

Docket No. 20190038-EI					
Comprehensive Exhibit List for Entry into Hearing Record					
September 15, 2020					
EXH #	Witness	I.D. # As Filed	Exhibit Description	Issue Nos.	Entered
STAFF					
1		Exhibit List	Comprehensive Exhibit List		
GULF POWER COMPANY (GULF) – (DIRECT)					
2	Paul A. Talley	PAT-1	Weather Advisory 1-Hurricane Michael	1-6	
3	Paul A. Talley	PAT-2	Weather Advisory 8-Hurricane Michael	1-6	
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7	Paul A. Talley	PAT-6	Gulf Power T&D Hurricane Michael Restoration Cost	1-6	
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9	Charles Shane Boyett	CSB-1	Calculation of Proposed Storm Restoration Recovery Surcharges	11	
10	Charles Shane Boyett	CSB-2	Proposed Revisions to Gulf Power's Tariff Sheets	10	

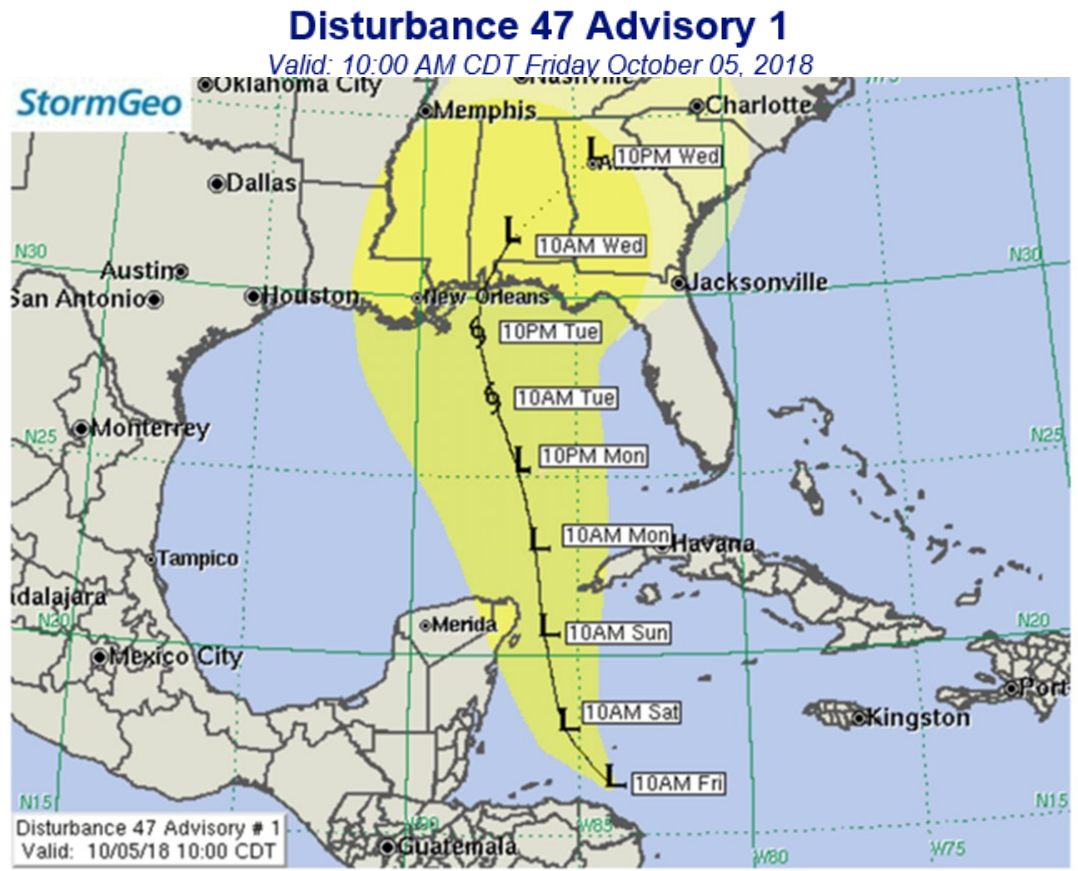
OFFICE OF PUBLIC COUNSEL (OPC) – (DIRECT)					
11	Lane Kollen	LK-1	Resume of Lane Kollen CONFIDENTIAL DN. 03217-2020 & 03059-2020	1-9	
12	Lane Kollen	LK-2	Gulf’s Reponses to Citizen’s Interrogatory No. 38 - Amended CONFIDENTIAL DN. 03217-2020 & 03059-2020	1-9	
13	Lane Kollen	LK-3	Gulf’s Reponses to Citizen’s Interrogatory No. 22, No. 26, and No. 83 - Amended CONFIDENTIAL DN. 03217-2020 & 03059-2020	1, 9, 10	
14	Lane Kollen	LK-4	Gulf’s Reponses to Citizen’s Interrogatory No. 66 - Amended CONFIDENTIAL DN. 03217-2020 & 03059-2020	2, 9, 10	
15	Lane Kollen	LK-5	Gulf’s Reponses to Citizen’s Interrogatory No. 38 - Supplemental CONFIDENTIAL DN. 03217-2020 & 03059-2020	2, 9, 10	
16	Lane Kollen	LK-6	Gulf’s Reponses to Citizen’s Interrogatory No. 90 CONFIDENTIAL DN. 03217-2020 & 03059-2020	5, 9, 10	
FEDERAL EXECUTIVE AGENCIES (FEA) – (DIRECT)					
17	Michael P. Gorman	MPG-1	Appendix A to Pre-filed Testimony	7, 8	

FLORIDA PUBLIC SERVICE COMMISSION (FPSC) – (DIRECT)					
18	Debra M. Dobiac	DMD-1	Auditor’s Report For Storm Cost Recovery	1-6	
19	Carl Vinson	CV-1	Auditor’s Report on Storm Cost Management and Payment Practices	1-6	
GULF POWER COMPANY (GULF) – (REBUTTAL)					
20	Paul A. Talley	PAT-7	Gulf’s Response to OPC’s Interrogatory No. 49 - Amended	2	
21	Paul A. Talley	PAT-8	Gulf’s Response to OPC’s Interrogatory No. 59 - Amended.	2	
22	Mitchell Goldstein	MG-2	Incremental Cost and Capitalization Approach Adjustments	1-9	
23	Mitchell Goldstein	MG-3	Gulf’s Response to Interrogatory No. 59 Amended	1-9	
STAFF HEARING EXHIBITS					
24	Talley (1, 5-11, 13-15, 27, 31) Goldstein (3, 4, 16, 19,21-27, 29, 31, 34, 35)		Gulf’s Response to OPC’s First Set of Interrogatories Nos. 1, 3-11, 13-16, 19, 21-27, 29, 31, 34, 35. (Nos. 16, 27, 29, 31, 34 have attachments) <i>[Bates Nos. 00001-00031]</i>	1-6	

25	Talley (7, 9, 16, 17, 18) Goldstein (1, 6, 10, 20)		<p>Gulf's Response to OPC's First Production of Documents Nos. 1, 6, 7, 9, 10, 16-18, 20.</p> <p>(Nos. 1, 6, 9, 10, 20 have confidential attachments)</p> <p>CONFIDENTIAL DN. 00188-2020, 00737-2020</p> <p><i>[Bates Nos. 00032-00041]</i></p>	2-6	
26	Talley (1-3) Goldstein (4)		<p>Gulf's Response to Staff's First Set of Interrogatories Nos. 1-4.</p> <p>(No. 4 has attachments)</p> <p><i>[Bates Nos. 00042-00137]</i></p>	2, 3, 5, 6	
27	Talley (40, 45, 49, 71-73) Goldstein (40, 41, 44-46, 47, 49-51, 53-75)		<p>Gulf's Response to OPC's Second Set of Interrogatories - AMENDED Nos. 40, 41, 44-47, 49-51, 53-75.</p> <p>(Nos. 44, 51, 66, 67, 68, 69, 70 have attachments)</p> <p>(Nos. 66, 68 have supplemental responses)</p> <p>(No. 75, 47, 59, 65 has confidential attachments)</p> <p>CONFIDENTIAL DN. 01641-2020</p> <p><i>[Bates Nos. 00138-00204]</i></p>	2-4	

28	Goldstein (23-25, 27, 29-32)		<p>Gulf's Response to OPC's Second Production of Documents AMENDED Nos. 23-25, 27, 29-32.</p> <p>(Nos. 23, 24, 27, 29, 31, 32 have amended confidential attachments)</p> <p>CONFIDENTIAL DN. 01641-2020</p> <p><i>[Bates Nos. 00205-00215]</i></p>	2-6	
29	Talley (84) Goldstein (78, 80, 81, 83, 85, 86)		<p>Gulf's Response to OPC's Third Set of Interrogatories Nos. 78, 80, 81, 83, 84-86.</p> <p>(No. 85 has an attachment)</p> <p>(No. 83 has confidential attachments)</p> <p>CONFIDENTIAL DN. 02483-2020</p> <p><i>[Bates Nos. 00216-00225]</i></p>	1-4	
30	Goldstein (33, 34, 36-39) Talley (37)		<p>Gulf's Response to OPC's Third Production of Documents AMENDED Nos. 33, 34, 36-39.</p> <p>(No. 36 has amended confidential attachments)</p> <p>CONFIDENTIAL DN. 02483-2020</p> <p><i>[Bates Nos. 00226-00242]</i></p>	2-4	
31	Goldstein (89, 90)		<p>Gulf's Response to OPC's Fourth Set of Interrogatories No. 89, 90.</p> <p>(No. 90 has attachments)</p> <p><i>[Bates Nos. 00243-00246]</i></p>	2, 3, 5	

32	Goldstein (91-93)		<p>Gulf's Response to OPC's Fifth Set of Interrogatories Nos. 91-93.</p> <p>(Nos. 91, 93 have attachments)</p> <p><i>[Bates Nos. 00247-00252]</i></p>	2, 3	
33	Goldstein (5-7)		<p>Gulf's responses to FEA's 1st set of Interrogatories Nos. 5-7.</p> <p><i>[Bates Nos. 00253-00257]</i></p>	2, 3	
34	Kollen (1)		<p>OPC's Response to Staff's First Set of Interrogatories No. 1.</p> <p><i>[Bates Nos. 00258-00262]</i></p>	2, 3	
35			<p>Gulf's response to Staff's Settlement Questions. Data Request Nos. 1-2.</p> <p><i>[Bates Nos. 00263-00265]</i></p>		
36			<p>Joint Motion of the OPC, Gulf, FEA for Expedited Approval of a Stipulation and Settlement Agreement.</p> <p>Filed: August 25, 2020</p> <p><i>[Bates Nos. 00266-00279]</i></p>		



Current Location: 16.4N, 84.1W
Geographic Reference: 340 miles southeast of Cozumel, MX
Movement: Northwest at 6 mph
Max Winds: 30 mph gusting to 40 mph
Current Hurricane Severity Index: 0 out of a possible 50 points (0 size, 0 intensity)
Max Predicted Hurricane Severity Index: 3 out of a possible 50 points (1 size, 2 intensity)
Current Radius of Tropical Storm-Force Winds: 0 miles
Max Predicted Radius of Tropical Storm-Force Winds: 70 miles
Organizational Trend: Steady - Poorly-Organized
Forecast Confidence: Average

Chance of Development: 60 percent

Key Points

1. Disturbance 47 is predicted to become a tropical storm in the Gulf of Mexico by Tuesday.
2. Heaviest squalls and most tropical storm-force winds will likely be located east of the track.
3. Chances of this disturbance becoming a strong tropical storm or hurricane are low.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 2
PARTY: GULF POWER COMPANY (GULF) –
(DIRECT)
DESCRIPTION: Paul A. Talley PAT-1

Our Forecast

Morning visible satellite imagery indicates that Disturbance 47 consists of a weak low pressure area near the eastern coast of Honduras. Strong wind shear across the western Caribbean is blowing all squalls well to the east of the disturbance center. This wind shear will persist for the next 2-3 days as the disturbance moves slowly northward. Models are in good agreement in taking the disturbance northward into the south-central Gulf of Mexico on Monday. We think that reconnaissance will fly out to investigate the disturbance on Monday, at which time there is a good chance that it will be upgraded to a tropical depression.

Our forecast takes the center northward on Monday and Tuesday and inland along the Alabama coast on Wednesday morning. Moderate westerly wind shear across the Gulf of Mexico should inhibit strengthening somewhat, but we think that it could reach tropical storm intensity on Monday night. Max sustained winds at landfall are predicted to be about 45 mph.

Given that this is a poorly-organized disturbance to start with, there is an elevated degree of uncertainty in both the track and the intensity forecast - perhaps a little more uncertainty in the intensity forecast. While models are in reasonably good agreement on taking the center inland between southeast Louisiana and the central Florida Panhandle, there is considerable disagreement as far as the intensity. While we think that this will be a lower-end tropical storm with most squalls and tropical storm-force winds east of the track, there is a chance that the wind shear could drop off enough for winds to approach 60 mph or 65 mph prior to landfall. Though we think that a strong tropical storm is unlikely, it is not something that we can rule out.

Expected Impacts Offshore

Lund, Atwater, and Mississippi Canyon Eastward: Squalls reaching the deepwater area off the southeast Louisiana coast during the day on Tuesday, making Monday possibly the last full day of good flying weather.

Walker Ridge, Green Canyon, and Ship Shoal: Squalls should generally pass to the east of this area, though we cannot rule out any thunderstorm activity during the day on Tuesday.

Expected Impacts Inland

Southeast Louisiana: On the current forecast track, the heavy squalls should pass east of Louisiana. However, any track shift westward could bring heavy squalls to southeast Louisiana late Tuesday and on Wednesday.

Mississippi to the Mid-Florida Panhandle: Heavy squalls likely Tuesday night and Wednesday, particularly east of the track across the Florida Panhandle. Tides may increase to 3-5 feet above normal, causing coastal flooding. Heavy rain may cause travel issues.

Our next advisory will be issued by 3PM CDT this afternoon.

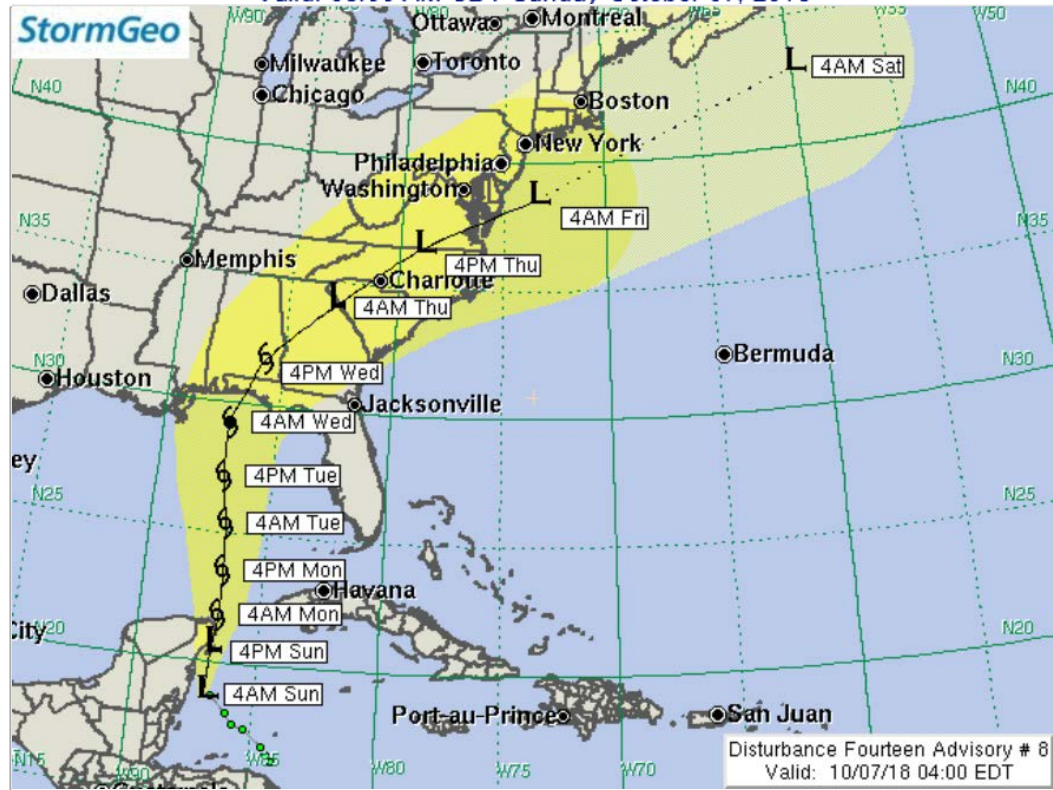
Meteorologists: Chris hebert / Derek Ort

Forecast Confidence: Average							Hurricane Severity Index		
Fcst Hour	Valid	Lat.	Lon.	Max Sustained Winds	Max Gusts	Category	Size	Intensity	Total
0	10AM CDT Fri Oct 05	16.40N	84.10W	30 mph	40 mph	Tropical Disturbance	0	0	0
24	10AM CDT Sat Oct 06	18.00N	85.40W	30 mph	40 mph	Tropical Disturbance	0	0	0
48	10AM CDT Sun Oct 07	20.60N	86.00W	30 mph	40 mph	Tropical Disturbance	0	0	0
72	10AM CDT Mon Oct 08	23.00N	86.30W	35 mph	45 mph	Tropical Disturbance	0	1	1
84	10PM CDT Mon Oct 08	25.10N	86.80W	35 mph	45 mph	Tropical Depression	0	1	1
96	10AM CDT Tue Oct 09	27.20N	87.60W	40 mph	50 mph	Tropical Storm	1	1	2
108	10PM CDT Tue Oct 09	29.00N	88.10W	45 mph	60 mph	Tropical Storm	1	2	3
114	4AM CDT Wed Oct 10	30.30N	87.90W	45 mph	60 mph	Tropical Storm	1	2	3
120	10AM CDT Wed Oct 10	31.50N	87.20W	35 mph	45 mph	Tropical Depression	0	1	1
132	10PM CDT Wed Oct 10	33.90N	84.40W	30 mph	35 mph	Remnant Low	0	0	0

The yellow cone represents track error from the previous five hurricane seasons. Over the past five hurricane seasons, the center of the storm tracked within the yellow cone 75% of the time. The cone does not represent the forecast uncertainty in the current advisory for this storm. In addition, hurricane-force winds, very high tides, large waves, and heavy rainfall can often extend well outside the yellow cone.

Disturbance 47 Advisory 8

Valid: 03:00 AM CDT Sunday October 07, 2018



Current Location: 18.7N, 87.0W
Geographic Reference: 105 miles south of Cozumel, MX
Movement: Nearly Stationary
Max Winds: 35 mph gusting to 45 mph
Current Hurricane Severity Index: 1 out of a possible 50 points (0 size, 1 intensity)
Max Predicted Hurricane Severity Index: 8 out of a possible 50 points (3 size, 5 intensity)
Current Radius of Tropical Storm-Force Winds: 0 miles
Max Predicted Radius of Tropical Storm-Force Winds: 200 miles
Organizational Trend: Slowly increasing
Forecast Confidence: Average

Chance of Development: 100 percent

Key Points

1. Disturbance 47 is expected to bring locally heavy rains to the Yucatan and western Cuba.
2. We are now forecasting a hurricane with 80 mph winds to make landfall on the Florida Panhandle Wednesday morning.
4. Heavy rain is possible in some of the areas that were affected by Hurricane Florence.

FLORIDA PUBLIC SERVICE COMMISSION
 DOCKET: 20190038-EI EXHIBIT: 3
 PARTY: GULF POWER COMPANY (GULF) –
 (DIRECT)
 DESCRIPTION: Paul A. Talley PAT-2

Our Forecast

Disturbance 47 (NHC Potential Tropical Cyclone Fourteen) has slowed temporarily. However, most of the model guidance indicates a faster motion than we previously were forecasting. Our forecast is for the system to move mainly to the north for the next few days. This will take the system near the Yucatan today, bringing heavy rains there. The squalls extend far enough to the east of the center such that heavy rains will also occur for western Cuba. Once in the Gulf, a track mainly to the north is forecast to continue. The forecast has been accelerated by a few hours out of respect for the majority of the model guidance. Landfall is now forecast to occur around 9 AM CDT Wednesday morning somewhere between Mobile Bay and the Big Bend area of Florida. The greatest risk appears to be for the western Florida Panhandle. After landfall, the track has been shifted a little the east, taking the system through western South Carolina and central North Carolina. This increases the threat to areas flooded by Hurricane Florence. After impacting the Carolinas, our forecast now takes the system offshore of the Mid Atlantic Coast in about 5 days. It is then expected to accelerate to the east-northeast. The thinking is that the extratropical storm should remain south of Atlantic Canada.

Squalls have increased near the center of Disturbance 47. In addition, the winds are increasing based upon recent satellite data. The surface circulation has also become very well defined. The disturbance should be a depression later this morning, if it is not already one. While there is strong wind shear affecting the system now, the wind shear is expected to abate during the next day or so. The dynamical models insist upon significant intensification in the Gulf of Mexico. Therefore, our latest forecast is for the system to become a tropical storm either tonight or early tomorrow morning. It is then expected to become a hurricane by the time it strikes the northern Gulf Coast. While the forecast is for winds to be 80 mph at landfall, there is a chance that the system could be stronger than we are forecasting. After landfall, weakening is expected, along with a transition into an extratropical storm. Once it moves off of the Mid Atlantic, it should intensify again as an extratropical storm.

Expected Impacts Offshore

Lund, Atwater, and Mississippi Canyon Eastward: Squalls are forecast to reach the deepwater areas off the southeast Louisiana coast during the morning or early afternoon on Tuesday, making Monday possibly the last guaranteed full day of good flying weather.

Walker Ridge, Green Canyon, and Ship Shoal: Squalls should generally pass to the east of this area, though we cannot rule out any thunderstorm activity during the day on Tuesday and on Wednesday.

Expected Impacts Inland

Mississippi and west Alabama Coast: Heaviest squalls should pass to the east of Mississippi and Alabama on Wednesday. That said, strong winds may occur for coastal Alabama, causing scattered power outages.

Alabama East of Mobile Bay and Florida Panhandle: Widespread power outages are likely near where the center makes landfall. Minor to moderate damage may also occur from both the wind and the surge. Flooding rains are also likely.

Georgia and Carolinas: Inland flooding will be possible, including for some of the areas that were flooded in Florence. Southwestern Georgia could see power outages and some wind damage.

Our next advisory will be issued by 9 AM CDT.

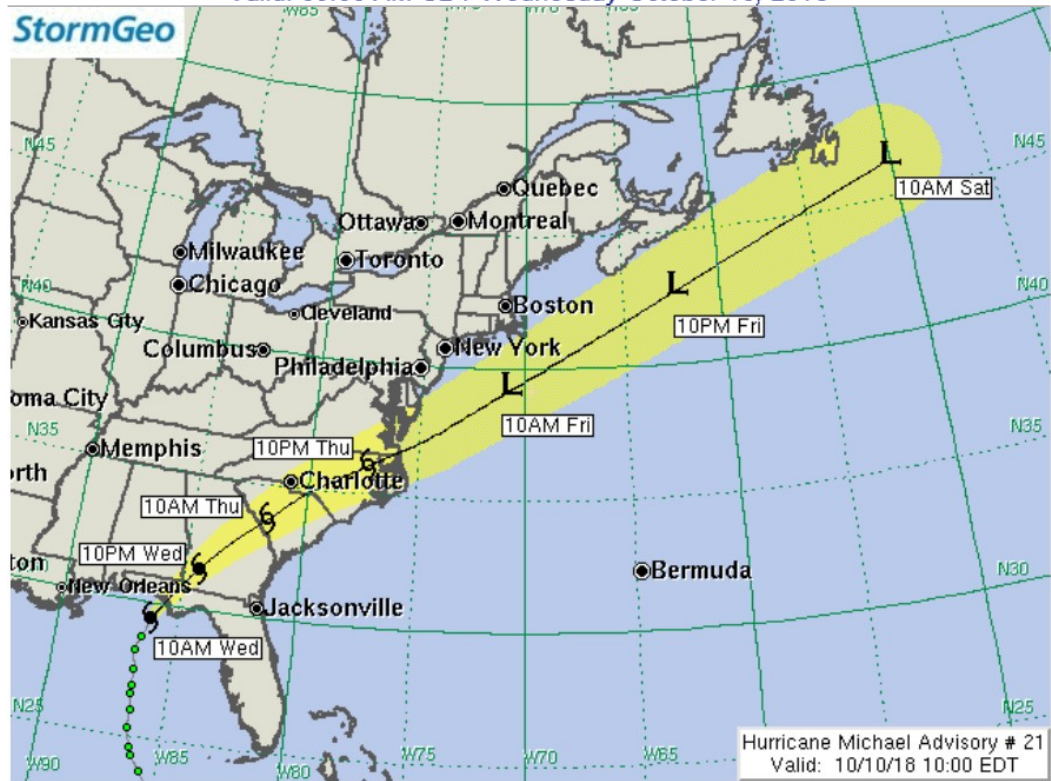
Meteorologists: Derek Ortt / Nick Kosar

Fcst Hour	Valid	Forecast Confidence: Average				Hurricane Severity Index			
		Lat.	Lon.	Max Sustained Winds	Max Gusts	Category	Size	Intensity	Total
0	3AM CDT Sun Oct 07	18.70N	87.00W	35 mph	45 mph	Tropical Disturbance	0	1	1
12	3PM CDT Sun Oct 07	20.30N	86.90W	35 mph	45 mph	Tropical Depression	0	1	1
24	3AM CDT Mon Oct 08	21.80N	86.70W	40 mph	50 mph	Tropical Storm	1	1	2
36	3PM CDT Mon Oct 08	23.50N	86.70W	50 mph	65 mph	Tropical Storm	1	2	3
48	3AM CDT Tue Oct 09	25.30N	86.80W	65 mph	80 mph	Tropical Storm	2	3	5
60	3PM CDT Tue Oct 09	27.10N	87.10W	70 mph	85 mph	Tropical Storm	2	4	6
72	3AM CDT Wed Oct 10	29.20N	87.10W	75 mph	90 mph	Category 1	3	5	8
78	9AM CDT Wed Oct 10	30.50N	86.50W	80 mph	105 mph	Category 1	3	5	8
84	3PM CDT Wed Oct 10	31.80N	85.80W	60 mph	75 mph	Tropical Storm	2	3	5
96	3AM CDT Thu Oct 11	34.00N	83.00W	35 mph	45 mph	Tropical Depression	0	1	1
108	3PM CDT Thu Oct 11	36.50N	79.00W	35 mph	50 mph	Extratropical Low	0	1	1
120	3AM CDT Fri Oct 12	38.50N	73.50W	45 mph	60 mph	Extratropical Storm	1	2	3
144	3AM CDT Sat Oct 13	43.00N	60.00W	60 mph	75 mph	Extratropical Storm	4	3	7

The yellow cone represents track error from the previous five hurricane seasons. Over the past five hurricane seasons, the center of the storm tracked within the yellow cone 75% of the time. The cone does not represent the forecast uncertainty in the current advisory for this storm. In addition, hurricane-force winds, very high tides, large waves, and heavy rainfall can often extend well outside the yellow cone.

Hurricane Michael Advisory 21

Valid: 09:00 AM CDT Wednesday October 10, 2018



Current Location: 29.4N, 86.1W

Geographic Reference: 55 miles SW of Panama City, FL

Movement: North-northeast at 13 mph

Max Winds: 145 mph gusting to 175 mph

Current Hurricane Severity Index: 28 out of a possible 50 points (11 size, 17 intensity)

Max Predicted Hurricane Severity Index: 28 out of a possible 50 points (11 size, 17 intensity)

Current Radius of Tropical Storm-Force Winds: 160 miles

Max Predicted Radius of Tropical Storm-Force Winds: 265 miles

Organizational Trend: Steady

Forecast Confidence: Average

Key Points

1. The center of Michael will make landfall with 145 mph winds near Panama City early this afternoon.
2. Catastrophic wind and storm surge damage is expected near where the center makes landfall.
3. Strong winds and heavy rains will spread inland into Georgia and the Carolinas late this afternoon and on Thursday.

FLORIDA PUBLIC SERVICE COMMISSION
 DOCKET: 20190038-EI EXHIBIT: 4
 PARTY: GULF POWER COMPANY (GULF) –
 (DIRECT)
 DESCRIPTION: Paul A. Talley PAT-3

Our Forecast

The center of Michael is approaching the coast of Florida this morning. We expect the center to cross the coast near Panama City by 1PM CDT as a powerful category 4 hurricane. Max sustained winds are predicted to be 145 mph with gusts to 175 mph at landfall. After landfall, Michael will accelerate to the northeast. This will take Michael through Georgia and the Carolinas.

By late Thursday night, Michael will emerge into the Atlantic near the Virginia/North Carolina border as a tropical storm with max sustained winds near 60 mph. Once Michael moves back offshore, it will begin a transition into a larger non-tropical low pressure system that will pass south of Nova Scotia and Newfoundland.

Expected Impacts Offshore

Lund, Atwater, and Mississippi Canyon Eastward: The worst from Michael has passed to the east this morning. Conditions will steadily improve through the day today.

Expected Impacts Inland

Florida Panhandle / Extreme Southeast Alabama / SW Georgia: Catastrophic damage due to wind and tidal surge is expected near where the center tracks. This includes well-built structures. Widespread power outages are expected. These power outages could last for an extended period of time. Flooding rains are also likely.

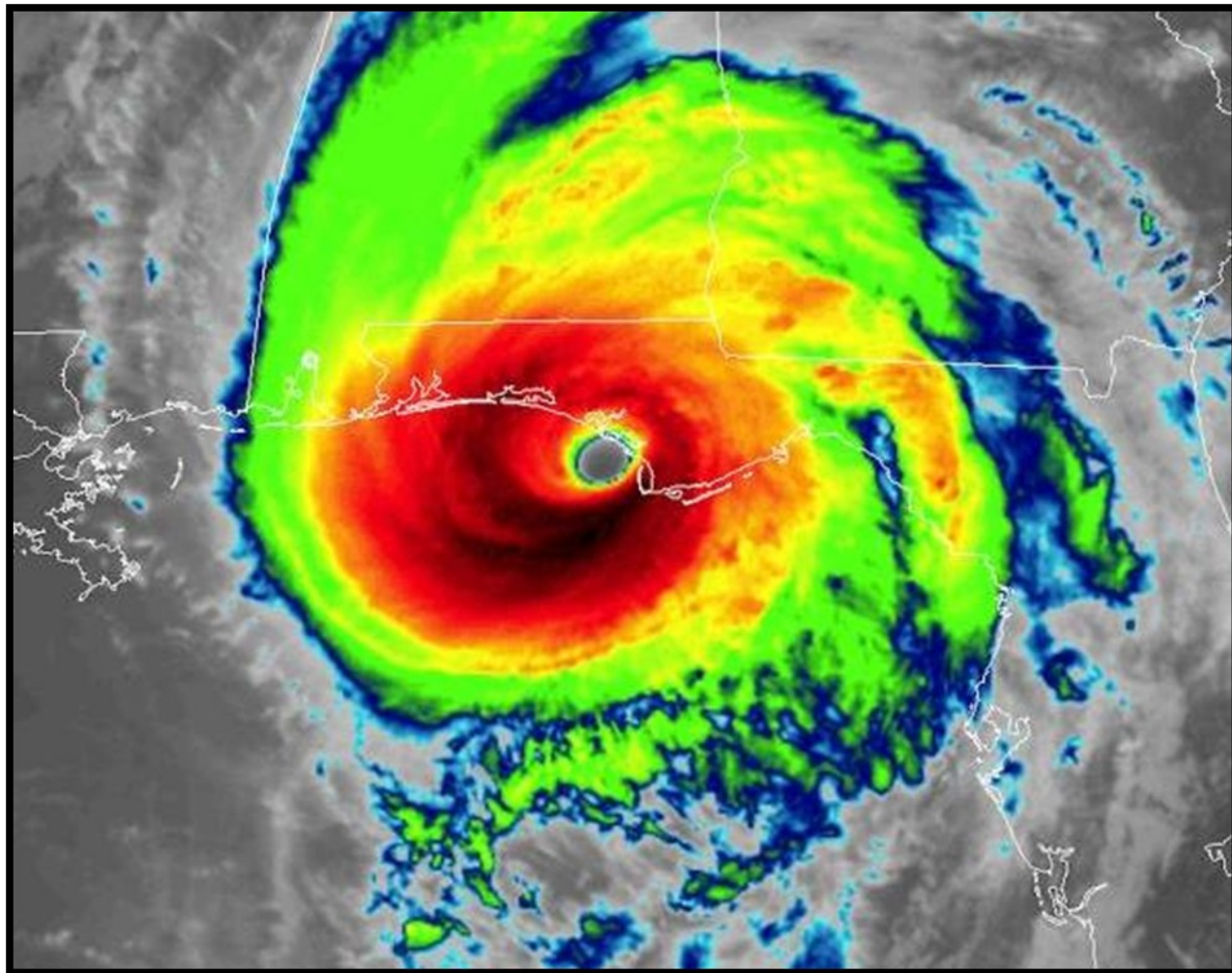
Georgia and the Carolinas: Inland flooding will be possible, including for some of the areas that were flooded in Florence. Power outages due to wind are also possible.

An intermediate advisory will be issued by 12 PM CDT. Our next full advisory will be issued by 3 PM CDT

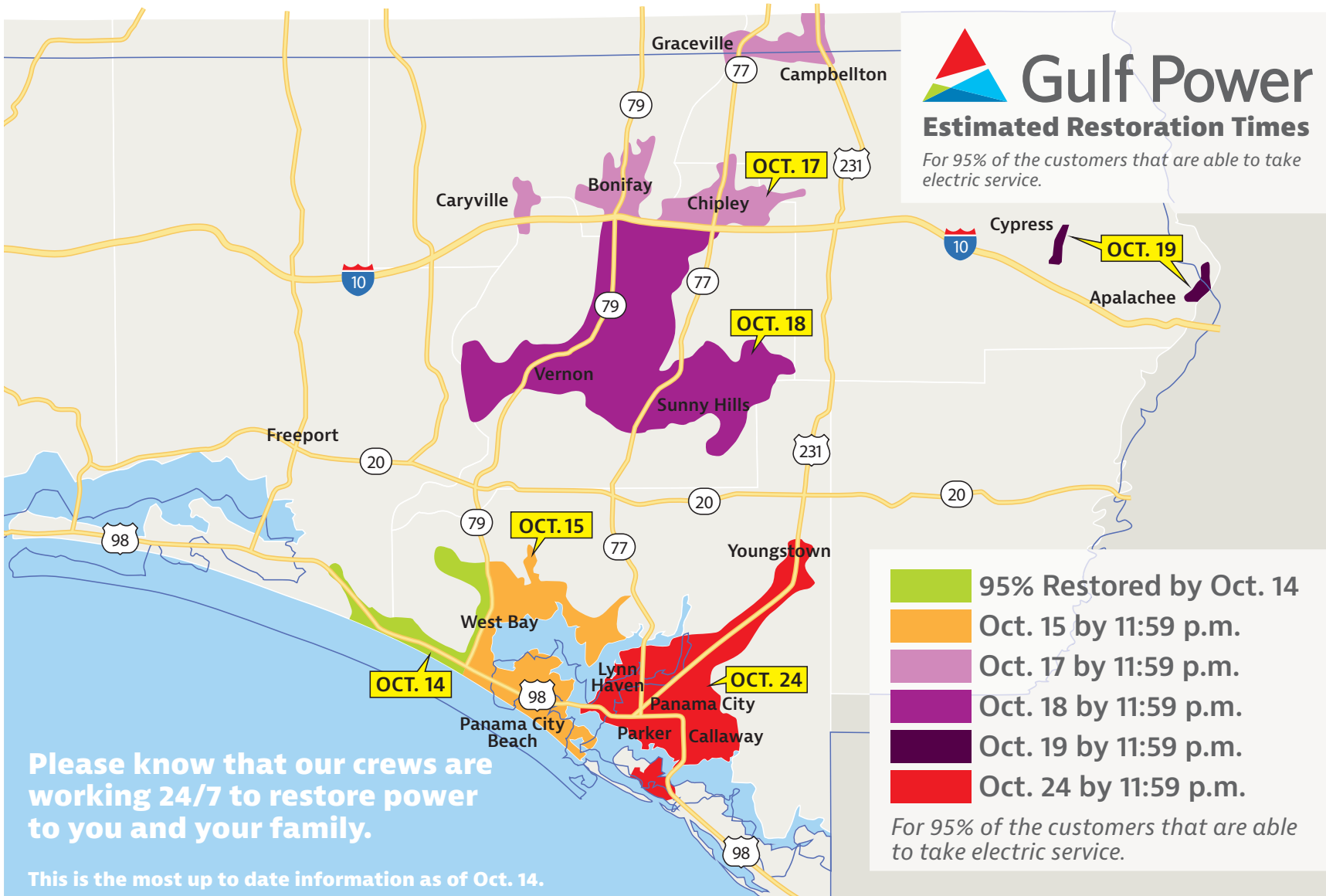
Meteorologists: Chris Hebert / Derek Ort

Fcst Hour	Valid	Forecast Confidence: Average					Hurricane Severity Index		
		Lat.	Lon.	Max Sustained Winds	Max Gusts	Category	Size	Intensity	Total
0	9AM CDT Wed Oct 10	29.40N	86.10W	145 mph	175 mph	Category 4	11	17	28
6	3PM CDT Wed Oct 10	30.40N	85.40W	140 mph	165 mph	Category 4	11	16	27
12	9PM CDT Wed Oct 10	31.50N	84.40W	100 mph	120 mph	Category 2	7	8	15
18	3AM CDT Thu Oct 11	32.60N	83.20W	75 mph	90 mph	Category 1	3	5	8
24	9AM CDT Thu Oct 11	33.70N	81.70W	50 mph	70 mph	Tropical Storm	1	2	3
30	3PM CDT Thu Oct 11	34.90N	79.90W	50 mph	75 mph	Tropical Storm	2	2	4
36	9PM CDT Thu Oct 11	36.10N	77.30W	60 mph	70 mph	Tropical Storm	3	3	6
42	3AM CDT Fri Oct 12	37.30N	74.50W	60 mph	75 mph	Tropical Storm	4	3	7
48	9AM CDT Fri Oct 12	39.10N	70.90W	65 mph	80 mph	Extratropical Storm	4	3	7
54	3PM CDT Fri Oct 12	40.80N	67.10W	65 mph	80 mph	Extratropical Storm	5	3	8
60	9PM CDT Fri Oct 12	42.70N	62.40W	65 mph	80 mph	Extratropical Storm	6	3	9
66	3AM CDT Sat Oct 13	44.50N	57.10W	65 mph	80 mph	Extratropical Storm	6	3	9
72	9AM CDT Sat Oct 13	46.30N	50.30W	65 mph	80 mph	Extratropical Storm	6	3	9

The yellow cone represents track error from the previous five hurricane seasons. Over the past five hurricane seasons, the center of the storm tracked within the yellow cone 75% of the time. The cone does not represent the forecast uncertainty in the current advisory for this storm. In addition, hurricane-force winds, very high tides, large waves, and heavy rainfall can often extend well outside the yellow cone.



FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 5
PARTY: GULF POWER COMPANY (GULF) –
(DIRECT)
DESCRIPTION: Paul A. Talley PAT-4



FLORIDA PUBLIC SERVICE COMMISSION
 DOCKET: 20190038-EI EXHIBIT: 6
 PARTY: GULF POWER COMPANY (GULF) –
 (DIRECT)
 DESCRIPTION: Paul A. Talley PAT-5

Gulf Power T&D Hurricane Michael Restoration Costs (A)

(000s)

<u>Major Cost Category</u>	<u>Transmission</u>	<u>Distribution</u>	<u>Total T&D</u>	<u>% of Total T&D</u>
Regular Payroll & Related Costs (B)	\$ 894	\$ 4,572	\$ 5,467	1%
Overtime Payroll & Related Costs (B)	800	4,342	5,142	1%
Contractors (C)	23,930	231,992	255,922	61%
Vehicle & Fuel	71	657	727	0%
Materials & Supplies	1,651	26,509	28,159	7%
Logistics	14,558	107,111	121,670	29%
Other	60	4,836	4,896	1%
Total (D)	\$ 41,965	\$ 380,018	\$ 421,983	100%

(A) Includes costs associated with follow-up work

(B) Represents total payroll charged to business unit (function) being supported - see MG-1, footnote (B).

