12 page 6, line 3, relating to the relationship between average service life and  
13 life span and the effect of interim retirements displays a fundamental lack  
14 of understanding regarding the components of average service life.  
15 Mr. Majoros is correct that interim retirements impact the relationship  
16 between span life and average service life. He is also correct that more  
17 future interim retirements will reduce the average service life relative to the  
18 span life. What he has ignored, apparently, is that past replacements or  
19 additions have a much greater impact on the relationship between  
20 average service life and life span. This is the case for the Plant Smith  
21 Steam Units 1 and 2. This fact has been recognized in the stratification of  
22 the Plant components used to develop the depreciation rates. Per Staff  
23 requirements, the asset base for all production units was stratified by  
24 Company engineers into life of plant elements, 35-year life elements and  
25 20-year life elements. This grouping serves to develop an appropriate

1 average service life, regardless of the plant life span.

2

3 Q. Is Mr. Majoros' testimony consistent with Gulf's Depreciation Study filed in  
4 Docket No. 010789-EI?

5 A. No. Mr. Majoros' testimony is also inconsistent with the Staff Report on  
6 Gulf's Study. While I don't agree with everything in the Staff Report, it  
7 produces an overall reasonable result that supports a level of depreciation  
8 and dismantlement that is in line with what the Company is requesting.  
9 Schedule 3 of my exhibit illustrates the differences between the  
10 depreciation recommendations in the Staff Report and the  
11 recommendations in the 2001 Depreciation Study. The Company is  
12 willing to adopt all of the recommendations contained in the Staff Report in  
13 order to resolve the depreciation and dismantlement issues in this  
14 proceeding. In his rebuttal testimony, Mr. Labrato has quantified the  
15 effects of the Staff Report on the test year depreciation and dismantlement  
16 expense.

17

18 Q. Please summarize your testimony.

19 A. My testimony is based upon a thorough review and analysis of the  
20 testimony of Mr. Majoros and Mr. Zaetz, and the Staff Report on Gulf's  
21 Depreciation Study. The Staff has done a very thorough job of evaluating  
22 the 2001 Depreciation Study and the Company's filing. For the most part,  
23 the Staff is in agreement with the Company. Where there is a difference,  
24 the Company accepts the Staff recommendations. OPC's witnesses  
25 provide no specific depreciation quantifications and present unjustified

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conclusions and recommendations. The Company will adopt the Staff recommendations and the effect of such changes should be appropriately reflected in its current revenue filing through revised depreciation rates and charges. The testimony and recommendations of OPC's witnesses should be given little or no weight and should be rejected as unfounded.

Q. Does this complete your testimony?

A. Yes.

### Academic Background

Donald S. Roff graduated from Rensselaer Polytechnic Institute with a Bachelor of Science degree in Management Engineering in 1972.

Mr. Roff has also received specialized training in the area of depreciation from Western Michigan University's Institute of Technological Studies. This training involved three forty-hour seminars on depreciation entitled "Fundamentals of Depreciation", "Fundamentals of Service Life Forecasting" and "Making a Depreciation Study" and included such topics as accounting for depreciation, estimating service life, and estimating salvage and cost of removal.

### Employment and Professional Experience

Following graduation, Mr. Roff was employed for eleven and one-half years by Gilbert Associates, Inc., as an engineer in the Management Consulting Division. In this capacity, he held positions of increasing responsibility related to the conduct and preparation of various capital recovery and valuation assignments.

In 1984, Mr. Roff was employed by Ernst & Whinney and was involved in several depreciation rate studies and utility consulting assignments.

In 1985, Mr. Roff joined Deloitte Haskins & Sells (DH&S), which, in 1989, merged with Touche Ross & Co. to form Deloitte & Touche. In 1995, Mr. Roff was appointed as a Director with Deloitte & Touche.