(C) Includes line clearing - \$1,376 for Transmission and \$18,298 for Distribution

(D) Totals may not add due to rounding

FLORIDA PUBLIC SERVICE COMMISSION
 DOCKET: 20190038-EI EXHIBIT: 7
 PARTY: GULF POWER COMPANY (GULF) –
 (DIRECT)
 DESCRIPTION: Paul A. Talley PAT-6

Docket No. 20190038-EI
Hurricane Michael Incremental Cost and
Capitalization Approach Adjustments
Exhibit MG-1, Page 1 of 2

Gulf Power Company
Hurricane Michael Incremental Cost and Capitalization Approach Adjustments
through October 31, 2019
(\$000s)

LINE NO.		Storm Costs By Function(A)					Total (6)	Calculation of Recoverable Storm Amount (7)
		Steam & Other (1)	Transmission (2)	Distribution (3)	General (B) (4)	Customer Service (5)		
1	Storm Reserve Balance (Pre-Storm)							\$ (48,008)
2								
3	Storm Restoration Costs							
4	Regular Payroll and Related Costs (C)	\$193	\$894	\$4,572	\$50	\$1,255	\$6,964	
5	Overtime Payroll and Related Costs (C)	160	800	4,342	23	976	6,302	
6	Contractors	762	22,555	213,694	331	0	237,343	
7	Line Clearing	0	1,376	18,298	0	0	19,673	
8	Vehicle & Fuel	0	71	657	0	0	727	
9	Materials & Supplies	1,789	1,651	26,509	9	0	29,957	
10	Logistics	95	14,558	107,111	32	0	121,796	
11	Other (D)	17	60	4,836	0	0	4,913	
12	Total Storm Related Restoration Costs	\$3,015	\$41,965	\$380,018	\$445	\$2,232	\$427,675	
13								
14	Less: Non-Incremental Costs							
15	Regular Payroll and Related Costs (E)	\$193	\$401	\$2,646	\$50	\$1,255	\$4,544	
16	Overtime Payroll and Related Costs	0	5	70	23	0	98	
17	Contractors	0	0	0	331	0	331	
18	Line Clearing:							
19	Vegetation Management	0	498	290	0	0	788	
20	Vehicle & Fuel	0	15	171	0	0	186	
21	Materials & Supplies	0	0	0	9	0	9	
22	Logistics	0	0	0	32	0	32	
23	Other							
24	Thank-you Ads	0	1	6	0	0	7	
25	Legal Claims	0	30	221	0	0	251	
26	Total Non-Incremental Costs	\$193	\$951	\$3,403	\$445	\$1,255	\$6,247	
27								
28	Incremental Storm Losses							
29	Regular Payroll and Related Costs	\$0	\$493	\$1,927	\$0	\$0	2,420	
30	Overtime Payroll and Related Costs	160	795	4,272	0	976	6,204	
31	Contractors	762	22,555	213,694	0	0	237,011	
32	Line Clearing	0	877	18,008	0	0	18,885	
33	Vehicle & Fuel	0	55	486	0	0	541	
34	Materials & Supplies	1,789	1,651	26,509	0	0	29,948	
35	Logistics	95	14,558	107,111	0	0	121,764	
36	Other	17	29	4,608	0	0	4,654	
37	Subtotal	\$2,822	\$41,014	\$376,615	\$0	\$976	\$421,428	
38								
39	Less: Third-Party Reimbursements (F)	0	117	4,837	0	0	4,954	
40								
41	Net Incremental Restoration Costs Incurred	\$2,822	\$40,897	\$371,777	\$0	\$976	\$416,473	
42								
43	Less: Capitalizable Costs, excluding Third-Party Reimbursements	1,492	11,758	88,611	0	0	101,861	
44								
45	Total Incremental Storm Losses	\$1,330	\$29,140	\$283,166	\$0	\$976	\$314,612	
46								
47	Jurisdictional Factor (G)	0.9720	0.9741	0.9963	0.9841	1.0000		
48								
49	Retail Recoverable Costs	\$1,293	\$28,384	\$282,124	\$0	\$976	\$312,777	\$312,777
50								
51	Balance of Storm Reserve after Funding Estimated Storm Costs ("Eligible Restoration Costs") (Lines 1 + 49)							\$264,769
52								
53	Less: Additional 2018 Accruals to Storm Reserve (Post-Storm)							(18,344)
54								
55	Plus: Interest on Unamortized Reserve Balance							8,304
56								
57	Plus: Amount to Replenish Reserve to Level at Settlement Agreement Implementation Date, December 31, 2016 ("Implementation Storm Reserve Balance")							40,808
58								
59	Subtotal - System Storm Losses to be Recovered from Customers (Lines 51 + 53 + 55 + 57)							\$295,536
60								
61	Regulatory Assessment Fee Multiplier							1.00072
62								
63	Total System Storm Losses to be Recovered from Customers ("Recoverable Storm Amount") (Lines 59 * 61)							\$295,749

Notes:

- (A) Storm costs are as of October 31, 2019. Totals may not add due to rounding.
- (B) General plant function reflects restoration costs associated with employee assistance.
- (C) Represents total payroll charged to the business unit (function) being supported. For example, an employee that works in Legal but is supporting Distribution during storm restoration would allocate their time to Distribution.
- (D) Includes other miscellaneous costs, including reserve equipment in FERC Account 368, Line Transformers and removed as Capital Costs in Line 43 above.
- (E) Represents regular payroll normally recovered through base rate O&M and not charged to the Storm Reserve.
- (F) Reimbursement from AT&T for net poles and a PowerSouth tap replaced by Gulf during restoration as a result of the storm.
- (G) Jurisdictional Factors are based on factors approved in Docket No. 160186-EI.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 8
PARTY: GULF POWER COMPANY (GULF) –
(DIRECT)
DESCRIPTION: Mitchell Goldstein MG-1

1	2	3	4	5	6	7	8	9	10	11	12	Month	Cumulative Interest
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 Eligible 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 ((Col. 7 + 8) / 2)	Monthly Average Interest Rate (1/12 of Col. 9)	Monthly Interest (Col. 6 x 10)	Unrecovered Eligible Restoration Costs - Ending Balance (Col. 5 + 11)	Month Count	Cumulative Interest
June	2019	246,424,377	(3,580,641)	242,843,736	244,634,056	2.39000%	2.32000%	2.35500%	0.19625%	480,094	243,323,830	0	480,094
July	2019	243,323,830	(7,515,874)	235,807,956	239,555,893	2.32000%	2.10000%	2.21000%	0.18417%	441,209	236,249,165	1	921,303
August	2019	236,249,165	(7,645,174)	228,603,990	232,426,578	2.10000%	2.05000%	2.07500%	0.17292%	401,912	229,005,902	2	1,323,215
September	2019	229,005,902	(7,046,331)	221,959,571	225,482,737	2.05000%	1.97000%	2.01000%	0.16750%	377,684	222,337,254	3	1,700,898
October	2019	222,337,254	(5,704,470)	216,632,784	219,485,019	1.97000%	1.66000%	1.81500%	0.15125%	331,971	216,964,755	4	2,032,870
November	2019	216,964,755	(4,544,737)	212,420,018	214,692,387	1.66000%	1.66000%	1.66000%	0.13833%	296,984	212,717,002	5	2,329,854
December	2019	212,717,002	(5,101,765)	207,615,237	210,166,120	1.66000%	1.66000%	1.66000%	0.13833%	290,723	207,905,960	6	2,620,576
January	2020	207,905,960	(5,532,874)	202,373,086	205,139,523	1.66000%	1.66000%	1.66000%	0.13833%	283,770	202,656,855	7	2,904,346
February	2020	202,656,855	(4,793,922)	197,862,934	200,259,895	1.66000%	1.66000%	1.66000%	0.13833%	277,020	198,139,953	8	3,181,365
March	2020	198,139,953	(4,584,924)	193,555,029	195,847,491	1.66000%	1.66000%	1.66000%	0.13833%	270,916	193,825,945	9	3,452,281
April	2020	193,825,945	(4,642,778)	189,183,166	191,504,556	1.66000%	1.66000%	1.66000%	0.13833%	264,908	189,448,075	10	3,717,189
May	2020	189,448,075	(5,684,567)	183,763,508	186,605,791	1.66000%	1.66000%	1.66000%	0.13833%	258,132	184,021,639	11	3,975,321
June	2020	184,021,639	(6,582,158)	177,439,481	180,730,560	1.66000%	1.66000%	1.66000%	0.13833%	250,005	177,689,486	12	4,225,326
July	2020	177,689,486	(7,205,973)	170,483,513	174,086,499	1.66000%	1.66000%	1.66000%	0.13833%	240,814	170,724,327	13	4,466,140
August	2020	170,724,327	(6,905,354)	163,818,972	167,271,649	1.66000%	1.66000%	1.66000%	0.13833%	231,387	164,050,359	14	4,697,527
September	2020	164,050,359	(6,002,831)	158,047,528	161,048,944	1.66000%	1.66000%	1.66000%	0.13833%	222,779	158,270,307	15	4,920,306
October	2020	158,270,307	(5,059,447)	153,210,860	155,740,584	1.66000%	1.66000%	1.66000%	0.13833%	215,436	153,426,296	16	5,135,741
November	2020	153,426,296	(4,409,613)	149,016,683	151,221,490	1.66000%	1.66000%	1.66000%	0.13833%	209,185	149,225,868	17	5,344,926
December	2020	149,225,868	(4,928,722)	144,297,145	146,761,507	1.66000%	1.66000%	1.66000%	0.13833%	203,015	144,500,161	18	5,547,941
January	2021	144,500,161	(5,263,925)	139,236,235	141,868,198	1.66000%	1.66000%	1.66000%	0.13833%	196,246	139,432,482	19	5,744,188
February	2021	139,432,482	(4,491,468)	134,941,014	137,186,748	1.66000%	1.66000%	1.66000%	0.13833%	189,770	135,130,784	20	5,933,958
March	2021	135,130,784	(4,420,034)	130,710,750	132,920,767	1.66000%	1.66000%	1.66000%	0.13833%	183,869	130,894,619	21	6,117,827
April	2021	130,894,619	(4,454,900)	126,439,719	128,667,169	1.66000%	1.66000%	1.66000%	0.13833%	177,985	126,617,704	22	6,295,813
May	2021	126,617,704	(5,479,740)	121,137,964	123,877,834	1.66000%	1.66000%	1.66000%	0.13833%	171,360	121,309,324	23	6,467,173
June	2021	121,309,324	(6,371,305)	114,938,019	118,123,671	1.66000%	1.66000%	1.66000%	0.13833%	163,400	115,101,419	24	6,630,573
July	2021	115,101,419	(6,978,816)	108,122,603	111,612,011	1.66000%	1.66000%	1.66000%	0.13833%	154,393	108,276,996	25	6,784,966
August	2021	108,276,996	(6,897,157)	101,379,839	104,828,417	1.66000%	1.66000%	1.66000%	0.13833%	145,009	101,524,848	26	6,929,975
September	2021	101,524,848	(5,986,637)	95,538,211	98,531,529	1.66000%	1.66000%	1.66000%	0.13833%	136,299	95,674,509	27	7,066,274
October	2021	95,674,509	(5,040,363)	90,634,147	93,154,328	1.66000%	1.66000%	1.66000%	0.13833%	128,860	90,763,007	28	7,195,134
November	2021	90,763,007	(4,398,255)	86,364,752	88,563,879	1.66000%	1.66000%	1.66000%	0.13833%	122,510	86,487,262	29	7,317,645
December	2021	86,487,262	(4,919,703)	81,567,560	84,027,411	1.66000%	1.66000%	1.66000%	0.13833%	116,235	81,683,795	30	7,433,880
January	2022	81,683,795	(5,366,611)	76,317,183	79,000,489	1.66000%	1.66000%	1.66000%	0.13833%	109,281	76,426,465	31	7,543,161
February	2022	76,426,465	(4,528,790)	71,897,675	74,162,070	1.66000%	1.66000%	1.66000%	0.13833%	102,588	72,000,264	32	7,645,750
March	2022	72,000,264	(4,453,538)	67,546,726	69,773,495	1.66000%	1.66000%	1.66000%	0.13833%	96,518	67,643,244	33	7,742,267
April	2022	67,643,244	(4,490,437)	63,152,806	65,398,025	1.66000%	1.66000%	1.66000%	0.13833%	90,465	63,243,271	34	7,832,732
May	2022	63,243,271	(5,523,806)	57,719,466	60,481,369	1.66000%	1.66000%	1.66000%	0.13833%	83,664	57,803,130	35	7,916,396
June	2022	57,803,130	(6,425,983)	51,377,146	54,590,138	1.66000%	1.66000%	1.66000%	0.13833%	75,515	51,452,661	36	7,991,911
July	2022	51,452,661	(7,039,727)	44,412,934	47,932,797	1.66000%	1.66000%	1.66000%	0.13833%	66,305	44,479,239	37	8,058,216
August	2022	44,479,239	(6,959,919)	37,519,321	40,999,280	1.66000%	1.66000%	1.66000%	0.13833%	56,714	37,576,035	38	8,114,931
September	2022	37,576,035	(6,046,406)	31,529,629	34,552,832	1.66000%	1.66000%	1.66000%	0.13833%	47,797	31,577,426	39	8,162,728
October	2022	31,577,426	(5,099,266)	26,478,160	29,027,793	1.66000%	1.66000%	1.66000%	0.13833%	40,154	26,518,315	40	8,202,882
November	2022	26,518,315	(4,462,683)	22,055,631	24,286,973	1.66000%	1.66000%	1.66000%	0.13833%	33,596	22,089,228	41	8,236,478
December	2022	22,089,228	(4,995,107)	17,094,121	19,591,674	1.66000%	1.66000%	1.66000%	0.13833%	27,101	17,121,222	42	8,263,579
January	2023	17,121,222	(5,453,089)	11,668,133	14,394,677	1.66000%	1.66000%	1.66000%	0.13833%	19,912	11,688,045	43	8,283,491
February	2023	11,688,045	(4,600,249)	7,087,797	9,387,921	1.66000%	1.66000%	1.66000%	0.13833%	12,986	7,100,783	44	8,296,478
March	2023	7,100,783	(4,522,687)	2,578,096	4,839,440	1.66000%	1.66000%	1.66000%	0.13833%	6,694	2,584,791	45	8,303,172
April	2023	2,584,791	(4,559,373)	(1,974,582)	305,104	1.66000%	1.66000%	1.66000%	0.13833%	422	(1,974,160)	46	8,303,594
May	2023	(1,974,160)	(5,599,894)	(7,574,054)	(4,774,107)	1.66000%	1.66000%	1.66000%	0.13833%	-	(7,574,054)	47	8,303,594
June	2023	(7,574,054)	(6,503,576)	(14,077,630)	(10,825,842)	1.66000%	1.66000%	1.66000%	0.13833%	-	(14,077,630)	48	8,303,594
July	2023	(14,077,630)	(7,117,439)	(21,195,069)	(17,636,349)	1.66000%	1.66000%	1.66000%	0.13833%	-	(21,195,069)	49	8,303,594
August	2023	(21,195,069)	(7,033,765)	(28,228,834)	(24,711,952)	1.66000%	1.66000%	1.66000%	0.13833%	-	(28,228,834)	50	8,303,594
September	2023	(28,228,834)	(6,111,189)	(34,340,023)	(31,284,429)	1.66000%	1.66000%	1.66000%	0.13833%	-	(34,340,023)	51	8,303,594
October	2023	(34,340,023)	(5,158,696)	(39,498,719)	(36,919,371)	1.66000%	1.66000%	1.66000%	0.13833%	-	(39,498,719)	52	8,303,594
November	2023	(39,498,719)	(4,524,542)	(44,023,261)	(41,760,990)	1.66000%	1.66000%	1.66000%	0.13833%	-	(44,023,261)	53	8,303,594

Notes:

(A) Based on actual billed kWh storm charge sales. Storm charge revenues will be allocated first to the amortization of the unrecovered eligible restoration costs (expected to conclude in April 2023) and then to the replenishment of the reserve balance of \$40.8M.

(B) Represents the average commercial paper rate.

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

(1) RATE CLASS	(2) ALLOCATION %	(3) ALLOCATED \$	(4) 2020 KWH SALES	(5) CENTS/KWH
RESIDENTIAL	65.984%	\$43,002,531	5,375,316,326	0.800
GS	4.201%	\$2,737,705	310,649,050	0.881
GSD/GSDT	17.020%	\$11,092,101	2,502,496,008	0.443
LP/LPT	3.999%	\$2,605,881	752,155,601	0.347
MAJOR ACCTS	6.151%	\$4,008,906	1,715,835,780	0.234
OS	2.646%	\$1,724,272	146,369,056	1.178
TOTAL RETAIL:	100.000%	\$65,171,396	10,802,821,821	0.603

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 9
PARTY: GULF POWER COMPANY (GULF) –
(DIRECT)
DESCRIPTION: Charles Shane Boyett CSB-1

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

(1) CATEGORY	(2) WEIGHT ¹	(3) RESIDENTIAL	(4) GS	(5) GSD/GSDT	(6) LP/LPT	(7) MAJOR ACCTS	(8) OS
PRODUCTION	0.41%	0.229%	0.011%	0.091%	0.028%	0.052%	0.002%
TRANSMISSION	9.07%	5.089%	0.253%	1.980%	0.597%	1.116%	0.041%
DISTRIBUTION	90.20%	60.525%	3.890%	14.901%	3.346%	4.935%	2.603%
GENERAL	0.00%	0.000%	0.000%	0.000%	0.000%	0.000%	0.000%
CUSTOMER SERVICE	0.31%	0.141%	0.047%	0.048%	0.028%	0.048%	0.000%
TOTAL	<u>100.00%</u>	<u>65.984%</u>	<u>4.201%</u>	<u>17.020%</u>	<u>3.999%</u>	<u>6.151%</u>	<u>2.646%</u>

¹Weights calculated from Exhibit MG-1, Page 1, Line 49

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 Michael
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.

Tariff Sheets

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 10
PARTY: GULF POWER COMPANY (GULF) –
(DIRECT)
DESCRIPTION: Charles Shane Boyett CSB-2



Gulf Power

Thirty-Third Revised Sheet No. ii
Canceling Thirty-Second Revised Sheet No. ii

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Section V	List of Communities Served
Section VI	Rate Schedules
	RS - Residential Service
	GS - General Service - Non-Demand
	GSD - General Service - Demand
	LP - Large Power Service
	PX - Large High Load Factor Power Service
	OS - Outdoor Service
	STORM - Storm Restoration Recovery
	BB - Budget Billing (Optional Rider)
	CR - Cost Recovery Clause - Fossil Fuel & Purchased Power
	PPCC - Purchased Power Capacity Cost Recovery Clause
	ECR - Environmental Cost Recovery Clause
	-- - Billing Adjustments and Payment of Bills
	ECC - Cost Recovery Clause - Energy Conservation
	FLAT-1 - Residential/Commercial Fixed Rate
	GSTOU - General Service Time-of-Use Conservation (Optional)
	GSDT - General Service - Demand - Time-of-Use Conservation (Optional)
	LPT - Large Power Service - Time-of-Use Conservation (Optional)
	PXT - Large High Load Factor Power Service - Time-of-Use Conservation (Optional)
	SBS - Standby and Supplementary Service
	ISS - Interruptible Standby Service
	RSVP - Residential Service Variable Pricing
	SP - Surge Protection
	RTP - Real Time Pricing
	CIS - Commercial/Industrial Service Rider (Optional)
	BERS - Building Energy Rating System (BERS)
	MBFC - Military Base Facilities Charge (Optional Rider)
	LBIR - Large Business Incentive Rider (Optional Rider)
	MBIR - Medium Business Incentive Rider (Optional Rider)
	SBIR - Small Business Incentive Rider (Optional Rider)
	RSTOU - Residential Service – Time-of-Use
	CS - Community Solar (Optional Rider)
	XLBIR - Extra-Large Business Incentive Rider (Optional Rider)
	CL - Curtailable Load (Optional Rider)

ISSUED BY: Charles S. Boyett



Section No. VI
Thirty-Fourth Revised Sheet No. 6.1
Canceling Thirty-Third Revised Sheet No. 6.1

PAGE 1 of 2	EFFECTIVE DATE
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<u>Designation</u>	<u>URSC</u>	<u>Classification</u>	<u>Sheet No.</u>
RS	RS	Residential Service	6.3
GS	GS	General Service - Non-Demand	6.5
GSD	GSD	General Service - Demand	6.7
LP	GSLD	Large Power Service	6.10
PX	GSLD1	Large High Load Factor Power Service	6.13
OS	SL, OL, OL1, OL2	Outdoor Service	6.16
STORM		Storm Restoration Recovery	6.25
BB		Budget Billing (Optional Rider)	6.32
CR		Cost Recovery Clause - Fossil Fuel and Purchased Power	6.34
PPCC		Purchased Power Capacity Cost Recovery Clause	6.35
ECR		Environmental Cost Recovery Clause	6.36
		Billing Adjustments and Payment of Bills	6.37
ECC		Cost Recovery Clause - Energy Conservation	6.38
FLAT-1		Residential/Commercial Fixed Rate	6.39
GSTOU		General Service Time-of-Use Conservation (Optional)	6.42
GSDT	GSDT	General Service - Demand Time-of-Use Conservation (Optional)	6.45
LPT	GSLDT	Large Power Service - Time-of-Use Conservation (Optional)	6.49
PXT	GSLDT1	Large High Load Factor Power Service - Time-of-Use Conservation (Optional)	6.53
SBS		Standby and Supplementary Service	6.57
ISS		Interruptible Standby Service	6.67

ISSUED BY: Charles S. Boyett



Section No. VI
Twenty-Fourth Revised Sheet No. 6.25
Canceling Twenty-Third Revised Sheet No. 6.25

**RATE SCHEDULE STORM
STORM RESTORATION RECOVERY**

PAGE 1 of 1	EFFECTIVE DATE
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APPLICABILITY:

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

DETERMINATION OF STORM RESTORATION RECOVERY SURCHARGE

The Storm Restoration Recovery Surcharge is designed to recover incremental storm-related costs incurred by the Company related to Hurricane Michael, as well as funds to replenish the Company's storm reserve. The factor is applicable to the Energy Charge under the Company's various rate schedules.

Storm Restoration Recovery Surcharge factors are shown below:

<u>Rate Schedule</u>	<u>¢/kWh</u>
RS, RSVP, RSTOU	0.800
GS	0.881
GSD, GSDT, GSTOU	0.443
LP, LPT	0.347
PX, PXT, RTP, SBS	0.234
OS-I/II	1.178
OS-III	1.178

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

ISSUED BY: Charles S. Boyett

Legislative Format



Gulf Power

Thirty-~~Second~~^{Third} Revised Sheet No. ii
Canceling Thirty-~~First~~^{Second} Revised Sheet No. ii

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	CR - Cost Recovery Clause - Fossil Fuel & Purchased Power
	PPCC - Purchased Power Capacity Cost Recovery Clause
	ECR - Environmental Cost Recovery Clause
	-- - Billing Adjustments and Payment of Bills
	ECC - Cost Recovery Clause - Energy Conservation
	FLAT-1 - Residential/Commercial Fixed Rate
	GSTOU - General Service Time-of-Use Conservation (Optional)
	GSDT - General Service - Demand - Time-of-Use Conservation (Optional)
	LPT - Large Power Service - Time-of-Use Conservation (Optional)
	PXT - Large High Load Factor Power Service - Time-of-Use Conservation (Optional)
	SBS - Standby and Supplementary Service
	ISS - Interruptible Standby Service
	RSVP - Residential Service Variable Pricing
	SP - Surge Protection
	RTP - Real Time Pricing
	CIS - Commercial/Industrial Service Rider (Optional)
	BERS - Building Energy Rating System (BERS)
	MBFC - Military Base Facilities Charge (Optional Rider)
	LBIR - Large Business Incentive Rider (Optional Rider)
	MBIR - Medium Business Incentive Rider (Optional Rider)
	SBIR - Small Business Incentive Rider (Optional Rider)
	RSTOU - Residential Service – Time-of-Use
	CS - Community Solar (Optional Rider)
	XLBIR - Extra-Large Business Incentive Rider (Optional Rider)
	CL - Curtailable Load (Optional Rider)

ISSUED BY: Charles S. Boyett

Docket No. 20190038-EI
Proposed Storm Restoration Tariff Sheets
Exhibit CSB-2, Page 7 of 8



Section No. VI
Thirty-~~Third~~Fourth Revised Sheet No. 6.1
Canceling Thirty-~~Second~~Third Revised Sheet No. 6.1

PAGE 1 of 2	EFFECTIVE DATE July 11, 2019
----------------	---------------------------------

<u>Designation</u>	<u>URSC</u>	<u>Classification</u>	<u>Sheet No.</u>
RS	RS	Residential Service	6.3
GS	GS	General Service - Non-Demand	6.5
GSD	GSD	General Service - Demand	6.7
LP	GSLD	Large Power Service	6.10
PX	GSLD1	Large High Load Factor Power Service	6.13
OS	SL, OL, OL1, OL2	Outdoor Service	6.16
STORM		Interim Storm Restoration Recovery	6.25
BB		Budget Billing (Optional Rider)	6.32
CR		Cost Recovery Clause - Fossil Fuel and Purchased Power	6.34
PPCC		Purchased Power Capacity Cost Recovery Clause	6.35
ECR		Environmental Cost Recovery Clause	6.36
		Billing Adjustments and Payment of Bills	6.37
ECC		Cost Recovery Clause - Energy Conservation	6.38
FLAT-1		Residential/Commercial Fixed Rate	6.39
GSTOU		General Service Time-of-Use Conservation (Optional)	6.42
GSDT	GSDT	General Service - Demand Time-of-Use Conservation (Optional)	6.45
LPT	GSLDT	Large Power Service - Time-of-Use Conservation (Optional)	6.49
PXT	GSLDT1	Large High Load Factor Power Service - Time-of-Use Conservation (Optional)	6.53
SBS		Standby and Supplementary Service	6.57
ISS		Interruptible Standby Service	6.67

ISSUED BY: Charles S. Boyett



Section No. VI
Twenty-~~Third~~Fourth Revised Sheet No. 6.25
Canceling Twenty-~~Second~~Third Revised Sheet No.
6.25

**RATE SCHEDULE STORM
~~INTERIM~~ STORM RESTORATION RECOVERY**

PAGE 1 of 1	EFFECTIVE DATE <u>July 11, 2019</u>
-----------------------	---

APPLICABILITY:

Applicable to each filed retail rate 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 Michael, as well as funds to replenish the Company's storm reserve. The factor is applicable to the Energy Charge under the Company's various rate schedules.

~~Interim~~ Storm Restoration Cost Recovery Surcharge factors are shown below:

<u>Rate Schedule</u>	<u>¢/kWh</u>
RS, RSVP, RSTOU	0.800
GS	<u>0.929881</u>
GSD, GSDT, GSTOU	<u>0.453443</u>
LP, LPT	<u>0.302347</u>
PX, PXT, RTP, SBS	<u>0.229234</u>
OS-I/II	<u>2.6641.178</u>
OS-III	<u>2.6641.178</u>

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

ISSUED BY: Charles S. Boyett

CONFIDENTIAL

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 11
PARTY: OFFICE OF PUBLIC COUNSEL (OPC) –
(DIRECT)
DESCRIPTION: Lane Kollen LK-1

CONFIDENTIAL

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 12
PARTY: OFFICE OF PUBLIC COUNSEL (OPC) –
(DIRECT)
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CONFIDENTIAL

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 13
PARTY: OFFICE OF PUBLIC COUNSEL (OPC) –
(DIRECT)
DESCRIPTION: Lane Kollen LK-3

CONFIDENTIAL

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 14
PARTY: OFFICE OF PUBLIC COUNSEL (OPC) –
(DIRECT)
DESCRIPTION: Lane Kollen LK-4

CONFIDENTIAL

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 15
PARTY: OFFICE OF PUBLIC COUNSEL (OPC) –
(DIRECT)
DESCRIPTION: Lane Kollen LK-5

CONFIDENTIAL

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 16
PARTY: OFFICE OF PUBLIC COUNSEL (OPC) –
(DIRECT)
DESCRIPTION: Lane Kollen LK-6

1 **Qualifications of Michael P. Gorman**

2 **Q PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

3 A Michael P. Gorman. My business address is 16690 Swingley Ridge Road,
4 Suite 140, Chesterfield, MO 63017.

5

6 **Q PLEASE STATE YOUR OCCUPATION.**

7 A I am a consultant in the field of public utility regulation and a Managing Principal with
8 the firm of Brubaker & Associates, Inc. ("BAI"), energy, economic and regulatory
9 consultants.

10

11 **Q PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND WORK
12 EXPERIENCE.**

13 A In 1983 I received a Bachelor of Science Degree in Electrical Engineering from
14 Southern Illinois University, and in 1986, I received a Master's Degree in Business
15 Administration with a concentration in Finance from the University of Illinois at
16 Springfield. I have also completed several graduate level economics courses.

17 In August of 1983, I accepted an analyst position with the Illinois Commerce
18 Commission ("ICC"). In this position, I performed a variety of analyses for both
19 formal and informal investigations before the ICC, including: marginal cost of
20 energy, central dispatch, avoided cost of energy, annual system production costs,
21 and working capital. In October of 1986, I was promoted to the position of Senior
22 Analyst. In this position, I assumed the additional responsibilities of technical leader
23 on projects, and my areas of responsibility were expanded to include utility financial
24 modeling and financial analyses.

1 In 1987, I was promoted to Director of the Financial Analysis Department. In
2 this position, I was responsible for all financial analyses conducted by the Staff.
3 Among other things, I conducted analyses and sponsored testimony before the ICC
4 on rate of return, financial integrity, financial modeling and related issues. I also
5 supervised the development of all Staff analyses and testimony on these same
6 issues. In addition, I supervised the Staff's review and recommendations to the
7 Commission concerning utility plans to issue debt and equity securities.

8 In August of 1989, I accepted a position with Merrill-Lynch as a financial
9 consultant. After receiving all required securities licenses, I worked with individual
10 investors and small businesses in evaluating and selecting investments suitable to
11 their requirements.

12 In September of 1990, I accepted a position with Drazen-Brubaker &
13 Associates, Inc. ("DBA"). In April 1995, the firm of Brubaker & Associates, Inc. was
14 formed. It includes most of the former DBA principals and Staff. Since 1990, I have
15 performed various analyses and sponsored testimony on cost of capital,
16 cost/benefits of utility mergers and acquisitions, utility reorganizations, level of
17 operating expenses and rate base, cost of service studies, and analyses relating to
18 industrial jobs and economic development. I also participated in a study used to
19 revise the financial policy for the municipal utility in Kansas City, Kansas.

20 At BAI, I also have extensive experience working with large energy users to
21 distribute and critically evaluate responses to requests for proposals ("RFPs") for
22 electric, steam, and gas energy supply from competitive energy suppliers. These
23 analyses include the evaluation of gas supply and delivery charges, cogeneration
24 and/or combined cycle unit feasibility studies, and the evaluation of third-party
25 asset/supply management agreements. I have participated in rate cases on rate

1 design and class cost of service for electric, natural gas, water and wastewater
2 utilities. I have also analyzed commodity pricing indices and forward pricing methods
3 for third party supply agreements, and have also conducted regional electric market
4 price forecasts.

5 In addition to our main office in St. Louis, the firm also has branch offices in
6 Phoenix, Arizona and Corpus Christi, Texas.

7

8 **Q HAVE YOU EVER TESTIFIED BEFORE A REGULATORY BODY?**

9 A Yes. I have sponsored testimony on cost of capital, revenue requirements, cost of
10 service and other issues before the Federal Energy Regulatory Commission and
11 numerous state regulatory commissions including: Arkansas, Arizona, California,
12 Colorado, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas,
13 Louisiana, Michigan, Mississippi, Missouri, Montana, New Jersey, New Mexico, New
14 York, North Carolina, Ohio, Oklahoma, Oregon, South Carolina, Tennessee, Texas,
15 Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, Wyoming, and
16 before the provincial regulatory boards in Alberta and Nova Scotia, Canada. I have
17 also sponsored testimony before the Board of Public Utilities in Kansas City, Kansas;
18 presented rate setting position reports to the regulatory board of the municipal utility
19 in Austin, Texas, and Salt River Project, Arizona, on behalf of industrial customers;
20 and negotiated rate disputes for industrial customers of the Municipal Electric
21 Authority of Georgia in the LaGrange, Georgia district.

22

23

24

25

1 Q PLEASE DESCRIBE ANY PROFESSIONAL REGISTRATIONS OR
2 ORGANIZATIONS TO WHICH YOU BELONG.

3 A I earned the designation of Chartered Financial Analyst (“CFA”) from the CFA
4 Institute. The CFA charter was awarded after successfully completing three
5 examinations which covered the subject areas of financial accounting, economics,
6 fixed income and equity valuation and professional and ethical conduct. I am a
7 member of the CFA Institute’s Financial Analyst Society.

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State of Florida



Public Service Commission

Office of Auditing and Performance Analysis
Bureau of Auditing
Tallahassee District Office

Auditor's Report

Gulf Power Company
Storm Recovery Cost Audit – Hurricane Michael

As of October 31, 2019

Docket No. 20190038-EI
Audit Control No. 2019-323-1-1
January 10, 2020

A handwritten signature in black ink, appearing to read "Debra M.", written over a horizontal line.

Debra M. Dobiac
Audit Manager

A handwritten signature in blue ink, appearing to read "Marisa N.", written over a horizontal line.

Marisa N. Glover
Reviewer

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 18
PARTY: FLORIDA PUBLIC SERVICE
COMMISSION (FPSC) – (DIRECT)
DESCRIPTION: Debra M. Dobiac DMD-1

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Purpose

To: Florida Public Service Commission

We have performed the procedures described later in this report to meet the objectives set forth by the Division of Accounting and Finance in its audit service request dated November 18, 2019. We have applied these procedures to the attached schedules prepared by Gulf Power Company in support of its filing for storm recovery costs in Docket No. 20190038-EI.

The report is intended only for internal Commission use.

Objectives and Procedures

General

Definitions

Gulf or Utility refers to Gulf Power Company.

Background

On November 15, 2019, Gulf filed a petition to facilitate an evaluation of Hurricane Michael storm costs. According to the petition, Gulf incurred \$427,674,776 in storm restoration costs and follow-up work related to Hurricane Michael from October 1, 2018 through October 31, 2019. After deducting Hurricane Michael non-incremental costs, related capital, third-party reimbursements, and below-the-line costs, the remaining total incremental storm losses amounted to \$314,612,139. After accounting for the pre-storm reserve balance, additional post-storm reserve accruals, replenishing the storm reserve, and interest, Gulf requests that the total storm amount to be recovered is \$295,748,645.

Expense

Payroll, Overtime, and Related Costs

Objectives: The objectives were to determine whether regular payroll, overtime, and related costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We determined regular payroll, overtime, and related costs from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We selected a judgmental sample of costs for detail testing and traced the amounts to payroll records. No exceptions were noted.

Contractors

Objectives: The objectives were to determine whether contractor costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We determined contractor costs from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We selected a judgmental sample of costs for detail testing and traced the amounts to purchase orders, invoices, or contracts. No exceptions were noted.

Line Clearing

Objectives: The objectives were to determine whether line clearing costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We determined line clearing costs from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We selected

a judgmental sample of costs for detail testing and traced the amounts to purchase orders, invoices, or contracts. No exceptions were noted.

Vehicle and Fuel

Objectives: The objectives were to determine whether vehicle and fuel costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We determined vehicle and fuel costs from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We selected a judgmental sample of costs for detail testing and traced the amounts to source documents. No exceptions were noted.

Materials and Supplies

Objectives: The objectives were to determine whether materials and supplies were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We determined materials and supplies from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We selected a judgmental sample of costs for detail testing and traced the amounts to purchase orders, invoices, or inventory records. No exceptions were noted.

Logistics

Objectives: The objectives were to determine whether logistics costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We determined logistics costs from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We selected a judgmental sample of costs for detail testing and traced the amounts to purchase orders, invoices, or employee expense reports. No exceptions were noted.

Other Costs

Objectives: The objectives were to determine whether other costs were properly stated, recorded in the period incurred, and related to Hurricane Michael.

Procedures: We determined other costs from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We selected a judgmental sample of costs for detail testing and traced the amounts to purchase orders, invoices, or contracts. No exceptions were noted.

Other

Capitalizable Costs

Objectives: The objectives were to determine whether the capitalizable costs have been accounted for correctly and removed in their entirety from the recoverable costs as per Rule 25-6.0143(1)(d), Florida Administrative Code (F.A.C.).

Procedures: We determined capitalizable costs from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We requested a detailed description of the capitalizable costs, and tested these costs to determine if the Utility included for recovery only those costs that are allowed by the applicable Rule. No exceptions were noted.

Third-Party Reimbursements

Objectives: The objective was to determine whether third-party reimbursement costs have been accounted for correctly and removed in their entirety from the recoverable costs as per Rule 25-6.0143 (1)(b), F.A.C.

Procedures: We determined third-party reimbursements from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We requested a detailed description of the third-party reimbursements, and tested these costs to determine if the Utility included for recovery only those costs that are allowed by the applicable Rule. No exceptions were noted.

Below-the-Line Costs

Objectives: The objective was to determine whether below-the-line costs have been accounted for correctly and removed in their entirety from the recoverable costs as per Rule 25-6.0143 (1)(b), F.A.C.

Procedures: We determined below-the-line costs from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We requested a detailed description of the below-the-line costs, and tested these costs to determine if the Utility included for recovery only those costs that are allowed by the applicable Rule. No exceptions were noted.

Non-Incremental Costs

Objectives: The objective was to determine whether non-incremental costs have been accounted for correctly and removed in their entirety from the recoverable costs as per Rule 25-6.0143, F.A.C.

Procedures: We determined non-incremental costs from Account 186 – Miscellaneous Deferred Debits by function and reconciled the balances to the storm restoration costs filing. We requested a detailed description of the non-incremental costs, and tested these costs to determine if the Utility included for recovery only those costs that are allowed by the applicable Rule.. No exceptions were noted.

Jurisdictional Factors

Objectives: The objective was to determine the jurisdictional factors used by the Utility.

Procedures: We determined that Gulf used the jurisdictional factors calculated for 2019 in its filing. We verified the calculation using support documentation provided by the Utility. No further work was performed.

Audit Findings

None

Exhibits

Exhibit 1: Gulf's Hurricane Michael Final Storm Restoration Costs

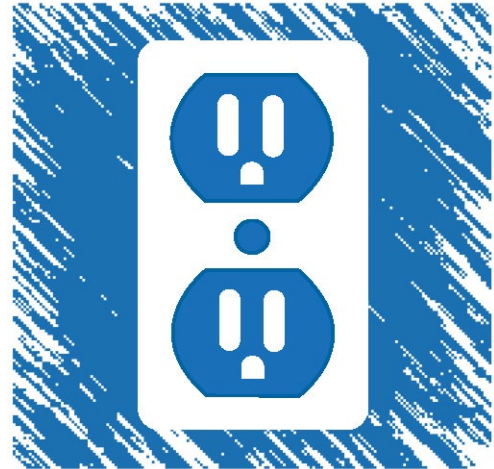
Gulf Power Company
 Hurricane Michael Incremental Cost and Capitalization Approach Adjustments
 through October 31, 2019
 (\$000s)

Exhibit MG-1, Page 1 of 2

LINE NO	Storm Costs By Function(A)					Total (6)	Calculation of Recoverable Storm Amount (7)	
	System & Other (1)	Transmission (2)	Distribution (3)	General (B) (4)	Customer Service (5)			
1	Storm Reserve Balance (Pre-Storm)						\$(48,000)	
3	Storm Restoration Costs							
4		\$193	\$894	\$4,372	\$50	\$1,255	\$6,964	
5		160	600	4,342	23	976	6,302	
6		782	22,555	213,694	331	0	237,343	
7		0	1,376	18,298	0	0	19,673	
8		0	71	637	0	0	727	
9		1,789	1,651	26,509	9	0	29,957	
10		93	14,558	107,111	32	0	121,796	
11		17	60	4,836	0	0	4,913	
12						\$2,232	\$427,675	
13		Sum of Lines 4 - 11						
14		Less: Non-Incremental Costs						
15		\$193	\$401	\$2,646	\$50	\$1,255	\$4,544	
16		0	5	70	23	0	98	
17		0	0	0	331	0	331	
18		0	498	290	0	0	788	
19		0	15	171	0	0	186	
20		0	0	0	9	0	9	
21		0	0	0	32	0	32	
22		0	1	6	0	0	7	
23		0	30	221	0	0	251	
24								
25								
26								
27								
28								
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30								
31								
32								
33								
34								
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36								
37								
38								
39								
40								
41								
42								
43								
44								
45								
46								
47								
48								
49								
50								
51							\$264,769	
52								
53								
54								
55							\$304	
56								
57								
58								
59							\$291,536	
60								
61							1,00072	
62								
63							\$293,749	

Notes:
 (A) Storm costs are as of October 31, 2019. Totals may not add due to rounding.
 (B) General plant function reflects restoration costs associated with employee assistance.
 (C) Represents total payroll charged to the business unit (function) being supported. For example, an employee that works in Legal but is supporting Distribution during storm restoration would allocate their time to Distribution.
 (D) Includes other miscellaneous costs, including reserve equipment in FERC Account 368, Line Transformers and removed as Capital Costs in Line 43 above.
 (E) Represents regular payroll normally recovered through base rate O&M and not charged to the Storm Reserve.
 (F) Reimbursement from AT&T for net poles and a PowerSouth tap replaced by Gulf during restoration as a result of the storm.
 (G) Jurisdictional Factors are based on factors approved in Docket No. 160166-EI.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 19
PARTY: FLORIDA PUBLIC SERVICE
COMMISSION (FPSC) – (DIRECT)
DESCRIPTION: Carl Vinson CV-1



REVIEW OF
**Gulf Power Company's
Storm Cost Management and
Payment Processing Practices
for Hurricane Michael**

June 2020

By Authority of
The Florida Public Service Commission
Office of Auditing and Performance Analysis
Performance Analysis Section

REVIEW OF

**Gulf Power Company's
Storm Cost Management and
Payment Processing Practices
for Hurricane Michael**

Bob Casey
Public Utility Analyst II
Project Manager

David Rich
Public Utility Analyst IV

Lynn Fisher
Public Utility Analyst I

June 2020

By Authority of
The Florida Public Service Commission
Office of Auditing and Performance Analysis
Performance Analysis Section

PA-19-09-002

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1.0 Executive Summary

1.1 Purpose and Objectives

The Florida Public Service Commission's (FPSC or Commission) Office of Auditing and Performance Analysis initiated this operational audit at the request of the Commission's Division of Accounting and Finance. The purpose of the audit was to review and examine processes and internal controls in use by Gulf Power Company (Gulf or Company). Commission audit staff assessed Gulf's compliance with its procedures and internal controls and their effectiveness in reviewing, processing, and paying invoices associated with Hurricane Michael.

The objectives of this audit were met by examining and assessing the adequacy of the processes for:

- ◆ Vendor storm cost invoice preparation and submission
- ◆ Review and approval of vendor storm cost invoices
- ◆ Invoice dispute, correction, and resolution
- ◆ Staffing and training of payment processing personnel
- ◆ Consistency of invoice with contract terms and conditions
- ◆ Overrides and exceptions to procedures and contract terms
- ◆ Operating systems supporting invoice payment processing
- ◆ Work planning and deployment of contractors and mutual assistance resources
- ◆ Oversight and work monitoring of contractors and mutual assistance resources
- ◆ Recordkeeping of contractor and mutual assistance work hours and costs
- ◆ Self-assessment and implementation of lessons learned

1.2 Scope and Methodology

The scope of the review focused on the processes by which Gulf incurred these costs, processed the resulting invoices, and paid vendors.

As authorized by Sections 350.117(2) and (3), Florida Statutes (F.S.), management audits are conducted by staff to assess utility performance and the adequacy of operations and controls:

(2) The commission may perform management and operation audits of any regulated company. The commission may consider the results of such audits in establishing rates; however, the company shall not be denied due process as a result of the use of any such management or operation audit.

(3) As used in this section, "management and operation audit" means an appraisal, by a public accountant or other professional person, of management performance, including a testing of adherence to governing policy and profit capability; adequacy

of operating controls and operating procedures; and relations with employees, customers, the trade, and the public generally.

Commission audit staff's standard of review for internal controls is primarily the Institute of Internal Auditors' *Standards for the Professional Practice of Internal Auditing* and the *Internal Control - Integrated Framework* developed by the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. Internal controls assessments focus on the COSO framework's five key elements of internal control: control environment, risk assessment, control activities, information and communication, and monitoring. Commission audit staff's work is performed in compliance with Institute of Internal Auditors Performance Standards 2000 through 2500.

The information in this audit report was gathered through responses to document requests and on-site interviews with key employees responsible for processing, verifying, and approving invoices paid for Hurricane Michael. Specific information collected and reviewed from Gulf included:

- ◆ Policies and procedures used for procuring labor, services and materials, and the review and approval of storm cost invoices
- ◆ Governing documents under which Hurricane Michael storm costs were incurred (e.g., master service agreements, contracts, purchase orders, vendor guidelines and instructions)
- ◆ Analysis of a statistical sample of Hurricane Michael storm cost invoices, including all supporting documentation used for processing and paying contractor costs, logistics, materials, and fuel
- ◆ Internal and external reviews or audits performed to verify Hurricane Michael costs
- ◆ Documents filed in FPSC Docket Nos. 20190038-EI and 20160170-EI¹

1.3 Observations

Commission audit staff developed the following observations regarding key areas of operations related to storm cost controls and payment.

1.3.1 Invoice Processing and Payment Procedures

Observation 1: Commission audit staff believes that Gulf's invoice requirements procedure provided adequate direction for processing Hurricane Michael invoices under Southern Company invoice review guidelines

¹Docket No. 160170-EI, *In re: Petition for approval of 2016 depreciation and dismantlement studies, approval of proposed depreciation rates and annual dismantlement accruals and Plant Smith Units 1 and 2 regulatory asset amortization, by Gulf Power Company.*

and Edison Electric Institute/Southeastern Electric Exchange invoicing guidelines.

Observation 2: Commission audit staff believes Gulf's invoice checking, correction, and approval processes were effective.

Observation 3: Commission audit staff believes Gulf provided adequate staffing and expertise for invoice and payment processing and oversight to provide acceptable accuracy and efficiency.

1.3.2 Contractor Deployment and Management

Observation 4: Gulf has adopted FPL's recently-revised *Contractor Statement of Work* laying out policies and processes regarding contractor mobilization and demobilization, standby time, and guaranteed labor hours. Daily standby time is capped at 10 hours, and no minimum daily hours are assumed or guaranteed. Commission audit staff believes this change may reduce labor costs and enhance Gulf's monitoring of vendor performance.

Observation 5: Gulf's adoption of process improvements outlined in FPL's Hurricane Irma Settlement Process Provisions addresses minimum daily labor hours. The settlement provides that the Company will establish a policy to limit work time to 16 hours on, with 8 hours of rest, with no minimum hours. Commission audit staff notes that this change may reduce labor costs.

Observation 6: Gulf's adoption of process improvements outlined in FPL's Hurricane Irma Settlement Process Provisions includes use of FPL's iStorm tool for tracking and crew management, resource requirements, resource rates, mobilization and demobilization pricing, and standby pricing. The iStorm tool is planned for use in timesheet entry and approval. Commission audit staff believes these changes may reduce time recording and billing errors, and enhance Gulf's monitoring of vendor performance.

Observation 7: Gulf's adoption of process improvements outlined in FPL's Hurricane Irma Settlement Process Provisions addresses base camp provision of meals and fuel. FPL's iStorm app will require approval for exceptions where meals or fuel must be obtained away from base camp. Commission audit staff believes this closer control over vendor expenses may reduce meal costs and fueling time.

Observation 8: Gulf’s adoption of improvements outlined in FPL’s Hurricane Irma Settlement Process Provisions includes continued participation in the Edison Electric Institute and Southeastern Electric Exchange mutual aid groups. Gulf states it plans to continue to participate in these groups. Commission audit staff notes that Gulf’s statement may satisfy this particular settlement requirement.

1.3.3 Lessons-Learned Assessment and Implementation of Improvements

Observation 9: Gulf’s ongoing transition to NextEra Energy processes and procedures and the adoption of several process improvements included in FPL’s Hurricane Irma Settlement has accelerated incorporation of lessons learned by both Gulf and FPL from recent storms. Gulf states it continues to pursue process efficiencies based upon its own Hurricane Michael lessons learned.

2.0 Background and Perspective

2.1 Impact of Hurricane Michael

Hurricane Michael caused over 120,000 Gulf customer outages on October 10, 2018. The Company's transmission and distribution systems experienced widespread physical damage. Approximately 7,000 poles, 200 miles of line, and 4,000 transformers were replaced on the distribution system. More than 600 miles of transmission lines were impacted requiring repair and/or replacement of more than 100 miles of line and 200 structures, along with at least 30 substations. Some areas required a complete rebuild of the electric system.

On February 5, 2019, pursuant to Section 366.076(1), F.S. and the provisions of the Stipulation and Settlement Agreement approved by Order No. PSC-2017-0178-S-EI, Gulf filed its Petition for Limited Proceeding for Recovery of Incremental Storm Restoration Costs Related to Hurricane Michael. By Order No. PSC-2019-0221-PCO-EI, issued on June 3, 2019, the Commission approved the requested 2019 Interim Storm Restoration Recovery Charge for a period of 60 months and required Gulf to submit documentation of the actual storm costs for review and true up of any excess or shortfall. Gulf submitted its actual storm costs on November 15, 2019, requesting \$295.7 million in recovery.

2.2 2017 Storm Settlement Agreement

On October 12, 2016, Gulf filed a petition with the Commission for an increase in rates.² On March 20, 2017, prior to the start of the hearing, Gulf and the interveners filed a Stipulation and Settlement Agreement resolving all issues, including storm damage.³

Under this 2017 Stipulation and Settlement Agreement, Gulf is entitled to request recovery of the storm reserve deficit and replenish its storm reserve to the balance as of December 31, 2016, which was \$40.8 million. The following paragraph of the settlement agreement applied to future storm recovery.

Storm Damage.

(a) Nothing in this Agreement shall preclude Gulf Power from petitioning the Commission to seek recovery of costs associated with any (1) tropical systems named by the National Hurricane Center or its successor or (2) other catastrophic storm events causing damage to Gulf's generation, transmission or distribution system in the aggregate dollar amount of at least 75% of the property damage reserve balance on April 1, 2017, without the application of any form of earnings test or measure and irrespective of previous or current base rate earnings. Consistent

²Docket No. 160170-EI, *In re: Petition for approval of 2016 depreciation and dismantlement studies, approval of proposed depreciation rates and annual dismantlement accruals and Plant Smith Units 1 and 2 regulatory asset amortization, by Gulf Power Company.*

³Document Nos. 03681-17 and 03713-17 (Stipulation and Settlement Agreement).

with the rate design methods approved in this agreement, the Parties agree 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 the event the storm costs exceed that level, any additional costs in excess of \$4.00/1,000 kWh may be recovered in a subsequent year or years as determined by the Commission. All storm related costs subject to recovery under this paragraph 7 shall be calculated and disposed of pursuant to Commission Rule 25-6.0143, F.A.C. and will be limited to: (i) costs resulting from a tropical system named by the National Hurricane Center or its successor or other catastrophic storms creating significant damage to Gulf's generation, transmission, or distribution systems such as tornados or ice storms in the aggregate dollar amount of at least 75% of the property damage reserve balance on April 1, 2017; (ii) the estimate of incremental storm restoration costs above the level of storm reserve prior to the storm; and (iii) the replenishment of the storm reserve to the level as of December 31, 2016. The Parties to this Agreement are not precluded from participating in any such proceedings and opposing the amount of Gulf Power's claimed costs or whether the proposed recovery is consistent with this paragraph 7, but the Parties cannot oppose the mechanism agreed to herein.

(b) The Parties agree that the \$4.00/1,000 kWh cap in this paragraph 7 shall apply in aggregate for a calendar year for the purpose of the recovery set forth in 7(a) above; provided, however, that 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 or the amount needed to replenish the storm reserve to the level that existed as of December 31, 2016. All Parties reserve their right to oppose such a petition

(c) Any proceeding to recover costs under this paragraph 7 shall not be a vehicle for a "rate case" type inquiry concerning the expenses, investment, or financial results of operations of the Company and shall not apply any form of earnings test or measure or consider previous or current base rate earnings.

(d) Gulf further will be authorized, at its discretion, to suspend its current authorized property damage reserve accrual during any period from the approval of this agreement until the conclusion of Gulf's next general base rate proceeding or until the balance in Gulf's property damage reserve falls below \$0, whichever shall first occur.

(e) The provisions of this paragraph 7 shall remain in effect and shall continue in effect at least until the Company's base rates are next reset by the Commission in a general base rate proceeding.

2.3 Gulf Invoice Review and Payment Processes

Gulf maintains that it followed a robust and comprehensive invoice review process, including receipt, review, and follow-up analysis to ensure that, where appropriate, all Hurricane Michael invoices were either rejected, adjusted, or paid. Gulf established a three-layer invoice review process for Hurricane Michael costs.

- ◆ Gulf formed a team of five employees and six consultants to oversee the accurate and timely review of the invoices. Gulf reports that more than 10,000 review hours were committed to this process.
- ◆ At the request of Southern Company's Board of Directors, a Storm Cost review was performed to ensure contract compliance, invoice accuracy and vendor payment.
- ◆ At Gulf's request, NextEra Energy's internal audit (IA) group conducted an assessment of the controls surrounding Gulf's invoice review process.

Gulf reviewed approximately 4,500 invoices related to Hurricane Michael restoration activities. Upon receipt, invoices were logged to allow for tracking and monitoring as the invoices proceeded through the review process. Gulf's team of invoice reviewers was charged with the responsibility of reviewing and validating invoices to relevant supporting documents, such as contracts, labor and equipment rates, timesheets and expense receipts.

3.0 Commission Audit Staff Analysis

The overall focus of storm cost recovery dockets is to ensure that only prudently-incurred costs are reimbursed to utilities by customers. Of necessity, charges billed by vendors and contractors must be examined to ensure that the proper amounts were paid.

Commission audit staff notes that in addition to ensuring that invoices and payments were accurate, it is important to ensure that the costs were incurred under appropriate oversight and controls provided by the utility. A systemic lack of effective contractor management can inflate costs well beyond the impact of even numerous smaller invoicing or payment processing errors.

At the same time, during storm recovery efforts, Commission audit staff recognizes the tension between the utility's urgent need to efficiently marshal resources while simultaneously prioritizing rapid restoration of service to customers. It is unavoidable that these two needs compete, posing difficult choices for Florida investor-owned utilities.

Commission audit staff believes process improvements identified in prior cost recovery dockets for 2017 and 2018 storms have focused on contractor and work management issues more than on the actual invoice payment processes. In any event, the cumulative impact of lessons learned, agreements to implement Storm Restoration Cost Process Improvements to control costs, and creative initiatives by the utilities should yield substantial benefits in mitigating the cost impacts of future storms. By addressing these issues, the Commission and Florida utilities are appropriately rethinking embedded industry practices to the benefit of ratepayers.

3.1 Review of Invoicing and Contractor Management Controls

Commission audit staff closely reviewed the settlement and stipulations of Docket No. 20160170-EI and other recent storm cost recovery cases. This allowed the audit team to develop perspective on utility practices and the issues that arise regarding storm costs.

Audit staff issued numerous data requests to obtain information regarding Gulf's Hurricane Michael restoration work management and invoice processing practices. These requests yielded copies of written procedures, descriptions of process internal controls, copies of paid invoices, and associated supporting documentation.

On-site interviews with key Gulf management personnel were used to document how the restoration work and associated storm recovery costs were managed. This provided a foundational understanding of how costs were incurred, how vendors' work was tracked, and how payment processing was executed. Audit staff gathered information on company post-mortem analysis and lessons-learned from previous storms, and documented Gulf's process improvements either implemented to date, or under consideration for future implementation.

Data requests and teleconferences with Company personnel continued as Commission audit staff began detailed examination of invoices and company documentation of costs incurred.

3.2 Invoice Sample Review

To observe and verify the processes and controls described by the Company in interviews and data request responses, Commission audit staff used a sampling approach. This detailed examination of selected vendor invoices included the following tasks:

- ◆ Testing adherence to procedures
- ◆ Assessing adequacy of documentation used during invoice review and payment
- ◆ Evaluating Gulf's success in preventing and correcting processing errors
- ◆ Assessing adequacy of internal control protections

Commission audit staff's objective was to select and examine a sample of invoices to accomplish the above tasks. By its nature, analysis of a statistical sample provides an accurate depiction of the characteristics of an entire population.

To provide coverage of Gulf's storm cost dollars, audit staff selected its sample of vendor invoices from Gulf's three highest incremental cost categories: contractor, mutual aid IOU, and logistics costs. Together, these three categories account for 84% of Gulf's \$427,675,000 gross storm related restoration costs.

To maximize its focus on more complex and impactful invoices, Commission audit staff's sample selection excluded all invoices of \$25,000 or less within these three selected categories. After removing the \$25,000 and below invoices, audit staff determined the necessary sample size. Applying parameters of a 95% confidence level and an error rate of plus-or-minus 10%, a sample size of 89 invoices was calculated. Commission audit staff selected the sample invoices using a random number generator. Gulf provided each selected invoice and the supporting documentation used in processing and payment.

3.3 Invoice Sample Evaluation Criteria

To evaluate the sample invoices, Commission audit staff developed a set of attributes and checkpoints to assess process adequacy in the two key areas: adherence to company procedures and adequacy of internal controls. Overall, the attributes considered encompassed general best business practices employed in purchasing and project management.

Additionally, evaluation of the sample invoices was performed considering the Storm Restoration Cost Process Improvements included in Settlement Agreements⁴ between three IOUs and the Office of Public Counsel during 2018 and 2019. This gave perspective regarding the sufficiency of processes used during Hurricane Michael and Dorian, and also an indication of the potential value of implementing these Storm Restoration Cost Process Improvements.

⁴Docket No. 20170271-EI *In re: Petition for recovery of costs associated with named tropical storms during the 2015, 2016, and 2017 hurricane seasons and replenishment of storm reserve subject to final true-up, Tampa Electric Company*; Docket No. 20170272-EI *In re: Application for limited proceeding for recovery of incremental storm restoration costs related to Hurricanes Irma and Nate, by Duke Energy Florida, LLC.*; Docket No. 20180049-EI *In re: Evaluation of storm reserve costs for Florida Power & Light Company related to Hurricane Irma.*

3.3.1 Compliance with Gulf Procedures

A basic evaluation of invoice processing accuracy involved simple verification of adherence to Gulf's applicable procedures. This process included a line-by-line review of each invoice received and comparison to contemporaneous records of restoration work completed, including timesheets and meal/accommodation records. Invoices were also compared to vendor contract terms and provisions, among other activities. All reviews were detailed in a log maintained for this purpose, and potential discrepancies were documented and resolved.

Typically, an invoice package contains the vendor's itemized invoice, and some form of records validating charges such as labor timesheets, materials used, and receipts for purchases to be reimbursed. It also usually includes evidence of materials received or approval of work by utility personnel. A key component of the package is evidence that the charges and itemizations in the invoice agree with agreed upon rates and terms. Last, an invoice package should contain evidence of approval for payment and a record of that payment being made.

After verifying that necessary supporting documentation was present, Commission audit staff reviewed the package for evidence of compliance with applicable Gulf standards, requirements, and procedures. Where audit staff noted apparent exceptions, discussions were conducted with Gulf personnel and resolved. Generally minor additions to the audit trail or explanations of transaction details removed all concerns.

Commission audit staff verified that invoiced rates for hourly labor and equipment rentals matched current contract rates and terms. Time records were reviewed for evidence of authorization of work and contractor oversight. Similarly, evidence of supervisory approvals of the verification process was examined, and dual-control protection documented approval for payment and issuing final payment were verified.

Where variances were discovered between invoiced dollar amounts and amounts included in supporting documents, Commission audit staff asked for a reconciliation by Gulf.

3.3.2 Adequacy of Internal Controls

Beyond verifying that invoice processing comported with the Company's existing procedures, Commission audit staff also sought to assess the adequacy of internal process controls. To prevent payment errors or fraud, internal controls must secure each step of transactions that incur costs ultimately passed on to ratepayers. From the moment contractor and mutual aid labor is engaged or materials are ordered, Gulf must complete several verifications. Primarily, the work or materials must be verified as having been provided and acceptable. Gulf processes include requirements for acceptance and related approvals and were observed to be functioning properly.

Once costs are incurred and the vendor has performed, the invoicing and payment process begins. Prior experience in storm cost recovery dockets has made clear that vendor invoicing deficiencies and errors are problematic, particularly during the extraordinary challenges of storm recovery work. Commission audit staff believes that vendor training on invoicing procedures can greatly improve invoicing accuracy and therefore prevent payment errors. Gulf provided its vendor invoicing instructions and described its efforts to communicate the Company's expectations and requirements. These appear to provide appropriate guidance.

Vendor invoice review by Gulf's team of five employees and six contractors appears to be adequately protected by well-executed controls. Processes are in place to check the accuracy of invoiced labor hours and related hourly rates, materials quantities, equipment charges, fuel costs and lodging/meal expenses. Such controls include preparation of a spreadsheet to check computations within invoices.

Commission audit staff questioned instances of incorrect vendor invoices it identified. One instance included multiple invoices from a single vendor, all containing apparent overcharges. Gulf explained that its processing had identified these overcharges, but further review revealed the vendor may have a credible claim against Gulf for a much larger dollar amount in additional billings. Gulf's Executive Management decided that the Company and its customers were best served by paying the overcharges as invoiced without further pressing the issue.

After review of other invoices, combined net overcharges by a vendor of \$5,060.77 were brought to Gulf's attention by Commission audit staff. Gulf stated that it plans to address those amounts via rebuttal testimony in the docket, and may adjust its recovery request before the Commission.

Prior to Hurricane Michael, Gulf was a subsidiary of Southern Company and used Southern Company's Procurement and Payment Guidelines. As a member of the Southeastern Electric Exchange (SEE), Gulf also uses SEE invoicing guidelines. Upon the January 1, 2019 effective date of the merger, Gulf began use of NextEra Energy's policies and procedures governing invoice review processes. Audit staff reviewed Southern Company's invoice review guidelines, SEE guidelines, and NextEra Energy's guidelines to obtain a general understanding for comparison purposes.

Supporting documentation for each invoice sampled indicated invoice processing includes a comparison of invoiced charges to applicable rates and other governing contract provisions. Contract provisions may direct the applicability of overtime labor rates, specify limits on per diem and lodging costs, define meal policy, and clarify fuel rules. Audit staff's sample review raised no concerns regarding adequacy of contract protections and compliance with terms and conditions.

Additionally, controls over the payment function after invoice review must guard against fraud and errors. Final approval for payment requires multiple reviews and appears to be executed in keeping with this procedure.

Gulf uses mutual aid resources provided by IOUs such as FPL under ongoing mutual aid agreements. In the absence of a continuing contract, a utility seeking emergency assistance may make use of Edison Electric Institute's (EEI) suggested principles and policies⁵ for emergency assistance contracts. Mutual Assistance is provided at cost by responding companies with no profit included on invoices.

⁵https://www.eei.org/issuesandpolicy/electricreliability/mutualassistance/Documents/MAAgreement+GovPrinc_FINAL_090717.pdf

3.3.3 Settlement Agreement Storm Cost Process Improvements

During 2018 and 2019, within their respective storm cost recovery dockets, three Florida IOUs entered into Settlement Agreements with the Office of Public Counsel. Each settlement sets forth an agreement for the utility to implement several specific process changes related to storm costs. Most pertain to practices intended to reduce storm costs and improve recovery work efficiency.

Though Gulf has not entered into such a settlement, the Company recognized that these process improvements would benefit both Gulf and its ratepayers. As part of its integration as a subsidiary of NextEra Energy, Gulf plans to incorporate the procedures and improvements outlined in FPL's Hurricane Irma Cost Recovery Settlement – Process Provision.⁶ Gulf is working to integrate FPL's iStorm app for tracking and crew management, resource requirements, resource rates, mobilization/demobilization pricing structure, standby pricing structure, usage of the app for entry, recording, and approval of time, and other advancements to mitigate risk in the future.

3.4 Commission Audit Staff Observations

Based upon its review of processes, procedures, internal controls, and sampled invoices, Commission audit staff developed the following observations regarding storm cost controls and payment operations.

3.4.1 Invoice Processing and Payment Procedures

Vendor Invoicing Instructions

As a subsidiary of Southern Company during Hurricane Michael, Gulf was subject to its parent's invoice review guidelines. Gulf states it also follows EEI and SEE invoicing guidelines.

As noted, Gulf began in 2020 to follow NextEra Energy's policies and procedures regarding invoice review and processing. Commission audit staff reviewed both an example of the new instructions for creating and submitting invoices, and examples of the standard terms and conditions that Gulf may provide to a vendor based on the type of work being performed.

Observation 1: **Commission audit staff believes that Gulf's invoice requirements procedure provided adequate direction for processing Hurricane Michael invoices under Southern Company invoice review guidelines and Edison Electric Institute/Southeastern Electric Exchange invoicing guidelines.**

Invoice Checking, Correction, and Approval Procedures

Commission audit staff's sample review of invoices and interactions with Gulf personnel indicated that appropriate attention to detail and accuracy were provided in checking and processing for payment. Functioning as intended, errors were detected and addressed. Exception items noted by Commission audit staff were clarified with supporting evidence and justification.

⁶<http://www.psc.state.fl.us/ClerkOffice/ShowDocket?orderNum=PSC-2019-0319-S-EL.pdf>

Observation 2: Commission audit staff believes Gulf’s invoice checking, correction, and approval processes were effective.

Personnel Staffing and Training

Gulf established a three-layer invoice review process for Hurricane Michael costs to validate the accuracy of invoices and payments. This process included review of invoices by Gulf’s finance team and consultants, Southern Company Internal Auditing, and NextEra Energy’s Internal Auditing.

Observation 3: Commission audit staff believes Gulf applied adequate staffing and expertise for invoice and payment processing and oversight to provide acceptable accuracy and efficiency.

3.4.2 Contractor Deployment and Management

Standby Hours

During Hurricane Michael, no written policy regarding vendor standby hours existed. Therefore, contractors could be paid up to sixteen hours for non-productive time during mobilization/demobilization or standby mode. Gulf management defines “standby” time as pre-storm billable hours that ensure work teams are available immediately after the storm has passed. The Company stated that no standby time billing is allowable once workers begin storm restoration work.

Gulf management stated that standby occurred with only a few crews prior to Hurricane Michael, and Gulf did not differentiate standby time or rates as anything other than regular time. Attempting to determine how many standby hours were billed by contractors would have been an informal attempt by managers and would not have been differentiated by overtime or double time rates.

Observation 4: Gulf has adopted FPL’s recently-revised *Contractor Statement of Work* laying out policies and processes regarding contractor mobilization and demobilization, standby time, and guaranteed labor hours. Daily standby time is capped at 10 hours, and no minimum daily hours are assumed or guaranteed. Commission audit staff believes this change will reduce labor costs and enhance Gulf’s monitoring of vendor performance.

Minimum Daily Labor Hours

During Michael, Gulf indicated that minimum charges of 16 hours per day were allowed in its Michael restoration cost payments. Commission audit staff believes minimum guaranteed hours is a long-standing industry practice. The Company indicated that the extensive damage throughout its system provided more than enough work for every crew each day, and efforts were made to maximize productivity on each shift.

Observation 5: Gulf’s adoption of process improvements outlined in FPL’s Hurricane Irma Settlement Process Provisions addresses minimum daily labor hours. The settlement provides that the Company will establish a policy

to limit work time to 16 hours on, with 8 hours of rest, with no minimum hours. Commission audit staff notes that this change may reduce labor costs.

Contractor Work Monitoring and Recordkeeping

Gulf's Command Center personnel routinely conduct field visits once restoration has begun to validate restoration progress, assess remote work sites, and identify any adjustments that may be required. The Command Center assigns resources to operations managers responsible for managing crews' daily work until they are referred to the Command Center for redeployment or release, as tracked in the resource management system. Timesheets are verified by operations managers as part of the invoice review process. Going forward, Gulf plans to use the iStorm app that FPL is developing to handle the daily approval of contractor timesheets.

Observation 6: Gulf's adoption of process improvements outlined in FPL's Hurricane Irma Settlement Process Provisions includes use of FPL's iStorm tool for tracking and crew management, resource requirements, resource rates, mobilization and demobilization pricing, and standby pricing. The iStorm tool is planned for use in timesheet entry and approval. Commission audit staff believes these changes may reduce time recording and billing errors, and enhance Gulf's monitoring of vendor performance.

Utility-Provided Lodging, Meals, and Fuel

During Michael, Gulf housed some mutual aid and contractor workers at base camp facilities. Meals and fuel were provided at the base camp once crews were on-boarded. However, instances arose where crews had to obtain meals and fuel away from base camp. These exceptions required approval by Gulf personnel.

Observation 7: Gulf's adoption of process improvements outlined in FPL's Hurricane Irma Settlement Process Provisions addresses base camp provision of meals and fuel. FPL's iStorm app will require approval for exceptions where meals or fuel must be obtained away from base camp. Commission audit staff believes this closer control over vendor expenses may reduce meal costs and fueling time.

Coordination with SEE and EEI

During Hurricane Michael, Gulf made use of SEE services for obtaining mutual aid forces. Gulf is a founding member and active participant of the SEE Mutual Assistance Group. The Company also participates with EEI and the National Response Event organization to gain access to other utilities with similar mutual assistance agreements.

Observation 8: Gulf's adoption of improvements outlined in FPL's Hurricane Irma Settlement Process Provisions includes continued participation in the Edison Electric Institute and Southeastern Electric Exchange mutual aid groups. Gulf states it plans to continue to participate in these groups. Commission audit staff notes that Gulf's statement may satisfy this particular settlement requirement.

3.4.3 Lessons-Learned Assessment and Implementation of Improvements

Since 2016, Gulf's system has been impacted by five events that required off-system restoration assistance. For all of these events, the number of crews Gulf utilized for the restoration work was relatively small and Gulf performed a full line-by-line review of the contractor invoices for the associated restoration work. Gulf utilized the lessons learned from those reviews during its review of vendor invoices for Hurricane Michael. Gulf found that the issues associated with the Hurricane Michael invoice review process were very similar to those Gulf had previously encountered. Any issues or questions resulting from Gulf's review of the Hurricane Michael invoices were discussed with the vendor/contractor and corrected if an error had been made.

Observation 9: Gulf's ongoing transition to NextEra Energy processes and procedures and the adoption of several process improvements included in FPL's Hurricane Irma Settlement has accelerated incorporation of lessons learned by both Gulf and FPL from recent storms. Gulf states it continues to pursue process efficiencies based upon its own Hurricane Michael lessons learned.

**Docket No. 20190038-EI
Gulf's Response to Interrogatory No. 49 Amended
Exhibit PAT-7, Page 1 of 2**

**Gulf Power Company
Docket No. 20190038-EI
OPC's Second Set of Interrogatories
Interrogatory No. 49 - Amended
Page 1 of 2**

QUESTION:

Refer to Gulf's response to POD 10 in OPC's First Request for Production of Documents, specifically to the invoice binder 105 (Bates numbers 32859-33289).

- a. Describe the specific services provided by this contractor and explain why there were no storm related costs for this contractor during the first quarter of 2019 and why there were multiple invoices for storm related costs during the months of May through July 2019.
- b. Were the costs defined as storm related during the months of May through July 2019 included in the total costs shown in Exhibit MG-1?
- c. Describe in detail the method and all criteria used by the Company to determine that a portion of the May through July 2019 binder 105 invoice costs were storm related.
- d. Provide examples from actual invoices that demonstrate how the Company determined that a portion of the costs were storm related and how it applied specific criteria for this determination.

RESPONSE:

- a. The vendor whose invoices are the subject of this interrogatory provided vegetation management cleanup work following Hurricane Michael. Because the storm related costs incurred in May through July 2019 did not exceed the 3-year average for vegetation management spending, these costs were not included in Gulf's request for storm cost recovery. This specific contract crew assisted with cleanup initially, and they also performed some scheduled maintenance work while on the system. The follow-up storm work performed by the crews in May through July of 2019 was associated with either vegetation damage that remained on the system, or trimming or removal of damaged trees that were dead or dying and created reliability risk. The work was managed by Gulf employees who identified specific work as storm related or normal maintenance.
- b. No, the vegetation management costs defined as storm related during 2019 were excluded from the request for storm cost recovery through the VM ICCA Clearing, and therefore none of these costs are included in the total costs shown in Exhibit MG-1.
- c. As described in part (a) of this question, this work was identified through inspections of the distribution system conducted to address remaining storm damage to electrical equipment or storm-related vegetation issues likely to impact the system. As indicated in parts (a) and (b) of this response, the costs that are the subject of this interrogatory have been removed from the request for storm cost recovery through the ICCA adjustments.
- d. The invoices have been provided as part of POD 10. As described in part (a) of this question, this contract crew assisted with Hurricane Michael cleanup and also performed scheduled maintenance work. Their work was managed by Gulf employees who determined whether the associated costs should be attributed to normal maintenance or to storm restoration. As

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PARTY: GULF POWER COMPANY (GULF) –
(REBUTTAL)
DESCRIPTION: Paul A. Talley PAT-7

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stated in response to subsections (a), (b), and (c) of this interrogatory, the storm related costs for May through June 2019 did not exceed the 3-year average for vegetation management spending, and as a result these costs were not included in Gulf's requested storm cost recovery.

Gulf Power Company
Docket No. 20190038-EI
OPC's Second Set of Interrogatories
Interrogatory No. 59 - Amended
Page 1 of 2

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binder 6.0. Refer also to the applicable contract pages provided in the confidential response to Gulf's response to POD 6 of OPC's First Request for Production of Documents.

- a. Were the costs identified in these documents as storm related to 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that binder 6.0 invoices for 2019 were storm related.
- c. Why were the contract labor and equipment rates charged for 16 hours per day 7 days per week (112 hours per week) starting in mid-December 2018 and during the 2019 months for two hydro vacuum excavation trucks, one pickup truck, and the related labor, understanding the basic work week assumed in Section V of the contract rates was 40 hours per week?
- d. Describe the approval process for these invoices in order to verify the hours per week invoiced. If there was pre-approval of the 112 hours per week billing for the equipment and labor, please provide copies of such authorization.
- e. The referenced invoices and associated contract pages provided in Gulf's response to POD 10 refer to the hourly billing rate for a pickup. Please describe the make, model, and features of the referenced pickup.
- f. The referenced invoices and the associated contract pages provided in Gulf's response to POD 10 refer to the hourly billing rate for two hydro vacuum trucks. Please describe the make and model of these two trucks.
- g. Confirm that the equipment rates being charged on these invoices include the labor associated with the operators.

RESPONSE:

- a. Yes, the costs defined as storm related during 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.
- c. With the amount of restoration work being performed in Bay County after Hurricane Michael, Extraordinary Circumstances directives, as that term is described in the Sunshine 811 Excavation Guide, were issued by all municipalities and utilities owning and operating underground facilities. In light of this directive, Gulf determined that the safest and most prudent and appropriate method of performing the necessary locates was through the use of contractor capable of performing hydro-excavation. The hydro-excavation process required

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 21
PARTY: GULF POWER COMPANY (GULF) –
(REBUTTAL)
DESCRIPTION: Paul A. Talley PAT-8

**Gulf Power Company
Docket No. 20190038-EI
OPC's Second Set of Interrogatories
Interrogatory No. 56 - Amended
Page 2 of 2**

Gulf to have its contractor on standby for facility owners to locate their underground infrastructure, so that Gulf could then make repairs to its facilities without adversely impacting the governmental and other underground facilities. Smith Industrial was the contractor engaged to perform the required hydro-excavation, and they performed their work, or were required to remain in place on a daily basis to perform their work, for storm follow-up work for Distribution and Lighting following Hurricane Michael. The use of Smith Industrial helped to ensure that Gulf would not damage critical communication, sewer, water, and gas facilities during repair and rebuild of Gulf's electric facilities.

- d. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 59, Attachment Nos. 1 and 2, attached hereto, which are confidential.
- e. Gulf does not require this type of detail be provided in their contracts and does not have any information describing the make, model, and features of the referenced pickup.
- f. Gulf does not require this type of detail be provided in their contracts and does not have any information describing the make and model of the referenced hydro vacuum trucks.
- g. Please see the documents provided with Gulf's response to OPC's First Request for Production of Documents No. 6, which are confidential. Refer to Bates number 001383. The description of the unit indicated it is fully operated, meaning operator labor is associated with the equipment.

Docket No. 20190038-EI
Hurricane Michael Incremental Cost and
Capitalization Approach Adjustments
Exhibit MG-2, Page 1 of 4

Gulf Power Company
Hurricane Michael Incremental Cost and Capitalization Approach Adjustments--Changes from Exhibit MG-1
through October 31, 2019 (Updated July 9, 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 (B) (4)	Customer Service (5)		
1	Storm Reserve Balance (Pre-Storm)							\$ -
2								
3	<u>Storm Restoration Costs</u>							
4	Regular Payroll and Related Costs (C)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5	Overtime Payroll and Related Costs (C)	\$0	\$0	\$0	\$0	\$0	\$0	0
6	Contractors	\$0	\$0	-\$55	\$0	\$0	\$0	-\$55
7	Line Clearing	\$0	\$0	\$0	\$0	\$0	\$0	0
8	Vehicle & Fuel	\$0	\$0	\$0	\$0	\$0	\$0	0
9	Materials & Supplies	\$0	\$0	\$0	\$0	\$0	\$0	0
10	Logistics	\$0	\$0	\$0	\$0	\$0	\$0	0
11	Other (D)	\$0	\$0	\$0	\$0	\$0	\$0	0
12	Total Storm Related Restoration Costs Sum of Lines 4 - 11	\$0	\$0	-\$55	\$0	\$0	\$0	-\$55
13								
14	<u>Less: Non-Incremental Costs</u>							
15	Regular Payroll and Related Costs (E)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
16	Overtime Payroll and Related Costs	0	0	0	0	0	0	0
17	Contractors	0	0	0	0	0	0	0
18	Line Clearing:							
19	Vegetation Management	0	0	0	0	0	0	0
20	Vehicle & Fuel	0	0	0	0	0	0	0
21	Materials & Supplies	0	0	0	0	0	0	0
22	Logistics	0	0	0	0	0	0	0
23	Other				\$0			
24	Thank you Ads	0	0	0	0	0	0	0
25	Legal Claims	0	0	0	0	0	0	0
26	Total Non-Incremental Costs Sum of Lines 15 - 25	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27								
28	<u>Incremental Storm Losses</u>							
29	Regular Payroll and Related Costs Lines 4 - 15	\$0	\$0	\$0	\$0	\$0	\$0	0
30	Overtime Payroll and Related Costs Line 5 - 16	0	0	0	0	0	0	0
31	Contractors Lines 6 - 17	0	0	-\$55	0	0	0	-\$55
32	Line Clearing Lines 7 - 19	0	0	0	0	0	0	0
33	Vehicle & Fuel Lines 8 - 20	0	0	0	0	0	0	0
34	Materials & Supplies Lines 9 - 21	0	0	0	0	0	0	0
35	Logistics Line 10 - 22	0	0	0	0	0	0	0
36	Other Line 11 - 20 - 24 - 25	0	0	0	0	0	0	0
37	Subtotal Sum of Lines 29 - 36	\$0	\$0	-\$55	\$0	\$0	\$0	-\$55
38								
39	Less: Third-Party Reimbursements (F)	0	0	0	0	0	0	0
40								
41	Net Incremental Restoration Costs Incurred Lines 37 - 39	\$0	\$0	-\$55	\$0	\$0	\$0	-\$55
42								
43	Less: Capitalizable Costs, excluding Third-Party Reimbursements	0	0	0	0	0	0	0
44								
45	Total Incremental Storm Losses Lines 41 - 43	\$0	\$0	-\$55	\$0	\$0	\$0	-\$55
46								
47	Jurisdictional Factor (G)	0.9720	0.9741	0.9963	0.9841	1.0000		
48								
49	Retail Recoverable Costs Line 45 * 47	\$ -	\$ -	\$ (55)	\$ -	\$ -	\$ (55)	\$ (55)
50								
51	Balance of Storm Reserve after Funding Estimated Storm Costs ("Eligible Restoration Costs") (Lines 1 + 49)							\$ (55)
52								
53	Less: Additional 2018 Accruals to Storm Reserve (Post-Storm)							-
54								
55	Plus: Interest on Unamortized Reserve Balance							(645)
56								
57	Plus: Amount to Replenish Reserve to Level at Settlement Agreement Implementation Date, December 31, 2016 ("Implementation Storm Reserve Balance")							-
58								
59	Subtotal - System Storm Losses to be Recovered from Customers (Lines 51 + 53 + 55 + 57)							(699)
60								
61	Regulatory Assessment Fee Multiplier							1.00072
62								
63	Total System Storm Losses to be Recovered from Customers ("Recoverable Storm Amount") (Lines 59 * 61)							\$ (700)

Notes:

- (A) Storm costs are as of October 31, 2019. Totals may not add due to rounding.
- (B) General plant function reflects restoration costs associated with employee assistance.
- (C) Represents total payroll charged to the business unit (function) being supported. For example, an employee that works in Legal but is supporting Distribution during storm restoration would allocate their time to Distribution.
- (D) Includes other miscellaneous costs, including reserve equipment in FERC Account 368, Line Transformers and removed as Capital Costs in Line 43 above.
- (E) Represents regular payroll normally recovered through base rate O&M and not charged to the Storm Reserve.
- (F) Reimbursement from AT&T for net poles and a PowerSouth tap replaced by Gulf during restoration as a result of the storm.
- (G) Jurisdictional Factors are based on factors approved in Docket No. 160186-EI.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 22
PARTY: GULF POWER COMPANY (GULF) –
(REBUTTAL)
DESCRIPTION: Mitchell Goldstein MG-2

Docket No. 20190038-EI
Hurricane Michael Incremental Cost and
Capitalization Approach Adjustments
Exhibit MG-2, Page 2 of 4

Gulf Power Company
Hurricane Michael Incremental Cost and Capitalization Approach Adjustments
through October 31, 2019 (Updated July 9, 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 (B) (4)	Customer Service (5)		
1	Storm Reserve Balance (Pre-Storm)						\$ (48,008)
2							
3	<u>Storm Restoration Costs</u>						
4		\$193	\$894	\$4,572	\$50	\$1,255	\$6,964
5		\$160	\$800	\$4,342	\$23	\$976	6,302
6		\$762	\$22,555	\$213,639	\$331	\$0	237,288
7		\$0	\$1,376	\$18,298	\$0	\$0	19,673
8		\$0	\$71	\$657	\$0	\$0	727
9		\$1,789	\$1,651	\$26,509	\$9	\$0	29,957
10		\$95	\$14,558	\$107,111	\$32	\$0	121,796
11		\$17	\$60	\$4,836	\$0	\$0	4,913
12	Total Storm Related Restoration Costs	\$3,015	\$41,965	\$379,963	\$445	\$2,232	\$427,620
13							
14	<u>Less: Non-Incremental Costs</u>						
15		\$193	\$401	\$2,646	\$50	\$1,255	\$4,544
16		0	5	70	23	0	98
17		0	0	0	331	0	331
18		0	0	0	0	0	0
19		0	498	290	0	0	788
20		0	15	171	0	0	186
21		0	0	0	9	0	9
22		0	0	0	32	0	32
23		0	\$0	\$0	\$0	0	0
24		0	1	6	0	0	7
25		0	30	221	0	0	251
26	Total Non-Incremental Costs	\$193	\$951	\$3,403	\$445	\$1,255	\$6,247
27							
28	<u>Incremental Storm Losses</u>						
29	Regular Payroll and Related Costs	\$0	\$493	\$1,927	\$0	\$0	2,420
30	Overtime Payroll and Related Costs	160	795	4,272	0	976	6,204
31	Contractors	762	22,555	213,639	0	0	236,956
32	Line Clearing	0	877	18,008	0	0	18,885
33	Vehicle & Fuel	0	55	486	0	0	541
34	Materials & Supplies	1,789	1,651	26,509	0	0	29,948
35	Logistics	95	14,558	107,111	0	0	121,764
36	Other	17	29	4,608	0	0	4,654
37	Subtotal	\$2,822	\$41,014	\$376,560	\$0	\$976	\$421,373
38							
39	Less: Third-Party Reimbursements (F)	0	117	4,837	0	0	4,954
40							
41	Net Incremental Restoration Costs Incurred	\$2,822	\$40,897	\$371,722	\$0	\$976	\$416,418
42							
43	Less: Capitalizable Costs, excluding Third-Party Reimbursements	1,492	11,758	88,611	0	0	101,861
44							
45	Total Incremental Storm Losses	\$1,330	\$29,140	\$283,111	\$0	\$976	\$314,557
46							
47	Jurisdictional Factor (G)	0.9720	0.9741	0.9963	0.9841	1.0000	
48							
49	Retail Recoverable Costs	\$ 1,293	\$ 28,384	\$ 282,069	\$ -	\$ 976	\$ 312,723
50							
51	Balance of Storm Reserve after Funding Estimated Storm Costs ("Eligible Restoration Costs") (Lines 1 + 49)						\$ 264,714
52							
53	Less: Additional 2018 Accruals to Storm Reserve (Post-Storm)						(18,344)
54							
55	Plus: Interest on Unamortized Reserve Balance--updated based on actuals through June 2020						7,659
56							
57	Plus: Amount to Replenish Reserve to Level at Settlement Agreement Implementation Date, December 31, 2016 ("Implementation Storm Reserve Balance")						40,808
58							
59	Subtotal - System Storm Losses to be Recovered from Customers (Lines 51 + 53 + 55 + 57)						294,836
60							
61	Regulatory Assessment Fee Multiplier						1.00072
62							
63	Total System Storm Losses to be Recovered from Customers ("Recoverable Storm Amount") (Lines 59 * 61)						\$ 295,049

Notes:

- (A) Storm costs are as of October 31, 2019. Totals may not add due to rounding.
(B) General plant function reflects restoration costs associated with employee assistance.
(C) Represents total payroll charged to the business unit (function) being supported. For example, an employee that works in Legal but is supporting Distribution during storm restoration would allocate their time to Distribution.
(D) Includes other miscellaneous costs, including reserve equipment in FERC Account 368, Line Transformers and removed as Capital Costs in Line 43 above.
(E) Represents regular payroll normally recovered through base rate O&M and not charged to the Storm Reserve.
(F) Reimbursement from AT&T for net poles and a PowerSouth tap replaced by Gulf during restoration as a result of the storm.
(G) Jurisdictional Factors are based on factors approved in Docket No. 160186-EI.

Gulf Power
Incremental Storm Restoration Costs Related to Hurricane Michael
Unrecovered Eligible Restoration Costs Balance (Updated July 9, 2020)
(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 Eligible 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)	Month Count	Cumulative Interest
June	2019	246,369,579	(3,580,650)	242,788,929	244,579,254	2.39000%	2.32000%	2.35500%	0.19625%	479,987	243,268,916	0	479,987
July	2019	243,268,916	(7,515,865)	235,753,051	239,510,984	2.32000%	2.10000%	2.21000%	0.18417%	441,107	236,194,158	1	921,094
August	2019	236,194,158	(7,645,174)	228,548,984	232,371,571	2.10000%	2.05000%	2.07500%	0.17292%	401,817	228,950,801	2	1,322,911
September	2019	228,950,801	(7,053,413)	221,897,388	225,424,095	2.05000%	1.97000%	2.01000%	0.16750%	377,585	222,274,974	3	1,700,496
October	2019	222,274,974	(5,696,055)	216,578,919	219,426,946	1.97000%	1.66000%	1.81500%	0.15125%	331,883	216,910,802	4	2,032,380
November	2019	216,910,802	(4,459,220)	212,451,582	214,681,192	1.66000%	1.67000%	1.66500%	0.13875%	297,870	212,749,452	5	2,330,250
December	2019	212,749,452	(4,889,918)	207,859,534	210,304,493	1.67000%	1.59000%	1.63000%	0.13583%	285,657	208,145,191	6	2,615,906
January	2020	208,145,191	(5,031,284)	203,113,907	205,629,549	1.59000%	1.64000%	1.61500%	0.13458%	276,736	203,390,644	7	2,892,643
February	2020	203,390,644	(4,478,315)	198,912,328	201,151,486	1.64000%	1.64000%	1.60000%	0.13333%	268,195	199,180,524	8	3,160,838
March	2020	199,180,524	(4,853,988)	194,326,535	196,753,529	1.56000%	1.56000%	1.88500%	0.15708%	309,060	194,635,596	9	3,469,898
April	2020	194,635,596	(4,562,628)	190,072,968	192,354,282	2.01000%	0.06000%	1.13500%	0.09458%	181,929	190,254,897	10	3,651,827
May	2020	190,254,897	(5,471,490)	184,783,406	187,519,151	0.06000%	0.08000%	0.07000%	0.00583%	10,932	184,794,339	11	3,662,759
June	2020	184,794,339	(6,738,161)	178,056,178	181,425,258	0.08000%	0.13000%	0.10500%	0.00875%	15,875	178,072,053	12	3,678,634
July	2020	178,072,053	(7,205,973)	170,866,079	174,469,066	0.13000%	1.66000%	0.89500%	0.07458%	130,119	170,996,198	13	3,808,753
August	2020	170,996,198	(6,905,354)	164,090,844	167,543,521	1.66000%	1.66000%	1.66000%	0.13833%	231,763	164,322,607	14	4,040,516
September	2020	164,322,607	(6,002,831)	158,319,776	161,321,192	1.66000%	1.66000%	1.66000%	0.13833%	223,156	158,542,932	15	4,263,672
October	2020	158,542,932	(5,059,447)	153,483,485	156,013,208	1.66000%	1.66000%	1.66000%	0.13833%	215,813	153,699,298	16	4,479,485
November	2020	153,699,298	(4,409,613)	149,289,685	151,494,491	1.66000%	1.66000%	1.66000%	0.13833%	209,562	149,499,247	17	4,689,047
December	2020	149,499,247	(4,928,722)	144,570,525	147,034,886	1.66000%	1.66000%	1.66000%	0.13833%	203,393	144,773,918	18	4,892,441
January	2021	144,773,918	(5,263,925)	139,509,993	142,141,955	1.66000%	1.66000%	1.66000%	0.13833%	196,625	139,706,618	19	5,089,065
February	2021	139,706,618	(4,491,468)	135,215,150	137,460,884	1.66000%	1.66000%	1.66000%	0.13833%	190,150	135,405,299	20	5,279,215
March	2021	135,405,299	(4,420,034)	130,985,265	133,195,282	1.66000%	1.66000%	1.66000%	0.13833%	184,249	131,169,514	21	5,463,464
April	2021	131,169,514	(4,454,900)	126,714,614	128,942,064	1.66000%	1.66000%	1.66000%	0.13833%	178,366	126,892,979	22	5,641,830
May	2021	126,892,979	(5,479,740)	121,413,239	124,153,109	1.66000%	1.66000%	1.66000%	0.13833%	171,741	121,584,980	23	5,813,571
June	2021	121,584,980	(6,371,305)	115,213,675	118,399,327	1.66000%	1.66000%	1.66000%	0.13833%	163,782	115,377,456	24	5,977,353
July	2021	115,377,456	(6,978,816)	108,398,641	111,888,049	1.66000%	1.66000%	1.66000%	0.13833%	154,775	108,553,415	25	6,132,127
August	2021	108,553,415	(6,897,157)	101,656,258	105,104,837	1.66000%	1.66000%	1.66000%	0.13833%	145,392	101,801,650	26	6,277,519
September	2021	101,801,650	(5,986,637)	95,815,012	98,808,331	1.66000%	1.66000%	1.66000%	0.13833%	136,682	95,951,694	27	6,414,200
October	2021	95,951,694	(5,040,363)	90,911,331	93,431,513	1.66000%	1.66000%	1.66000%	0.13833%	129,244	91,040,575	28	6,543,444
November	2021	91,040,575	(4,398,255)	86,642,320	88,841,447	1.66000%	1.66000%	1.66000%	0.13833%	122,894	86,765,214	29	6,666,339
December	2021	86,765,214	(4,919,703)	81,845,512	84,305,363	1.66000%	1.66000%	1.66000%	0.13833%	116,620	81,962,131	30	6,782,958
January	2022	81,962,131	(5,366,611)	76,595,520	79,278,825	1.66000%	1.66000%	1.66000%	0.13833%	109,666	76,705,186	31	6,892,625
February	2022	76,705,186	(4,528,790)	72,176,397	74,440,792	1.66000%	1.66000%	1.66000%	0.13833%	102,974	72,279,371	32	6,995,598
March	2022	72,279,371	(4,453,538)	67,825,833	70,052,602	1.66000%	1.66000%	1.66000%	0.13833%	96,904	67,922,737	33	7,092,502
April	2022	67,922,737	(4,490,437)	63,432,299	65,677,518	1.66000%	1.66000%	1.66000%	0.13833%	90,852	63,523,151	34	7,183,354
May	2022	63,523,151	(5,523,806)	57,999,346	60,761,248	1.66000%	1.66000%	1.66000%	0.13833%	84,051	58,083,397	35	7,267,405
June	2022	58,083,397	(6,425,983)	51,657,413	54,870,405	1.66000%	1.66000%	1.66000%	0.13833%	75,902	51,733,315	36	7,343,307
July	2022	51,733,315	(7,039,727)	44,693,589	48,213,452	1.66000%	1.66000%	1.66000%	0.13833%	66,694	44,760,282	37	7,410,001
August	2022	44,760,282	(6,959,919)	37,800,363	41,280,323	1.66000%	1.66000%	1.66000%	0.13833%	57,103	37,857,467	38	7,467,104
September	2022	37,857,467	(6,046,406)	31,811,061	34,834,264	1.66000%	1.66000%	1.66000%	0.13833%	48,186	31,859,247	39	7,515,290
October	2022	31,859,247	(5,099,266)	26,759,981	29,309,614	1.66000%	1.66000%	1.66000%	0.13833%	40,544	26,800,525	40	7,555,834
November	2022	26,800,525	(4,462,683)	22,337,842	24,569,184	1.66000%	1.66000%	1.66000%	0.13833%	33,987	22,371,829	41	7,589,821
December	2022	22,371,829	(4,995,107)	17,376,722	19,874,275	1.66000%	1.66000%	1.66000%	0.13833%	27,492	17,404,214	42	7,617,313
January	2023	17,404,214	(5,453,089)	11,951,125	14,677,669	1.66000%	1.66000%	1.66000%	0.13833%	20,304	11,971,429	43	7,637,616
February	2023	11,971,429	(4,600,249)	7,371,180	9,671,304	1.66000%	1.66000%	1.66000%	0.13833%	13,378	7,384,558	44	7,650,995
March	2023	7,384,558	(4,522,687)	2,861,872	5,123,215	1.66000%	1.66000%	1.66000%	0.13833%	7,087	2,868,959	45	7,658,082
April	2023	2,868,959	(4,559,373)	(1,690,414)	589,272	1.66000%	1.66000%	1.66000%	0.13833%	815	(1,689,599)	46	7,658,897
May	2023	(1,689,599)	(5,599,894)	(7,289,493)	(4,489,546)	1.66000%	1.66000%	1.66000%	0.13833%	-	(7,289,493)	47	7,658,897
June	2023	(7,289,493)	(6,503,576)	(13,793,069)	(10,541,281)	1.66000%	1.66000%	1.66000%	0.13833%	-	(13,793,069)	48	7,658,897
July	2023	(13,793,069)	(7,117,439)	(20,910,508)	(17,351,788)	1.66000%	1.66000%	1.66000%	0.13833%	-	(20,910,508)	49	7,658,897
August	2023	(20,910,508)	(7,033,765)	(27,944,273)	(24,427,391)	1.66000%	1.66000%	1.66000%	0.13833%	-	(27,944,273)	50	7,658,897
September	2023	(27,944,273)	(6,111,189)	(34,055,462)	(30,999,868)	1.66000%	1.66000%	1.66000%	0.13833%	-	(34,055,462)	51	7,658,897
October	2023	(34,055,462)	(5,158,696)	(39,214,158)	(36,634,810)	1.66000%	1.66000%	1.66000%	0.13833%	-	(39,214,158)	52	7,658,897

Notes:

All information is actual through June 2020 and forecast beyond June 2020

(A) Based on actual billed kWh storm charge sales. Storm charge revenues will be allocated first to the amortization of the unrecovered eligible restoration costs (expected to conclude in April 2023) and then to the replenishment of the reserve balance of \$40.8M.