During his tenure with Gilbert Associates, Inc., Ernst & Whinney, DH&S and Deloitte & Touche, Mr. Roff has participated in or directed depreciation studies for electric, gas, water and steam heat utilities, pipelines, railroad and telecommunication companies in over 30 states, several Canadian provinces and Puerto Rico. This work requires an in-depth knowledge of depreciation accounting and regulatory principles, mortality analysis techniques and financial practices. At these firms, Mr. Roff has had varying degrees of responsibility for valuation studies, development of depreciation accrual rates, consultation on the unitization of property records, and other studies concerned with the inspection and appraisals of utility property, preparation of rate case testimony and support exhibits, data responses and rebuttal testimony, in addition to appearing as an expert witness.

Florida Public Service Commission  
Docket No. 010949-EI  
GULF POWER COMPANY  
Witness: Donald S. Roff  
Exhibit No. \_\_\_\_ (DSR-1)  
Schedule 1  
Page 2 of 2

Industry and Technical Affiliations

Mr. Roff is a registered Professional Engineer in Pennsylvania (by examination).

Mr. Roff is a member of the Society of Depreciation Professionals and a Certified Depreciation Professional, and a Technical Associate of the American Gas Association (A.G.A.) Depreciation Committee. He currently serves as the lead instructor for the A.G.A.'s Principles of Depreciation Course.

DONALD S. ROFF  
TESTIMONY EXPERIENCE

<u>CASE NO.</u>	<u>DATE</u>	<u>COMPANY</u>	<u>JURISDICTION</u>	<u>SUBJECT</u>
Docket No. 93-3005	July 1993	Southwest Gas Corporation	Nevada	Gas Depreciation Rates
Docket No. 93-3025	July 1993	Southwest Gas Corporation	Nevada	Gas Depreciation Rates
Docket No. 12820	June 1994	Central Power and Light Company	Texas	Electric Depreciation Rates
Case No. U-10380	Dec 1994	Consumers Power Company	Michigan	Gas Depreciation Rates and Accounting
Cause No. 39938	April 1995	Indianapolis Power & Light Company	Indiana	Electric Depreciation Rates
Case No. U-10754	July 1995	Consumers Power Company	Michigan	Electric Depreciation Rates and Accounting
Docket No. 13369	Aug 1995	West Texas Utilities Company	Texas	Electric Depreciation Rates
Docket No. 95-02116	Sept 1995	Chattanooga Gas Company	Tennessee	Gas Depreciation Rates
Docket No. 95-715-G	Oct 1995	Piedmont Natural Gas Company	South Carolina	Gas Depreciation Rates
Docket No. 14965	Dec 1995	Central Power and Light Company	Texas	Electric Depreciation Rates
Cause No. 40395 (I)	Feb 1996	Wabash Valley Power Association, Inc.	Indiana	Electric Depreciation Rates
GUD NO. 8664	Oct 1996	Lone Star Pipeline Company	Texas	Gas Depreciation Rates
Docket No. 96-360-U	Nov 1996	Entergy Arkansas Inc.	Arkansas	Electric Depreciation Rates
Docket No. 16705	Nov 1996	Entergy Gulf States Inc.	Texas	Electric Depreciation Rates/Competitive Issue
Docket No. ER-97-394	Mar 1997	Missouri Public Service	Missouri	Electric Depreciation Rates/Competitive Issue
Docket No. U-22092	Mar 1997	Entergy Gulf States Inc.	Louisiana	Electric Depreciation Rates/Competitive Issue
Docket No. 97-00982	May 1997	Chattanooga Gas Company	Tennessee	Gas Depreciation Rates
Cause No. 40395 (II)	June 1997	Wabash Valley Power Association, Inc.	Indiana	Electric Depreciation Rates
Case No. U-11509	Sept 1997	Consumers Energy Company	Michigan	Gas Depreciation Rates and Accounting
Docket No. ER98-11	Sept 1997	Long Island Lighting Company	FERC	Electric Depreciation Rates
Docket No. 8390-U	Dec 1997	Atlanta Gas Light Company	Georgia	Gas Depreciation Rates and Accounting
Cause No. 41118	Mar 1998	Wabash Valley Power Association, Inc.	Indiana	Electric Depreciation Rates
Case No. U-11722	Oct 1998	Detroit Edison Company	Michigan	Electric Depreciation Rates
Docket No. 98-2035-03	Nov 1998	PacifiCorp	Utah	Electric Depreciation Rates
Docket No. 99-4006	April 1999	Nevada Power Company	Nevada	Electric Depreciation Rates
GUD Docket No. 9030	March 2000	Atmos Energy Corporation	Texas	Gas Depreciation Rates and Accounting
GUD Docket No. 9145	April 2000	TXU Gas Distribution	Texas	Gas Depreciation Rates
City of Tyler	Dec 2000	Reliant Energy Entex	Texas	Gas Depreciation Rates and Accounting
Docket No. U-24993	March 2001	Entergy Gulf States Inc.	Louisiana	Electric Depreciation Rates and Accounting
Docket Nos. GR01050328 & GR01050297	May 2001	Public Service Electric & Gas	New Jersey	Gas Depreciation Rates and Accounting
Case No. U-12999	July 2001	Consumers Energy Company	Michigan	Gas Depreciation Rates and Accounting
Docket No. 01-10002	Oct 2001	Nevada Power Company	Nevada	Electric Depreciation Rates
Docket No. 14618-U	Nov 2001	Savannah Electric and Power Company	Georgia	Electric Depreciation Rates
Docket No. 01-11031	Dec 2001	Sierra Pacific Power Company	Nevada	Electric Depreciation Rates

**GULF POWER COMPANY**  
Comparison of Depreciation Rates

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Account Number	Description	Estimated 12/31/01 Balance	Existing Rate	Existing Accrual	Company Recommended Rate	Company Recommended Accrual	Increase/ (Decrease)	Staff Recommended Rate	Staff Recommended Accrual	Increase/ (Decrease)
		\$	%	\$	%	\$	\$	%	\$	\$
<b>PRODUCTION PLANT</b>										
	Plant Crist	402,808,000	3.5	14,098,280	3.9	15,709,512	1,611,232	3.9	15,709,512	0
	Plant Daniel	213,576,382	2.4	5,125,833	2.8	5,980,139	854,306	2.8	5,980,139	0
	Plant Scherer	181,532,417	2.1	3,812,181	2.0	3,630,648	(181,533)	2.0	3,630,648	0
	Plant Scholz	29,771,000	2.5	744,275	2.9	863,359	119,084	2.9	863,359	0
	Plant Smith	115,890,000	3.2	3,708,480	3.3	3,824,370	115,890	3.3	3,824,370	0
	<b>Subtotal (excl. Easements)</b>	<b>943,577,799</b>	<b>2.9</b>	<b>27,489,049</b>	<b>3.2</b>	<b>30,008,028</b>	<b>2,518,979</b>	<b>3.2</b>	<b>30,008,028</b>	<b>0</b>
	Daniel Easements	77,000	1.4	1,078	1.7	1,309	231	1.7	1,309	0
	Daniel Rail Tracks	2,741,618	1.3	35,641	1.6	43,866	8,225	1.6	43,866	0
	<b>Total Production Plant</b>	<b>946,396,417</b>	<b>2.9</b>	<b>27,525,768</b>	<b>3.2</b>	<b>30,053,203</b>	<b>2,527,435</b>	<b>3.2</b>	<b>30,053,203</b>	<b>0</b>
<b>OTHER PRODUCTION PLANT</b>										
	Plant Smith CT	4,341,531	0.8	34,732	0.9	39,074	4,342	0.9	39,074	0
	Plant Pea Ridge	10,481,920	5.0	524,096	5.0	524,096	0	5.0	524,096	0
	<b>Total Other Production Plant</b>	<b>14,823,451</b>	<b>3.8</b>	<b>558,828</b>	<b>3.8</b>	<b>563,170</b>	<b>4,342</b>	<b>3.8</b>	<b>563,170</b>	<b>0</b>
<b>TRANSMISSION PLANT</b>										
352.00	Structures and Improvements	4,161,283	2.2	91,548	2.2	91,548	0	2.2	91,548	0
353.00	Station Equipment	78,086,679	2.7	2,108,340	2.1	1,639,820	(468,520)	2.2	1,717,907	78,087
354.00	Towers and Fixtures	25,174,077	2.4	604,178	2.4	604,178	0	2.0	503,482	(100,696)
355.00	Poles and Fixtures	38,957,220	4.0	1,558,289	4.2	1,636,203	77,914	4.2	1,636,203	0
356.00	Overhead Conductors and Devices	52,961,135	2.9	1,535,873	2.5	1,324,028	(211,845)	2.5	1,324,028	0
358.00	Underground Conductors and Devices	13,612,397	2.8	381,147	2.2	299,473	(81,674)	2.4	326,698	27,225
359.00	Roads and Trails	54,561	2.7	1,473	2.5	1,364	(109)	2.5	1,364	0
	<b>Subtotal (excl. Easements)</b>	<b>213,007,352</b>	<b>2.9</b>	<b>6,280,848</b>	<b>2.6</b>	<b>5,596,614</b>	<b>(684,234)</b>	<b>2.6</b>	<b>5,601,230</b>	<b>4,616</b>
350.00	Easements	9,632,194	2.4	231,173	1.7	163,747	(67,426)	1.7	163,747	0
	<b>Total Transmission Plant</b>	<b>222,639,546</b>	<b>2.9</b>	<b>6,512,021</b>	<b>2.6</b>	<b>5,760,361</b>	<b>(751,660)</b>	<b>2.6</b>	<b>5,764,977</b>	<b>4,616</b>