(B) Represents the average commercial paper rate.

Incremental Storm Restoration Costs Related to Hurricane Michael
Interest Calculation: June 2019 through June 2020 (Updated July 9, 2020)
(\$000's)

LINE NO.	(1) JUN 2019	(2) JUL 2019	(3) AUG 2019	(4) SEP 2019	(5) OCT 2019	(6) NOV 2019	(7) DEC 2019	(8) JAN 2020	(9) FEB 2020	(10) MAR 2020	(11) APR 2021	(12) MAY 2020	(13) JUNE 2020	
1	Unrecovered Eligible Restoration Costs - Beg Bal	\$ 246,369.58	\$ 243,268.92	\$ 236,194.16	\$ 228,950.80	\$ 222,274.97	\$ 216,910.80	\$ 212,749.45	\$ 208,145.19	\$ 203,390.64	\$ 199,180.52	\$ 194,635.60	\$ 190,254.90	\$ 184,794.34
2	Additional Adjustments to Storm Reserve													
3	Less: Current Month Amortization (A)	<u>\$ (3,580.65)</u>	<u>\$ (7,515.86)</u>	<u>\$ (7,645.17)</u>	<u>\$ (7,053.41)</u>	<u>\$ (5,696.06)</u>	<u>\$ (4,459.22)</u>	<u>\$ (4,889.92)</u>	<u>\$ (5,031.28)</u>	<u>\$ (4,478.32)</u>	<u>\$ (4,853.99)</u>	<u>\$ (4,562.63)</u>	<u>\$ (5,471.49)</u>	<u>\$ (6,738.16)</u>
4	Unrecovered Eligible Restoration Costs - Before Cur Mo Int (Line 1 + 2 + 3)	\$ 242,788.93	\$ 235,753.05	\$ 228,548.98	\$ 221,897.39	\$ 216,578.92	\$ 212,451.58	\$ 207,859.53	\$ 203,113.91	\$ 198,912.33	\$ 194,326.54	\$ 190,072.97	\$ 184,783.41	\$ 178,056.18
5	Average Unrecovered Eligible Restoration Costs	\$ 244,579.25	\$ 239,510.98	\$ 232,371.57	\$ 225,424.09	\$ 219,426.95	\$ 214,681.19	\$ 210,304.49	\$ 205,629.55	\$ 201,151.49	\$ 196,753.53	\$ 192,354.28	\$ 187,519.15	\$ 181,425.26
6	Interest Rate - First day of Business Reporting Month (B)	2.39%	2.32%	2.10%	2.05%	1.97%	1.66%	1.67%	1.59%	1.64%	1.56%	2.21%	0.06%	0.08%
7	Interest Rate - First day of Subsequent Reporting Month (B)	2.32%	2.10%	2.05%	1.97%	1.66%	1.67%	1.59%	1.64%	1.56%	2.21%	0.06%	0.08%	0.13%
8	Total Interest Rate (Lines 6 + 7)	<u>4.71%</u>	<u>4.42%</u>	<u>4.15%</u>	<u>4.02%</u>	<u>3.63%</u>	<u>3.33%</u>	<u>3.26%</u>	<u>3.23%</u>	<u>3.20%</u>	<u>3.77%</u>	<u>2.27%</u>	<u>0.14%</u>	<u>0.21%</u>
9	Average Interest Rate (50% of Line 8)	2.36%	2.21%	2.08%	2.01%	1.82%	1.67%	1.63%	1.62%	1.60%	1.89%	1.14%	0.07%	0.11%
10	Monthly Average Interest Rate (1/12 of line 9)	<u>0.20%</u>	<u>0.18%</u>	<u>0.17%</u>	<u>0.17%</u>	<u>0.15%</u>	<u>0.14%</u>	<u>0.14%</u>	<u>0.13%</u>	<u>0.13%</u>	<u>0.16%</u>	<u>0.09%</u>	<u>0.01%</u>	<u>0.01%</u>
11	Monthly Interest (Line 10 x 5)	\$ 479.99	\$ 441.11	\$ 401.82	\$ 377.59	\$ 331.88	\$ 297.87	\$ 285.66	\$ 276.74	\$ 268.20	\$ 309.06	\$ 181.93	\$ 10.93	\$ 15.87
12	Unrecovered Eligible Restoration Costs - End Bal (Line 4 + 11)	<u>\$ 243,268.92</u>	<u>\$ 236,194.16</u>	<u>\$ 228,950.80</u>	<u>\$ 222,274.97</u>	<u>\$ 216,910.80</u>	<u>\$ 212,749.45</u>	<u>\$ 208,145.19</u>	<u>\$ 203,390.64</u>	<u>\$ 199,180.52</u>	<u>\$ 194,635.60</u>	<u>\$ 190,254.90</u>	<u>\$ 184,794.339</u>	<u>\$ 178,072.05</u>

Notes:

(A) Based on actual billed kWh storm charge sales. Storm charge revenues will be allocated first to the amortization of the unrecovered eligible restoration costs (expected to conclude in August 2019) and then to the replenishment of the reserve balance of \$40.8M.

(B) Represents the average commercial paper rate included in fuel clause calculation.

Gulf Power Company
Docket No. 20190038-EI
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Interrogatory No. 59 - Amended
Page 1 of 2

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binder 6.0. Refer also to the applicable contract pages provided in the confidential response to Gulf's response to POD 6 of OPC's First Request for Production of Documents.

- a. Were the costs identified in these documents as storm related to 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that binder 6.0 invoices for 2019 were storm related.
- c. Why were the contract labor and equipment rates charged for 16 hours per day 7 days per week (112 hours per week) starting in mid-December 2018 and during the 2019 months for two hydro vacuum excavation trucks, one pickup truck, and the related labor, understanding the basic work week assumed in Section V of the contract rates was 40 hours per week?
- d. Describe the approval process for these invoices in order to verify the hours per week invoiced. If there was pre-approval of the 112 hours per week billing for the equipment and labor, please provide copies of such authorization.
- e. The referenced invoices and associated contract pages provided in Gulf's response to POD 10 refer to the hourly billing rate for a pickup. Please describe the make, model, and features of the referenced pickup.
- f. The referenced invoices and the associated contract pages provided in Gulf's response to POD 10 refer to the hourly billing rate for two hydro vacuum trucks. Please describe the make and model of these two trucks.
- g. Confirm that the equipment rates being charged on these invoices include the labor associated with the operators.

RESPONSE:

- a. Yes, the costs defined as storm related during 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.
- c. With the amount of restoration work being performed in Bay County after Hurricane Michael, Extraordinary Circumstances directives, as that term is described in the Sunshine 811 Excavation Guide, were issued by all municipalities and utilities owning and operating underground facilities. In light of this directive, Gulf determined that the safest and most prudent and appropriate method of performing the necessary locates was through the use of contractor capable of performing hydro-excavation. The hydro-excavation process required

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 23
PARTY: GULF POWER COMPANY (GULF) –
(REBUTTAL)
DESCRIPTION: Mitchell Goldstein MG-3

**Gulf Power Company
Docket No. 20190038-EI
OPC's Second Set of Interrogatories
Interrogatory No. 56 - Amended
Page 2 of 2**

Gulf to have its contractor on standby for facility owners to locate their underground infrastructure, so that Gulf could then make repairs to its facilities without adversely impacting the governmental and other underground facilities. Smith Industrial was the contractor engaged to perform the required hydro-excavation, and they performed their work, or were required to remain in place on a daily basis to perform their work, for storm follow-up work for Distribution and Lighting following Hurricane Michael. The use of Smith Industrial helped to ensure that Gulf would not damage critical communication, sewer, water, and gas facilities during repair and rebuild of Gulf's electric facilities.

- d. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 59, Attachment Nos. 1 and 2, attached hereto, which are confidential.
- e. Gulf does not require this type of detail be provided in their contracts and does not have any information describing the make, model, and features of the referenced pickup.
- f. Gulf does not require this type of detail be provided in their contracts and does not have any information describing the make and model of the referenced hydro vacuum trucks.
- g. Please see the documents provided with Gulf's response to OPC's First Request for Production of Documents No. 6, which are confidential. Refer to Bates number 001383. The description of the unit indicated it is fully operated, meaning operator labor is associated with the equipment.

Gulf's Response to OPC's First Set of Interrogatories Nos.
1, 3-11, 13-16, 19, 21- 27, 29, 31, 34, 35

(Nos. 16, 27, 29, 31, 34 have attachments)

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 24
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Talley (1, 5-11, 13-15, 27, 31)
Goldstein (3, 4, 16, 19, 21-27, 29, 31, 34, 35)

QUESTION:

Storm. Please provide a chronological timeline of when the Company began implementing storm activities and incurring costs for Hurricane Michael and the completion of storm restoration activities and demobilization.

RESPONSE:

The timeline of Gulf Power's storm preparation, restoration, and demobilization activities for Hurricane Michael reflects the fact that Hurricane Michael was one of the most devastating storms ever to make landfall in the continental United States and the only Category 5 Hurricane to make landfall in Northwest Florida. The destruction caused by Hurricane Michael had a profound impact on Gulf Power's system and resulted in outages for nearly one-third of Gulf's customers. As a result, Gulf was required to deploy significant resources, in accordance with Gulf's storm restoration process, to restore service to its customers impacted by the effects of one of the most significant weather events in Gulf Power's history.

In order to prepare for the 2018 hurricane season, Gulf confirmed, through a series of drills and other tests of its emergency preparedness plan, that its personnel were sufficiently ready to respond to a significant weather event. On Friday, October 5, 2018, Gulf first received notice of the potential impact of then-Disturbance 47, and the Company began internal preliminary discussions. By Sunday morning, October 7, Disturbance 47 had been reclassified to be a Category 1 Hurricane at landfall. On Monday afternoon, October 8, when it had become evident, through news and weather reports, that the hurricane would impact Gulf's system and that restoration activities would require assistance from third parties, Gulf created a storm account to begin capturing Hurricane Michael expenses. On Tuesday, October 9, Gulf was activated to full emergency operations mode. On Wednesday, October 10, Hurricane Michael made landfall.

Given the magnitude of Hurricane Michael's destruction in the Bay County, Florida area, Gulf's restoration and demobilization activities moved through several different phases over the next seven months. However, Gulf completed its initial restoration and rebuild work on October 23, just 13 days after Hurricane Michael made landfall. Demobilization of many crews began the following day, October 24. Storm damage follow-up activities continued for several months as additional personnel were continually refreshed and released based on system and customer restoration needs and progress. The final crews were demobilized at the end of June 2019, and the storm account was closed at the end of August 2019, once final costs had been captured.

QUESTION:

Storm Costs. For Hurricane Michael restoration work, did the Company perform a detailed review of storm costs to determine whether charges were appropriate, reasonable and/or in compliance with contracts? If so, please describe the steps taken in such a review and identify all documents that designed, directed, and describe such a review. If such a review was not performed, explain why not.

RESPONSE:

Yes, Gulf's normal business expense, time reporting, and procurement policies were followed. Please see Gulf's responses to OPC's First Request for Production of Documents, No. 2 for copies of these policies. Two internal invoice review teams, Southern Company Internal Auditing and NextEra Internal Auditing, each performed reviews of the Hurricane Michael storm costs. Each functional team reviewed charges to their work orders and Supply Chain performed an inventory reconciliation. See Gulf's responses to OPC's First Request for Production of Documents, No. 20 for the internal audits and reviews performed. Please see Gulf's responses to OPC's First Request for Production of Documents, Nos. 6 and 10, which are confidential, for the contracts and invoices reviewed by the internal invoice review teams.

QUESTION:

Storm Policies and Procedures. Please provide a detailed summary of changes in policies and procedures (if any) that address the impact of Hurricane Michael; are associated with procurement of line contractors and vegetation contractors, monitoring of contractors, approval of mobilization/demobilization/standby, approval of meals and lodging costs, review of other costs, etc.; and were implemented and applied since Docket No. 2016-0186-EI.

RESPONSE:

Gulf was acquired by NextEra Energy Corporation on 1/1/2019 and is in the process of transitioning to the systems and procedures used by Florida Power & Light within its Emergency Preparedness area. This includes the systems, procedures, and policies associated with line and vegetation contractors, monitoring contractors, approval of mobilization/demobilization/standby, approval of meals and lodging costs, and review of other costs. Prior to this acquisition but subsequent to Docket No 2016-0186-EI, Gulf had not made any documented changes associated with the policies and procedures for storm restoration response that addressed Hurricane Michael restoration.

QUESTION:

Logistics. For Hurricane Michael restoration work, identify and describe all costs that the Company considers logistics costs. In addition, describe the Company's policies for contractors with respect to fueling, meals and lodging while working in-territory on restoration activities.

RESPONSE:

The Company's logistics costs for its Hurricane Michael restoration work included the costs to establish and operate storm restoration. Those logistics costs totaled \$121,796,372.60. The Company's logistics costs also included lodging, food, transportation, and other support of storm restoration employees, contractors, and mutual assistance workers. It is the Company's practice that contractors utilize the logistics services provided by the Company during a restoration event. Because of the number of variables during a restoration event, in certain limited situations, the Company may authorize exceptions to this practice before, during, and after an event. In all cases, the Company attempts to work with the contractors it retains to minimize the cost impact of any exceptions.

QUESTION:

Mobilization/Demobilization. For Hurricane Michael restoration activities, describe in detail the Company policy for determining whether mobilization/demobilization travel time is considered reasonable, why that policy should be considered reasonable, and whether the Company (or any other entity) has performed a study supporting that policy.

RESPONSE:

Because of the numerous variables that may impact a hurricane restoration effort, Gulf does not currently have a written policy for determining reasonable travel times for mobilization/demobilization. Additionally, mutual assistance procedures and guidelines, as well as other non-mutual assistance restoration agreements do not specifically provide for minimum, maximum or expected travel times/ per day. Nonetheless, for Hurricane Michael, Gulf worked closely with its contractor resources to ensure that Gulf did not incur any unreasonable mobilization/demobilization travel time costs. These efforts included coordinating with contractors to identify their expected departure times, any potential weather or traffic delays, and their expected hours of travel per day. Gulf also worked with its contractor resources to obtain real time updates on their travel status and estimated arrival times to ensure that travel times were not longer than expected. Furthermore, Gulf has years of experience providing mutual assistance to other utilities and utilized that experience to confirm that the Hurricane Michael mobilization/demobilization travel times were reasonable. Generally, compensation for travel time is limited to actual travel time.

QUESTION:

Mobilization/Demobilization. For Hurricane Michael restoration work, provide a summary of the amount of line contractor costs and the amount of line clearing costs by cost category and by contractor, included in the respective totals requested, that were incurred for mobilization and demobilization. If the information is not available, explain why it is not available and how the Company was able to verify the billing for mobilization and demobilization.

RESPONSE:

For Hurricane Michael, Gulf did not specifically track or categorize the amount of line contractor costs and line clearing costs by category that were incurred during mobilization and demobilization. The Company verified billing for mobilization and demobilization, and addressed any potential issues related to payment associated with mobilization and demobilization, during its invoice review process,

Mutual assistance procedures/guidelines and other non-mutual assistance restoration contracts/agreements do not specifically provide for minimum, maximum or expected travel time/hours per day. However, with the knowledge of the contractor resources starting location, estimated travel distance/time and other information (e.g., expected departure times, potential weather or traffic delays, expected hours of travel per day and actual in-progress travel status updates/revised estimated arrival times), and experience in providing mutual assistance, Gulf works with available resources to estimate when those resources should arrive as well as the reasonableness of actual arrival times. Generally, compensation for travel time is limited to actual travel time.

See also see Gulf's response to OPC's First Set of Interrogatories No. 6.

QUESTION:

Standby. For Hurricane Michael, does the Company have any information that would identify the costs specifically incurred for standby time of contractors and mutual assistance companies? If not, explain why the Company does not analyze these costs, how the Company mitigates standby time, and how the Company can support the position that all the costs requested are reasonable.

RESPONSE:

Gulf does not currently have the means to track or report the standby time of contractors and mutual assistance companies. Mutual assistance procedures/guidelines and other non-mutual assistance restoration contracts/agreements do not specifically provide for time considered “standby” to be reported differently. Gulf has always tried to limit standby time and pre-staging of crews due to the natural/physical layout of the system that does not allow many options to stage crews out of harm’s way. It is important to note that pre-staging restoration resources and having them ready to begin restoration as soon as the storm passes and it is safe to work is essential to reducing overall restoration time. If utilities were not permitted to prudently bring in resources ahead of time and have them on standby there is no telling how much longer it would take crews to travel through a devastated area just impacted by a major hurricane, even assuming their availability, assuming availability of fuel, passable roads, available accommodations during mobilization, and all of the other circumstances confronted when attempting to travel. Gulf tries to commit to resources as early as possible to secure lower cost resources, and move those resources as close to the Gulf system as possible while limiting cost and travel time to quickly and safely respond as conditions allow following a major event.

QUESTION:

Embedded Line Contractors. Please provide the amount of annual expense associated with embedded line contractors providing day-to-day service that was included in base rates in effect during 2018. Identify and provide a copy of the source of this expense amount, e.g., rate filing schedule and/or workpapers.

RESPONSE:

Gulf's base rates in effect for 2018 were the result of a comprehensive black box settlement agreement approved by the Commission in in Order No. PSC-17-0178-S-EI, issued on May 16, 2017 in Docket Nos. 160170-EI and 160186-EI (consol.) ("2017 Settlement"). The 2017 Settlement was achieved after extensive, good faith negotiations among the signatory parties and represented a compromise of many diverse and competing litigation positions. As a result, the actual revenue requirement adopted under the 2017 Settlement was significantly less than the as-filed revenue requirement. The fixed base rates approved under the 2017 Settlement were designed to achieve this settled revenue requirement, not the as-filed revenue requirement. Although the base rates charged to customers under the 2017 Settlement are fixed, the 2017 Settlement agreement did not fix or otherwise specify the amount of line contractor expense to be charged to base rates in any given year. The actual amount of line contractor expense to be charged to base rates can and does fluctuate from year to year – meaning the amount of regular line contractor expense charged to base rates in one year could be the same, more, or less than the amount charged to base rates in prior or subsequent years. However, these fluctuations do not alter the fixed base rates charged to customers under the 2017 Settlement. For 2018, the amount of line contractor expense charged to base rates is provided in Gulf's response to OPC's First Set of Interrogatories No. 10.

QUESTION:

Embedded Line Contractors. Please provide the amount of actual expense associated with embedded line contractors providing day-to-day service for each of the years 2014-2018, excluding any costs that were deferred and included in storm recovery requests.

RESPONSE:

Gulf Power incurred \$2,440,678.12 in day-to-day line contractor related services charged to base O&M in 2018. These services include overhead and underground distribution lines, transmission lines and vegetation management work in support of these activities.

QUESTION:

Embedded Vegetation Management Contractors. Please provide the amount of annual expense associated with embedded vegetation management contractors providing day-to-day services that was included in base rates in effect during 2018. Identify and provide a copy of the source of this expense amount, e.g., rate filing schedule and/or workpapers.

RESPONSE:

The base rates in effect for 2018 were the result of a full comprehensive, black box settlement agreement approved by the Commission in Final Order Approving Stipulation and Settlement Agreement and Approving Tariffs and Rate Schedules for Gulf Power Company PSC-17-0178-S-EI (“2017 Settlement”). The 2017 Settlement was achieved after extensive, good faith negotiations among the signatory parties and represented a compromise of many diverse and competing litigation positions. As a result, the actual revenue requirement adopted under the 2017 Settlement was significantly less than the as-filed revenue requirement. The fixed base rates approved under the 2017 Settlement were designed to achieve this settled revenue requirement, not the as-filed revenue requirement. Although the base rates charged to customers under the 2017 Settlement are fixed, the 2017 Settlement agreement did not fix or otherwise specify the amount of vegetation management contractor expense to be charged to base rates in any given year. The actual amount of vegetation management contractor expense to be charged to base rates can and does fluctuate from year to year – meaning the amount of regular vegetation management contractor expense charged to base rates in one year could be the same, more, or less than the amount charged to base rates in prior or subsequent years. However, these fluctuations do not alter the fixed base rates charged to customers under the 2017 Settlement. For 2018, the amount of vegetation management contractor expense charged to base rates is provided in Gulf’s response to OPC’s First Set of Interrogatories No. 12.

QUESTION:

Line Contractors. Explain what measures the Company takes to determine that line contractor rates are reasonable and comparable from contractor to contractor.

RESPONSE:

Throughout its long history of providing reliable electric service in northwest Florida, Gulf has entered into numerous contractual agreements with power line and vegetation contractors throughout the U.S., many of which are with contractors that Gulf utilizes during normal operations. As a result, Gulf has knowledge of market conditions and contractor rates and can evaluate the reasonableness of the rates charged by contractors. Of course, increased contractor demand (e.g., as a result of a major storm impacting multiple states) impacts the availability of resources, which can then limit the options of a utility in need of resources.

QUESTION:

Line Contractors. Has the Company performed any analysis of line contractor rates charged to other utilities in Florida or elsewhere that would allow the Company to determine whether rates it agreed to for Hurricane Michael restoration work are reasonable and/or comparable to rates other utilities are being charged under the similar emergency conditions? If not, explain why not and whether the Company would consider that information important.

RESPONSE:

Please see Gulf's response to OPC's First Set of Interrogatories No. 13. It is not possible to perform an analysis of line contractor rates charged to other utilities in Florida or elsewhere because contractor rates are generally considered confidential information, and therefore, are not shared between non-affiliated companies or made publicly available. Gulf's contracts for routine work performed by embedded crews contain provisions for those crews to perform restoration work, and the ability to obtain additional resources from the vendor for emergency situations. The rates quoted are evaluated during the bidding process and considered when making contract awards. As a result, Gulf does not consider information about contractor rates charged to other utilities to be relevant to Gulf's competitive bidding process because Gulf's usage of a competitive bidding process and knowledge of the variables that may influence pricing for a given area or season ensure that contractor rates are set at appropriate levels and reflect current market conditions.

QUESTION:

Contractor Rates. Describe any differences in contractor rates (line contractors and/or vegetation management contractors) that depend on whether the contractor is performing embedded and/or day-to-day services or performing storm restoration services and/or that depend on the type of storm restoration services, e.g., the intensity of the storm. Cite to relevant contract provisions and provide a copy of those contracts if not otherwise provided in response to other Interrogatories or Requests for Production.

RESPONSE:

Gulf Power contractor rates for embedded crews are billed as either regular-time or extended-time rates in accordance with the established “normal” work days per the contract. For embedded crews these rates are the same for day-to-day services and any type of storm restoration work.

See attached confidential documents entitled “Southern Company Storm Agreement for Contract Tree Crews” and “Distribution Overhead Services Supplemental Conditions”.

QUESTION:

Capitalized Cost. For Hurricane Michael restoration work, provide a schedule of all costs that were capitalized, by cost category, such as payroll (Gulf Power Company and/or Southern Company Services); materials and supplies; line contractors; line clearing (vegetation management) contractors; and by FERC plant account and subaccount, including any associated quantities and/or any associated costs.

RESPONSE:

For distribution, major unit materials were identified and the net composite quantities were assigned an average unit cost obtained from the most recent continuing property records (CPR) which is based on the fully loaded average cost of construction associated with each class of property. Details by cost category are not maintained in the fully loaded average cost.

For transmission and substations, major retirement unit materials were identified and the net composite quantities assigned an average unit cost obtained from the active transmission work order management system.

For general plant and generation, major retirement unit materials were identified, the composite quantities with actual construction cost were assimilated into as-built construction estimates associated with damaged facilities.

Please see Gulf's responses to OPC's First Set of Interrogatories No. 16, Attachments 1 through 10, for the capitalized amounts by FERC plant account and subaccount for each function.

QUESTION:

Other. Explain what type of costs are included in the 'other costs' requested in this docket, and provide a summary of such costs, by type and by function. Also, identify whether P-Card costs are included, and if so, provide a separate summary of those costs by invoice amount.

RESPONSE:

Please see Gulf's response to OPC's First Set of Interrogatories, No. 19, Attachment 1. The "other costs" include mainly a credit of \$155,000 of investment recovery sales after the storm, property damage claims of \$123,018, Reserve Equipment in FERC 369 of \$4,474,441, and lease and rentals of \$460,775. The net total of Pro-Card entries is \$14.57 and is identified in the summary.

Attachment #1, OPC ROG 19

Summary by Function

Transmission	14,964.54
Distribution	4,426,842.58
Support	375,103.84
Generation	16,759.58
Follow-up - Distribution	77,040.00
Follow up - Support	1,850.51
Total	<u><u>4,912,561.05</u></u>

Summary by Type

Property Damage	123,018.07
Investment Recovery Sales	(155,000.00)
Reserve Equipment in FERC 368	4,474,441.37
Account Distribution Corrections	9,327.15
Lease/Rental Expenses	460,774.46
Total	<u><u>4,912,561.05</u></u>

Summary of P-card

SAP Document Number	Amount
100034101	202.37
100060068	(132.39)
100060068	(989.53)
100060068	(187.57)
100060068	(33.00)
100012349	30.00
100005506	33.00
100004646	47.11
100060068	(738.24)
100060068	(67.69)
100048068	204.39
100040925	944.52
100029784	202.37
100022462	202.37
100022123	296.86
Total	<u><u>14.57</u></u>

QUESTION:

Overhead Costs. If an overhead rate was used for benefits and other related costs for any payroll related to Hurricane Michael restoration work, provide a summary of costs, the corresponding overhead rate(s), a description of how the rate(s) was (were) determined, and the calculation of each such rate.

RESPONSE:

2018: The benefit allocation uses a combination of pension, insurance, and employee savings plan rates that are calculated monthly by dividing the cost of each benefit by direct labor. This rate is calculated, reviewed, and verified by the Closeout Coordinator or Account Manager each month prior the running of the Benefit Allocations.

2018 BENEFITS AND PAYROLL TAXES

OVERHEAD POOL	COSTS INCLUDED IN RATE	Oct-18	Nov-18	Dec-18
Pension	Pension Service Cost, SERP	3.91%	3.81%	1.15%
Insurance	Medical, dental, life insurance, post- retirement medical, etc.	9.85%	-3.72%	9.24%
Employee Savings Plan	401K	4.55%	4.24%	3.25%
Payroll Taxes	FICA, FUTA and SUTA	6.47%	6.22%	5.81%

2019: The payroll overhead rates are applied to different payroll bases depending on the type of costs that are being charged. For example, the payroll tax overhead rate is applied to all payroll since all payroll is subject to payroll taxes. The benefits overhead rate, however, is only applied to eligible straight time payroll. In addition, the overhead rates may be updated periodically to ensure proper allocation of the charges if forecasted costs significantly change.

2019 BENEFITS AND PAYROLL TAXES

OVERHEAD POOL	COSTS INCLUDED IN RATE	Jan-Jun 19
Funded Welfare	Medical, dental, 401k, life insurance, etc.	19.48%
Unfunded Service	Pension Service Cost, Post-employment benefit costs, Retiree medical service costs	7.08%
Unfunded Benefits	Pension credit, retiree medical costs	-15.23%
Payroll Taxes	FICA, FUTA and SUTA	6.52%

**FLORIDA PUBLIC SERVICE COMMISSION
AUDIT DOCUMENT/RECORD REQUEST
NOTICE OF INTENT**

TO: Keith Harris

UTILITY: Gulf Power Company

AUDIT MANAGER: Debra Dobiac

**PREPARED BY: Debra Dobiac 850-413-6475
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850
ddobiac@psc.state.fl.us**

REQUEST NUMBER: 5

DATE OF REQUEST: 12/10/2019

AUDIT PURPOSE: Storm Recovery Cost Audit; Docket No.: 20190038-EI; ACN 2019-323-1-1

REQUEST THE FOLLOWING ITEM(S) BE PROVIDED BY: 12/17/2019

**REFERENCE RULE 25-22.006, F.A.C., THIS REQUEST IS MADE: 9 INCIDENT TO AN INQUIRY
x OUTSIDE OF AN INQUIRY**

ITEM DESCRIPTION:

1. Please explain how the payroll, overtime, and overhead costs relating to Hurricane Michael are calculated, and separated from business as usual costs.
2. Please provide documentation for the payroll items listed in the attached file, including time records showing employees, regular, overtime, and overhead calculations.
3. Please reconcile the detail transactions from Account 186 to Payroll amounts from Lines 4 through 5 on Exhibit MG-1, page 1 of 2.

Thank you,

TO: AUDIT MANAGER

DATE December 17, 2019

THE REQUESTED RECORD OR DOCUMENTATION:

- (1) X HAS BEEN PROVIDED TODAY
- (2) CANNOT BE PROVIDED BY THE REQUESTED DATE BUT WILL BE MADE AVAILABLE BY: _____
- (3) X AND IN MY OPINION, ITEM(S) Attachment Nos. 2, 3 & 4 IS (ARE) PROPRIETARY AND CONFIDENTIAL BUSINESS INFORMATION AS DEFINED IN 364.183, 366.093, OR 367.156, F.S. TO MAINTAIN CONTINUED CONFIDENTIAL HANDLING OF THIS MATERIAL. THE UTILITY OR OTHER PERSON MUST, WITHIN 21 DAYS AFTER THE AUDIT EXIT CONFERENCE, FILE A REQUEST FOR CONFIDENTIAL CLASSIFICATION WITH THE OFFICE OF THE COMMISSION CLERK. REFER TO RULE 25-22.006, F.A.C.
- (4) THE ITEM WILL NOT BE PROVIDED. (SEE ATTACHED MEMORANDUM)

Keith Harris, Regulatory Analyst

(SIGNATURE AND TITLE OF RESPONDENT)

Distribution: Original: Utility (for completion and return to Auditor) Copy: Audit File

**Gulf Power Company
Docket No. 20190038-EI
OPC's First Set of Interrogatories**

20190038.EI Staff Hearing Exhibits 00020

Form PSC/APA 6 (2/95)

Interrogatory No. 21

Attachment No. 1

Page 1 of 2

1. Please explain how the payroll, overtime, and overhead costs relating to Hurricane Michael are calculated, and separated from business as usual costs.
2. Please provide documentation for the payroll items listed in the attached file, including time records showing employees, regular, overtime, and overhead calculations.
3. Please reconcile the detail transactions from Account 186 to Payroll amounts from Lines 4 through 5 on Exhibit MG-1, page 1 of 2.

ANSWER:

1. Gulf establishes unique work orders for each storm to capture storm restoration costs. The Company uses these work orders to account for all costs, including payroll, directly associated with restoration. All storm restoration costs charged to storm work orders are captured in Federal Energy Regulatory Commission ("FERC") Account 186, Miscellaneous Deferred Debits.

2018: The benefit allocation uses a combination of pension, insurance, and employee savings plan rates that are calculated monthly by dividing the cost of each benefit by direct labor. This rate is calculated, reviewed, and verified by the Closeout Coordinator or Account Manager each month prior the running of the Benefit Allocations.

2019: The payroll overhead rates are applied to different payroll bases depending on the type of costs that are being charged. For example, the payroll tax overhead rate is applied to all payroll since all payroll is subject to payroll taxes. The benefits overhead rate, however, is only applied to eligible straight time payroll. In addition, the overhead rates may be updated periodically to ensure proper allocation of the charges if forecasted costs significantly change.

2. See DR 5 Attachment Nos. 1 through 7. Please see the file entitled "20190038 - DR 5 Attachment No. 1 – Payroll", column A in the "PR Oracle" and "Payroll SAP" tabs for audit sample line item cross references to the other attachments.
3. See DR 5 Attachment No. 1; tabs entitled "PR & OT 44" and "MG-1 Pg 1 no rounding".

QUESTION:

Payroll. Please provide the amount of straight time payroll included in O&M expense in each of the years 2012-2018 and provide the amount of straight time payroll charged to storm costs in each of the years 2012-2018.

RESPONSE:

For 2018, Gulf charged straight time payroll of \$60,733,717.09 to base O&M and \$5,110,034.04 to storms of which \$3,345,471.41 was cleared back to base O&M as an ICCA adjustment.

QUESTION:

Payroll. Please provide the amount of overtime payroll included in O&M expense in each of the years 2012-2018 and provide the amount of overtime payroll charged to storm costs in each of the years 2012-2018.

RESPONSE:

In 2018, Gulf charged overtime payroll of \$4,640,804.19 to base O&M and \$6,716,944.25 to storm costs.

QUESTION:

Payroll. Please provide the straight time transmission payroll expense and straight time distribution payroll expense included in the base rates that were in effect during 2018 (based on the Company's last base rate proceeding). In addition, provide the percentage of straight time transmission payroll costs charged to expense in the last base rate proceeding and the percentage of straight time distribution payroll costs charged to expense in the last base rate proceeding. Identify and provide a copy of the source of these expense amounts and the percentages, e.g., rate filing schedule and/or workpapers.

RESPONSE:

Gulf's base rates in effect for 2018 were the result of a comprehensive, black box settlement agreement approved by the Commission in Order No. PSC-17-0178-S-EI, issued on May 16, 2017 in Docket Nos. 160170-EI and 160186-EI (consol.) ("2017 Settlement"). The 2017 Settlement was achieved after extensive, good faith negotiations among the signatory parties and represented a compromise of many diverse and competing litigation positions. As a result, the actual revenue requirement adopted under the 2017 Settlement was significantly less than the as-filed revenue requirement. The fixed base rates approved under the 2017 Settlement were designed to achieve this settled revenue requirement, not the as-filed revenue requirement. Although the base rates charged to customers under the 2017 Settlement are fixed, the 2017 Settlement agreement did not fix or otherwise specify the amount of straight time transmission payroll expense and straight time distribution payroll expense to be charged to base rates in any given year. The actual amount of straight time transmission payroll expense and straight time distribution payroll expense to be charged to base rates can and does fluctuate from year to year – meaning the amount of regular straight time transmission payroll expense and straight time distribution payroll expense charged to base rates in one year could be the same, more, or less than the amount charged to base rates in prior or subsequent years. However, these fluctuations do not alter the fixed base rates charged to customers under the 2017 Settlement.

QUESTION:

Payroll. Please provide the overtime transmission payroll expense and overtime distribution payroll expense included in the base rates that were in effect during 2018 based on the Company's last base rate proceeding. In addition, provide the percentage of overtime transmission payroll costs charged to expense and the percentage of overtime distribution payroll costs charged to expense in the last base rate proceeding. Identify and provide a copy of the source of these expense amounts and the percentages, e.g., rate filing schedule and/or workpapers.

RESPONSE:

Gulf's base rates in effect for 2018 were the result of a comprehensive, black box settlement agreement approved by the Commission in Order No. PSC-17-0178-S-EI, issued on May 16, 2017 in Docket Nos. 160170-EI and 160186-EI (consol.) ("2017 Settlement"). The 2017 Settlement was achieved after extensive, good faith negotiations among the signatory parties and represented a compromise of many diverse and competing litigation positions. As a result, the actual revenue requirement adopted under the 2017 Settlement was significantly less than the as-filed revenue requirement. The fixed base rates approved under the 2017 Settlement were designed to achieve this settled revenue requirement, not the as-filed revenue requirement. Although the base rates charged to customers under the 2017 Settlement are fixed, the 2017 Settlement agreement did not fix or otherwise specify the amount of overtime transmission payroll expense and overtime distribution payroll expense to be charged to base rates in any given year. The actual amount of overtime transmission payroll expense and overtime distribution payroll expense to be charged to base rates can and does fluctuate from year to year – meaning the amount of regular overtime transmission payroll expense and overtime distribution payroll expense charged to base rates in one year could be the same, more, or less than the amount charged to base rates in prior or subsequent years. However, these fluctuations do not alter the fixed base rates charged to customers under the 2017 Settlement.

QUESTION:

Payroll. For Hurricane Michael restoration work, provide a detailed explanation as to how the Company calculated what is identified as incremental payroll expense and provide the calculations showing exactly how the incremental and non-incremental amounts were determined.

RESPONSE:

Gulf establishes unique work orders for each storm to capture storm restoration costs. The Company uses these work orders to account for all costs, including payroll, directly associated with restoration. All storm restoration costs charged to storm work orders are captured in Federal Energy Regulatory Commission ("FERC") Account 186, Miscellaneous Deferred Debits. Any non-incremental payroll expenses are then removed from the total storm cost accounts. Regular payroll costs and budgeted overtime payroll costs recovered through base O&M are non-incremental and were excluded. The capital portion of regular payroll and non-budgeted overtime payroll costs were included as incremental costs. The non-incremental payroll was calculated by applying the Company's payroll budget O&M percentage by function to payroll costs incurred for employees supporting storm restoration. As it relates to the Distribution function, the 2018 budgeted payroll allocation between base O&M and capital was 30 percent and 70 percent, respectively. Therefore, 30 percent was removed as non-incremental base O&M payroll. As it relates to the Transmission function, the 2018 budgeted payroll allocation between base O&M and capital was 20 percent and 80 percent, respectively. Therefore, 20 percent was removed as non-incremental base O&M payroll. The regular payroll costs for all other functions were removed as non-incremental. The allocation of non-incremental payroll by function can be seen in the attachments to OPC's First Request for Production of Documents No. 1, which is confidential.

QUESTION:

Poles. For Hurricane Michael restoration work, provide a summary of the number of poles requiring replacement. Specify, by month and location, whether this work was performed by either Company crews or contractors, and identify whether or not the replacement was capitalized and, if capitalized, the amount capitalized.

RESPONSE:

Gulf does not have a way to track by crew type (company or contractor) the crews that replaced the poles, or a way to determine the exact time of installation during the restoration process. Please see Gulf's response to OPC's First Set of Interrogatories No. 27, Attachment No. 1 for the number of poles requiring replacement and the amount capitalized. Please see Gulf's response to OPC's First Set of Interrogatories No. 16, for an explanation of the capitalization methodology.

QUESTION:

Vegetation Management. For any month where line clearing costs (e.g. vegetation management costs) were charged to the Hurricane Michael restoration work order, provide the previous three calendar years of costs for that same month that were charged to O&M expense (If the Company adjusted the three years for any reason please explain).

RESPONSE:

Please see Gulf's response to OPC's First Set of Interrogatories No. 29, Attachment 1. The Company made no adjustments.

QUESTION:

Wire. For Hurricane Michael restoration work, provide a summary of the number of feet of wire replaced by either Company crews or contractors, by month and location, identifying whether the replacement cost [or wire?] was capitalized and, if capitalized, the cost capitalized.

RESPONSE:

Gulf does not have a way to track whether company or contractor crews replaced wire nor a way to determine the exact time of installation during the restoration process. Please see Gulf's response to OPC's First Set of Interrogatories No. 31, Attachment 1 for the quantity of wire requiring replacement and the amount capitalized. Please see Gulf's response to OPC's First Set of Interrogatories No. 16, for an explanation of the capitalization methodology.

QUESTION:

Affiliate Costs. For Hurricane Michael restoration work, provide a summary, by cost type, of any affiliate costs charged to the storm cost request, explain how those costs were tracked and why those cost would not be considered as non-incremental and/or expensed or capitalized.