**GULF POWER COMPANY**  
Comparison of Depreciation Rates

[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
Account Number	Description	Estimated	Existing		Company Recommended		Increase/	Staff Recommended		Increase/
		12/31/01	Rate	Accrual	Rate	Accrual	(Decrease)	Rate	Accrual	(Decrease)
		\$	%	\$	%	\$	\$	%	\$	\$
<b>DISTRIBUTION PLANT</b>										
361.00	Structures and Improvements	10,042,900	2.9	291,244	2.2	220,944	(70,300)	2.2	220,944	0
362.00	Station Equipment	114,739,102	3.0	3,442,173	2.5	2,868,478	(573,695)	2.7	3,097,956	229,478
364.00	Poles, Towers and Fixtures	86,402,587	5.2	4,492,935	5.8	5,011,350	518,415	5.4	4,665,740	(345,610)
365.00	Overhead Conductors and Devices	97,757,780	3.2	3,128,249	2.5	2,443,945	(684,304)	2.5	2,443,945	0
366.00	Underground Conduit	1,210,865	1.9	23,006	1.2	14,530	(8,476)	1.2	14,530	0
367.00	Underground Conductors and Devices	61,038,353	3.4	2,075,304	3.0	1,831,151	(244,153)	3.5	2,136,342	305,191
368.00	Line Transformers	147,640,148	3.7	5,462,685	4.2	6,200,886	738,201	3.8	5,610,326	(590,560)
369.10	Overhead Services	34,702,397	3.1	1,075,774	3.0	1,041,072	(34,702)	2.6	902,262	(138,810)
369.20	Underground Services	23,655,778	3.7	875,264	2.4	567,739	(307,525)	2.6	615,050	47,311
369.30	House Power Panel Services	4,680,257	3.2	149,768	3.0	140,408	(9,360)	3.0	140,408	0
370.00	Meters	35,446,398	3.0	1,063,392	2.3	815,267	(248,125)	4.1	1,453,302	638,035
373.00	Street Lighting and Signal Systems	40,468,681	7.4	2,994,682	5.8	2,347,183	(647,499)	6.8	2,751,870	404,687
	<b>Total Distribution Plant</b>	<b>657,785,246</b>	<b>3.8</b>	<b>25,074,476</b>	<b>3.6</b>	<b>23,502,953</b>	<b>(1,571,523)</b>	<b>3.7</b>	<b>24,052,675</b>	<b>549,722</b>
<b>GENERAL PLANT</b>										
390.00	Structures and Improvements	50,669,554	2.4	1,216,069	2.2	1,114,730	(101,339)	2.2	1,114,730	0
392.20	Transportation - Light Trucks	4,744,533	4.8	227,738	7.7	365,329	137,591	7.7	365,329	0
392.30	Transportation - Heavy Trucks	17,591,412	7.0	1,231,399	9.4	1,653,593	422,194	9.4	1,653,593	0
392.40	Transportation - Trailers	1,191,934	5.1	60,789	5.6	66,748	5,959	5.6	66,748	0
396.00	Power Operated Equipment	539,366	3.3	17,799	5.7	30,744	12,945	6.2	33,441	2,697
397.00	Communication Equipment	16,517,385	9.3	1,536,117	9.4	1,552,634	16,517	9.4	1,552,634	0
	<b>Total General Plant</b>	<b>91,254,184</b>	<b>4.7</b>	<b>4,289,911</b>	<b>5.2</b>	<b>4,783,778</b>	<b>493,867</b>	<b>5.2</b>	<b>4,786,475</b>	<b>2,697</b>
	<b>Total Depreciable Plant</b>	<b>1,932,898,844</b>	<b>3.3</b>	<b>63,961,004</b>	<b>3.3</b>	<b>64,663,465</b>	<b>702,461</b>	<b>3.4</b>	<b>65,220,500</b>	<b>557,035</b>

COLUMN [11] REPRESENTS THE INCREMENTAL ACCRUAL COMPARED TO COMPANY RECOMMENDATION IN COLUMN [7]

THIS TABLE DOES NOT ADDRESS AMORTIZATION OR DISMANTLEMENT

RETIRED GENERATING UNITS

<u>Ret. Year</u>	<u>Install. Year</u>	<u>Capacity mW</u>	<u>Life Span Years</u>	<u>Weight</u>	<u>Plant/Unit</u>
1982	1938	65.0	44.0	2,860	Miami Fort 3
1982	1941	50.0	41.0	2,050	Morrow 3
1982	1942	65.0	40.0	2,600	Miami Fort 4
1982	1949	66.0	33.0	2,178	Morrow 4
1983	1928	60.0	55.0	3,300	Lakeside 9
1983	1929	50.0	54.0	2,700	Delray 11
1983	1929	50.0	54.0	2,700	Delray 12
1983	1930	106.0	53.0	5,618	Long Beach 11
1983	1930	50.0	53.0	2,650	Ashtabula 1
1983	1930	50.0	53.0	2,650	Ashtabula 2
1983	1930	60.0	53.0	3,180	Lakeside 11
1983	1931	50.0	52.0	2,600	Potrero 1
1983	1931	50.0	52.0	2,600	Potrero 2
1983	1931	50.0	52.0	2,600	Ashtabula 3
1983	1933	50.0	50.0	2,500	Delray 13
1983	1935	165.0	48.0	7,920	Richmond 12
1983	1936	60.0	47.0	2,820	Conner's Creek 14
1983	1937	60.0	46.0	2,760	Conner's Creek 13
1983	1938	50.0	45.0	2,250	Ashtabula 4
1983	1942	75.0	41.0	3,075	Delray 16
1983	1943	50.0	40.0	2,000	Avon Lake 5
1983	1950	74.7	33.0	2,465	Paddy's Run 5
1983	1956	75.0	27.0	2,025	Palatka 2
1983	1956	114.0	27.0	3,078	Neches 7
1983	1966	158.0	17.0	2,686	Fermi 1
1984	1940	125.0	44.0	5,500	Burlington 5
1984	1943	125.0	41.0	5,125	Burlington 6
1984	1951	69.0	33.0	2,277	Hawthorn 1
1984	1951	69.0	33.0	2,277	Hawthorn 2
1984	1953	112.5	31.0	3,488	Hawthorn 3
1984	1954	49.0	30.0	1,470	Moore County 3
1984	1955	142.8	29.0	4,141	Hawthorn 4
1984	1955	50.0	29.0	1,450	Denver City 4
1984	1974	117.0	10.0	1,170	Essex 1
1985	1947	172.5	38.0	6,555	Southwark 1
1985	1948	172.5	37.0	6,383	Southwark 2
1985	1950	189.7	35.0	6,640	Southwark 9
1985	1950	75.0	35.0	2,625	Hiram Clark 3
1985	1951	75.0	34.0	2,550	Hiram Clark 4
1985	1952	85.9	33.0	2,835	Wallace 6
1985	1953	112.5	32.0	3,600	Greens Bayou 3
1985	1953	112.5	32.0	3,600	Greens Bayou 4
1985	1954	92.0	31.0	2,852	Cane Run 1