RESPONSE:

All storm costs are tracked by storm work orders and are analyzed based on the Incremental Cost and Capitalization Approach (ICCA) methodology prescribed by the Florida Public Service Commission in Rule 25-6.0143. Affiliate costs are included in lines 6, 9, 10, 17, 31, 34, 35, and 43 of Exhibit MG-1. Rule 25-6.0143(d) states in pertinent part as follows: "Under the ICCA methodology for determining the allowable costs to be charged to cover storm-related damages, the utility will be allowed to charge to Account 228.1 costs that are incremental to costs normally charged to non-cost recovery clause operating expenses in the absence of a storm." Rule 25-6.0143(e) identifies "The types of storm related costs allowed to be charged to the reserve under the ICCA methodology" and includes categories of costs, such as additional contract labor and related charges incurred in connection with storm restoration activities. Per parts (d) and (e) of Rule 25-6.0143, storm-related costs that are incremental to costs normally charged to non-cost recovery clause operating expenses in the absence of a storm, including contract labor hired for storm restoration activities and affiliate labor costs and related expenses, are allowed to be charged to the reserve. Please see Gulf's response to OPC's First Set of Interrogatories, No. 34, Attachment 1 for a summary of affiliate costs charged to Hurricane Michael restoration. Affiliate costs are included in the capitalized costs reflected on line 43 of Exhibit MG-1 which were excluded from Total Incremental Storm Losses on line 45 of Exhibit MG-1 and are recorded to the appropriate capital accounts. See Gulf's response to OPC's First Set of Interrogatories No. 16, which provides the methodology for capitalizable costs which were excluded from Gulf's storm recovery charge calculation.

QUESTION:

Affiliate Costs. For Hurricane Michael restoration work, provide the amount of affiliate costs included in O&M expense in each of the years 2012-2018 and provide the amount of affiliate costs charged to storm costs in each of the years 2012-2018.

RESPONSE:

For 2018 affiliate charges related to Hurricane Michael, please see Gulf's response to OPC's First Set of Interrogatories No. 34. Approximately \$213,000 of Hurricane Michael affiliate storm costs were charged to base O&M expense for Family Services consistent with the Rule 25-6.0143, part (1)(f)(4).

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Gulf's Response to OPC's First Production of Documents
Nos. 1, 6, 7, 9, 10, 16-18, 20

(Nos. 1, 6, 9, 10, 20 have confidential attachments)

CONFIDENTIAL DN.

00188-2020, 00737-2020

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 25
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Talley (7, 9, 16, 17, 18)
Goldstein (1, 6, 10, 20)

QUESTION:

Incremental Costs and Capitalized Costs. Refer to Exhibit MG-1, page 1 of 2. Please provide this exhibit and all supporting schedules and workpapers linked and cross-referenced in live Excel format with all formulas intact.

RESPONSE:

Please see Gulf's response to OPC's First Request for Production of Documents No. 1, Attachments 1 through 2 which are confidential. Also, please see Gulf's responses to OPC's First Set of Interrogatories No. 16.

QUESTION:

Contracts. Please provide a copy of all contracts between Gulf and/or Southern Company Services and any contractors, other utilities, and/or other vendors related to Gulf's response to Hurricane Michael and/or the related restoration work.

RESPONSE:

Please see documents provided in Gulf's response to OPC's First Request for Production of Documents No. 6, Attachment Nos. 1 through 3, which are confidential.

QUESTION:

Mobilization/Demobilization. Please provide all studies performed by, on behalf of, or at the direction of the Company that support the travel time benchmark utilized in determining whether travel time related to Gulf's response to Hurricane Michael and/or the related restoration work is reasonable.

RESPONSE:

Please see Gulf's response to OPC's First Set of Interrogatories No. 6. As described in that response, Gulf works closely with contractor resources and utilizes its experience providing mutual assistance to ensure that contractor travel time is reasonable. Gulf has not performed, or had performed on its behalf, any studies concerning travel time benchmarking.

QUESTION:

Mobilization/Demobilization. Please provide copy of all communications between the Company, its employees, its agents or its representatives and any contractor or line clearing crews during mobilization or demobilization related to Gulf's response to Hurricane Michael and/or the related restoration work

RESPONSE:

It has been Gulf Power's experience that, during a hurricane restoration effort, it is more efficient to communicate with contractors over the telephone. As a result, the vast majority of Gulf's communications with contractors and line clearing crews during mobilization/demobilization for Hurricane Michael were conducted over the phone and no written record of those communications is available. Gulf Power objects to this Request on the grounds that it is overly broad and unduly burdensome, as Gulf is not able to produce every communication between the Company and its Hurricane Michael mobilization/demobilization contractors. Subject to and without waiving its objections, please find attached certain limited communications with contractors that are readily accessible in Gulf's email archive.

QUESTION:

Line Contractor Storm Cost Support. Please provide a copy of all invoices over \$10,000 for line contractor cost (capital and expense) related to Gulf's response to Hurricane Michael and/or the related restoration work for which recovery is requested. Please provide the invoices in separate electronic file folders for each contractor.

RESPONSE:

Please see documents produced with Gulf's response to OPC's First Request for Production of Documents No. 10, which includes all requested invoices both below and above the requested threshold and which are confidential. Included is a master log of invoices reviewed.

QUESTION:

Standby. Please provide a copy of all documents related to any analysis performed by, on behalf of, or at the direction of the Company that identifies the amount of standby time billed and the amount of standby time paid, and that supports the fact that such costs were reasonable related to Gulf's response to Hurricane Michael and/or the related restoration work for which recovery is requested.

RESPONSE:

Gulf has not performed any studies nor directed on behalf of the Company any studies associated with standby time. Gulf currently does not track standby time as a separate category for billing and invoicing purposes. Storm-related contractor standby time/costs are incurred when contractors have arrived in advance of a storm's impacts, are pre-staged and waiting for the storm to pass so they will be ready to begin restoration activities as soon as conditions are safe to begin work. Gulf has always limited standby time and pre-staging of crews because the natural/physical layout of the system does not allow many options to keep crews out of harm's way. Importantly, pre-staging restoration resources and having them ready to begin restoration as soon as the storm passes and it is safe to work is essential to reducing overall restoration time. If utilities were not permitted to prudently bring in resources ahead of time and have them on Standby, the overall restoration time would be longer because crews would have to travel through a devastated area just impacted by a major hurricane, even assuming their availability, assuming availability of fuel, passable roads, available accommodations during mobilization, and all of the other circumstances confronted when attempting to travel. Gulf tries to commit to resources as early as possible when it appears Gulf's customers will be impacted by a storm. In so doing, Gulf attempts to secure lower cost resources and resources that are available, considering the fact that other utilities are also attempting to secure resources at the same time, and move those resources as close to the Gulf system as possible while reasonably limiting cost and travel time to quickly and safely respond as conditions allow following a major event.

QUESTION:

Storm Hardening Studies. Please provide any assessment and/or study performed by, on behalf of, or at the direction of the Company that documents, analyzes, or estimates the amount of storm cost savings the Company was able to achieve because of the storm hardening program work performed prior to Hurricane Michael.

RESPONSE:

Since 2007 and the beginning of the storm hardening initiatives, Gulf has not been faced with a major weather event that provided the opportunity to collect forensic data on the system performance. As such, Gulf does not have any assessments and/or studies performed on the system, pursuant to Gulf Power's Storm Hardening Plans under Article 2.6, prior to Hurricane Michael and is not able to provide any assessment of storm cost savings the Company was able to achieve because of the storm hardening work performed prior to Hurricane Michael.

QUESTION:

Storm Hardening Studies. Please provide any assessment and/or study performed by, on behalf of, or at the direction of the Company that documents, analyzes, or identifies the damage that occurred to infrastructure due to Hurricane Michael where storm hardening work had not yet been performed.

RESPONSE:

Gulf contracted with a third party to perform an analysis of forensic data collected following Hurricane Michael. This study is provided as a confidential attachment to this response. While the study does not specifically address the cost or cost savings associated with restoration activities in a storm hardened area verses those in non-hardened areas, the study clearly states that the pole damage in storm hardened areas was significantly less than other areas, and this would generally result in a shorter restoration time and in turn lower cost. It is also worth mentioning that Hurricane Michael, with its 160mph, Category 5, winds at landfall exceeded the design standards for extreme wind loading set by the National Electric Safety Code for overhead construction.

QUESTION:

Storm Costs. Please provide a copy of all reviews and/or analyses of storm costs performed to determine whether charges were appropriate, reasonable, and/or in compliance with contracts related to the response to Hurricane Michael and related restoration work. This includes, but is not limited to, review and/or audit programs and/or procedures, checklists, electronic spreadsheets and file folders documenting the Company's review and/or Internal Audit procedures performed and/or compliance with contract terms and other review criteria. This also includes any third party reviews.

RESPONSE:

Please see Gulf's response to OPC's First Request for Production of Documents No. 20, Attachment Nos. 1 through 8, which are confidential. Also, please see Gulf's responses to OPC's First Request for Production of Documents Nos. 1, 2, 6 & 10, and Gulf's response to OPC's First Set of Interrogatories No. 16.

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Gulf's Response to Staff's First Set of Interrogatories Nos.
1-4.

(No. 4 has attachments)

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 26
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Talley (1-3) Goldstein (4)

QUESTION:

Please refer to Gulf witness Talley's direct testimony, page 8, line 3. Please provide a description of the material "storm kits" that Gulf's Supply Chain creates.

RESPONSE:

At the beginning of storm season the Gulf Supply Chain team puts together "storm kits" that can be delivered to any location, very quickly, depending on the event. These kits are built to meet the immediate needs of a restoration team and contain the most often used and required pole line hardware for restoration activities. These kits include, but are not limited to: insulators, bolts, clamps, fuses, connectors, splices, cross arms, arrestors, and cutouts. They also contain primary wire, secondary wire, service wire, and transformers. The intent of these kits is to provide crews with adequate materials to begin restoring service to customers immediately after an event, until material distribution lines have been fully re-established.

QUESTION:

Please refer to Gulf witness Talley's direct testimony, page 23, lines 9-23 and page 24, lines 1-2.

- a. What were the Extreme Wind Loading (EWL) criteria used by Gulf prior to Hurricane Michael? Please provide this information for Gulf's transmission system and distribution system.
- b. Has Gulf changed its EWL criteria after Hurricane Michael?

RESPONSE:

- a. Prior to Hurricane Michael, all new construction and designs for Gulf's transmission system were based on the National Electric Safety Code (NESC) Grade B 250C Extreme Wind Loading (EWL) criteria, as specified by Figure 250-2(d) of the NESC, which was required for all supporting facilities that exceed sixty feet.

Prior to Hurricane Michael, all new construction and designs for Gulf's distribution system were constructed under either the NESC Grade B Rule 250B standard or the Grade B Rule 250C EWL standard as set forth in Gulf's 2016-2018 Storm Hardening Plan and prior. The majority of new construction was performed at the 250B standard, while a number of critical infrastructure projects were constructed at the 250C EWL standard, across the distribution system.

- b. Yes. In Gulf's most recent 2019-2021 Storm Hardening Plan, filed with the Florida Public Service Commission (Commission) on March 1, 2019 and approved by the Commission in Order No. PSC-2019-0311-PAA-EI, Gulf changed its distribution construction standard for all new overhead pole lines and major planned work, including pole line extensions, relocations and certain pole replacement designs, to meet the NESC Grade B 250C EWL criteria, as specified by Figure 250-2(d) of the 2012 edition of the NESC.

QUESTION:

Please refer to Gulf witness Talley's direct testimony, page 26, lines 12-14.

- a. What type of contractor costs would be included in the "Other" category instead of the "Contractor" category?
- b. Please explain why these contractor costs were included in the "Other" category instead of the "Contractor" category.

RESPONSE:

- a. The contractor costs that were included in the "Other" category are not associated with contractor line services, which were captured in the "Contractor" category. The "Other" category included other contractor/contract services that were part of lease and rental agreements during the restoration process. These services included equipment rentals, warehouse lease, and land lease agreements for parking and debris removal.
- b. As noted in the above response, Gulf utilized the "Contractor" category to capture only those costs associated with contractor line services. As a result, certain contractor costs not associated with line services, such as those examples identified in Gulf's response to Staff Interrogatory No. 3(a), were included in the "Other" category.

QUESTION:

Please refer to Gulf witness Goldstein's direct testimony, page 9, lines 18-21. Please provide the total amount by function (e.g., steam & other, transmission, distribution, etc.), of materials and supplies used in the Hurricane Michael restoration that was included in the capital cost.

RESPONSE:

For distribution, major unit materials were identified and the net composite quantities were assigned an average unit cost obtained from the most recent continuing property records (CPR), which is based on the fully loaded average cost of construction associated with each class of property. Details by cost category within the subheading of "Materials and Supplies" identified at page 9, lines 18 through 21 of Gulf witness Goldstein's direct testimony are not maintained in the fully loaded average cost.

For transmission and substations, major retirement unit materials were identified, and the net composite quantities assigned an average unit cost obtained from the active transmission work order management system.

For general plant and generation, major retirement unit materials were identified, and the composite quantities with actual construction cost were assimilated into as-built construction estimates associated with damaged facilities.

Please see Gulf's responses to Staff's First Set of Interrogatories No. 4, Attachments 1 through 10, for the capitalized amounts by FERC plant account and subaccount for each function.

Project Item: 4011501

Installed

Estimator(s): BENTON, JASON
Facility Name: 42636 CALLAWAY -HIGHLAND CITY
Nearest Town:

Project Item Description: CALLAWAY-HIGHLAND CITY 230KV TL:

Material estimate updated. (RLH 10-12-18)
Replace Str. 13 & 14 for storm restoration

Patrol Notes:
Leaning structures: 4-12 (8,9,11,12 are bad), 15, 18, 20, 22-26
Str. 13 and 14 are down

								-----Estimated-----			
								-----Material-----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	Cost	%	Cost	%
355.2082.2601	4400				8	EA	ANCHOR GUYS	2,490.00	100.00	156,000.00	100.00
** Total Installed								2,490.00	100	156,000.00	100

Removed

No Removed data found

** End of Report **

Project Item: 4011502

Installed

Estimator(s): WELCH,JODIE RAE
Facility Name: 42626 FARLEY - SINAI CEMETERY
Nearest Town:

Project Item Description: SINAI CEMETERY-FARLEY 230KV TL:

Material Estimate updated. CBP 10/17/18

Patrol Notes:
Insulators broken at following structures:
73, 93, 97, 99, 113, 118, 32, 159, 165, 166, 174, 182
Phase line down on str. 76-77 (cross arm broken)

				-----Estimated-----		-----Material-----		-----Labor-----		
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
356.3081.5004	4400				504 EA	INSULATOR-SUSPENSION 230KV	12,606.01	93.77	51,840.00	96.00
356.3087.5473	4400				1 EA	BRACED POLYMER HORIZONTAL POST INSULATOR 115KV	837.59	6.23	2,160.00	4.00
** Total Installed							13,443.60	100	54,000.00	100

Project Item: 4011502

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----			
							Cost	%	Cost	%		
356.3081.5004	4400				504 EA	INSULATOR-SUSPENSION 230KV	0.00	0.00	28,800.37	96.00		
356.3087.5473	4400				1 EA	BRACED POLYMER HORIZONTAL POST INSULATOR 115KV	0.00	0.00	1,199.63	4.00		
** Total Removed									0.00	100	30,000.00	100

** End of Report **

Project Item: 4011503

Installed

Estimator(s): BENTON, JASON
Facility Name: 42103 HOLMES CREEK - SINAI
Nearest Town:

Project Item Description: HOLMES CREEK-MARIANNA 115KV TL:

Material Estimate Update. CBP 10/17/18
Estimate is for (1) Broken Davit Arm at the following Structures: 99, 109, 110, 111, 123, 128, 129, 130, 134, 135, and 140.
(Davit Arm unit was built (DAVIT - ONE(1) 6FT ARM) for one material item, RUC has unit of measure as SET).
Braced-Posts are assumed for replacement at all structures. Also, (2) Insulator Struts at Str. 103.
CBP 10/16/2018

Patrol Notes:
Graceville Tap - Marianna:
Str 99 broken davit arm
Str 103 broken struts (2)
Str 109, 110, 111 broken davit arms (1 ea)
Str 123 broken strut and davit arm
Str 128 broken davit arm
Str 129 broken davit arm
Str 130 broken davit arm
Str 134 broken davit arm
Str 135 broken davit arm
Str 140 broken davit arm

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Estimated-----			
							-----Material----- Cost	%	-----Labor----- Cost	%
356.3085.5403	4400				2 EA	INSULATOR-STRUT 115KV	1,693.20	21.23	16,030.80	26.72
356.3087.5473	4400				11 EA	BRACED POLYMER HORIZONTAL POST INSULATOR 115KV	6,283.20	78.77	43,969.20	73.28
** Total Installed							7,976.40	100	60,000.00	100

Project Item: 4011503

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
355.2083.2705	4400				11 SE	ARM-STANDARD	0.00	0.00	33,340.80	99.23
356.3085.5403	4400				3 EA	INSULATOR-STRUT 115KV	0.00	0.00	259.20	0.77
** Total Removed							0.00	100	33,600.00	100

** End of Report **

Project Item: 4011504

Installed

Estimator(s): WELCH,JODIE RAE
Facility Name: 42153A HIGHLAND CITY - WEWA
Nearest Town:

Project Item Description: HIGHLAND CITY-REDWOOD 115KV TL:

Patrol Notes:
4 - broken arm - phase intact
11 - tree on phase - intact
12 - guys slack
17 - broken pole - debris on phase
18 - destroyed - phase intact
19 - support arm gone
23 - OHGW attach broken
27 - 31 - destroyed
36 - tree on guys

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Estimated-----			
								-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1011	4400				1	EA	POLES-WOOD - 60 FT.	752.61	2.02	5,365.18	3.82
355.2021.1012	4400				4	EA	POLES-WOOD - 65 FT.	4,159.71	11.15	21,466.62	15.29
355.2021.1014	4400				2	EA	POLES-WOOD - 75 FT.	4,856.38	13.02	12,650.99	9.01
355.2021.1016	4400				2	EA	POLES-WOOD - 85 FT.	6,282.79	16.84	12,650.99	9.01
355.2082.2601	4400				18	EA	ANCHOR GUYS	8,705.90	23.34	15,867.74	11.30
355.2083.2711	4400				3	EA	ARM-STEEL, WIDE FLANGE	4,698.74	12.60	14,416.47	10.27
356.3081.5003	4400				39	EA	INSULATOR-SUSPENSION 115KV	857.97	2.30	14,842.14	10.57
356.3081.5013	4400				6	EA	INSULATOR-SUSP POLYMER 115KV	989.48	2.65	913.91	0.65
356.3083.5203	4400				15	EA	INSUL-HORIZONTAL POST 115KV	5,041.34	13.52	3,427.18	2.44
356.3140.6503	4400				9	EA	GROUNDING - POLE GROUND	953.47	2.56	38,798.77	27.63
** Total Installed								37,298.40	100	140,400.00	100

Project Item: 4011504

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1011	4400				1	EA	POLES-WOOD - 60 FT.	0.00	0.00	892.86	1.18
355.2021.1012	4400				2	EA	POLES-WOOD - 65 FT.	0.00	0.00	1,784.32	2.36
355.2021.1013	4400				2	EA	POLES-WOOD - 70 FT.	0.00	0.00	7,796.12	10.31
355.2021.1015	4400				1	EA	POLES-WOOD - 80 FT.	0.00	0.00	2,957.15	3.91
355.2021.1016	4400				2	EA	POLES-WOOD - 85 FT.	0.00	0.00	6,853.12	9.06
355.2021.1017	4400				1	EA	POLES-WOOD - 90 FT.	0.00	0.00	3,895.97	5.15
355.2082.2601	4400				18	EA	ANCHOR GUYS	0.00	0.00	4,621.68	6.11
355.2083.2711	4400				3	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	28,177.19	37.27
356.3081.5003	4400				39	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	8,424.94	11.14
356.3081.5013	4400				6	EA	INSULATOR-SUSP POLYMER 115KV	0.00	0.00	516.75	0.68
356.3083.5203	4400				15	EA	INSUL-HORIZONTAL POST 115KV	0.00	0.00	1,945.52	2.57
356.3140.6503	4400				9	EA	GROUNDING - POLE GROUND	0.00	0.00	7,734.39	10.23
** Total Removed								0.00	100	75,600.00	100

** End of Report **

T41051

Project Item: 4011505

Installed

Estimate Version: Working Copy

Estimator(s): BENTON, JASON
Facility Name: 42112 SINAI - WOODRUFF
Nearest Town:

Project Item Description: SINAI-ATWATER-WOODRUFF 115KV TL:

Patrol Notes:

- Str. 16 - wire down
- Str. 17 - wire down, broken davit arm, broken insulators, tree on the line
- Str. 18 - wire down, trees on the line
- Str. 19 - broken davit arm, broken insulators, wire down

							-----Estimated-----				
							-----Material-----		-----Labor-----		
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	Cost	%	Cost	%
356.3087.5473	4400				6 EA		BRACED POLYMER HORIZONTAL POST INSULATOR 115KV	4,216.80	100.00	15,600.00	100.00
** Total Installed								4,216.80	100	15,600.00	100

Project Item: 4011505

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.	Plt.	Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
										Cost	%	Cost	%
355.2083.2705			4400				2	SE	ARM-STANDARD	0.00	0.00	6,920.40	82.39
356.3081.5003			4400				18	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	1,479.60	17.61
** Total Removed										0.00	100	8,400.00	100

** End of Report **

Project Item: 4011506

Installed

Estimator(s): BENTON, JASON
Facility Name: 42139 REDWOOD #1 TAP
Nearest Town:

Project Item Description: REDWOOD-WEWA ROAD 115KV TL:

Patrol Notes:
2 - destroyed - phase intact
3 - bottom post gone
4 - bottom post twisted
5 - bottom insulator twisted
14A - bottom 2 insulators broken
15 - destroyed - phase on ground
16 - 2 phase down - insulator twisted
24 - support arm broke - phase under tree

								-----Estimated-----			
								-----Material-----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	Cost	%	Cost	%
355.2021.1007	4400				1	EA	POLES-WOOD - 40 FT.	375.60	7.87	7,971.60	7.86
355.2021.1013	4400				1	EA	POLES-WOOD - 70 FT.	2,016.00	42.26	14,160.00	13.96
355.2082.2601	4400				4	EA	ANCHOR GUYS	729.60	15.30	6,639.60	6.55
356.3081.5003	4400				44	EA	INSULATOR-SUSPENSION 115KV	789.72	16.56	71,652.50	70.66
356.3083.5203	4400				3	EA	INSUL-HORIZONTAL POST 115KV	859.08	18.01	976.30	0.96
** Total Installed								4,770.00	100	101,400.00	100

Project Item: 4011506

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1007	4400				1	EA	POLES-WOOD - 40 FT.	0.00	0.00	1,543.20	2.83
355.2021.1016	4400				1	EA	POLES-WOOD - 85 FT.	0.00	0.00	5,116.80	9.37
355.2082.2601	4400				4	EA	ANCHOR GUYS	0.00	0.00	2,674.80	4.90
356.3081.5003	4400				44	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	44,656.80	81.79
356.3083.5203	4400				3	EA	INSUL-HORIZONTAL POST 115KV	0.00	0.00	608.40	1.11
** Total Removed								0.00	100	54,600.00	100

** End of Report **

ET1000 T4053

Project Item: 4011507

Installed

Estimate Version: Working Copy

Estimator(s): PEMBERTON, ZACHARY B
Facility Name: 42615 CALLAWAY - PORT SAINT JOE
Nearest Town:

Project Item Description: CALLAWAY-PORT ST. JOE 230KV TL:

Patrol Notes:
3, 4, 5, 6 and 9 - structures on the ground (4 is in the road)
11 - insulators down

Perc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Estimated-----			
							-----Material-----		-----Labor-----	
							Cost	%	Cost	%
354.1121.5521	4400				2 EA	STEEL POLE - 110'	38,030.40	16.64	69,381.60	7.73
354.1121.5522	4400				6 EA	STEEL POLE - 115'	118,724.40	51.94	208,148.40	23.20
354.1181.6501	4400				16 EA	ANCHOR GUY	16,008.00	7.00	85,920.00	9.58
355.2022.1124	4400				2 EA	POLES-CONCRETE - 125 FT.	23,823.60	10.42	69,381.60	7.73
355.2082.2601	4400				4 EA	ANCHOR GUYS	3,482.40	1.52	21,480.00	2.39
355.2083.2712	4400				5 EA	ARM-STEEL TUBULAR CROSSARM	19,716.00	8.63	97,920.00	10.92
356.3081.5004	4400				258 EA	INSULATOR-SUSPENSION 230KV	5,623.14	2.46	48,393.68	5.40
356.3140.6502	4400				20 EA	GROUNDING - DRIVEN RODS	995.82	0.44	107,488.82	11.98
356.3140.6503	4400				10 EA	GROUNDING - POLE GROUND	2,180.64	0.95	188,885.91	21.06
** Total Installed							228,584.40	100	897,000.00	100

Project Item: 4011507

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
354.1121.5517	4400				2 EA	STEEL POLE - 90'	0.00	0.00	34,060.80	7.05
354.1121.5518	4400				4 EA	STEEL POLE - 95'	0.00	0.00	71,684.40	14.84
354.1121.5519	4400				4 EA	STEEL POLE - 100'	0.00	0.00	71,683.20	14.84
354.1181.6501	4400				20 EA	ANCHOR GUY	0.00	0.00	65,364.00	13.53
355.2083.2712	4400				5 EA	ARM-STEEL TUBULAR CROSSARM	0.00	0.00	79,824.00	16.53
356.3081.5004	4400				258 EA	INSULATOR-SUSPENSION 230KV	0.00	0.00	36,917.74	7.64
356.3140.6501	4400				1,270 FT	GROUNDING - COUNTERPOISE	0.00	0.00	41,201.51	8.53
356.3140.6503	4400				10 EA	GROUNDING - POLE GROUND	0.00	0.00	82,264.36	17.03
** Total Removed							0.00	100	483,000.00	100

** End of Report **

Project Item: 4011508

Installed

Estimate Version: Working Copy

Estimator(s): BENTON, JASON
Facility Name: 42201 CALLAWAY - WEWA ROAD #2
Nearest Town:

Project Item Description: CALLAWAY-WEWA ROAD #2:

Patrol Notes:

3 - OHGW on phase 4 - OHGW on phase 6 - leaning pole 7 - leaning pole 8 - leaning pole 10 - leaning pole 11 - leaning pole - 230 on phase 13 - leaning pole - 230 on phase 14 - leaning pole 19 - 230 structure on phase 20 - 230 structure on phase - pulled insulator 23 - middle pole down 24 - structure down - conductor low over road 145 - tower down - conductor low over road 146 - tower down 147 - tower down 147A - tower down 148 - tower down 148A - tower down 149 - tower down 150 - tower down 151 - tower down - phases in trees 152 - tower down - phases in trees 153 - tower down - phases in trees 154 - tower down - phases in trees 50 - trees on guys 49 - phase broken 48 - no hardware - pole ok 47 - no hardware - 2 phases down 46 - pole on ground 45 - pole on ground 44 - pole on ground 43 - pole on ground 42 - pole on ground 41 - pole on ground 40 - pole on ground 39 - pole on ground 38 - pole on ground 37 - leaning pole 36 - OHGW down 27 - broken guy 26 - insulator missing 25 - 2 phases off 22 - broken insulator

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Estimated-----		-----Labor-----	
								Material Cost	%	Cost	%
355.2022.1111	4400				1	EA	POLES-CONCRETE - 60 FT.	5,334.03	1.12	5,740.59	0.41
355.2022.1114	4400				3	EA	POLES-CONCRETE - 75 FT.	17,523.73	3.68	19,770.44	1.41
355.2022.1118	4400				4	EA	POLES-CONCRETE - 95 FT.	33,047.04	6.94	26,360.58	1.88
355.2022.1119	4400				2	EA	POLES-CONCRETE - 100 FT.	18,299.19	3.84	13,180.29	0.94
355.2022.1120	4400				12	EA	POLES-CONCRETE - 105 FT.	114,737.00	24.09	79,081.74	5.63
355.2022.1121	4400				2	EA	POLES-CONCRETE - 110 FT.	18,891.30	3.97	13,180.29	0.94
355.2022.1123	4400				2	EA	POLES-CONCRETE - 120 FT.	23,756.73	4.99	13,180.29	0.94
355.2022.1124	4400				2	EA	POLES-CONCRETE - 125 FT.	25,279.65	5.31	13,180.29	0.94
355.2082.2601	4400				51	EA	ANCHOR GUYS	21,294.57	4.47	32,548.47	2.32
355.2083.2711	4400				10	EA	ARM-STEEL, WIDE FLANGE	14,499.77	3.04	35,519.53	2.53
355.2083.2712	4400				4	EA	ARM-STEEL TUBULAR CROSSARM	14,502.19	3.04	55,657.89	3.96
356.3031.2129	4400				43,300	FT	WIRE-ACSR, 795 KCMIL	95,794.80	20.11	550,867.20	39.24
356.3063.4806	4400				28,900	FT	WIRE-ALUMOWELD OH GRND 7#8	16,023.60	3.36	428,325.60	30.51
356.3081.5003	4400				507	EA	INSULATOR-SUSPENSION 115KV	13,497.60	2.83	9,792.00	0.70
356.3083.5203	4400				7	EA	INSUL-HORIZONTAL POST 115KV	2,089.20	0.44	859.20	0.06
356.3121.5703	4400				2	EA	SWITCH-GO, 1 WAY 115 KV	32,964.00	6.92	46,106.40	3.28
356.3140.6503	4400				25	EA	GROUNDING - POLE GROUND	8,745.60	1.84	60,649.20	4.32
** Total Installed								476,280.00	100	1,404,000.00	100

Project Item: 4011508

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2022.1110	4400				1	EA	POLES-CONCRETE - 55 FT.	0.00	0.00	34,452.83	4.56
355.2022.1111	4400				1	EA	POLES-CONCRETE - 60 FT.	0.00	0.00	34,452.83	4.56
355.2022.1112	4400				2	EA	POLES-CONCRETE - 65 FT.	0.00	0.00	68,904.08	9.11
355.2022.1118	4400				2	EA	POLES-CONCRETE - 95 FT.	0.00	0.00	107,541.27	14.23
355.2022.1119	4400				2	EA	POLES-CONCRETE - 100 FT.	0.00	0.00	107,541.27	14.23
355.2082.2601	4400				11	EA	ANCHOR GUYS	0.00	0.00	95,122.91	12.58
356.3081.5003	4400				105	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	86,494.09	11.44
356.3083.5203	4400				7	EA	INSUL-HORIZONTAL POST 115KV	0.00	0.00	30,347.17	4.01
356.3140.6503	4400				3	EA	GROUNDING - POLE GROUND	0.00	0.00	191,143.54	25.28
** Total Removed								0.00	100	756,000.00	100

** End of Report **

Project Item: 4011509

Installed

Estimator(s): WELCH, JODIE RAE
Facility Name: 42121C CALLAWAY - WEWA ROAD #1
Nearest Town:

Project Item Description: CALLAWAY-WEWA ROAD #1:

Description of work:

Str. 13. Install two 65/2 wood poles per BT-301. Install 4G-2A per FT-201
Str. 14 Install two 65/2 wood poles per BT-301. Install 4G-2A per FT-201
Str. 357 Install two 65/2 wood poles per BT-301. Install 4G-2A per FT-201
Str. 360 Install two 65/2 wood poles per BT-301. Install 4G-2A per FT-201

Patrol Notes:

Callaway Sub - Str. 19
2 structures down
3 damaged structures

Str. 342 - Wewa Road Sub
2 structures down
5 structures with trees/debris

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Estimated-----			
								-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1012	4400				8	EA	POLES-WOOD - 65 FT.	8,326.97	61.26	48,095.81	47.15
355.2082.2601	4400				4	EA	ANCHOR GUYS	819.77	6.03	1,119.78	1.10
355.2083.2711	4400				1	EA	ARM-STEEL, WIDE FLANGE	1,516.46	11.16	5,385.61	5.28
356.3081.5003	4400				27	EA	INSULATOR-SUSPENSION 115KV	513.85	3.78	1,106.17	1.08
356.3140.6501	4400				1,016	FT	GROUNDING - COUNTERPOISE	1,603.95	11.80	21,374.79	20.96
356.3140.6503	4400				8	EA	GROUNDING - POLE GROUND	812.60	5.98	24,917.85	24.43
** Total Installed								13,593.60	100	102,000.00	100

Project Item: 4011509

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1012	4400				8	EA	POLES-WOOD - 65 FT.	0.00	0.00	13,550.40	25.09
355.2082.2601	4400				4	EA	ANCHOR GUYS	0.00	0.00	669.60	1.24
355.2083.2711	4400				1	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	5,349.60	9.91
356.3081.5003	4400				27	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	1,149.04	2.13
356.3140.6501	4400				1,016	FT	GROUNDING - COUNTERPOISE	0.00	0.00	7,402.47	13.71
356.3140.6503	4400				8	EA	GROUNDING - POLE GROUND	0.00	0.00	25,878.89	47.92
** Total Removed								0.00	100	54,000.00	100

** End of Report **

Project Item: 4011510

Installed

Estimate Version: Working Copy

Estimator(s): WELCH,JODIE RAE
Facility Name: 42123 SINAI CEMETERY - BAINBRIDGE GEORGIA
Nearest Town:

Project Item Description: SINAI-SOUTH BAINBRIDGE 115KV TL:

Patrol Notes:

- Str. 1F - broken concrete pole
- Str. 4 - tree very close to the line, looks like it could fall any time
- Str. 6 - tree on the line, no damage to structures
- Str. 8 - tree on the line, no damage to structures
- Str. 9 - tree on the line, 1 phase down
- Str. 10 - bent steel arm, tree on the line
- Str. 11 - 1 broken wood pole
- Str. 12 - tree on the conductors and OHGW
- Str. 13 - structure down
- Str. 20 - tree on the line, no damage to structures
- Str. 21 - tree on the line, no damage to structures
- Str. 22 - tree on the line, no damage to structures
- Str. 23 - structure down, wire on the ground
- Str. 24 - 1 broken wood pole, bent steel arm, wire down
- Str. 25 - twisted concrete h-frame structure
- Str. 26 - 1 broken wood pole, 1 bent pole (middle pole)
- Str. 27 - tree on the line, both poles bent
- Str. 28 - tree on the line, no damage to structures
- Str. 29 - tree on the line, no damage to structures
- Str. 31 - tree on the line, no damage to structures
- Str. 33 - tree on the line, no damage to structures
- Str. 34 - 1 broken wood pole, wire down across the RR tracks, likely difficult access
- Str. 35 - tree on the line, wire down, structure is ok
- Str. 41 - tree on the line, no damage to structures
- Str. 43 - debris on the structure
- Str. 49 - tree on the line, no damage to structures

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Estimated-----			
							-----Material-----		-----Labor-----	
						Cost	%	Cost	%	
355.2021.1009	4400				1 EA	POLES-WOOD - 50 FT.	458.93	0.80	6,023.14	3.08
355.2021.1012	4400				3 EA	POLES-WOOD - 65 FT.	2,976.82	5.19	18,064.64	9.24
355.2021.1014	4400				2 EA	POLES-WOOD - 75 FT.	4,763.91	8.30	14,200.68	7.26
355.2021.1015	4400				2 EA	POLES-WOOD - 80 FT.	6,286.62	10.96	14,202.27	7.26
355.2022.1113	4400				2 EA	POLES-CONCRETE - 70 FT.	10,885.91	18.98	19,103.71	9.77
355.2022.1117	4400				1 EA	POLES-CONCRETE - 90 FT.	7,041.11	12.27	9,551.86	4.88
355.2082.2601	4400				14 EA	ANCHOR GUYS	8,693.52	15.15	15,347.79	7.85
355.2083.2711	4400				4 EA	ARM-STEEL, WIDE FLANGE	6,145.70	10.71	21,569.53	11.03
355.2083.2712	4400				1 EA	ARM-STEEL TUBULAR CROSSARM	3,079.08	5.37	5,392.38	2.76
356.3081.5003	4400				240 EA	INSULATOR-SUSPENSION 115KV	5,346.93	9.32	69,964.88	35.77
356.3081.5013	4400				4 EA	INSULATOR-SUSP POLYMER 115KV	672.30	1.17	1,244.58	0.64
356.3083.5203	4400				3 EA	INSUL-HORIZONTAL POST 115KV	1,013.96	1.77	934.54	0.48
						** Total Installed	57,364.80	100	195,600.00	100

Project Item: 4011510

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1012	4400				4	EA	POLES-WOOD - 65 FT.	0.00	0.00	5,826.36	5.58
355.2021.1013	4400				1	EA	POLES-WOOD - 70 FT.	0.00	0.00	4,825.59	4.62
355.2021.1014	4400				3	EA	POLES-WOOD - 75 FT.	0.00	0.00	16,010.72	15.34
355.2022.1113	4400				2	EA	POLES-CONCRETE - 70 FT.	0.00	0.00	10,318.92	9.88
355.2022.1117	4400				1	EA	POLES-CONCRETE - 90 FT.	0.00	0.00	5,158.62	4.94
355.2082.2601	4400				14	EA	ANCHOR GUYS	0.00	0.00	3,545.60	3.40
355.2083.2711	4400				4	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	18,387.35	17.61
355.2083.2712	4400				1	EA	ARM-STEEL TUBULAR CROSSARM	0.00	0.00	4,596.84	4.40
356.3081.5003	4400				240	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	34,650.35	33.19
356.3081.5013	4400				4	EA	INSULATOR-SUSP POLYMER 115KV	0.00	0.00	616.94	0.59
356.3083.5203	4400				3	EA	INSUL-HORIZONTAL POST 115KV	0.00	0.00	462.71	0.44
** Total Removed								0.00	100	104,400.00	100

** End of Report **

Project Item: 4011511

Installed

Estimator(s): BENTON, JASON
Facility Name: 42136 SMITH - GREENWOOD
Nearest Town:

Project Item Description: SMITH-GREENWOOD 115KV TL:

Patrol Notes:
38-39 - trim overhang
40 - debris on OHGW
45 - heavy lean
47 - leaning
53 - insulator broken - phase on pole

						-----Estimated-----				
						-----Material-----		-----Labor-----		
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
356.3081.5003	4400				27 EA	INSULATOR-SUSPENSION 115KV	464.40	100.00	15,600.00	100.00
						** Total Installed	464.40	100	15,600.00	100

Project Item: 4011511

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
356.3081.5003	4400				27 EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	8,400.00	53.85
** Total Removed							0.00	100	8,400.00	100

** End of Report **

Project Item: 4011512

Installed

Estimator(s): WELCH, JODIE RAE
Facility Name: 42185 STONE CONTAINER
Nearest Town:

Project Item Description: WEWA ROAD-STONE CONTAINER (RADIAL) 115KV TL:

Patrol Notes:
8 - debris on phase and guys
9 - bottom insulator arm gone

							-----Estimated-----			
							----Material----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM Description	Cost	%	Cost	%
356.3087.5473	4400				1 EA	BRACED POLYMER HORIZONTAL POST INSULATOR 115KV	1,081.20	100.00	8,400.00	100.00
** Total Installed							1,081.20	100	8,400.00	100

Project Item: 4011512

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
355.2083.2705	4400				1 SE	ARM-STANDARD	0.00	0.00	1,977.60	82.40
356.3081.5003	4400				9 EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	422.40	17.60
** Total Removed							0.00	100	2,400.00	100

** End of Report **

Project Item: 4011513

Installed

Estimator(s): BENTON, JASON
Facility Name: 42103 HOLMES CREEK - SINAI
Nearest Town:

Project Item Description: MARIANNA-WEST GRAND RIDGE 115KV TL:

Patrol Notes:

- Str. 210 - broken davit arm, trees on the wire
- Str. 208 - tree on the line, no damage to structures
- Str. 201 - tree on the line, possible damaged braced post insulator
- Str. 200 - broken fiberglass arms on angle structure, conductor down over the road
- Str. 199 - trees on the line, all 3 phases down
- Str. 198 - 1 phase down and broken davit arm
- Str. 197 - broken davit arm on middle phase
- Str. 196 - broken davit arm on middle phase, top phase down
- Str. 195 - broken davit arm on middle phase
- Str. 194 - broken davit arm on bottom phase, trees on the wire, 2 phases down
- Str. 193 - 2 broken davit arms and 2 phases down
- Str. 192 - broken davit arm on bottom phase and bottom phase down
- Str. 188 - tree on the wire, no damage to structures
- Str. 168 - debris, limb on the line

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Estimated-----			
							-----Material----- Cost	%	-----Labor----- Cost	%
356.3052.4029	4400				7,300 FT	WIRE-SSAC, 795 26/7 KCMIL	15,553.20	64.47	87,042.00	92.99
356.3087.5473	4400				15 EA	BRACED POLYMER HORIZONTAL POST INSULATOR 115KV	8,570.40	35.53	6,558.00	7.01
** Total Installed							24,123.60	100	93,600.00	100

Project Item: 4011513

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
355.2083.2705	4400				15 SE	ARM-STANDARD	0.00	0.00	44,983.20	89.25
356.3052.4029	4400				7,300 FT	WIRE-SSAC, 795 26/7 KCMIL	0.00	0.00	5,416.80	10.75
** Total Removed							0.00	100	50,400.00	100

** End of Report **

Project Item: 4011517

Installed

Estimator(s): WELCH, JODIE RAE
Facility Name: 42131 SCHOLZ - CALLAWAY
Nearest Town:

Project Item Description: CALLAWAY-SINAI:

Patrol Notes:
Callaway-Altha
41 structures down
13 damaged structures
21 damaged structures with trees/debris
20 structures with trees

Sinai-Altha
13 structures down
2 damaged structures
1 damaged structures with trees
9 structures with trees

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Estimated-----			
								-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1011	4400				4	EA	POLES-WOOD - 60 FT.	2,839.20	0.94	12,609.60	1.08
355.2021.1012	4400				104	EA	POLES-WOOD - 65 FT.	104,215.20	34.44	327,849.60	28.02
355.2021.1013	4400				18	EA	POLES-WOOD - 70 FT.	30,403.20	10.05	95,158.80	8.13
355.2021.1014	4400				4	EA	POLES-WOOD - 75 FT.	9,417.60	3.11	22,401.60	1.91
355.2021.1015	4400				2	EA	POLES-WOOD - 80 FT.	5,889.60	1.95	11,200.80	0.96
355.2082.2601	4400				180	EA	ANCHOR GUYS	32,901.60	10.87	113,588.40	9.71
355.2083.2711	4400				59	EA	ARM-STEEL, WIDE FLANGE	90,128.40	29.79	555,204.00	47.45
356.3081.5003	4400				1,329	EA	INSULATOR-SUSPENSION 115KV	22,617.60	7.47	29,400.00	2.51
356.3081.5013	4400				33	EA	INSULATOR-SUSP POLYMER 115KV	4,171.20	1.38	2,587.20	0.22
** Total Installed								302,583.60	100	1,170,000.00	100

Project Item: 4011517

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1010	4400				2	EA	POLES-WOOD - 55 FT.	0.00	0.00	1,366.80	0.22
355.2021.1011	4400				6	EA	POLES-WOOD - 60 FT.	0.00	0.00	4,100.40	0.65
355.2021.1012	4400				108	EA	POLES-WOOD - 65 FT.	0.00	0.00	73,812.00	11.72
355.2021.1013	4400				15	EA	POLES-WOOD - 70 FT.	0.00	0.00	44,799.60	7.11
355.2021.1014	4400				1	EA	POLES-WOOD - 75 FT.	0.00	0.00	2,984.40	0.47
355.2082.2601	4400				192	EA	ANCHOR GUYS	0.00	0.00	54,781.20	8.70
355.2083.2711	4400				59	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	424,542.00	67.39
356.3081.5003	4400				1,248	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	21,093.60	3.35
356.3081.5013	4400				42	EA	INSULATOR-SUSP POLYMER 115KV	0.00	0.00	2,520.00	0.40
** Total Removed								0.00	100	630,000.00	100

** End of Report **

Project Item: 4011522

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
355.2021.1011	4400				4 EA	POLES-WOOD - 60 FT.	0.00	0.00	3,631.20	1.33
355.2021.1012	4400				40 EA	POLES-WOOD - 65 FT.	0.00	0.00	36,315.60	13.30
355.2021.1013	4400				2 EA	POLES-WOOD - 70 FT.	0.00	0.00	7,932.00	2.91
355.2082.2601	4400				77 EA	ANCHOR GUYS	0.00	0.00	27,603.60	10.11
355.2083.2711	4400				20 EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	184,396.80	67.54
356.3081.5003	4400				594 EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	13,120.80	4.81
** Total Removed							0.00	100	273,000.00	100