RETIREED GENERATING UNITS

<u>Ret.</u> <u>Year</u>	<u>Install.</u> <u>Year</u>	<u>Capacity</u> mW	<u>Life Span</u> Years	<u>Weight</u>	<u>Plant/Unit</u>
1985	1954	112.5	31.0	3,488	Webster 1
1985	1954	112.5	31.0	3,488	Webster 2
1985	1955	90.0	30.0	2,700	Cane Run 2
1985	1958	113.6	27.0	3,067	Wallace 7
1985	1958	147.1	27.0	3,972	Cane Run 3
1986	1932	160.0	54.0	8,640	Hudson Avenue 8
1986	1949	75.0	37.0	2,775	Greens Bayou 1
1986	1949	75.0	37.0	2,775	Greens Bayou 2
1986	1958	75.0	28.0	2,100	T H Wharton 1
1987	1931	160.0	56.0	8,960	Hudson Avenue 7
1987	1938	75.0	49.0	3,675	Delray 14
1987	1940	75.0	47.0	3,525	Delray 15
1987	1949	75.0	38.0	2,850	Riverside 6
1987	1952	69.0	35.0	2,415	Poston 3
1987	1953	75.0	34.0	2,550	Poston 4
1987	1958	147.1	29.0	4,266	Frank Tait 4
1987	1959	233.0	28.0	6,524	Avon Lake 8
1987	1959	147.1	28.0	4,119	Frank Tait 5
1988	1943	65.0	45.0	2,925	Harbor 1
1988	1947	65.0	41.0	2,665	Harbor 2
1988	1951	49.0	37.0	1,813	Jones Street 12
1988	1955	130.0	33.0	4,290	North Oak Creek 3
1988	1957	130.0	31.0	4,030	North Oak Creek 4
1988	1958	54.4	30.0	1,632	Maynard 7
1989	1944	69.0	45.0	3,105	Gorgas 5
1989	1953	120.0	36.0	4,320	North Oak Creek 1
1989	1954	120.0	35.0	4,200	North Oak Creek 2
1990	1937	50.0	53.0	2,650	Waterside 4
1990	1948	66.0	42.0	2,772	Cobb 1
1990	1948	66.0	42.0	2,772	Cobb 2
1990	1950	66.0	40.0	2,640	Cobb 3
1990	1952	57.5	38.0	2,185	59th Street 13
1991	1930	53.0	61.0	3,233	Deepwater 5
1991	1949	86.4	42.0	3,629	Harbor 3
1991	1950	80.0	41.0	3,280	Port Washington 5
1991	1952	50.0	39.0	1,950	West Springfield 2
1991	1952	50.0	39.0	1,950	Front Street 5
1991	1953	75.0	38.0	2,850	Riviera 2
1991	1954	57.5	37.0	2,128	De Moss Petrie 4
1991	1954	69.0	37.0	2,553	Middletown 1
1991	1962	389.0	29.0	11,281	Sewaren 5
1992	1941	81.3	51.0	4,146	Waterside 7