** End of Report **

Project Item: 4011522

Installed

Estimate Version: Working Copy

Estimator(s): PEMBERTON, ZACHARY B
Facility Name: 42121A SINAI - GASKIN
Nearest Town:

Project Item Description: SINAI-GASKIN 115KV TL:

Patrol Notes:
Sinai Sub - Altha:
8 structures down
4 damaged structures

Altha - Gaskin:
11 structures down
17 damaged structures
3 damaged structures with trees
15 structures with trees

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Estimated-----			
								-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1011	4400				2	EA	POLES-WOOD - 60 FT.	1,419.60	1.42	7,976.40	1.57
355.2021.1012	4400				38	EA	POLES-WOOD - 65 FT.	36,619.20	36.71	151,555.20	29.89
355.2021.1013	4400				6	EA	POLES-WOOD - 70 FT.	10,192.80	10.22	42,512.40	8.39
355.2082.2601	4400				79	EA	ANCHOR GUYS	10,807.20	10.83	58,796.40	11.60
355.2083.2711	4400				20	EA	ARM-STEEL, WIDE FLANGE	30,502.80	30.58	229,818.00	45.33
356.3081.5003	4400				594	EA	INSULATOR-SUSPENSION 115KV	10,216.80	10.24	16,341.60	3.22
** Total Installed								99,758.40	100	507,000.00	100

ET 1000T41063

Project Item: 4011525

Installed

Estimate Version: Working Copy

Estimator(s): PEMBERTON, ZACHARY B
Facility Name: 42160 PARKER TAP
Nearest Town:

Project Item Description: CALLAWAY-WEWA ROAD #2 115KV TL:
Material Estimate Updated. CBP 10/17/18

- Patrol Notes:
- 3 - OHGW on phase
 - 4 - OHGW on phase
 - 6 - leaning pole
 - 7 - leaning pole
 - 8 - leaning pole
 - 10 - leaning pole
 - 11 - leaning pole - 230 on phase
 - 13 - leaning pole - 230 on phase
 - 14 - leaning pole
 - 19 - 230 structure on phase
 - 20 - 230 structure on phase - pulled insulator
 - 22 - broken insulator
 - 23 - middle pole down
 - 24 - structure down - conductor low over road
 - 25 - 2 phases off
 - 26 - insulator missing
 - 27 - broken guy
 - 36 - OHGW down
 - 37 - leaning pole
 - 38 - pole on ground
 - 39 - pole on ground
 - 40 - pole on ground
 - 41 - pole on ground
 - 42 - pole on ground
 - 43 - pole on ground
 - 44 - pole on ground
 - 45 - pole on ground
 - 46 - pole on ground
 - 47 - no hardware - 2 phases down
 - 48 - no hardware - pole ok
 - 49 - phase broken
 - 50 - trees on guys

Perc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Estimated-----			
							-----Material-----		-----Labor-----	
							Cost	%	Cost	%
354.1121.5516	4400				8 EA	STEEL POLE - 85'	71,289.57	64.47	95,484.11	34.00
354.1121.5517	4400				2 EA	STEEL POLE - 90'	21,330.03	19.29	23,854.69	8.50
355.2082.2601	4400				3 EA	ANCHOR GUYS	2,342.40	2.12	20,612.40	7.34
356.3083.5203	4400				40 EA	INSUL-HORIZONTAL POST 115KV	12,572.90	11.37	10,976.86	3.91
356.3140.6501	4400				254 FT	GROUNDING - COUNTERPOISE	386.54	0.35	6,627.76	2.36
356.3140.6502	4400				44 EA	GROUNDING - DRIVEN RODS	1,780.44	1.61	48,401.92	17.24

Project Item: 4011525

Installed

Estimate Version: Working Copy

							-----Estimated-----					
							-----Material-----		-----Labor-----			
Ferc.	Plt.	Ruc	PE	Pur	Company	Plt	Estimated	Cost	%	Cost	%	
				Yr	Number	Xfer	Quantity UM					
356.31	140.65	03	4400				12 EA	GROUNDING - POLE GROUND	869.72	0.79	74,842.25	26.65
							** Total Installed		110,571.60	100	280,800.00	100

Project Item: 4011525

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
355.2021.1016	4400				6 EA	POLES-WOOD - 85 FT.	0.00	0.00	25,265.59	28.03
355.2022.1116	4400				3 EA	POLES-CONCRETE - 85 FT.	0.00	0.00	13,535.04	15.01
355.2022.1117	4400				1 EA	POLES-CONCRETE - 90 FT.	0.00	0.00	4,502.58	4.99
355.2082.2601	4400				9 EA	ANCHOR GUYS	0.00	0.00	5,393.33	5.98
355.2083.2708	4400				12 EA	ARM-FIBERGLASS ARM (SET OF 3)	0.00	0.00	1,999.87	2.22
356.3081.5003	4400				60 EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	5,202.67	5.77
356.3083.5203	4400				28 EA	INSUL-HORIZONTAL POST 115KV	0.00	0.00	7,273.44	8.07
356.3140.6501	4400				254 FT	GROUNDING - COUNTERPOISE	0.00	0.00	2,090.92	2.32
356.3140.6502	4400				44 EA	GROUNDING - DRIVEN RODS	0.00	0.00	11,475.42	12.73
356.3140.6503	4400				12 EA	GROUNDING - POLE GROUND	0.00	0.00	13,405.15	14.87
** Total Removed							0.00	100	90,144.00	100

** End of Report **

Project Item: 4011514

Installed

Estimator(s): WELCH, JODIE RAE
Facility Name: 42153A HIGHLAND CITY - WEWA
Nearest Town:

Project Item Description: REDWOOD-WEWA ROAD 115KV TL;

Line Segment: "STR 31 TO WEWA ROAD SUB"

Material updated to reflect replacement of Str. 38: H-Frame with (2) 65/3 Wood; Str. 39: Insulator Bells. CBP 10/15/18

Patrol Notes:

38 - 2 poles broken - phase intact
39 - 2 broken insulator bells

						-----Estimated-----				
						-----Material-----		-----Labor-----		
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
355.2021.1012	4400				2 EA	POLES-WOOD - 65 FT.	1,728.75	38.21	6,872.42	29.37
355.2083.2711	4400				1 EA	ARM-STEEL, WIDE FLANGE	1,525.65	33.72	3,077.98	13.15
356.3081.5003	4400				38 EA	INSULATOR-SUSPENSION 115KV	822.32	18.18	7,751.05	33.12
356.3140.6502	4400				4 EA	GROUNDING - DRIVEN RODS	204.43	4.52	2,066.73	8.83
356.3140.6503	4400				2 EA	GROUNDING - POLE GROUND	242.85	5.37	3,631.82	15.52
** Total Installed							4,524.00	100	23,400.00	100

Project Item: 4011514

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1012	4400				2	EA	POLES-WOOD - 65 FT.	0.00	0.00	1,791.69	14.22
355.2083.2711	4400				1	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	2,830.71	22.47
356.3081.5003	4400				38	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	5,196.24	41.24
356.3140.6502	4400				4	EA	GROUNDING - DRIVEN RODS	0.00	0.00	346.61	2.75
356.3140.6503	4400				2	EA	GROUNDING - POLE GROUND	0.00	0.00	2,434.76	19.32
** Total Removed								0.00	100	12,600.00	100

** End of Report **

Project Item: 4011515

Installed

Estimate Version: Working Copy

Estimator(s): PEMBERTON, ZACHARY B
Facility Name: 42121B CALLAWAY - GASKIN
Nearest Town:

Project Item Description: CALLAWAY-GASKIN:

Patrol Notes:
Callaway Sub - Str. 1
3 poles destroyed
1 structure with OHGW on phase
2 structures destroyed

Ferc.	Plt.	Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Estimated-----			
										-----Material-----		-----Labor-----	
										Cost	%	Cost	%
355.2021.1012		4400					6	EA	POLES-WOOD - 65 FT.	6,105.60	34.21	28,832.40	46.21
355.2021.1014		4400					2	EA	POLES-WOOD - 75 FT.	6,217.20	34.83	11,331.60	18.16
355.2082.2601		4400					16	EA	ANCHOR GUYS	2,188.80	12.26	14,347.20	22.99
355.2083.2711		4400					1	EA	ARM-STEEL, WIDE FLANGE	1,478.40	8.28	4,303.20	6.90
356.3081.5003		4400					108	EA	INSULATOR-SUSPENSION 115KV	1,857.60	10.41	3,585.60	5.75
** Total Installed										17,847.60	100	62,400.00	100

Project Item: 4011515

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1011	4400				4	EA	POLES-WOOD - 60 FT.	0.00	0.00	5,431.20	16.16
355.2021.1012	4400				2	EA	POLES-WOOD - 65 FT.	0.00	0.00	2,715.60	8.08
355.2021.1014	4400				2	EA	POLES-WOOD - 75 FT.	0.00	0.00	9,009.60	26.81
355.2082.2601	4400				16	EA	ANCHOR GUYS	0.00	0.00	8,577.60	25.53
355.2083.2711	4400				1	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	4,290.00	12.77
356.3081.5003	4400				108	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	3,576.00	10.64
** Total Removed								0.00	100	33,600.00	100

** End of Report **

Project Item: 4011516

Installed

Estimate Version: Working Copy

Estimator(s): PEMBERTON, ZACHARY B
Facility Name: 42121A SINAI - GASKIN
Nearest Town:

Project Item Description: CALLAWAY-GASKIN:

Patrol Notes:
Str. 341 - Gaskin AEC Sub
5 structures destroyed (1 with phases intact - in the trees)
1 structure leaning
1 structure with support arm broke
1 structure with tree on phase

						-----Estimated-----							
						-----Material-----		-----Labor-----					
Ferc.	Plt.	Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	Cost	%	Cost	%
355.2021.1012			4400				11	EA	POLES-WOOD - 65 FT.	11,522.40	45.19	55,650.00	47.56
355.2082.2601			4400				20	EA	ANCHOR GUYS	2,736.00	10.73	18,876.00	16.13
355.2083.2711			4400				6	EA	ARM-STEEL, WIDE FLANGE	8,919.60	34.98	37,752.00	32.27
356.3081.5003			4400				135	EA	INSULATOR-SUSPENSION 115KV	2,322.00	9.11	4,722.00	4.04
							** Total Installed			25,500.00	100	117,000.00	100

Project Item: 4011516

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1011	4400				3	EA	POLES-WOOD - 60 FT.	0.00	0.00	3,897.60	6.19
355.2021.1012	4400				8	EA	POLES-WOOD - 65 FT.	0.00	0.00	10,392.00	16.50
355.2082.2601	4400				20	EA	ANCHOR GUYS	0.00	0.00	10,260.00	16.29
355.2083.2711	4400				6	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	34,178.40	54.25
356.3081.5003	4400				135	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	4,272.00	6.78
** Total Removed								0.00	100	63,000.00	100

** End of Report **

Project Item: 4011518

Installed

Estimator(s): WELCH, JODIE RAE
Facility Name: 42161 ALTHA - BLOUNTSTOWN
Nearest Town:

Project Item Description: CALLAWAY-SINAI:

Patrol Notes:
Blountstown Tap
8 damaged structures
9 damaged structures with trees
14 structures with trees/debris

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Estimated-----			
							-----Material-----		-----Labor-----	
							Cost	%	Cost	%
354.1181.6501	4400				10 EA	ANCHOR GUY	918.00	4.46	7,908.00	6.34
355.2021.1012	4400				4 EA	POLES-WOOD - 65 FT.	3,360.00	16.33	16,962.00	13.59
355.2022.1114	4400				1 EA	POLES-CONCRETE - 75 FT.	5,798.40	28.18	6,728.40	5.39
355.2083.2711	4400				5 EA	ARM-STEEL, WIDE FLANGE	7,638.00	37.12	63,300.00	50.72
356.3063.4806	4400				1,600 FT	WIRE-ALUMOWELD OH GRND 7#8	746.40	3.63	27,849.60	22.32
356.3081.5003	4400				27 EA	INSULATOR-SUSPENSION 115KV	464.40	2.26	792.00	0.63
356.3081.5013	4400				9 EA	INSULATOR-SUSP POLYMER 115KV	1,137.60	5.53	943.20	0.76
356.3083.5203	4400				2 EA	INSUL-HORIZONTAL POST 115KV	516.00	2.51	316.80	0.25
** Total Installed							20,578.80	100	124,800.00	100

Project Item: 4011518

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
354.1181.6501	4400				10	EA	ANCHOR GUY	0.00	0.00	2,966.40	4.41
355.2021.1012	4400				4	EA	POLES-WOOD - 65 FT.	0.00	0.00	3,006.00	4.47
355.2021.1014	4400				1	EA	POLES-WOOD - 75 FT.	0.00	0.00	3,283.20	4.89
355.2083.2711	4400				5	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	39,558.00	58.87
356.3064.4902	4400				1,600	FT	WIRE-STEEL (OH GRND 5/16"	0.00	0.00	17,402.40	25.90
356.3081.5013	4400				12	EA	INSULATOR-SUSP POLYMER 115KV	0.00	0.00	787.20	1.17
356.3083.5203	4400				2	EA	INSUL-HORIZONTAL POST 115KV	0.00	0.00	196.80	0.29
** Total Removed								0.00	100	67,200.00	100

** End of Report **

Project Item: 4011519

Installed

Estimate Version: Working Copy

Estimator(s): PEMBERTON, ZACHARY B
Facility Name: 42125 HIGHLAND CITY - GREENWOOD
Nearest Town:

Project Item Description: GREENWOOD-HIGHLAND CITY 115KV:

Patrol Notes:
5 - OHGW from 6 broken
6 - destroyed - phase on building but intact
7 - destroyed
8 - OHGW broken - contact phase - tree on 2 phases
9 - tree on 2 phases
11 - OHGW sagging - contacting phase
12 - destroyed - phase intact
13 - debris on phase
14 - OHGW down on phase
18 - broken arm - intact phase
18-19 - tree on 2 phases - 1 on ground (1 OHGW and Low Clearance over road)
21 - trees on guys and trees on 1 phase - intact
26 - guys need replace
27 - destroyed - wire intact

						-----Estimated-----							
						-----Material-----		-----Labor-----					
Ferc.	Plt.	Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	Cost	%	Cost	%
355.2021.1010	4400						2	EA	POLES-WOOD - 55 FT.	924.26	3.21	7,780.32	7.67
355.2021.1012	4400						1	EA	POLES-WOOD - 65 FT.	852.23	2.96	3,890.89	3.84
355.2021.1013	4400						2	EA	POLES-WOOD - 70 FT.	3,590.83	12.48	13,817.81	13.63
355.2021.1014	4400						2	EA	POLES-WOOD - 75 FT.	4,217.18	14.66	13,819.28	13.63
355.2082.2601	4400						16	EA	ANCHOR GUYS	6,212.22	21.59	9,097.35	8.97
355.2083.2711	4400						4	EA	ARM-STEEL, WIDE FLANGE	6,016.87	20.91	13,936.74	13.74
356.3081.5003	4400						108	EA	INSULATOR-SUSPENSION 115KV	2,244.60	7.80	3,981.37	3.93
356.3140.6502	4400						16	EA	GROUNDING - DRIVEN RODS	794.60	2.76	12,724.28	12.55
356.3140.6503	4400						8	EA	GROUNDING - POLE GROUND	3,920.80	13.63	22,351.95	22.04
							** Total Installed			28,773.60	100	101,400.00	100

Project Item: 4011519

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1010	4400				2	EA	POLES-WOOD - 55 FT.	0.00	0.00	1,692.48	3.10
355.2021.1011	4400				2	EA	POLES-WOOD - 60 FT.	0.00	0.00	1,692.48	3.10
355.2021.1013	4400				4	EA	POLES-WOOD - 70 FT.	0.00	0.00	13,015.95	23.84
355.2082.2601	4400				16	EA	ANCHOR GUYS	0.00	0.00	5,044.51	9.24
355.2083.2711	4400				5	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	13,364.18	24.48
356.3081.5003	4400				108	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	2,405.20	4.41
356.3140.6501	4400				1,016	FT	GROUNDING - COUNTERPOISE	0.00	0.00	3,868.65	7.09
356.3140.6503	4400				8	EA	GROUNDING - POLE GROUND	0.00	0.00	13,516.55	24.76
** Total Removed								0.00	100	54,600.00	100

** End of Report **

Project Item: 4011520

Installed

Estimator(s): BENTON, JASON
Facility Name: 42159 GREENWOOD - LONG BEACH
Nearest Town:

Project Item Description: GREENWOOD-LONG BEACH 115KV TL:

Patrol Notes:
Top post insulators broken on the following structures: 7, 8 and 9
55 - 56 - tree on 2 phases

							-----Estimated-----			
							----Material----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
356.3085.5403	4400				3 EA	INSULATOR-STRUT 115KV	2,476.80	100.00	12,480.00	100.00
** Total Installed							2,476.80	100	12,480.00	100

Project Item: 4011520

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
356.3085.5403	4400				3 EA	INSULATOR-STRUT 115KV	0.00	0.00	6,720.00	53.85
** Total Removed							0.00	100	6,720.00	100

** End of Report **

Project Item: 4011521

Installed

Estimator(s): WELCH,JODIE RAE
Facility Name: 42156 ALFORD TAP
Nearest Town:

Project Item Description: MARIANNA-BAY COUNTY 115KV TL:

Patrol Notes:

Alford Tap:

- Str. 2 - tree on the line, no damage to structures
- Str. 4 - tree on the line, 1 broken wood pole, wire down
- Str. 5 - structure down
- Str. 6 - structure down
- Str. 7 - 1 broken wood pole, wire down, trees on the line, twisted h-frame structure

						-----Estimated-----				
						----Material----		-----Labor-----		
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
355.2021.1012	4400				8 EA	POLES-WOOD - 65 FT.	7,744.80	55.98	28,051.20	47.71
355.2082.2601	4400				12 EA	ANCHOR GUYS	1,641.60	11.87	7,855.20	13.36
355.2083.2711	4400				2 EA	ARM-STEEL, WIDE FLANGE	3,055.20	22.08	20,935.20	35.60
356.3081.5003	4400				81 EA	INSULATOR-SUSPENSION 115KV	1,393.20	10.07	1,958.40	3.33
** Total Installed							13,834.80	100	58,800.00	100

Project Item: 4011521

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1011	4400				4	EA	POLES-WOOD - 60 FT.	0.00	0.00	3,492.00	11.19
355.2021.1012	4400				4	EA	POLES-WOOD - 65 FT.	0.00	0.00	3,484.80	11.17
355.2082.2601	4400				12	EA	ANCHOR GUYS	0.00	0.00	4,136.40	13.26
355.2083.2711	4400				2	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	18,369.60	58.88
356.3081.5003	4400				81	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	1,717.20	5.50
** Total Removed								0.00	100	31,200.00	100

** End of Report **

Project Item: 4011523

Installed

Estimator(s): WELCH, JODIE RAE
Facility Name: 42107 SOUTH CRESTVIEW - HIGHLAND CITY
Nearest Town:

Project Item Description: HIGHLAND CITY-MILLERS FERRY 115KV TL:

Patrol Notes:

790 - tree on phases
791 - tree on phases - debris on center phase
800 - tree on phase 801 - tree on phase - pole twisted
802 - tree on phase - broken pole
803 - - tree on phase - OHGW down
804 - tree on phase 809 - tree on guys and phase
809 - Possible tree on line
810 - tree on phase
811 - tree/debris on phase
815 - tree on phase
816 - tree on phase
817 - tree on phase - 230 OHGW on phase
818 - tree on phase - 230 OHGW on phase
819 - debris on phase
824 - tree on phases
825 - broken pole- broken conductor and shield wire both directions
826 - destroyed 827 - tree on phase
828 - tree on phase/guy
834 - - tree on phase - suspended over road
837 - tree on phase
838 - tree on phase
841 - tree on phase
842 - tree on phase
847 - tree on phase 848 - trim overhang
853 - tree on phase
854 - phases down
855 - phases down - destroyed
856 - tree on phase
868 - 230 OHGW on phase
869 - 230 OHGW on phase
872 - leaning and raked insulators
873 - 881 - destroyed
323 - tree on phase
327-328- tree on phase
338-339 - tree on phase
347-348 - tree on phase

Project Item: 4011523

Installed

Estimate Version: Working Copy

										-----Estimated-----			
										-----Material-----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	Cost	%	Cost	%		
355.2021.1012	4400				3	EA	POLES-WOOD - 65 FT.	3,679.04	3.89	11,054.50	4.35		
355.2021.1013	4400				18	EA	POLES-WOOD - 70 FT.	36,169.89	38.25	78,217.48	30.75		
355.2022.1116	4400				1	EA	POLES-CONCRETE - 85 FT.	7,134.00	7.55	5,845.29	2.30		
355.2082.2601	4400				40	EA	ANCHOR GUYS	12,406.31	13.12	12,735.92	5.01		
355.2083.2711	4400				9	EA	ARM-STEEL, WIDE FLANGE	13,652.36	14.44	29,694.41	11.67		
356.3081.5003	4400				351	EA	INSULATOR-SUSPENSION 115KV	6,901.20	7.30	11,716.88	4.61		
356.3083.5203	4400				3	EA	INSUL-HORIZONTAL POST 115KV	883.40	0.93	541.20	0.21		
356.3140.6501	4400				254	FT	GROUNDING - COUNTERPOISE	414.26	0.44	4,348.30	1.71		
356.3140.6502	4400				48	EA	GROUNDING - DRIVEN RODS	2,212.61	2.34	34,644.83	13.62		
356.3140.6503	4400				25	EA	GROUNDING - POLE GROUND	11,097.33	11.74	65,601.20	25.79		
** Total Installed								94,550.40	100	254,400.00	100		

Project Item: 4011523

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
355.2021.1012	4400				21	EA	POLES-WOOD - 65 FT.	0.00	0.00	14,580.53	10.75
355.2022.1116	4400				1	EA	POLES-CONCRETE - 85 FT.	0.00	0.00	2,460.37	1.81
355.2082.2601	4400				40	EA	ANCHOR GUYS	0.00	0.00	4,262.96	3.14
355.2083.2711	4400				9	EA	ARM-STEEL, WIDE FLANGE	0.00	0.00	65,770.54	48.50
356.3081.5003	4400				249	EA	INSULATOR-SUSPENSION 115KV	0.00	0.00	4,949.89	3.65
356.3081.5013	4400				15	EA	INSULATOR-SUSP POLYMER 115KV	0.00	0.00	1,105.65	0.82
356.3140.6501	4400				254	FT	GROUNDING - COUNTERPOISE	0.00	0.00	884.52	0.65
356.3140.6502	4400				48	EA	GROUNDING - DRIVEN RODS	0.00	0.00	5,284.42	3.90
356.3140.6503	4400				25	EA	GROUNDING - POLE GROUND	0.00	0.00	36,301.12	26.77
** Total Removed								0.00	100	135,600.00	100

** End of Report **

Project Item: 4011524

Installed

Estimator(s): WELCH,JODIE RAE
Facility Name: 42026 ARIZONA CHEMICAL TAP
Nearest Town:

Project Item Description: IPC TAP 46KV TL:

Patrol Notes:
Str. 2 - Totally destroyed and conductor on the ground
Str. 3 and 4 - Leaning
Str. 5 (angle) - Slightly leaning
Switch Structure at IPC TAP probably needs checking for adjustment also.
Str. 15, the IPC Switch pole is leaning south.

						-----Estimated-----				
						-----Material-----		-----Labor-----		
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
355.2021.1012	4400				1 EA	POLES-WOOD - 65 FT.	996.87	29.72	9,243.51	30.81
355.2082.2601	4400				2 EA	ANCHOR GUYS	1,299.93	38.76	5,406.09	18.02
356.3083.5201	4400				3 EA	INSUL-HORIZONTAL POST 46KV	614.93	18.33	713.76	2.38
356.3140.6501	4400				254 FT	GROUNDING - COUNTERPOISE	350.63	10.45	6,994.13	23.31
356.3140.6503	4400				1 EA	GROUNDING - POLE GROUND	91.64	2.73	7,642.51	25.48
						** Total Installed	3,354.00	100	30,000.00	100

Project Item: 4011524

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
355.2021.1012	4400				1 EA	POLES-WOOD - 65 FT.	0.00	0.00	3,423.60	34.58
356.3083.5201	4400				3 EA	INSUL-HORIZONTAL POST 46KV	0.00	0.00	1,076.62	10.87
356.3140.6501	4400				254 FT	GROUNDING - COUNTERPOISE	0.00	0.00	3,524.05	35.60
356.3140.6503	4400				1 EA	GROUNDING - POLE GROUND	0.00	0.00	1,875.74	18.95
** Total Removed							0.00	100	9,900.00	100

** End of Report **

Project Item: 4011526

Installed

Estimate Version: Working Copy

Estimator(s): PEMBERTON, ZACHARY B
Facility Name: 42024 WEWA - TYNDALL (WEST CIRCUIT)
Nearest Town:

Project Item Description: WEWA ROAD-TYNDALL #1 (RADIAL) 46KV TL:

Patrol Notes:

72 Loose Storm Guys
71 Broken pole
70 Broken pole
63 Broken pole (Pole is in a wet area).
59 Tree is leaning on the middle phase conductor. Middle insulator is bent. May need to replace middle insulator. No damage to pole.
38A Debris sitting on top of pole.

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM Description	-----Estimated-----			
							-----Material-----		-----Labor-----	
							Cost	%	Cost	%
355.2021.1010	4400				1	EA POLES-WOOD - 55 FT.	543.55	5.59	8,923.12	10.78
355.2021.1011	4400				2	EA POLES-WOOD - 60 FT.	1,493.19	15.37	17,844.08	21.55
355.2082.2601	4400				6	EA ANCHOR GUYS	4,002.86	41.20	15,646.79	18.90
356.3083.5201	4400				10	EA INSUL-HORIZONTAL POST 46KV	1,971.27	20.29	2,903.73	3.51
356.3140.6502	4400				12	EA GROUNDING - DRIVEN RODS	406.26	4.18	14,158.56	17.10
356.3140.6503	4400				3	EA GROUNDING - POLE GROUND	1,299.27	13.37	23,323.71	28.17
** Total Installed							9,716.40	100	82,800.00	100

Project Item: 4011526

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
355.2021.1010	4400				1 EA	POLES-WOOD - 55 FT.	0.00	0.00	1,607.77	5.88
355.2021.1011	4400				2 EA	POLES-WOOD - 60 FT.	0.00	0.00	3,215.55	11.77
355.2082.2601	4400				8 EA	ANCHOR GUYS	0.00	0.00	9,587.48	35.09
356.3083.5201	4400				9 EA	INSUL-HORIZONTAL POST 46KV	0.00	0.00	2,146.98	7.86
356.3140.6501	4400				762 FT	GROUNDING - COUNTERPOISE	0.00	0.00	7,023.08	25.70
356.3140.6503	4400				3 EA	GROUNDING - POLE GROUND	0.00	0.00	3,743.14	13.70
** Total Removed							0.00	100	27,324.00	100

** End of Report **

Project Item: 4011527

Installed

Estimate Version: Working Copy

Estimator(s): PEMBERTON, ZACHARY B
Facility Name: 42023 WEWA - TYNDALL (EAST CIRCUIT)
Nearest Town:

Project Item Description: WEWA ROAD-TYNDALL #2 (RADIAL) 46KV TL:

Patrol Notes:
83 Broken pole
82 Wood arm leaning. Middle Phase conductor down.
81 Wood arms broken. Wood pole still standing
80 3 Insulators are broken. Pole still standing.
79 Pole broken
78 3 strings of Suspension insulators broken. Pole may be damaged.
77 Pole broken
76 Pole broken
74 Wood Arms broken. 2 phases are down. Pole is leaning. Add storm guys.
73 Pole is broken
72 Wood arms are broken. Pole is still standing.
71 Broken pole
70 Broken Pole
69 Broken wood arms. Pole still standing.
68 1 broken HPT.
66 Broken pole
65 Middle phase insulator is broken
64 Middle phase insulator may be bent.
59 The top wood arm is leaning. All conductors & insulators are still intact.
58 Wood arm are broken. 2 phases are down. Pole still standing.
57 Pole broken
56 Middle insulator is broken
55 Top insulator (HPT) is broken
54 Middle insulator is bent at pole. May need to be replaces.
53 Pole is broken.
51 Broken wood arms
43 Broken pole
41 Broken pole
40 Broken pole
39 Broken pole
38 Broken pole
37 Top of pole broken off. Shieldwire is down. Bayonet could resolve issue.
36 Shieldwire attachment missing.
34 Top and middle insulator broken

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Estimated-----			
							-----Material-----		-----Labor-----	
							Cost	%	Cost	%
355.2021.1010	4400				10 EA	POLES-WOOD - 55 FT.	4,489.18	8.51	62,716.81	19.21
355.2021.1011	4400				6 EA	POLES-WOOD - 60 FT.	3,673.66	6.97	37,630.09	11.53
355.2021.1012	4400				1 EA	POLES-WOOD - 65 FT.	703.74	1.33	6,271.68	1.92
355.2082.2601	4400				30 EA	ANCHOR GUYS	20,543.02	38.96	56,237.02	17.23
356.3081.5001	4400				42 EA	INSULATOR-SUSPENSION 46KV	797.67	1.51	1,038.74	0.32
356.3083.5201	4400				80 EA	INSUL-HORIZONTAL POST 46KV	18,877.23	35.80	21,530.21	6.60
356.3140.6502	4400				64 EA	GROUNDING - DRIVEN RODS	2,206.92	4.19	53,282.06	16.32

Project Item: 4011527

Installed

Estimate Version: Working Copy

							-----Estimated-----					
							-----Material-----		-----Labor-----			
Ferc.	Plt.	Ruc	PE	Pur	Company	Plt	Estimated	Cost	%	Cost	%	
				Yr	Number	Xfer	Quantity UM					
356.3140.6503			4400				16 EA	GROUNDING - POLE GROUND	1,436.58	2.72	87,693.39	26.87
							** Total Installed		52,728.00	100	326,400.00	100

Project Item: 4011527

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
355.2021.1010	4400				10 EA	POLES-WOOD - 55 FT.	0.00	0.00	11,617.01	10.79
355.2021.1011	4400				6 EA	POLES-WOOD - 60 FT.	0.00	0.00	6,970.21	6.47
355.2021.1012	4400				1 EA	POLES-WOOD - 65 FT.	0.00	0.00	1,161.70	1.08
355.2082.2601	4400				32 EA	ANCHOR GUYS	0.00	0.00	27,679.88	25.70
356.3081.5001	4400				42 EA	INSULATOR-SUSPENSION 46KV	0.00	0.00	995.03	0.92
356.3083.5201	4400				77 EA	INSUL-HORIZONTAL POST 46KV	0.00	0.00	20,076.66	18.64
356.3140.6501	4400				4,064 FT	GROUNDING - COUNTERPOISE	0.00	0.00	25,584.12	23.75
356.3140.6503	4400				16 EA	GROUNDING - POLE GROUND	0.00	0.00	13,627.39	12.65
** Total Removed							0.00	100	107,712.00	100

** End of Report **

Project Item: 4011528

Installed

Estimator(s): WILBERT, CHRISTOPHER M
Facility Name: 42109 CRESTVIEW - HOLMES CREEK
Nearest Town:

Project Item Description: Replace span of OPGW and install 2 splices

							-----Estimated-----			
							-----Material-----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
356.3066.4970	4400				1,000 FT	CABLE CONTROL, FIBER OPTICS, SHIELDED, OPGW	11,192.40	100.00	48,000.00	100.00
** Total Installed							11,192.40	100	48,000.00	100

Project Item: 4011528

Removed

Estimate Version: Working Copy

-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
356.3066.4970	4400				1,000 FT	CABLE CONTROL, FIBER OPTICS, SHIELDED, OPGW	0.00	0.00	24,000.00	50.00
** Total Removed							0.00	100	24,000.00	100

** End of Report **

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 Work Order Number: T41058
 Project Item: 4011602

GULF POWER COMPANY
 Work Order Unitization Report

Installed

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							-----Estimated-----			
							-----Material-----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
353.9440.0505	4400			Q	0 EA	BREAKERS & RECLOSERS 3P-46KV	0.00	0.00	47,606.87	86.42
353.9581.1152	4400				60 FT	BUSWORK-CABLE, ALUMINUM	267.30	100.00	7,483.93	13.58
** Total Installed							267.30	100	55,090.80	100

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 Work Order Number: T41058
 Project Item: 4011602

GULF POWER COMPANY
 Work Order Unitization Report

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
353.9440.0505	4400				1 EA	BREAKERS & RECLOSERS 3P-46KV	0.00	0.00	2,258.55	4.10
** Total Removed							0.00	100	2,258.55	100

** End of Report **

TMCRET46
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 Work Order Number: T41075
 Project Item: 4011603

GULF POWER COMPANY
 Work Order Unitization Report

Installed

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						-----Estimated-----				
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material----- Cost	%	-----Labor----- Cost	%
353.9440.0505	4400				1 EA	BREAKERS & RECLOSERS 3P-46KV	43,667.10	100.00	2,258.55	100.00
** Total Installed							43,667.10	100	2,258.55	100

TMCRET46

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Work Order Number: T41075

Project Item: 4011603

GULF POWER COMPANY
Work Order Unitization Report

Removed

No Removed data found

** End of Report **

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Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Estimated-----			
								-----Material----- Cost	%	-----Labor----- Cost	%
361.9203.0401	4400				1	LT	SUBSTRUCTURE, COMPLETE	3,869.86	1.06	29,368.42	14.48
361.9205.0402	4400				1	EA	CONTROL HOUSE, ARCHITECTURAL	239,748.44	65.61	55,954.45	27.58
362.9320.0011	4400				7,500	EA	CONTROL CABLE	16,281.65	4.46	33,484.49	16.50
362.9601.1275	4400				5	EA	PANEL / CABINET	15,348.63	4.20	48,477.78	23.90
362.9601.1277	4400				3	EA	INSTRUMENT, INDICATING	4,939.66	1.35	4,638.36	2.29
362.9601.1278	4400				14	EA	INSTRUMENT, CONTROLLING	59,858.54	16.38	20,278.40	10.00
362.9641.1401	4400				1	EA	BATTERIES, DC	15,986.68	4.37	5,189.01	2.56
362.9641.1402	4400				1	EA	BATTERY RACK, DC	1,307.64	0.36	4,463.10	2.20
362.9641.1403	4400				1	EA	CHARGER, BATTERY, DC	5,684.58	1.56	780.98	0.38
362.9900.2101	4400				1	EA	DESK	955.31	0.26	80.10	0.04
362.9900.2102	4400				1	EA	CHAIR	244.95	0.07	80.10	0.04
362.9900.2108	4400				1	EA	CABINET, STORAGE	1,185.30	0.32	80.10	0.04
** Total Installed								365,411.25	100	202,875.30	100

TMCRET46

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Work Order Number: T41077

Project Item: 4011601

GULF POWER COMPANY
Work Order Unitization Report

Removed

No Removed data found

** End of Report **

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 Project Item: 4011604

GULF POWER COMPANY
 Work Order Unitization Report

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 Time: 12:01:45 PM

Estimate Version: Working Copy

		-----Estimated-----					-----Material-----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
353.9601.1278	4400				1 EA	INSTRUMENT, CONTROLLING	6,928.20	100.00	361.80	100.00
** Total Installed							6,928.20	100	361.80	100

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 Work Order Number: T41078
 Project Item: 4011604

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
353.9601.1278	4400				1 EA	INSTRUMENT, CONTROLLING	0.00	0.00	202.50	55.97
** Total Removed							0.00	100	202.50	100

** End of Report **

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 Work Order Number: T41079
 Project Item: 4011605

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Estimate Version: Working Copy

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Estimated-----			
							-----Material-----		-----Labor-----	
						Cost	%	Cost	%	
362.9560.1102	4400				3 EA	FUSE-POWER, 15 KV	359.10	100.00	396.90	100.00
** Total Installed							359.10	100	396.90	100

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 Work Order Number: T41079
 Project Item: 4011605

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
362.9560.1102	4400				3 EA	FUSE-POWER, 15 KV	0.00	0.00	396.90	100.00
** Total Removed							0.00	100	396.90	100

** End of Report **

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 Work Order Number: T41080
 Project Item: 4011607

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Estimate Version: Working Copy

		-----Estimated-----					-----Material-----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
353.9641.1401	4400				2 EA	BATTERIES, DC	21,724.20	100.00	9,366.30	100.00
** Total Installed							21,724.20	100	9,366.30	100

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 Work Order Number: T41080
 Project Item: 4011607

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
353.9641.1401	4400				2 EA	BATTERIES, DC	0.00	0.00	9,366.30	100.00
** Total Removed							0.00	100	9,366.30	100

** End of Report **

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 Page: 1 of 2
 Work Order Number: T41081
 Project Item: 4011608

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Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Estimated-----			
								-----Material-----		-----Labor-----	
							Cost	%	Cost	%	
362.9402.0301	4400				3	EA	SS TRANSFORMER 1P,BELOW 25KVA	2,624.40	10.13	9,035.55	37.50
362.9420.0401	4400				1	EA	VOLTAGE REG 1P-1000KVA &BELOW	23,278.05	89.87	15,059.25	62.50
** Total Installed								25,902.45	100	24,094.80	100

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
362.9402.0301	4400				3 EA	SS TRANSFORMER 1P,BELOW 25KVA	0.00	0.00	2,709.45	40.66
362.9420.0401	4400				1 EA	VOLTAGE REG 1P-1000KVA &BELOW	0.00	0.00	3,954.15	59.34
** Total Removed							0.00	100	6,663.60	100

** End of Report **

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 Work Order Number: T41082
 Project Item: 4011609

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						-----Estimated-----				
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material----- Cost	%	-----Labor----- Cost	%
362.9420.0401	4400				1 EA	VOLTAGE REG 1P-1000KVA &BELOW	28,917.00	100.00	7,530.30	100.00
** Total Installed							28,917.00	100	7,530.30	100

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 Work Order Number: T41082
 Project Item: 4011609

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
362.9420.0401	4400				1 EA	VOLTAGE REG 1P-1000KVA &BELOW	0.00	0.00	6,588.00	87.49
** Total Removed							0.00	100	6,588.00	100

** End of Report **

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 Work Order Number: T41085
 Project Item: 4011610

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							-----Estimated-----			
							-----Material-----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
362.9420.0401	4400				1 EA	VOLTAGE REG 1P-1000KVA &BELOW	28,917.00	98.77	12,046.05	88.88
362.9560.1102	4400				3 EA	FUSE-POWER, 15 KV	359.10	1.23	1,506.60	11.12
** Total Installed							29,276.10	100	13,552.65	100

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 Work Order Number: T41085
 Project Item: 4011610

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
362.9420.0401	4400				1	EA	VOLTAGE REG 1P-1000KVA &BELOW	0.00	0.00	10,542.15	95.45
362.9560.1102	4400				1	EA	FUSE-POWER, 15 KV	0.00	0.00	502.20	4.55
** Total Removed								0.00	100	11,044.35	100

** End of Report **

Installed

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Estimated-----			
							-----Material----- Cost	%	-----Labor----- Cost	%
362.9402.0301	4400				3 EA	SS TRANSFORMER 1P,BELOW 25KVA	1,892.70	2.99	8,024.24	9.07
362.9480.0657	4400				1 EA	CIRCUIT SWITCHER 115 KV	58,760.10	92.71	53,518.95	60.51
362.9560.1102	4400				3 EA	FUSE-POWER, 15 KV	885.60	1.40	1,679.21	1.90
362.9581.1152	4400				120 FT	BUSWORK-CABLE, ALUMINUM	781.65	1.23	18,927.14	21.40
362.9581.1156	4400				40 FT	BUSWORK-TUBE, ALUMINUM	388.80	0.61	3,082.56	3.49
362.9581.1157	4400				6 EA	INSULATOR-POST 23 KV&BELOW	141.75	0.22	1,535.28	1.74
362.9740.1555	4400				3 EA	CAP - CURRENT LIMITING FUSE	530.55	0.84	1,679.21	1.90
** Total Installed							63,381.15	100	88,446.60	100

Removed

-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
362.9402.0301	4400				6	EA	SS TRANSFORMER 1P,BELOW 25KVA	0.00	0.00	1,806.30	36.07
362.9480.0657	4400				1	EA	CIRCUIT SWITCHER 115 KV	0.00	0.00	3,011.85	60.15
362.9560.1102	4400				3	EA	FUSE-POWER, 15 KV	0.00	0.00	189.00	3.77
** Total Removed								0.00	100	5,007.15	100

** End of Report **

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 Project Item: 4011611

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							-----Estimated-----			
							-----Material-----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
362.9520.0905	4400				3 EA	LA-95.1 KV, 144KV, STAT CLASS	3,589.65	97.54	256.50	64.85
362.9520.0951	4400				3 EA	LA-12 KV & BELOW, DIST CLASS	90.45	2.46	139.05	35.15
** Total Installed							3,680.10	100	395.55	100

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 Work Order Number: T41087
 Project Item: 4011611

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
362.9520.0905	4400				3 EA	LA-95.1 KV, 144KV, STAT CLASS	0.00	0.00	256.50	64.85
362.9520.0951	4400				3 EA	LA-12 KV & BELOW, DIST CLASS	0.00	0.00	139.05	35.15
** Total Removed							0.00	100	395.55	100

** End of Report **

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 Work Order Number: T41088
 Project Item: 4011612

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						-----Estimated-----				
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material----- Cost	%	-----Labor----- Cost	%
353.9401.0201	4400				1 EA	COOLING EQUIP(NOT INST.W/TRAN	349.65	100.00	527.85	100.00
** Total Installed							349.65	100	527.85	100

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 Work Order Number: T41088
 Project Item: 4011612

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
353.9401.0201	4400				1 EA	COOLING EQUIP(NOT INST.W/TRAN	0.00	0.00	264.60	50.13
** Total Removed							0.00	100	264.60	100

** End of Report **

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 Work Order Number: T41089
 Project Item: 4011613

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							-----Estimated-----				
							-----Material-----		-----Labor-----		
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	Cost	%	Cost	%
362.9401.0201	4400				1	EA	COOLING EQUIP(NOT INST.W/TRAN	7,711.20	67.98	290.25	61.96
362.9740.1555	4400				1	EA	CAP - CURRENT LIMITING FUSE	3,632.85	32.02	178.20	38.04
** Total Installed								11,344.05	100	468.45	100

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 Work Order Number: T41089
 Project Item: 4011613

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-----Estimated-----

Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity	UM	Description	-----Material-----		-----Labor-----	
								Cost	%	Cost	%
362.9401.0201	4400				1	EA	COOLING EQUIP(NOT INST.W/TRAN	0.00	0.00	144.45	44.77
362.9740.1555	4400				1	EA	CAP - CURRENT LIMITING FUSE	0.00	0.00	178.20	55.23
** Total Removed								0.00	100	322.65	100

** End of Report **

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						-----Estimated-----				
						-----Material-----		-----Labor-----		
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
362.9581.1157	4400				1 EA	INSULATOR-POST 23 KV&BELOW	45.90	100.00	719.55	100.00
** Total Installed							45.90	100	719.55	100

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
362.9581.1157	4400				1 EA	INSULATOR-POST 23 KV&BELOW	0.00	0.00	72.90	10.13
** Total Removed							0.00	100	72.90	100

** End of Report **

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		-----Estimated-----					-----Material-----		-----Labor-----	
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	Cost	%	Cost	%
353.9601.1278	4400				1 EA	INSTRUMENT, CONTROLLING	2,188.35	100.00	594.00	100.00
** Total Installed							2,188.35	100	594.00	100

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 Work Order Number: T41091
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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
353.9601.1278	4400				1 EA	INSTRUMENT, CONTROLLING	0.00	0.00	198.45	33.41
** Total Removed							0.00	100	198.45	100

** End of Report **

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 Work Order Number: T41092
 Project Item: 4011616

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						-----Estimated-----				
Ferc.Plt.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material----- Cost	%	-----Labor----- Cost	%
362.9505.0876	4400				1 EA	MOTOR MECHANISM PUR. SEP.)	7,928.55	100.00	11,545.20	100.00
** Total Installed							7,928.55	100	11,545.20	100

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 Work Order Number: T41092
 Project Item: 4011616

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-----Estimated-----

Ferc.Pl't.Ruc	PE	Pur Yr	Company Number	Plt Xfer	Estimated Quantity UM	Description	-----Material-----		-----Labor-----	
							Cost	%	Cost	%
362.9505.0876	4400				1 EA	MOTOR MECHANISM PUR. SEP.)	0.00	0.00	6,273.45	54.34
** Total Removed							0.00	100	6,273.45	100

** End of Report **

Gulf's Response to OPC's Second Set of Interrogatories -
AMENDED Nos. 40, 41, 44-47, 49-51, 53-75.

(Nos. 44, 51, 66, 67, 68, 69, 70 have attachments)

(Nos. 66, 68 have supplemental responses)

(No. 75, 47, 59, 65 has confidential attachments)

CONFIDENTIAL DN.

01641-2020

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 27
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Talley (40, 45, 49, 71-73)
Goldstein (40, 41, 44-46, 47, 49-51, 53-75)

QUESTION:

The invoices provided in response to Gulf's response to POD 10 in OPC's First Request for Production of Documents indicate that numerous contractors consistently charged 16 hours per day seven days a week for each of their employees and consistently charged 16 hours per day for equipment, apparently regardless of actual hours worked and equipment usage.

- a. Identify all contract terms and/or documentation that authorized each of these contractors to consistently charge 16 hours per day per employee and 16 hours per day for equipment regardless of actual hours worked and equipment usage.
- b. Describe the steps the Company took to confirm or verify that these contractor employees actually worked 16 hours per day.
- c. For each of the contractors that charged 16 hours per day per employee and 16 hours per day for equipment, provide the timesheets signed by the supervisors documenting actual time worked associated with each of such invoice. If there are no time sheets available other than the standard 16 hours per day attached to invoices, affirmatively state so and explain the absence of time sheets and the alternative method for verifying hours actually worked.
- d. For each of these vendors, provide documentation verifying they paid their employees the invoiced 16 hours per day.

RESPONSE:

Gulf disagrees with the premise of the question and the assumption that contractors and their employees charged and were paid for 16 hours "regardless of actual hours worked and equipment usage." It is the expectation of Gulf that when the company receives contract crews and/or mutual assistance crews that they will work 16 hour days, seven days a week, until they are released from the restoration event. It is also the expectation of the crews responding to the event that they will work 16 hour days, seven days a week. The company tries to limit days to 16 hours so that employees and contractors alike can get 8 hours of rest, which in many cases is a safety requirement.

- a. Gulf disagrees with the assumption in the question that contractors "consistently charge 16 hours per day per employee and 16 hours per day for equipment regardless of actual hours worked and equipment used." As indicated above, the billing that is the subject of this interrogatory is consistent with the expectations of both Gulf and the contractors, and represents the hours worked by the contractors. There is no contract provision authorizing contractors or their employees to charge for a greater number of hours than the hours actually worked. Equipment charges typically follow labor hours per the majority of contracts (though they are at times included in the hourly labor rate), so it is to be expected that when a contractor's employees are working 16 hours, the equipment they use to perform their work is also charged 16 hours.

- b. During storm events crews are assigned to company employees or personnel working on behalf of the company to direct the restoration activities and crew productivity. The company employees are responsible for confirming that the contractors and their employees are engaged in work activities for the time that is being charged. Work hours, productivity models, and storm restoration plans are all driven based on ensuring that crews work a 16-hour day.
- c. All available timesheets are provided in Gulf's response to OPC's First Request for Production of Documents No. 10, which are confidential.
- d. Gulf objects to this Interrogatory on the grounds that it requests information and documentation that goes beyond the scope of this proceeding and is therefore irrelevant, immaterial, not reasonably calculated to lead the discovery of admissible evidence in this proceeding and is overbroad and unduly burdensome. Gulf is not possession of documentation regarding the internal transactions of unaffiliated third party entities, nor is such information relevant to issues in this proceeding or required by the Commission's rules. Further, the information requested is private and confidential as between the contractor and its employees.

QUESTION:

Refer to the Excel spreadsheet titled Attachment 1 to Gulf's response to POD 1 in OPC's First Request for Production of Documents, specifically to the tab marked with Bates number 62148.

- a. For the amount corresponding to the row 26 and column C, provide a description of these costs and provide all reasons why the Company believes that each such cost is a recoverable storm costs.
- b. Provide a copy of all support for those costs, including invoices, correspondence, journal entries, and all other relevant documents.

RESPONSE:

Gulf objects to this interrogatory on the grounds that it seeks information and documentation regarding costs for which Gulf is not requesting recovery in this proceeding and therefore requests information that is irrelevant, immaterial, and not reasonably calculated to lead to the discovery of admissible evidence in this proceeding, and is overbroad and unduly burdensome.

- a. Statewide Claims was the vendor paid for two instances where damages occurred related to the use of the Ebro Greyhound Track and Lynn Haven shopping center as a staging site during Hurricane Michael. These costs were removed from storm through the Property Damage ICCA adjustment, and as a result Gulf is not seeking recovery for these costs.
- b. See Gulf's objections above.

QUESTION:

Refer to the Excel spreadsheet titled Attachment 1 to Gulf's response to POD 1 in OPC's First Request for Production of Documents, specifically to the ICCA section of the tab marked with Bates number 62150. Please provide all documents that support the ICCA amounts in this section, including electronic spreadsheets with formulas intact and all other supporting documentation.

RESPONSE:

Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 44, Attachment Nos. 1 - 8.

PROJ	RT	EWO	PRCN	PRCN Descr	Actual ...Jan 18-Dec 18...
ZM1807	ITR	DOF183	40015	POWER DELIVERY-E&C-PC DISTRICT	63,908.27
ZM1807	ITR	TDF183	40015	POWER DELIVERY-E&C-PC DISTRICT	467.55
ZM1807	ITR	DOF183	40016	POWER DELIVERY-E&C CHIPLEY	38,435.82
ZM1807	ITR	DOF183	40018	POWER DELIVERY-E&C-PAN CTY BCH	62,384.04
ZM1807	ITR	DOF183	40022	POWER DELIVERY-E&C CRESTVIEW	35,732.04
ZM1807	ITR	DUF183	40022	POWER DELIVERY-E&C CRESTVIEW	667.35
ZM1807	ITR	DOF183	40023	POWER DELIVERY-E&C DEFUNIAK	1,071.36
ZM1807	ITR	DOF183	40024	POWER DELIVERY-E&C FT WLTN BCH	66,853.00
ZM1807	ITR	DUF183	40024	POWER DELIVERY-E&C FT WLTN BCH	51.82
ZM1807	ITR	DOF183	40025	POWER DELIVERY-E&C NICEVILLE	10,812.64
ZM1807	ITR	DOF183	40027	POWER DELIVERY-E&C DESTIN	33,785.72
ZM1807	ITR	DUF183	40027	POWER DELIVERY-E&C DESTIN	109.16
ZM1807	ITR	DOF183	40033	POWER DELIVERY-E&C MILTON	50,160.87
ZM1807	ITR	DOF183	40036	POWER DELIVERY-E&C GULF BREEZE	27,827.92
ZM1807	ITR	DSF183	40036	POWER DELIVERY-E&C GULF BREEZE	814.03
ZM1807	ITR	DUF183	40036	POWER DELIVERY-E&C GULF BREEZE	1,672.57
ZM1807	ITR	DOF183	40055	POWER DELIVERY-LINE SERVICES	93,921.53
ZM1807	ITR	DUF183	40055	POWER DELIVERY-LINE SERVICES	169.14
ZM1807	ITR	TLF183	40055	POWER DELIVERY-LINE SERVICES	3,395.57
ZM1807	ITR	TDF183	40324	TBU SUBSTN-PANAMA CITY DIST	2,029.27
ZM1807	ITR	TTF183	40324	TBU SUBSTN-PANAMA CITY DIST	14,547.61
ZM1807	ITR	TDF183	40326	TBU SUBSTN-PENSACOLA DIST	1,360.43
ZM1807	ITR	TTF183	40326	TBU SUBSTN-PENSACOLA DIST	697.89
ZM1807	ITR	TLF183	40333	TBU TRANSMISSION LINE CENTRAL/EASTERN	16,257.75
ZM1807	ITR	TLF183	40334	TBU TRANSMISSION LINE WESTERN	8,782.39
Total					535,915.74

Database: Gulf Power YES
Informatic Financial View (100%) - All NO
Loaded Ql Data Types:
Months: Jan 18-Dec 18

Amount Area	PRCN	EWO	Correction EV Total	Total	
Distribution	40015	DOF183	DSCREW	\$63,908.27	63,908.27
		TDF183	DSCREW	\$467.55	467.55
	40016	DOF183	DSCREW	\$38,435.82	38,435.82
	40018	DOF183	DSCREW	\$62,384.04	62,384.04
	40022	DOF183	DSCREW	\$35,732.04	35,732.04
		DUF183	DSCREW	\$667.35	667.35
	40023	DOF183	DSCREW	\$1,071.36	1,071.36
	40024	DOF183	DSCREW	\$66,853.00	66,853.00
		DUF183	DSCREW	\$51.82	51.82
	40025	DOF183	DSCREW	\$10,812.64	10,812.64
	40027	DOF183	DSCREW	\$33,785.72	33,785.72
		DUF183	DSCREW	\$109.16	109.16
	40033	DOF183	DSCREW	\$50,160.87	50,160.87
	40036	DOF183	DSCREW	\$27,827.92	27,827.92
		DSF183	DSCREW	\$814.03	814.03
		DUF183	DSCREW	\$1,672.57	1,672.57
	40055	DOF183	DSCREW	\$93,921.53	93,921.53
		DUF183	DSCREW	\$169.14	169.14
		TLF183	DSCREW	\$3,395.57	3,395.57
	Transmission	40324	TDF183	TSVEHC	\$2,029.27
TTF183			TSVEHC	\$14,547.61	14,547.61
40326		TDF183	TSVEHC	\$1,360.43	1,360.43
		TTF183	TSVEHC	\$697.89	697.89
40333		TLF183	TLVEHC	\$16,257.75	16,257.75
40334		TLF183	TLVEHC	\$8,782.39	8,782.39
Grand Total			\$535,915.74	535,915.74	

DSCREW -> goes to FERC 712

TSVEHC -> goes to a FERC 713

EWO	PRCN	O&M	Cap	Correction EWO	Distribution
DOF183	40015	22,367.89	41,540.38	DSCREW	O&M 35%
TDF183	40015	163.64	303.91	DSCREW	Cap 65%
DOF183	40016	13,452.54	24,983.28	DSCREW	
DOF183	40018	21,834.41	40,549.63	DSCREW	Transmission
DOF183	40022	12,506.21	23,225.83	DSCREW	O&M 32%
DUF183	40022	233.57	433.78	DSCREW	Cap 68%
DOF183	40023	374.98	696.38	DSCREW	
DOF183	40024	23,398.55	43,454.45	DSCREW	
DUF183	40024	18.14	33.68	DSCREW	
DOF183	40025	3,784.42	7,028.22	DSCREW	
DOF183	40027	11,825.00	21,960.72	DSCREW	
DUF183	40027	38.21	70.95	DSCREW	
DOF183	40033	17,556.30	32,604.57	DSCREW	
DOF183	40036	9,739.77	18,088.15	DSCREW	
DSF183	40036	284.91	529.12	DSCREW	
DUF183	40036	585.40	1,087.17	DSCREW	
DOF183	40055	32,872.54	61,048.99	DSCREW	
DUF183	40055	59.20	109.94	DSCREW	
TLF183	40055	1,188.45	2,207.12	DSCREW	
TDF183	40324	649.37	1,379.90	TSVEHC	
TTF183	40324	4,655.24	9,892.37	TSVEHC	
TDF183	40326	435.34	925.09	TSVEHC	
TTF183	40326	223.32	474.57	TSVEHC	
TLF183	40333	5,202.48	11,055.27	TSVEHC	
TLF183	40334	2,810.36	5,972.03	TSVEHC	
		186,260.25	349,655.49		
		0.3476	0.6524		

HURRICANE MICHAEL - O&M

PRCN	RT	EWO	DR	CR
40015	ITR	DOF183		(22,367.89)
40015	ITR	TDF183		(163.64)
40016	ITR	DOF183		(13,452.54)
40018	ITR	DOF183		(21,834.41)
40022	ITR	DOF183		(12,506.21)
40022	ITR	DUF183		(233.57)
40023	ITR	DOF183		(374.98)
40024	ITR	DOF183		(23,398.55)
40024	ITR	DUF183		(18.14)
40025	ITR	DOF183		(3,784.42)
40027	ITR	DOF183		(11,825.00)
40027	ITR	DUF183		(38.21)
40033	ITR	DOF183		(17,556.30)
40036	ITR	DOF183		(9,739.77)
40036	ITR	DSF183		(284.91)
40036	ITR	DUF183		(585.40)
40055	ITR	DOF183		(32,872.54)
40055	ITR	DUF183		(59.20)
40055	ITR	TLF183		(1,188.45)
40304	ITR	DSSTRM	172,284.14	
40324	ITR	TLF183		(649.37)
40324	ITR	TDF183		(4,655.24)
40326	ITR	TTF183		(435.34)
40326	ITR	TDF183		(223.32)
40333	ITR	TTF183		(5,202.48)
40334	ITR	TLF183		(2,810.36)
30321	ITR	TSSTRM	13,976.11	
Entry Total			\$186,260.25	-\$186,260.25

Split Amongst Business Units Following Labor
Distribution and Account Allocation \$186,260.25

Ward, John

From: Gillespie, Allison
Sent: Monday, December 2, 2019 9:24 AM
To: Ward, John
Subject: FW: Michael - Fuel Allocation

FYI....

Allison Gillespie
Sr. Business Analyst, Property Accounting

850-444-6349 (office)
850-380-3879 (mobile)
WebEx Conference Number: (305) 552-3001
Participant Access Code: 54365588

From: Hannah, Zachary Harrison <ZHHANNAH@southernco.com>
Sent: Thursday, December 20, 2018 11:08 AM
To: Garcia, Rebecca G. <RGGARCIA@southernco.com>; Gillespie, Allison R. <ARBRYANT@SOUTHERNCO.COM>
Cc: Turner, Caroline L. <CALTURNER@SOUTHERNCO.COM>
Subject: RE: Michael - Fuel Allocation

Here's an additional month's analysis.

For September, FERC 712 and 713 clearing (allocation targets) resulted in the capital vs O&M split highlighted below.

Trans (713)

Cap	\$42,731.77	68%
O&M	<u>\$20,176.10</u>	32%
Total	\$62,907.87	

Dist (712)

Cap	\$174,972.82	65%
O&M	<u>\$ 94,125.89</u>	35%
Total	\$269,098.71	

Total Cap	\$217,704.59	65.6%
Total O&M	<u>\$114,301.99</u>	34.4%
Total	\$332,006.58	

From: Hannah, Zachary Harrison
Sent: Thursday, December 20, 2018 10:30 AM
To: Garcia, Rebecca G. <RGGARCIA@southernco.com>; Gillespie, Allison R. <ARBRYANT@SOUTHERNCO.COM>
Cc: Turner, Caroline L. <CALTURNER@SOUTHERNCO.COM>
Subject: RE: Michael - Fuel Allocation

Brown, Mary B.

From: Garcia, Rebecca G.
Sent: Wednesday, November 7, 2018 10:27 PM
To: Brown, Mary B.
Cc: Hamric, James Oscar; Trippe, Paul D.; Jordan, Sharon A.; Davis, Linda C.; Ivy, JoAnne
Subject: Additional Storm Entries
Attachments: VM Detail - October.xlsx; 25-6.0143 - Storm Reserve Rule and ICCA Methodology.doc; 3 year historical VM

Mary – please set up the following journal entries to reduce the storm account by the difference of October 2018 actual vegetation management expenses and the 3-year October average, per the FPSC storm reserve rule. Please include the attached files with your support. JoAnne may have some payroll tax entries and James is still looking at a few other things, so prior to finalizing this journal, please wait for him to respond with the final go-ahead. Thank you.

40055-KLO-DVGMGT	113,298.06
40055-KLO-DVF183	(113,298.06)
40327-KLO-TLG115	411,531.60
40327-KLO-TVF183	(411,531.60)

From: Hamric, James Oscar
Sent: Wednesday, November 7, 2018 8:59 PM
To: Garcia, Rebecca G. <RGGARCIA@southernco.com>
Subject: VM Related Expenses - October

Rebecca –

Please find attached a quick summary of VM costs. For reference, I've also attached the FPSC rule (see item (f)(8) at the top of page 2) and Nathan Szoke's email that provided the historical information.

If there is any other information you may need, just let me know!

Thanks again for all of your help!

James O. Hamric
Financial Planning | Gulf Power Company
One Energy Place
Pensacola, FL 32520-0761
O: 850-444-6863 | 8-420-6863
C: 251-363-3667
johamric@southernco.com

	Distribution	Transmission	Total
3-Year Historical Average	562,974.00	455,542.67	1,018,516.67
Amount Booked to O&M in Oct. 2018	449,675.94	44,011.07	493,687.01
Difference	113,298.06	411,531.60	524,829.66

Brown, Mary

From: Garcia, Rebecca G. <RGGARCIA@southernco.com>
Sent: Wednesday, December 19, 2018 10:31 AM
To: Brown, Mary B.
Subject: FW: Michael - Customer Service OT

Please set up this entry. Use LEN for Dave's side of the entry.

Thanks.

From: Davis, Linda C.
Sent: Wednesday, December 19, 2018 10:30 AM
To: Garcia, Rebecca G. <RGGARCIA@southernco.com>; Oerting, John D. <JDOERTIN@southernco.com>
Cc: Brown, Mary B. <MBBROWN@SOUTHERNCO.COM>; Davis, Melitta <MDAVIS@SOUTHERNCO.COM>
Subject: RE: Michael - Customer Service OT

PRCN 41031
EWO DSF183
RT LXL
Location 40000

From: Garcia, Rebecca G. <RGGARCIA@southernco.com>
Sent: Wednesday, December 19, 2018 10:26 AM
To: Davis, Linda C. <LICDAVIS@southernco.com>; Oerting, John D. <JDOERTIN@southernco.com>
Cc: Brown, Mary B. <MBBROWN@SOUTHERNCO.COM>; Davis, Melitta <MDAVIS@SOUTHERNCO.COM>
Subject: RE: Michael - Customer Service OT

Linda – what does the other side of our entry need to be?

Dave – what RT do you want us to use on the SCLREP side?

From: Oerting, John D.
Sent: Wednesday, December 19, 2018 8:00 AM
To: Garcia, Rebecca G. <RGGARCIA@southernco.com>
Cc: Brown, Mary B. <MBBROWN@SOUTHERNCO.COM>; Davis, Linda C. <LICDAVIS@southernco.com>; Davis, Melitta <MDAVIS@SOUTHERNCO.COM>
Subject: RE: Michael - Customer Service OT

Good morning Rebecca,
The account and amount as shown in the SOFIA shot below are 41031-LEN-SCLREP and \$6,154. Let me know if you need anything else for this. Dave

SOFIA - GL Summary Data

File View Options Help

12 Months		AFF		Actual ...Oct 18-Nov 18...		Detail Batch		Drilldown		Where A	
Filtering											
Apply		Remove		<input type="checkbox"/> Enable Filtering							
Values / Descriptions											
Row: 1 of 1											
PRCN	RT	ACTVTY	EWO	PROJ	LOC	FERCS	RORG	Actual ... Oct 18-Nov 18...	Original Budget BY Oct 18-Nov 18...		
▶ 41031	LEN	SCALLC	SCLREP	000000	40000	9030000	4CUST	8,152.15	6,154.00		
Total								8,152.15	6,154.00		

From: Garcia, Rebecca G. <RGGARCIA@southernco.com>
Sent: Tuesday, December 18, 2018 8:47 PM
To: Oerting, John D. <JDOERTIN@southernco.com>
Cc: Brown, Mary B. <MBBROWN@SOUTHERNCO.COM>; Davis, Linda C. <LICDAVIS@southernco.com>
Subject: Michael - Customer Service OT

I understand that a journal entry needs to be completed to remove the budgeted call center overtime from the storm work order. I read somewhere that this was estimated around \$8k. Can you provide the exact amount and the account to move these dollars to? If possible, could we get this information tomorrow?

Thank you and sorry for the tight turnaround!

Rebecca G. Garcia
 Assistant Comptroller
 Office 850.444.6419
 Cell 850.341.9391



QUESTION:

Refer to Gulf's response to INT 15 in OPC's First Set of Interrogatories, specifically to the file labelled "Southern Company Storm Agreement for Contract Tree Crews - Excerpt - Confidential" (Comprising Bates number 62318-62324). The footer at the bottom of each page indicates the document has 11 pages but only the first 7 pages were attached. Please explain why Gulf did not provide the missing pages, and supplement the response to the previous POD to include all pages.

RESPONSE:

Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 45, Attachment No. 1 which supplements Gulf's response to OPC's First Interrogatories No. 15.

The missing pages are templates used by the various contractors to submit additional information regarding their contract.



Appendix 5

Southern Company Storm Agreement for Contract Tree Crews

Effective: January 1, 2017

This Southern Company Storm Agreement for Contract Tree Crews documents the agreement between the operating company affiliates of Southern Company regarding terms, conditions and operating procedures for use of tree crews under contract to one of the affiliates to perform storm restoration services for another affiliate. This Agreement shall be referenced in all contracts between Southern Company affiliates and contract tree companies.

Special Note: Contractors supporting initial storm restoration should arrive prepared to be self-sufficient for the first two days. The Receiving Utility may experience delays in setting up fuel, food and lodging facilities if the restoration site has received severe damage. Contractor is responsible for contacting the Receiving Utility for information regarding available facilities at assigned restoration sites during initial Deployment activities.

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1. TERMINOLOGY

<u>Company</u>	Southern Company and/or a subsidiary of Southern Company: Alabama Power Company, Georgia Power Company, Gulf Power Company or Mississippi Power Company.
<u>Contractor</u>	Independent contractor that has a current agreement with one of the Companies to perform routine or storm restoration services.
<u>Customer</u>	The general public living in or conducting business in the service area of the Company.
<u>Contractor Work Force Director</u>	Person designated by Contractor to be in general charge of acquiring resources requested by Southern Company Primary Contact for a particular restoration effort.
<u>Deployment</u>	The initial movement of resources to the Receiving Utility's restoration site(s). See also Redeployment.
<u>Home Utility</u>	The Company where the Contractor's resources are normally assigned to work.
<u>On-System Crews</u>	Contractor's personnel and equipment that are currently working on a Company's electric system under an active agreement with a Company.
<u>Off-System Crews</u>	Contractor's personnel and equipment that are not currently assigned to or working on Company's electric system, but the Contractor has an active agreement with a Company.
<u>Receiving Utility</u>	The Company to which Contractor has been requested to deploy resources to support storm restoration activities.
<u>Redeployment</u>	Following initial Deployment, the movement of resources from one Company to another Company within the Southern Company electric system.
<u>Release</u>	The final movement of Contractor resources to return to the Sending Utility or to relocate off the Southern Company electric system to support other work assignments.
<u>Sending Utility</u>	The Company where the Contractor's assigned resources are normally performing scheduled contract work activities.
<u>Stand-By</u>	Formal Receiving Utility directions to have requested resources remain in-place and available for rapid movement.
<u>Southern Company Primary Contact</u>	Person designated by Southern Company to coordinate resource requests, assignments and Releases of Contractor's work force for a particular storm restoration effort.
<u>T&D System</u>	Transmission and distribution conductors, structures and related facilities.
<u>Wind-Thrown</u>	Vegetation or other objects that have been moved or leaned into a hazardous position by wind, rain, or other storm related forces.

2.1. Safety

- 2.1.1. Southern Company is committed to the safety of its Customers, Employees and Contractors. Company priorities are safety first, ethical behavior, team work and superior performance.
- 2.1.2. The primary objective and responsibility of the Contractor is the safety of all personnel, Customers, the public, and property.
- 2.1.3. The Contractor must adhere to OSHA standards, state and federal rules and regulations, and is responsible for its own safety rules and procedures. Contractor is also responsible for working within all additional operational guidelines and practices requested by the Sending or Receiving Utility.
- 2.1.4. The Contractor must immediately report any accident, incident and/or injury to the Receiving Utility.
- 2.1.5. Contractor is responsible for planning safe and efficient routes of travel and for acquiring all necessary DOT documentation in order to arrive at the Receiving Utility's restoration site within a reasonable time period.

2.2. Storm Agreement Coverage

- 2.2.1. This Storm Agreement applies to all Contractors and contract resources supporting Company vegetation management storm restoration activities.
- 2.2.2. This Agreement will be included as a supplement to all Company vegetation contracts with Contractors capable of performing storm restoration.

2.3. Communications with Other Organizations, News Media and the Public

- 2.3.1. Information regarding outages, restoration activities and Company information may contain sensitive material and must only be discussed with the Receiving Utility.
- 2.3.2. All communications outside the Receiving Utility, i.e. to news media, Customers and/or the public, regarding storm restoration activities must be directed to the Receiving Utility.

2.4. Initial Communications and Primary Contact

- 2.4.1 Each Contractor will be assigned a Southern Company Primary Contact for the current restoration effort. Each Contractor shall assign a Work Force Director for the current restoration effort. The Southern Company Primary Contact must be the sole contact point for the Contractor during the entire restoration effort. This is especially true during the initial effort to acquire and mobilize Contract Resources. Communications and crew requests must be conducted between the Contractor's Work Force Director and the Southern Company Primary Contact.
- 2.4.2. Under certain operational circumstances, the Southern Company Primary Contact may re-assign Contractor to another Southern Company Primary Contact. The Contractor will be notified of the re-assignment by its initially-assigned Southern Company Primary Contact and given the re-assigned Southern Company Primary Contact's name and contact information. The re-assigned Southern Company Primary Contact will remain the Contractor's primary contact and assume all resource request and response activities with the Contractor's Work Force Director.
- 2.4.3. Should the Contractor at any time need clarification of who is assigned as its current Southern Company Primary Contact, inquiries should be accomplished through reversing the process and contacting its previously assigned Southern Company Primary Contact. Contractor is responsible for ensuring that it stays in contact with its assigned Primary Contact.
- 2.4.4. It is important that the Contractor use current up-to-date resources to plan its routes of travel (law enforcement agencies and the internet are excellent sites for obtaining real-time road conditions and travel restriction information).

2.5. Resource Requests and Response

2.5.1. The Southern Company Primary Contact will request the types and quantity of resources needed from the Contractor and will furnish Contractor as much general information as possible about the restoration efforts. The Southern Company Primary Contact will assign all or portions of the Contractor's work force to one or more Receiving Utilities. The Contractor will be given the name and number of the Receiving Utility's contact person by the Southern Company Primary Contact. The Contractor's work force that is assigned to a Receiving Utility will then communicate directly with the Receiving Utility's contact person.

2.5.1.1. Contractor must make a diligent effort to deploy crews in compositions as requested by the Receiving Utility.

2.5.1.2. Crew compositions that vary from the initial request should be mutually agreed upon by the Receiving Utility and the Contractor prior to Deployment.

2.5.1.3. Contractor should stay in contact with the Receiving Utility during in-bound Deployment to the initial staging site or assembly point.

2.5.1.4. The Contractor must maintain and make available to Company an on-going written accounting of all personnel and equipment deployed to the Receiving Utility.

2.5.1.5. The following information should be furnished to both the Sending and Receiving Utilities (sorted by deployed groups and work teams):

- Contact numbers (Cell phone, SouthernLINC, etc.);
- Supervisor name and contact numbers;
- Name of each crew member: Last, First, and MI;
- Current job classification and labor billing rate;
- Equipment type and billing rate;
- Equipment fuel requirements (gas, diesel, etc.); and
- Equipment items left behind (chippers, brush saws, etc.).

2.5.2. The Contractor must provide to the Receiving Utility by 12:00 noon each day an update of current deployed crew levels, assigned work locations and any crew Release(s) requested by the Home Utility.

2.6. Restoration Area Communications and Releases

2.6.1. As the Receiving Utility's restoration efforts progress, the Receiving Utility may re-assign Contractor's work force inside the Receiving Utility's territory as necessary. It is Contractor's responsibility to remain in communication with its assigned Receiving Utility contact person, and to ensure all resource movements are coordinated effectively.

2.6.2. When the Receiving Utility no longer requires the Contractor's work force assigned to it, the Receiving Utility will release the portion of the Contractor work force no longer needed back to the Southern Company Primary Contact.

2.7. Crew Releases from Storm Duty

2.7.1. All storm duty crew Releases will be communicated by the Southern Company Primary Contact. The Southern Company Primary Contact has the responsibility to ensure that Contractor's resources are not needed by other Companies prior to Release.

2.8. General Pruning and Removal Guidelines

2.8.1. Contractor must ensure its crew personnel are informed about the pruning and removal guidelines and expectations of the Receiving Utility.

2.8.2. Each major storm, work site location and phase of restoration will determine the type vegetation pruning and removal activities needed. The Contractor should review the Receiving Utility's current restoration plan before commencing restoration work. The

following guidelines are given only as a general reference should restoration plans not be immediately available from the Receiving Utility.

2.8.2.1. Phase I: The initial phase of storm vegetation restoration is targeted toward enabling the Receiving Utility to clear and reenergize its T&D System (getting the lines back in the air and clear of vegetation). Customer notice is not normally performed during Phase I restoration.

2.8.2.2. Phase II: This second phase normally starts as the major restoration activities in Phase I are being completed. Phase II targets the hardening of the T&D System by removing pending hazards created during the storm. Customer notice requirements generally depend on hazards or conditions found and the ownership of the vegetation. The Receiving Utility will furnish additional guidelines for this Phase as needed. To enable the Receiving Utility to maintain its service to its Customers, Phase II should:

- Identify and remove hangers, broken tree tops, Wind-Thrown conditions that pose a threat, and other high risk vegetation conditions that will not hold for future scheduled maintenance activities.
- As conditions allow, perform vegetation pruning activities and debris removal within established arboricultural practices and guidelines for utility pruning.

3. LABOR

3.1. Hourly Rates for On-System Crews

3.1.1. Labor for On-System Crews must be billed at the current rates established with the Sending Utility.

3.2. Hourly Rates Off-System Crews

3.2.1. Labor for Off-System Crews must be billed at the rates established in **Appendix 6 and Table 3.2.**

3.3. Billable Charges

3.3.1. Hourly rates apply and are billable when Contractor crew personnel are:

- on-duty, traveling between the Home Utility and the Receiving Utility (labor charges will not be billed during sleeping or scheduled rest periods);
- traveling between work sites, staging areas and/or assembly points;
- working at the Receiving Utility's assigned restoration site; and
- directed by the Receiving Utility to Stand-by (maximum 10 Hr/day).

3.3.2. All crew members must be billed at their current billing rate as agreed with the Sending Utility. No crew member may be promoted to a higher labor category, classification or billing rate unless approved in advance by the Receiving Utility.

3.3.3. Crew rest days will be available as needed. Rest days will be mutually agreed to by the Receiving Utility and the Contractor. Labor and equipment charges for rest days will not be invoiced to the Receiving Utility.

3.4. Supervision

3.4.1. For On-System Crews, the ratio of general foreperson/supervision personnel to number of crews must be no greater than 25 workers per supervisor and 100 workers per safety supervisor. Additional supervision, maintenance and support personnel and/or other non-crew personnel needed by the Contractor to support its operation will be non-billable unless the Receiving Utility approves their billing status in writing prior to Deployment.

3.4.2. For Off-System Crews, the rates for Supervision in Table 3.2 apply. Supervision includes but is not limited to General Forepersons, state or area supervisors and safety supervisors. These rates include all associated personal equipment and all mark-ups and adders. Personal equipment will include communication device, all personal protective equipment and other resources necessary for the assigned work. No overtime rates will be charged for this supervision. All hours worked by Supervision will be paid at

the straight time rate. The number and type of supervision and support will be approved in writing by the Receiving Utility.

4. EQUIPMENT

4.1. Hourly Rates for On-System Crews

4.1.1. Equipment for On-System Crews must be billed at the current rates established with the Sending Utility.

4.2 Hourly Rates for Off-System Crews

4.2.1. Equipment for Off-System Crews must be billed at the rates established in **Appendix 6 and Table 4.2.**

4.3. Billable Charges

4.3.1. Equipment rates apply and are billable when the Contractor crew using the equipment is:

- assigned and working at the designated restoration work site and when traveling between work sites, staging areas and/or assembly points;
- assigned to Stand-by and/or not working at the Receiving Utility's request, but would normally be working a scheduled day at the Sending Utility (maximum 10 Hr/day).

4.3.2. Prior to Deployment, any additional equipment charges must be mutually agreed upon in writing with the Receiving Utility.

4.4. Leave-Behind and Specialized Equipment

4.4.1. No leave-behind expenses may be billed to the Receiving Utility. Equipment rates (Table 4.2) include equipment expenses for storm restoration activities.

4.4.2. Specialized equipment and/or equipment not listed in Table 4.2 must be approved in writing by the Receiving Utility before being deployed.

4.5. Deployment and Redeployment

4.5.1. During initial Deployment to a Receiving Utility re-deployment to another Receiving Utility and during final Release travel back to the Sending Utility, equipment mileage charges will be invoiced at the Company's mileage rates listed in **Appendix 6 and Table 4.5.**

4.5.2. Equipment will be invoiced at hourly rates when:

- 4.5.2.1. Contractor's resources are relocated within the Contractor's Home Utility.
- 4.5.2.2. Contractor's resources are relocated inside the Receiving Utility Territory.

4.6. Fuel Requirements

4.6.1. The Contractor is responsible for furnishing information regarding its fuel requirements to the Receiving Utility before arriving at the Receiving Utility's staging site.

5. MISCELLANEOUS EXPENSES

5.1. Lodging and Meals

5.1.1. Lodging and meal expenses incurred by the Contractor while deploying and redeploying to the Receiving Utility will be compensated in accordance with **Appendix 6 and Table 5.1.**

5.1.2. Lodging and meal expenses will not be compensated by the Receiving Utility when lodging and meals are made available to the Contractor at no charge.

5.2. Miscellaneous

5.2.1. The Receiving Utility will only reimburse the Contractor for reasonable and necessary expenses. Expenses that are not supported by a timely, valid itemized receipt will not be reimbursed.

- 5.2.2. If the Receiving Utility provides the Contractor with lights, rain suits or any other supplies, the Contractor must reimburse the Receiving Utility for actual cost and overhead.
- 5.2.3. Cell phone charges will not be reimbursed unless the Receiving Utility gives prior written approval.
- 5.2.4. If the Contractor is reassigned from one affiliate Company to another affiliate Company for the purpose of storm restoration work, the new Receiving Utility will be responsible for travel labor charges as established under Section 3.3.1.
- 5.2.5. Unless otherwise directed, Activity Cost Documents (ACD's) should be handled as follows:
 - 5.2.5.1. If On-System Crews of a Sending Utility are sent with the Sending Utility's LCS or Forester, Contractor should send timesheets and ACD's to the Sending Utility.
 - 5.2.5.2. For On-System Crews sent without the Sending Utility's LCS or Forester, Contractor should send time sheets to the Receiving Utility and send ACD's to Sending Utility.
 - 5.2.5.3. For Off-System Crews, Contractor should send time sheets and ACD's to the Receiving Utility.
- 5.2.6. Time periods for providing invoices and for payment by the Receiving Utility will be as provided in the contract between the Sending Utility and the Contractor, unless otherwise agreed by the Contractor and Receiving Utility.

Table 3.2

Tiered Labor Rates for Off-System Crews

Contractor: _____ **Date:** _____

Region	Supervision Camp Code	Foreperson Camp Code	Trimmer Camp Code	Groundperson Camp Code
1	S1S	S1F	S1T	S1G
2	S2S	S2F	S2T	S2G
3	S3S	S3F	S3T	S3G
4	S4S	S4F	S4T	S4G
5	S5S	S5F	S5T	S2G
6	S6S	S6F	S6T	S3G

Region Descriptions - List States included in each region. 1 to 6 regions are allowed.

Region 1	Region 2
Region 3	Region 4
Region 5	Region 6

NOTES 3.2

3.2.1 - RATES INCLUDE ALL OVERHEADS AND ADDERS.

3.2.2 - *Standard Straight and Overtime Labor Rates: Unless otherwise covered by a contract with Company, straight-time rates will be invoiced until the individual has worked a total of 40 straight-time hours during a given pay period. Standard overtime rates will be invoiced for all additional hours, except for Supervision. Supervision will be paid at straight time rate for all hours worked. No additional rates, double-time or other variables will be invoiced to the Sending or Receiving Utility.*

3.2.3 - *Contractual or other labor rate issues that do not meet the Standard Straight and Overtime labor rate requirements, and are not covered in a contract with Company, may not be invoiced without prior written approval from the Receiving Utility (approval must be accomplished before Deployment of any contract resources to the Receiving Utility).*

Table 4.2
Equipment Rates for Off-System Crews

Contractor: _____ **Date:** _____

Section	Equipment Description	Camp Code
4.2-1	AERIAL TRIM LIFT 55' – 65'	SATL5
4.2-2	AERIAL TRIM LIFT 70'	SATL7
4.2-3	BIG FOOT OR 4X4 TRIM LIFT	SBF44
4.2-4	SPLIT-DUMP - MANUAL TRUCK	SSDMT
4.2-5	PICK-UP / CAR	SPUCR
4.2-6	CREW TRUCK	SCRTK
4.2-7	DRUM CHIPPER	SDRCH
4.2-8	DISC CHIPPER	SDSCH
4.2-9	LOADER TRUCK	SLDTR
4.2-10	SUPPORT TRUCK (1 TON – 2 TON)	SSPTK
4.2-12	MECHANIZED EQUIPMENT *	<u>(SEE NOTE 4.2)</u>

Note 4.2

4.2.1 - Specialized equipment and equipment not listed must be approved in writing by the Receiving Utility before being deployed.

Table 4.5
Equipment Mileage Table

Contractor: _____ **Date:** _____

Section	Equipment Description	Camp Code
4.5-1	CAR / PICKUP	SMICP
4.5-2	AERIAL LIFT 2WD	SMIAL
4.5-3	AERIAL LIFT 4WD	SMIA4
4.5-4	SPLIT DUMP	SMISD
4.5-5	CREW TRUCK	SMICT
4.5-6	SPLIT DUMP	SMISD
4.5-7	LOADER TRUCK	SMILT
4.5-4	SUPPORT (1 TON TO 2 TON TRUCK)	SMIST
4.5-5	SPECIALIZED EQUIPMENT* (SEE NOTE 4.5)	

Note 4.5

4.5.1 - Specialized equipment must be approved in writing by the Receiving Utility before being deployed.

Table 5.1
Miscellaneous Expense Table

Contractor: _____ **Date:** _____

Section	Expense	Camp Code	Approved Amount
5.1-1	MEAL	SEM	PER PERSON/PER MEAL (B,L,D)
5.1-2	LODGING	SEL	PER PERSON/PER OCCURRENCE

Note 5.1
5.1.1 – All other expenses must be accompanied by a detailed receipt and are subject to approval by the Receiving Utility.

QUESTION:

Refer to the "Hurricane Michael Master Log", specifically to the tab marked with Bates number 62133. Explain and describe all criteria used to classify 2019 invoices as storm related. Provide all documents that document these criteria. If none, then describe how these criteria were adopted and applied and how they were communicated to the accounting and auditing personnel who reviewed the costs.

RESPONSE:

Due to the intensity of Hurricane Michael and the devastation left behind, the efforts to rebuild the service area to required construction standards, cleanup of the system, and assist with the elevated level of customer requests as they rebuilt their facilities carried into 2019. After the initial restoration efforts were coming to a close, multiple system audits of Gulf's electric systems were completed by Power Delivery and Lighting Business Units to help identify areas where additional work was required to complete the restoration process of the system. These areas include Lighting, Vegetation Management, Distribution and Transmission Lines. The support of these areas included materials, which in some cases required long lead times, warehousing, environmental, mapping updates, and work management. The follow-up work in 2019 was coordinated by designed Construction coordinators to ensure proper allocation of contactor labor and material. For these reasons, the work classified as 2019 is considered storm related and part of the storm restoration process.

In addition, Transmission Substation work could not be completed until 2019 due to repairs that were not able to be completed immediately because the work required a new design, and procurement of new equipment and/or materials, which in some cases required long lead times and outages to install. Temporary measures were put in place until permanent repairs could be made. For these reasons, the work classified as 2019 is considered storm related and part of the storm restoration process.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically invoice binders 47.0, 47.1, and 47.2 and refer also to the contract pages located in Gulf's response to POD 6 in OPC's First Request for Production of Documents related to this vendor. Explain why invoices from this vendor were separated into three binder classifications and why labor rates are similar for invoices in binders 47.0 and 47.2, but not for binder 47.1.

RESPONSE:

Due to the quantity of vendor invoices that were responsive to POD 10 of OPC's First Request for Production of Documents and electronic file size limitations, Gulf was unable to include all of the invoices from a particular vendor in a single binder. As a result, Gulf separated the invoices into multiple binders.

Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 47, Attachment No. 1, which is confidential. The labor rates differ among the invoices contained binders 47.0, 47.1, and 47.2 because some of the crews that submitted those invoices are identified as 'off system' and their rates are based off their home region. This region is identified on the timesheet and may be cross referenced with the attachment provided.

**Gulf's response to
OPC's Second Set of
Interrogatories - Amended**

**No. 47 - Attachment No. 1
Bates Nos. 062433 – 062434**

is confidential in its entirety

QUESTION:

Refer to Gulf's response to POD 10 in OPC's First Request for Production of Documents, specifically to the invoice binder 105 (Bates numbers 32859-33289).

- a. Describe the specific services provided by this contractor and explain why there were no storm related costs for this contractor during the first quarter of 2019 and why there were multiple invoices for storm related costs during the months of May through July 2019.
- b. Were the costs defined as storm related during the months of May through July 2019 included in the total costs shown in Exhibit MG-1?
- c. Describe in detail the method and all criteria used by the Company to determine that a portion of the May through July 2019 binder 105 invoice costs were storm related.
- d. Provide examples from actual invoices that demonstrate how the Company determined that a portion of the costs were storm related and how it applied specific criteria for this determination.

RESPONSE:

- a. The vendor whose invoices are the subject of this interrogatory provided vegetation management cleanup work following Hurricane Michael. Because the storm related costs incurred in May through July 2019 did not exceed the 3-year average for vegetation management spending, these costs were not included in Gulf's request for storm cost recovery. This specific contract crew assisted with cleanup initially, and they also performed some scheduled maintenance work while on the system. The follow-up storm work performed by the crews in May through July of 2019 was associated with either vegetation damage that remained on the system, or trimming or removal of damaged trees that were dead or dying and created reliability risk. The work was managed by Gulf employees who identified specific work as storm related or normal maintenance.
- b. No, the vegetation management costs defined as storm related during 2019 were excluded from the request for storm cost recovery through the VM ICCA Clearing, and therefore none of these costs are included in the total costs shown in Exhibit MG-1.
- c. As described in part (a) of this question, this work was identified through inspections of the distribution system conducted to address remaining storm damage to electrical equipment or storm-related vegetation issues likely to impact the system. As indicated in parts (a) and (b) of this response, the costs that are the subject of this interrogatory have been removed from the request for storm cost recovery through the ICCA adjustments.
- d. The invoices have been provided as part of POD 10. As described in part (a) of this question, this contract crew assisted with Hurricane Michael cleanup and also performed scheduled maintenance work. Their work was managed by Gulf employees who determined whether the associated costs should be attributed to normal maintenance or to storm restoration. As

stated in response to subsections (a), (b), and (c) of this interrogatory, the storm related costs for May through June 2019 did not exceed the 3-year average for vegetation management spending, and as a result these costs were not included in Gulf's requested storm cost recovery.

QUESTION:

Refer to the "Hurricane Michael Master Log," specifically to the worksheet marked with Bates number 62133 and to cell V1565 as an example of similar comments in column V. Provide the support developed for each such exception. In addition, describe the action taken in response to each such exception and describe how each such action affected the recoverable costs sought by the Company in this proceeding.

RESPONSE:

Gulf's invoice review found exceptions with some of the H&S invoices and Gulf is working with the vendor to resolve these exceptions. The \$500K for the accrual is the amount currently included in Hurricane Michael storm charges based upon available information and analysis of the H&S invoices. The accrual will be modified or eliminated once the exceptions related to the H&S invoices have been resolved.