RETIRED GENERATING UNITS

<u>Ret. Year</u>	<u>Install. Year</u>	<u>Capacity</u> mW	<u>Life Span</u> Years	<u>Weight</u>	<u>Plant/Unit</u>
1992	1941	72.0	51.0	3,672	Acme 5
1992	1948	60.0	44.0	2,640	Waterside 14
1992	1949	75.0	43.0	3,225	Waterside 15
1992	1949	112.5	43.0	4,838	Acme 6
1992	1955	62.5	37.0	2,313	South Street 12
1992	1956	69.0	36.0	2,484	74th Street 10
1992	1959	75.0	33.0	2,475	74th Street 9
1992	1971	783.0	21.0	16,443	Ninemile Point 4
1993	1930	60.0	63.0	3,780	Atkinson 1
1993	1930	60.0	63.0	3,780	Atkinson 2
1993	1945	60.0	48.0	2,880	Atkinson 3
1993	1953	200.0	40.0	8,000	Astoria 1
1993	1954	200.0	39.0	7,800	Astoria 2
1994	1949	66.0	45.0	2,970	Kern 1
1994	1949	69.0	45.0	3,105	Trinidad 5
1994	1950	99.5	44.0	4,378	Kern 2
1994	1950	107.6	44.0	4,734	Moss Landing 1
1994	1950	111.0	44.0	4,884	Moss Landing 2
1994	1951	118.8	43.0	5,108	Contra Costa 1
1994	1951	103.5	43.0	4,451	Contra Costa 2
1994	1951	103.5	43.0	4,451	Contra Costa 3
1994	1951	107.6	43.0	4,627	Moss Landing 3
1994	1952	112.5	42.0	4,725	Moss Landing 4
1994	1952	112.5	42.0	4,725	Moss Landing 5
1994	1953	112.5	41.0	4,613	Contra Costa 4
1994	1953	112.5	41.0	4,613	Contra Costa 5
1994	1960	495.6	34.0	16,850	Breed 1
1995	1938	66.3	57.0	3,779	Waterside 5
1995	1940	92.0	55.0	5,060	Oswego 1
1995	1941	92.0	54.0	4,968	Oswego 2
1995	1948	92.0	47.0	4,324	Oswego 3
1995	1951	100.0	44.0	4,400	Oswego 4
1996	1949	69.0	47.0	3,243	Gilbert 3
1996	1951	156.3	45.0	7,034	East River 5
1996	1953	60.0	43.0	2,580	Werner 4
1996	1972	93.5	24.0	2,244	Linden 4
1997	1948	86.3	49.0	4,229	Harbor 4
1997	1949	86.0	48.0	4,128	Avon Lake 6
1997	1949	86.0	48.0	4,128	Avon Lake 7
1997	1951	69.0	46.0	3,174	Frank Bird 1
1997	1951	60.0	46.0	2,760	Hudson Avenue 10
1997	1955	205.0	42.0	8,610	Burlington 7
1997	1958	95.0	39.0	3,705	Tulsa 3
1998	1951	75.0	47.0	3,525	Dallas 9
1998	1954	78.8	44.0	3,467	Dallas 3
1998	1955	50.0	43.0	2,150	Southside 3
1998	1958	65.3	40.0	2,612	Coughlin 5
1999	1954	75.0	45.0	3,375	Holtwood 17
1999	1959	81.6	40.0	3,264	Rochester 12
Totals		13,471.8	38.2	514,608.2	
	Avg =	100.5			

GULF POWER COMPANY  
Capacity Weighted Life Spans

	<u>Capacity</u> MW	<u>Life Span</u> Years	<u>Weight</u>
<u>STEAM PRODUCTION</u>			
Crist 1	22.5	66.0	1,485
Crist 2	22.5	62.0	1,395
Crist 3	30.0	59.0	1,770
Crist 4	75.0	55.0	4,125
Crist 5	75.0	55.0	4,125
Crist 6	320.0	45.0	14,400
Crist 7	500.0	45.0	22,500
Daniel 1	250.0	45.0	11,250
Daniel 2	250.0	45.0	11,250
Scholz 1	40.0	58.0	2,320
Scholz 2	40.0	58.0	2,320
Scherer 3	204.5	55.0	11,248
Smith 1	125.0	50.0	6,250
Smith 2	180.0	50.0	9,000
Totals	<u>2,134.5</u>	48.5	<u>103,438</u>
w/o large units	610.0	53.8	32,790
<u>OTHER PRODUCTION</u>			
Smith A	40.0	35.0	1,400
Pea Ridge	15.0	20.0	300
Totals	<u>55.0</u>	30.9	<u>1,700</u>