QUESTION:

Refer to the "Hurricane Michael Master Log," specifically to the worksheet marked with Bates number 62133 and to column P. Explain how any exceptions, along with any refunds received, were recorded to account 186 for the following exception amounts in column P:

a. Exception amount found on cell P3952. The Master Invoice Log and supporting invoice copy in binder 183 indicates that the full amount of the invoice was paid with no indication of a refund for the exception.

State whether a refund has been received and recorded.

b. Exception amount found on cell P3963. The Master Invoice Log and supporting invoice copy in binder 182 indicates that the full amount of the invoice was paid with no indication of a refund for the exception.

State whether a refund has been received and recorded.

c. Exception amount found on cell P3951. In addition, the Master Invoice Log does not indicate that the remaining balance of invoice 1958 was ever paid.

Please explain why it has not been paid or provide documentation of payment.

d. Exception amount found on cell row 1576. In addition, the Master Invoice Log does not indicate that the remaining balance of invoice BC21029 after the exception removal was ever paid.

Please or explain why it has not been paid or provide documentation of payment.

e. Exception amount found on cell P821.

f. Exception amount found on cell P1400.

g. Exception amount found on cell P1401.

h. Exception amount found on cell P1572. The Master Invoice Log and supporting invoice copy in binder 112.0 indicates that the full amount of the invoice was paid with no indication of a refund for the exception.

State whether a refund has been received and recorded.

i. Exception amount found on cell P1573. The Master Invoice Log and supporting invoice copy in binder 112.0 indicates that the full amount of the invoice was paid with no indication of a refund for the exception. State whether a refund has been received and recorded.

- j. Exception amount found on cell P1593. In addition, the Master Invoice Log does not indicate that the remaining balance of invoice BC21034 after the exception removal was ever paid. Please provide copies of the proof on payment or explain why it has not been paid.
- k. Exception amount found on cell P1625.
- l. Exception amount found on cell P1685.
- m. Exception amount found on cell P1801.
- n. Exception amount found on cell P2144.
- o. Exception amount found on cell P3573. In addition, the corresponding comments state that the amount paid was a duplicate payment matching the transaction amount paid on cell row 3566 with no indication of whether a refund was received for the exception duplicate invoice. State whether a refund has been received and recorded.
- p. Exception amount on cell P2281. The exception for this invoice, along with several others for the same vendor, was reported to be journaled out of the storm account citing reference document number 0100051505. Explain how the Company determined that a portion of these invoices were not storm related.
- q. Provide a copy of each entry to record each of the exceptions and provide a copy of all supporting documentation. If an entry was not performed to record a specific exception, explain the reasons why it was not and how that conformed to any Company policy that addresses recording such entries.

RESPONSE:

- a. Gulf tracked exceptions for this vendor on the Master Log by invoice. However, the resolutions of the exceptions were completed as one accounting transaction. Of the exceptions identified, Gulf only deemed a portion of the exceptions storm appropriate. The remaining portion was recorded to normal operations and maintenance (O&M). The exception total on the Master Log (\$226,012.72) will not tie dollar for dollar to the amount actually recorded because the exceptions were resolved with the vendor after the Hurricane Michael filing was made. See the document provided in response to (q) below for entries to record \$192,419.55 to storm and \$208,223.81 to non-storm O&M which represent a total of all adjustments made from various invoices for that vendor
- b. The exception amount of \$157,999.50 will not tie dollar for dollar to the amount actually recorded because the exception was resolved with the vendor after the Hurricane Michael filing was made. Please see response (a) for an explanation of Gulf's process for tracking and resolving exceptions.

- c. The exception amount of \$36,900 will not tie dollar for dollar to the amount actually recorded because the exception was resolved with the vendor after the Hurricane Michael filing was made. Please see response (a) for an explanation of Gulf's process for tracking and resolving exceptions.
- d. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 50 that discusses exceptions for vendor H&S.
- e. The exceptions in the amount of \$406,653.40 were determined not to be appropriate charges. As a result, the total amount was not paid or charged to account 186. No entry was required.
- f. The exceptions in the amount of \$129,973.50 were paid with Gulf's payment of the vendor's subsequent invoice E03838-1 after additional documentation validating the exception was provided by the vendor. Invoice E03838-1 is reported on row 1397 of the Hurricane Michael Master Log and included in invoice binder 113. No entry was required.
- g. The exceptions in the amount of \$237,616.40 were paid with Gulf's payment of the vendor's subsequent invoice E03839-1 after additional documentation validating the exception was provided by the vendor. Invoice E03839-1 is reported on row 1398 of the Hurricane Michael Master Log and included in invoice binder 113.1. No entry was required.
- h. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 50 that discusses exceptions for vendor H&S.
- i. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 50 that discusses exceptions for vendor H&S.
- j. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 50 that discusses exceptions for vendor H&S.
- k. The exception of \$101,092.01 was for the reversal of the self-accrued sales taxes per internal review. See (q) for the journal entry to credit account 186 for this exception.
- l. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 50 that discusses exceptions for vendor H&S.
- m. The exception of \$45,936.54 was for invoice 2080OCT2018. This invoice was paid in December 2018. The check was returned by the vendor on January 15, 2019 since the invoiced items were also paid on invoice 1031181 which is listed on row 1713 of the Hurricane Michael Master Log and is included in binder 38. See the document provided in response to (q) below for the journal entry to credit storm and debit cash.
- n. The exceptions in the amount of \$592,764.95 were based on the vendor's original invoice. Exceptions were resolved with the vendor, and the vendor submitted a revised invoice. Payment was made based on the revised invoice. See the document provided in response to

(q) below for a copy of the vendor's original invoice summary for reference. No entry was completed since exceptions were resolved with the vendor prior to payment.

- o. The exception of \$123,051.60 was the result of the invoice being submitted twice in CAMP which resulted in two CAMP invoices (1843STH1000 and 1843STH1200). Credit memos were applied to the following invoices:

• Inv#65879	Master Log Row 3523	\$ -16.42
• Inv#64836R	Master Log Row 3625	\$ -98,866.28
• Inv#65871R1	Master Log Row 3733	\$ -272.00
• Inv#66483	Master Log Row 3765	\$ -16.55
• Inv#65870R1	Master Log Row 3767	\$ -200.00
• Inv#65167	Master Log Row 6863	\$ -6,629.47
• Inv#65164	Master Log Row 3884	\$ -8,928.64
• Inv#65166	Master Log Row 3885	<u>\$ -8,122.24</u>
	Totals Credit Memos	\$-123,051.60

- p. The exception of \$1,696.32 resulted in an account distribution revision to move these dollars out of storm to a Lighting work order. This adjustment was necessary since revised time sheets were subsequently received from the vendor which indicated that some of the work was specific to a Lighting job not storm related. A journal entry was completed to revise the account distribution based on the information provided by the vendor and verified by Gulf personnel. See the document provided in response to (q) below for the correcting entry.
- q. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 51, Attachment No. 1.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binder 123.0.

- a. Were the costs identified in these documents as storm related during the months of January through August 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria used by the Company to determine that invoices in binder 123.0 dated from January through August 2019 were storm related, especially those during the summer of 2019.
- c. Describe the method and all criteria the Company used to determine that a portion of the 2019 binder 123.0 invoice costs were storm related (See e.g. Bates numbers 35887, 35892, 35900, 35904, 35908, and 35913-35914). In addition, identify specific examples from actual invoices that demonstrate the method and criteria the Company used to determine that a portion of the costs were storm related.

RESPONSE:

- a. Yes, the costs defined as storm related during the during the months of January through August 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.
- c. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.

QUESTION:

Refer to the Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binder T3.0 starting at Bates number 61176.

- a. Explain why there were no storm related costs for this vendor during the first quarter of 2019.
- b. Why there were multiple invoices for costs defined as storm related during the months of June through July 2019?
- c. Were the costs defined as storm related during the months of June through July 2019 included in the total costs shown in Exhibit MG-1?
- d. Describe the method and all criteria the Company used to determine that the June through July 2019 invoices for this vendor were storm related.

RESPONSE:

- a. The damages to the various substations were not all able to be fixed immediately due to material availability and the nature of substation equipment/material. Some material and equipment had to be ordered, designed, fabricated, delivered and then installed. Immediate temporary fixes were made while the permanent repairs had to be completed after the proper material was available and the appropriate outages were determined. These repairs were made during the June 2019 time-frame, but cost were incurred in July due to timing of bills being paid.
- b. The vendor billed based on week ending dates resulting in multiple invoices.
- c. Yes, the costs defined as storm related during the months of June through July 2019 are included in the total costs shown in Exhibit MG-1.
- d. Please see to response OPC's Amended Second Set of Interrogatories No. 54(a).

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binder 155.0.

- a. Were the costs identified in these documents as storm related during the months of May and June 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that binder 155 invoices for May and June 2019 were storm related.

RESPONSE:

- a. Yes, the costs defined as storm related during the months of May and June 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binder 66.0.

- a. Were the costs identified in these documents as storm related during the second quarter of 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that binder 66.0 invoices for the second quarter of 2019 were storm related.

RESPONSE:

- a. Yes, the costs defined as storm related during the second quarter of 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binders 124.1 and 145.0.

a. Were the costs identified in these documents as storm related during the second quarter of 2019 included in the total costs shown in Exhibit MG-1?

b. Describe the method and all criteria the Company used to determine that binders

124.1 and 145.0 invoices for the second quarter of 2019 were storm related

RESPONSE:

a. Yes, the costs defined as storm related during the second quarter of 2019 are included in the total costs shown in Exhibit MG-1.

b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binders 10.0 and 100.0.

- a. Were the costs identified in these documents as storm related during the second quarter of 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that binders 10.0 and 100.0 invoices for the second quarter of 2019 were storm related.

RESPONSE:

- a. Yes, the costs defined as storm related during the second quarter of 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binder 6.0. Refer also to the applicable contract pages provided in the confidential response to Gulf's response to POD 6 of OPC's First Request for Production of Documents.

- a. Were the costs identified in these documents as storm related to 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that binder 6.0 invoices for 2019 were storm related.
- c. Why were the contract labor and equipment rates charged for 16 hours per day 7 days per week (112 hours per week) starting in mid-December 2018 and during the 2019 months for two hydro vacuum excavation trucks, one pickup truck, and the related labor, understanding the basic work week assumed in Section V of the contract rates was 40 hours per week?
- d. Describe the approval process for these invoices in order to verify the hours per week invoiced. If there was pre-approval of the 112 hours per week billing for the equipment and labor, please provide copies of such authorization.
- e. The referenced invoices and associated contract pages provided in Gulf's response to POD 10 refer to the hourly billing rate for a pickup. Please describe the make, model, and features of the referenced pickup.
- f. The referenced invoices and the associated contract pages provided in Gulf's response to POD 10 refer to the hourly billing rate for two hydro vacuum trucks. Please describe the make and model of these two trucks.
- g. Confirm that the equipment rates being charged on these invoices include the labor associated with the operators.

RESPONSE:

- a. Yes, the costs defined as storm related during 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.
- c. With the amount of restoration work being performed in Bay County after Hurricane Michael, Extraordinary Circumstances directives, as that term is described in the Sunshine 811 Excavation Guide, were issued by all municipalities and utilities owning and operating underground facilities. In light of this directive, Gulf determined that the safest and most prudent and appropriate method of performing the necessary locates was through the use of contractor capable of performing hydro-excavation. The hydro-excavation process required

Gulf to have its contractor on standby for facility owners to locate their underground infrastructure, so that Gulf could then make repairs to its facilities without adversely impacting the governmental and other underground facilities. Smith Industrial was the contractor engaged to perform the required hydro-excavation, and they performed their work, or were required to remain in place on a daily basis to perform their work, for storm follow-up work for Distribution and Lighting following Hurricane Michael. The use of Smith Industrial helped to ensure that Gulf would not damage critical communication, sewer, water, and gas facilities during repair and rebuild of Gulf's electric facilities.

- d. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 59, Attachment Nos. 1 and 2, attached hereto, which are confidential.
- e. Gulf does not require this type of detail be provided in their contracts and does not have any information describing the make, model, and features of the referenced pickup.
- f. Gulf does not require this type of detail be provided in their contracts and does not have any information describing the make and model of the referenced hydro vacuum trucks.
- g. Please see the documents provided with Gulf's response to OPC's First Request for Production of Documents No. 6, which are confidential. Refer to Bates number 001383. The description of the unit indicated it is fully operated, meaning operator labor is associated with the equipment.

**Gulf's response to
OPC's Second Set of
Interrogatories - Amended**

**No. 59 - Attachment No. 1
Bates Nos. 062461 – 062474**

is confidential in its entirety

**Gulf's response to
OPC's Second Set of
Interrogatories - Amended**

**No. 59 - Attachment No. 2
Bates Nos. 062475 – 062490**

is confidential in its entirety

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binders 121.0, 125.0, 136.0, 141.0, and 124.2.

- a. Were the costs identified in these documents as storm related during all three quarters of 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that binders 121.0, 125.0, 136.0, 141.0, and 124.2 invoices dated through July 2019 were storm related.
- c. Why were this vendor's invoices split among so many separate invoice binders?

RESPONSE:

- a. Yes, the costs defined as storm related during all three quarters of 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.
- c. Due to the quantity of vendor invoices that were responsive to POD 10 of OPC's First Request for Production of Documents and electronic file size limitations, Gulf was unable to include all of the invoices from a particular vendor in a single binder. As a result, Gulf separated the invoices into multiple binders.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binders 18.0 and 18.1.

- a. Were the costs identified in these documents as storm related during the first two quarters of 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that invoices in binders 18.0 and 18.1 dated through June 2019 were storm related.

RESPONSE:

- a. Yes, the costs defined as storm related during the first two quarters of 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binder T3.1.

- a. Were the costs identified in these documents as storm related during the first two quarters of 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that the invoices from this vendor in binder T3.1 through June 2019 were classified as storm related.

RESPONSE:

- a. Yes, the costs defined as storm related during the first two quarters of 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binders 42.0, 50.0, and 102.0.

- a. Were the costs identified in these documents as storm related during the first three quarters of 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that 2019 invoices in binders 42.0, 50.0, and 102.0 through July 2019 were storm related.

RESPONSE:

- a. Yes, the costs defined as storm related during the first three quarters of 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to invoice binders 9.0, 85.0, and 144.0.

- a. Were the costs identified in these documents as storm related during the first two quarters of 2019 included in the total costs shown in Exhibit MG-1?
- b. Describe the method and all criteria the Company used to determine that 2019 invoices in binders 9.0, 85.0, and 144.0 dated through June 2019 were storm related.

RESPONSE:

- a. Yes, the costs defined as storm related during the first two quarters of 2019 are included in the total costs shown in Exhibit MG-1.
- b. Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 46.

QUESTION:

Refer to Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically invoice binder 88.0. There are multiple invoices for rooms reserved/booked for days in November 2018, December 2018, and January 2019 even when no one stayed in the rooms.

- a. For each of the invoices related to charges during these three months, please identify the dates rooms were released back to the hotel and the number of rooms released and explain why the release(s) of the rooms occurred when it(they) did instead of at an earlier date.
- b. Provide a description of the utilization, or lack thereof, of the hotel rooms invoiced, including all vendor names, during these three months.
- c. Provide a copy of the purchase order(s) or other authorization(s) related to these invoices. If these documents have previously been provided in discovery, identify them by Bates number.
- d. Explain why all of these rooms were booked for such a long time period.

RESPONSE:

Gulf objects to this Interrogatory on the grounds that it mischaracterizes the content of the records produced in response to POD 10 and lacks foundation. Gulf is not aware of any empty rooms during the months of November and December 2018, nor does it believe the records produced in this proceeding support such an assertion. Gulf also clarifies that all invoices included in binder 88.0 pertain to charges incurred at the Holiday Inn. Gulf did not reserve any rooms at the Hilton hotel for Hurricane Michael storm restoration work. Due to a clerical error, four line items in the Hurricane Michael Master Log incorrectly identify "Hilton Inc." as the vendor. Those line items actually pertain to charges incurred at the Holiday Inn.

- a. Gulf appropriately released rooms back to the hotel based on anticipated needs during the Hurricane Michael storm restoration effort. As noted, all rooms were occupied in November and December 2018. In January 2019, as storm restoration needs began to decrease, Gulf began to release certain crews, which resulted in Gulf also releasing hotel rooms back to the hotel. To the extent the hotel was able to rebook the room, it agreed to release Gulf from financial liability for the reservations. In order to work with the hotel in its effort to rebook the rooms, Gulf released its room reservations back to the hotel in a staggered fashion, at times, on a daily basis. The utilization of hotel rooms reflected Gulf's best efforts to accurately project required resources for the storm restoration work, the duration of that storm restoration work, and the number of crews that were available to assist. In some cases, Gulf reserved rooms that were not needed and could not be rebooked by the hotel. Gulf informed all contractors that, effective February 1, 2019, the contractors would need to provide their own logistics.

- b. Please see Gulf's response to OPC Amended Second Set of Interrogatories No. 65, Attachment No. 1, attached hereto.
- c. Gulf's process for booking hotel rooms did not result in the generation of purchase orders or other authorizations related to the hotel invoices.
- d. See response to subpart (a), above.

**Gulf's response to
OPC's Second Set of
Interrogatories - Amended**

**No. 65 - Attachment No. 1
Bates Nos. 062491 – 062516**

is confidential in its entirety

QUESTION:

Provide the Company's actual line contractor maintenance expense for each month October through December by FERC account for each year 2015, 2016, 2017, and 2018 with and without deferred storm expense.

RESPONSE:

Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 66, Attachment No. 1.

As set forth in its general objections, Gulf objects to each and every discovery request that seeks information and/or documentation about costs incurred by Gulf prior to the year 2018, with the exception of certain vegetation management information, on the basis that such information is irrelevant, immaterial, and not reasonably calculated to lead to the discovery of admissible evidence in this proceeding, and is overbroad and unduly burdensome. Subject to its objections Gulf responds to Interrogatory No. 66 with information for 2018, the year that Hurricane Michael impacted Gulf's service territory.

QUESTION:

Provide the Company's actual line contractor maintenance expense for each month October through December by FERC account for each year 2015, 2016, 2017, and 2018 with and without deferred storm expense.

RESPONSE:

Without waiver of its previous objection to OPC's Interrogatory No. 66 in this proceeding, Gulf provides the attached document, labeled "OPC 2nd INT No. 66 - Attachment No. 1 Supplemental - Amended" as a supplement to Gulf's response to this discovery request.

QUESTION:

Provide the Company's actual vegetation management contractor maintenance expense for each month October through December by FERC account for each year 2015, 2016, 2017, and 2018 with and without deferred storm expense.

RESPONSE:

Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 67, Attachment No. 1.

QUESTION:

Provide the Company's line maintenance expense, excluding contractor expense, for each month October through December by FERC account for each year 2015, 2016, 2017, and 2018 with and without deferred storm expense.

RESPONSE:

Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 68, Attachment No. 1.

As set forth in its general objections, Gulf objects to each and every discovery request that seeks information and/or documentation about costs incurred by Gulf prior to the year 2018, with the exception of certain vegetation management information, on the basis that such information is irrelevant, immaterial, and not reasonably calculated to lead to the discovery of admissible evidence in this proceeding, and is overbroad and unduly burdensome. Subject to its objections Gulf responds to Interrogatory No. 68 with information for 2018, the year that Hurricane Michael impacted Gulf's service territory.

QUESTION:

Provide the Company's line maintenance expense, excluding contractor expense, for each month October through December by FERC account for each year 2015, 2016, 2017, and 2018 with and without deferred storm expense.

RESPONSE:

Without waiver of its previous objection to OPC's Interrogatory No. 68 in this proceeding, Gulf provides the attached document, labeled "OPC 2nd INT No. 68 - Attachment No. 1 – Supplemental - Amended" as a supplement to Gulf's response to this discovery request.

QUESTION:

Provide the Company's vegetation management maintenance expense, excluding contractor expense, for each month October through December by FERC account for each year 2015, 2016, 2017, and 2018 with and without deferred storm expense.

RESPONSE:

Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 69, Attachment No. 1.

QUESTION:

Please provide the amount of actual vegetation management contractor management expense for each month during 2019, excluding any costs that were deferred and included in storm recovery requests.

RESPONSE:

Please see Gulf's response to OPC's Amended Second Set of Interrogatories No. 70, Attachment No. 1. There were no vegetation management contractor costs in 2019 that were deferred and included in the storm recovery request.

QUESTION:

Describe in detail how the Company records its line contractor cost and determines the portions that will be capitalized, charged to removal, and expensed, including, but not limited to, the determination whether there is a retirement unit constructed or replaced or a betterment; allocation of contractor costs between capitalized, removal, and expensed costs if the costs are not unique to one of those portions.

RESPONSE:

Hurricane Michael line contractor costs were charged to the appropriate cost element as shown in Gulf's responses to OPC's First Request for Production of Documents, No. 2, Attachment No. 2 and OPC's Amended Second Request for Production of Documents, No. 25. The quantity of materials and supplies issued to the storm cost elements, less returns, is utilized to calculate the total amount of capital costs for the Distribution function in accordance with Gulf's capitalization policy, which includes materials, labor and overhead. The capital costs for other functional areas are determined based on an estimate of the actual work performed and then likewise recorded to the appropriate capital accounts.

Please see Gulf's responses to OPC's First Set of Interrogatories, No. 16 for an explanation of Gulf's capital cost methodology, and OPC's First Request for Production of Documents, No. 2, Attachment No. 12 for a description of Gulf's capitalization policy. This same methodology was applied for removal costs. Any remaining costs that were not capitalized or recorded to cost of removal, or removed in lines 26, 39, and 43 of Exhibit MG-1, Page 1 of Witness Goldstein's testimony are included in this request for recovery.

QUESTION:

Refer to Bates page 40 in Gulf's response to POD6 in OPC's First Request for Production of Documents. The contract states that all hours will be billed at overtime rates for storm restoration. Explain why the Company agreed to this contract provision and why this contract provision is reasonable.

RESPONSE:

As Hurricane Michael continued to strengthen in the Gulf and move toward the panhandle of Florida, it was evident that the damage and destruction from the storm would be severe and wide spread across the Gulf Power system. It was also evident that the storm would continue to be very destructive as it moved inland, causing wide spread power outages to not only Florida utilities, but to those utilities in Alabama, Georgia, South Carolina, North Carolina, and even into Virginia as the storm traveled inland. Because of the magnitude of the storm and its projected path, the need for qualified resources increased among all the utilities that had the potential to be impacted. In some cases, the company had to seek resources that were outside of the normal pool of vendors with pre-negotiated contracts and consider resources that may have had higher rates. Given the circumstances that the company was facing at the time of this decision the third most intense storm to ever make landfall in the continental United States, the shortage of line resources in the industry as a whole, the number of utilities that were seeking resources, the fact that Alabama Power and Georgia Power would be heavily impacted by the storm, and they would not be able to provide resources to Gulf for a week or more after landfall - the decision to agree to pay the overtime rates for this contractor was reasonable. This decision, like others made as Hurricane Michael approached and then devastated portions of Gulf's service area, was based on the current situation and the best information available at the time to respond to the needs of our customers.

QUESTION:

Refer to Bates page 64 in Gulf's response to POD6 in OPC's First Request for Production of Documents. The Company signed the contract on October 10, 2018, and the vendor signed the contract on October 9, 2018. Why was this contract not in place as part of the Company's emergency storm planning process instead of being signed when the storm was imminent with effects already affecting some service areas?

RESPONSE:

Please see response to OPCs Amended Second Set of Interrogatories, No. 72. Due to the size of the storm, the projected impact, and the need for resources across the southeast region of the United States, which created contractor shortages, Gulf had exhausted its access to those resources with pre-negotiated contracts and was required to seek resources outside of the normal pool of resources that Gulf had relied on in the past.

QUESTION:

Refer to Gulf's response to POD 10 in OPC's First Request for Production of Documents, specifically invoice binders T3.0 (3 invoices) and 157.0. There are different hourly labor rates for this vendor for the various crews utilized. In addition, the hourly labor rates for the invoices for crews 035, 140, 224, and 023/550 are much higher, approximately double, than the rates for similar positions on the invoices for all other crews (i.e.- invoice 123754 in binder 157 and invoice 124995J in binder T3). Explain why there are different hourly rates for labor billed out for the various crews and why the invoices for crews 035, 140, 224, and 023/550 have hourly labor rates so much higher than for the other crews.

RESPONSE:

The invoices for Chain Electric Company include multiple rates which vary depending on the type of work the vendor provided in connection with Hurricane Michael restoration. Chain Electric Company provided different categories of workers (e.g., Embedded vs. Off System crews, Distribution vs. Transmission crews), each of which performed a different type and scope of work, with a resulting variation in the rates charged for the different types of work.

QUESTION:

Refer to Gulf's response to POD 10 in OPC's First Request for Production of Documents, specifically to invoice binder 100.0. Refer also to Bates numbered pages 001265-001267 of Gulf's response to POD 6 in OPC's First Request for Production of Documents, which provides the contract rate pages for this vendor, but not the full contracts. The straight time rates matched for 2018 and 2019 for all work invoiced. For some of the crews in October and November 2018, overtime rates were charged while for other crews only straight time rates were charged. Overtime rates were charged for all crews starting in December 2018. Explain why this occurred and why the apparent billing discrepancy is appropriate. In addition, explain why a change in billing occurred starting in 2018 to charge overtime rates for all crews. An example of each type of invoice is referenced below as located in invoice binder 100.0 based on the vendor's invoice numbers.

Invoice# 2964	Bates 031102
Invoice# 3028	Bates 031077

RESPONSE:

The discrepancies in billing rates among certain invoices produced in binder 100.0 occurred as a result of two distinct situations. First, certain invoices in that binder were billed pursuant to the terms of a contract between Alabama Power and PowerGrid Services LLC. Because Alabama Power and Gulf were both subsidiaries of Southern Company at the time Hurricane Michael made landfall, and because PowerGrid generally performed work for Alabama Power, Gulf allowed those contractors to bill for Hurricane Michael storm restoration work under their pre-negotiated rates with Alabama Power, which differed from Gulf's embedded straight time and overtime rates. The following invoices reflect the rates negotiated between Alabama Power and PowerGrid: 3023, 3025, 3026, 3027, 3028, 3029, 3030, 3049, 3050, 3051, 3052, 3053, 3054, 3055, 3089, 3090, 3091, 3092, 3093, 3094, and 3095. The contract between Alabama Power and PowerGrid, which is attached to this response and labeled "OPC2ndINT_ItemNO.75_attachment1_Alabama Power Grid Contract", is confidential.

Second, Gulf has determined that certain other invoices produced in binder 100.0 were incorrectly paid double time. Those invoices are as follows: 3149, 3162, 3163, 3167, 3227, 3230, 3229, 3265, 3264, 3266, 3313, 3320, and 3321. The overpayment of these invoices totals \$45,871.98, which Gulf plans to remove from the total costs for which it is seeking recovery in this proceeding. Gulf anticipates submitting a revised cost recovery figure, which reflects the removal of the \$45,871.98, with its rebuttal testimony.

**Gulf's response to
OPC's Second Set of
Interrogatories - Amended**

**No. 75 - Attachment No. 1
Bates Nos. 062518 – 062590**

is confidential in its entirety

Gulf's Response to OPC's Second Production of
Documents AMENDED Nos. 23-25, 27, 29-32

**(Nos. 23, 24, 27, 29, 31, 32 have amended confidential
attachments)**

CONFIDENTIAL DN. 01641-2020

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 28
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Goldstein (23-25, 27, 29-32)

QUESTION:

Refer to the Excel spreadsheet titled Attachment 1 to Gulf's response to POD 1 in OPC's First Request for Production of Documents. Please provide a copy of this workbook with all formulas intact. In the previously produced version of the workbook, many of the cells are values and the formulas are missing. If formulas are not available, then provide supporting Excel spreadsheets and/or a copy of all other source documents relied upon for these amounts.

RESPONSE:

Please see OPC's Amended Second Request for Production of Document No. 23, Attachment No. 1.

QUESTION:

Refer to the "Hurricane Michael Master Log" produced as part of Gulf's response to POD 10 of OPC's First Request for Production of Documents, specifically to the tab marked with Bates number 62134" with the amount for Materials and the associated footnote. Please provide a similar summary of all invoices for Materials that sum to the \$29.957 million included on Line 9 on Page 1 of Exhibit MG-1 to the testimony of Mitchell Goldstein. In addition, please provide copies of all invoices for Materials that sum to the \$29.957 million included on Line 9 of Exhibit MG-1.

RESPONSE:

The \$29.957 million for Materials costs shown in Line 9, Page 1 of Exhibit MG-1 includes items Gulf purchased from external resources and items Gulf pulled from its inventory. Additionally, Gulf booked certain items included in the Materials line item as Accruals, Allocations, and Journal Entries in accordance with its applicable accounting principles and practices. Gulf's response to OPC's Amended Second Request for Production of Documents No. 24, Attachment No. 1, which is confidential, contains a summary of all costs that sum to the \$29.957 million included on Line 9, Page 1 of Exhibit MG-1. Gulf's response to OPC's Amended Second Request for Production of Documents No. 24, Attachment Nos. 2 through 8, which are confidential, includes copies of all invoices included in the Materials line item shown on Exhibit MG-1.

QUESTION:

Provide a copy of all internal or external reports, emails, memorandum, or other documents created or produced by the Company that relate in any way to the classification of contractor costs incurred after November 2018 as Hurricane Michael storm costs.

RESPONSE:

Please see documents produced in Gulf's responses to OPC's First Request for Production of Documents, No. 2, Attachment Nos. 1 - 13, of which 4, 5, and 6 are confidential; OPC's First Set of Interrogatories No. 16, Attachment Nos. 2 - 9; and OPC's Amended Second Request for Production of Documents No. 25, Attachment No. 1.

Miller, Levashia

From: Davis, Linda
Sent: Friday, February 8, 2019 5:01 PM
To: Talley, Paul; Damron, Peggy; Hargett, Deryl; Floyd, John; Seckinger, Sarah; Jansen, Ashley; Beaty, Kevin; Weaver, Jason; Szoke, Nathan; Sanchez, Richard; Wilbert, Christopher; Langan, Glenn; Stronko, Timothy; Todd, Jennifer; Moye, Joel
Subject: Storm accrual and follow up work IOs

Good Morning!

Going forward, we will use the IOs listed below for all accruals and follow up work for storm invoices related to Hurricane Michael.

From: Gillespie, Allison <Allison.Gillespie@nexteraenergy.com>
Sent: Thursday, January 24, 2019 1:14 PM
To: Davis, Linda <Linda.Davis@nexteraenergy.com>
Cc: Huynh, Trang <Trang.Huynh@nexteraenergy.com>; Davis, Melitta <Melitta.Davis@nexteraenergy.com>
Subject: RE: Request for new IOs

Linda,

Please see the requested IO numbers listed below.

6820000123 Hurricane Michael Accruals

6820000124 Hurricane Michael Follow Up

Let me know if you need anything else.

Thanks,

Allison Gillespie
Business Analyst, Customer Operations Support

Gulf Power
850-444-6349 (office)
850-380-3879 (mobile)
WebEx Conference Number: (305) 552-3001
Participant Access Code: 54365588



From: Davis, Linda <Linda.Davis@nexteraenergy.com>
Sent: Wednesday, January 23, 2019 10:38 AM
To: Gillespie, Allison <Allison.Gillespie@nexteraenergy.com>
Cc: Huynh, Trang <Trang.Huynh@nexteraenergy.com>; Davis, Melitta <Melitta.Davis@nexteraenergy.com>

Subject: Request for new IOs

Importance: High

Allison,

After talking with Terry Kitchener from NEE, I've determined that I need two new IOs: one for Hurricane Michael Accruals and one for Hurricane Michael Follow Up. This will make our process in line with FPL for accruals and follow up. He also told us that accruals are due the last day of the month, so we need these as soon as possible.

Let me know if you have any questions.

Thanks for your help.

Linda

Linda Davis CPA, CBM, CMA, CGMA

Gulf Power Company

Bin #323

Work phone 850-444-6330

Cell phone 850-336-0929



QUESTION:

Refer to Gulf's response to POD 10 in OPC's First Request for Production of Documents specifically to invoice binder 3.0 and refer also to the contract pages located in Gulf's response to POD 6 in OPC's First Request for Production of Documents related to this same vendor. The applicable hourly rate sheets do not appear to be included in Gulf's response to POD 6. Provide Bates number and PDF page number references to the pages containing contract hourly rate amounts in Gulf's response to POD 6 listing the applicable contract rates for binder 3.0. If Gulf has not already provided these documents, please supplement the response to the First Set of PODs.

RESPONSE:

Please see Gulf's response to OPC's Amended Second Request for Production of Documents No. 27, Attachment No. 1, which is confidential and supplements Gulf's response to OPC's First Request for Production of Documents No. 6.

QUESTION:

Refer to Gulf's response to POD10 in OPC's First Request for Production of Documents specifically to binder 67.0, and refer also to the contract pages located in Gulf's response to POD 6 in OPC's First Request for Production of Documents related to this same vendor. The contract pages that appear in Gulf's response to POD 6 provide the hourly labor and equipment rates applicable for this vendor but do not match the rates invoiced for many of the line items in the invoicing. Provide Bates number and PDF page number references to the pages containing the correctly applicable contract hourly rate amounts used on the invoices in Gulf's response to POD 6 listing the contract rates used for invoices for binder 67.0. If Gulf has not already provided these documents, please supplement the response to the First Set of PODs. Otherwise, explain in detail why the rates do not match.

RESPONSE:

The incorrect rate sheet was inadvertently provided. Please see Gulf's response to OPC's Second Request for Production of Documents No. 29, Attachment No. 1, which is confidential and supplements Gulf's response to POD 6.

QUESTION:

Refer to Gulf's response to POD 10 in OPC's First Request for Production of Documents specifically to binder 17.0 and refer also to the contract pages located in Gulf's response to POD 6 of OPC's First Request for Production of Documents related to this same vendor. The contract pages in Gulf's response to POD 6 include the hourly labor and equipment rates for a number of the various crews for the invoices for this vendor included in binder 17.0, but some of the applicable contract rates for labor and the equipment for some crews are not included. Examples of some invoices for various crews contained in binder 17.0 are listed below. Provide Bates number and PDF page number reference to the pages containing correctly applicable contract hourly rates listed in the invoices in Gulf's response to POD 6. If Gulf has not already provided these documents, please supplement the response to the First Set of PODs.

Invoice# CAR-DUF183-31	Bates 006576
Invoice# CAR-DOF183-58	Bates 006742 - 43
Invoice#GPC-DOF-183-49	Bates 006737 – 38

RESPONSE:

The invoices for Mastec North America, Inc. include multiple rates which vary depending on the type of work the vendor provided in connection with Hurricane Michael restoration. Mastec North America, Inc. provided different categories of workers (e.g., Embedded vs. Off System crews, Distribution vs. Transmission crews, and Lighting crews), each of which performed a different type and scope of work, with a resulting variation in the rates charged for the different types of work.

Please see Gulf's response to OPC's First Request for Production of Documents No. 6, which are confidential. Refer to Bates 000940 – 000995.

QUESTION:

Refer to Gulf's response to POD 10 in OPC's First Request for Production of Documents, specifically to invoice binder 60.0 and refer also to the contract pages located in Gulf's response to POD 6 in OPC's First Request for Production of Documents related to the vendor(s) at Bates numbers 001280-001286. In addition, please provide Bates number and PDF page number references to the pages containing the contract hourly rate amounts listed on the invoices in Gulf's response to POD 6 in binder 60.0. If Gulf has not already provided these documents, please supplement the response to the first Set of PODs.

RESPONSE:

The incorrect rate sheet was inadvertently provided. Please see Gulf's response to OPC's Amended Second Request for Production of Documents No. 31, Attachment No. 1, which is confidential and supplements Gulf's response to POD 6.

QUESTION:

Refer to Gulf's response to POD 10 in OPC's First Request for Production of Documents, specifically to invoice binder 94.0, and refer also to the contract pages located in Gulf's response to POD 6 in OPC's First Request for Production of Documents related to this same vendor. The contract pages in Gulf's response to POD 6 include the hourly labor and equipment rates for the overhead portion of the distribution services, but are not included in the underground portion. Examples of two invoices contained in binder 94.0 are listed below. Provide Bates number and PDF page number references to the pages containing contract hourly rate amounts listed on the invoices in Gulf's response to POD 6 which show the underground contract rates for the vendor. If not already provided, please supplement the response.

Invoice# 249497

Bates 029312-13

Invoice# 242407

Bates 029364-65

RESPONSE:

Please see Gulf's response to OPC's Amended Second Request for Production of Documents No. 32, Attachment No. 1, which are the underground rates in the format provided by the vendor, and are confidential.

Gulf's Response to OPC's Third Set of Interrogatories
Nos. 78, 80, 81, 83, 84-86

(No. 85 has an attachment)

(No. 83 has confidential attachments)

CONFIDENTIAL DN. 02483-2020

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 29
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Talley (84)
Goldstein (78, 80, 81, 83, 85, 86)

QUESTION:

Refer to the confidential response to POD 10 in OPC's First Request for Production of Documents and further to invoice binder 14.0 for vendor Storm Services LLC, specifically to the labor billing portions for three crews for the date of Monday, October 15, 2018, located on Bates pages 004592-95. The last three pages of the referenced pages shows that the time for three crews for this date, not a holiday, was billed at double time rates instead of overtime rates even though the billings for numerous other crews were billed at overtime rates only for the same date. Please indicate whether the labor for this day was overbilled and whether an exception was ever settled for it. No exceptions are listed for the March 18, 2019 rebilling of this invoice (See Bates pages 004404-05). If an exception was granted for this apparent overbilling, please provide proof and a quantification of such. If not, so state.

RESPONSE:

This labor was not overbilled nor was an exception ever settled, as no exception was needed or indicated for the charges attributable to the three crews in question. Please see Bates 001529 in binder Storm Contracts-Rates M – Z in POD 6 for contract terms regarding overtime and double time charges for the work that is the subject of this interrogatory. The contract provisions related to the three crews in question provided for them to be paid at double time rates.

QUESTION:

Refer to the Company's response to POD 9 in OPC's First Request for Production of Documents, which requested the expense associated with line contractors providing day-to-day service embedded in base rates. What was the amount of the expense reflected in the Company's cost of service study in the most recent rate case?

RESPONSE:

The Florida Public Service Commission entered its Final Order Approving Stipulation and Settlement Agreement and Approving Tariffs and Rate Schedules of Gulf Power Company in Order No. PSC-17-0178-S-EI, issued on May 16, 2017, in Docket Nos. 160170-EI and 160186-EI (consol.). In that proceeding, Gulf submitted various Minimum Filing Requirements (MFRs), which contained expense information supporting Gulf's proposed base rates. Because the case resulted in a settlement, it cannot be assumed that rates were established based upon the information and data included in those MFRs.

Based on correspondence with OPC, Gulf understands that OPC's question asks for the amount of expense reflected in the Company's MFRs in its most recent rate case. In response, Gulf provides the following response.

The amount of line contractor expense reflected in the test year of the Company's most recent rate case is \$834,564. This amount is reflected, in FERC-level detail, in various MFRs Gulf submitted in its most recent rate case.

QUESTION:

Refer to the Company's response to POD 11 in OPC's First Request for Production of Documents, which requested the expense associated with vegetation management contractors providing day-to-day service embedded in base rates. What was the amount of the expense reflected in the Company's cost of service study in the most recent rate case?

RESPONSE:

The Florida Public Service Commission entered its Final Order Approving Stipulation and Settlement Agreement and Approving Tariffs and Rate Schedules of Gulf Power Company in Order No. PSC-17-0178-S-EI, issued on May 16, 2017, in Docket Nos. 160170-EI and 160186-EI (consol.). In that proceeding, Gulf submitted various Minimum Filing Requirements (MFRs), which contained expense information supporting Gulf's proposed base rates. Because the case resulted in a settlement, it cannot be assumed that rates were established based upon the information and data included in those MFRs.

Based on correspondence with OPC, Gulf understands that OPC's question asks for the amount of expense reflected in the Company's MFRs in its most recent rate case. In response, Gulf provides the following response.

The amount of vegetation management contractors expense reflected in the test year of the Company's most recent rate case is \$8,938,604. This amount is reflected, in FERC-level detail, in various MFRs Gulf submitted in its most recent rate case.

QUESTION:

Refer to the confidential response to POD 10 in OPC's First Request for Production of Documents for invoice binder 99.0 for vendor Wright Tree Service, specifically to Bates pages 030416-27 showing the split of straight-time and overtime hours billed by the vendor for a number of crews. Each show straight-time hours billed of 22 hours and overtime hours billed of 58 hours for the majority of employees when work started on Monday. Please explain why the amount of straight-time hours was so small for this week and provide the basis for the number of straight-time hours before overtime began.

RESPONSE:

Please see the Service Order for Vegetation Management Services between Gulf and Wright Tree Service (the "Agreement"), which is attached hereto and labeled, "OPC 3rd INT No. 83 – Attachment No. 1 – CONFIDENTIAL". As noted in its filename, this attachment is confidential.

Pursuant to Section 5 of the Agreement, Wright Tree Service required Gulf to pay for services at the agreed upon Extended Time Rate for any time worked outside the "Regular Work Days," which are defined in the Agreement "as Monday through Saturday, either five consecutive eight-hour days or four consecutive ten-hour days, worked between the "Normal Work Hours" of 6 a.m. and 8 p.m. (with one half-hour being set aside for each meal), as designated by the Company." The invoice referenced in Interrogatory No. 83 reflects that, during the week of 10/21-10/27, Wright Tree Service worked five consecutive 16-hour days starting on 10/21 and ending on 10/25. Because 10/21 was a Sunday, the worked performed on that day occurred outside one of the "Regular Work Days" and Wright Tree Service was entitled to bill its services for that day at the Extended Time Rate. After working for eight hours on 10/23, Wright Tree Service reached 40 consecutive hours of work for that week and billed the rest of its time for that week at the Extended Time Rate.

QUESTION:

Refer to the Company's response to POD 13 in OPC's First Request for Production of Documents, which sought to determine how the Company determines whether rates charged by line contractors and vegetation management contractors are reasonable. Describe in detail how the Company's procurement process determines whether contractor rates for labor and equipment are reasonable and provide a copy of all policies and procedures that address this process. This request includes Company offers to contractors to pay overtime rates for 16 hours per day, hourly equipment rates for 16 hours per day in lieu of daily rates, and specifically how it assesses whether those contract rates are reasonable. In addition, describe whether, and if so, how, the Company's need to acquire additional contractors during the week of the storm impacted those contract rates, if at all.

RESPONSE:

As Hurricane Michael continued to strengthen in the Gulf and move toward the panhandle of Florida, it was evident that the damage and destruction from the storm would be severe and wide spread across the Gulf Power system. It was also evident that the storm would continue to be very destructive as it moved inland, causing wide spread power outages to not only Florida utilities, but to those utilities in Alabama, Georgia, South Carolina, North Carolina, and even into Virginia as the storm traveled inland. Because of the magnitude of the storm and its projected path, the need for qualified resources increased among all the utilities that had the potential to be impacted. In some cases, the company had to seek resources that were outside of the normal pool of vendors with pre-negotiated contracts and consider resources that may have had higher rates. Given the circumstances that the company was facing at the time of this decision - with the third most intense storm to ever make landfall in the continental United States about to strike Gulf's service territory, the shortage of line resources in the industry as a whole, the number of utilities that were seeking resources, the fact that Alabama Power and Georgia Power would be heavily impacted by the storm, and they would not be able to provide resources to Gulf for a week or more after landfall - the decision to agree to pay the overtime rates for this contractor was reasonable. This decision, like others made as Hurricane Michael approached and then devastated portions of Gulf's service area, was based on the current situation and the best information available at the time to respond to the needs of our customers. Gulf does not have a policy or procedure that addresses the procurement process during emergency situations, but it is expected that those making these decisions follow the general guidelines laid out in other policies by insuring that goods and services requested represent valid and accurate needs of the business, they understand the purchasing options available, and understand how to select the best option given the circumstances. These decisions were made based on experience, industry knowledge, current situation, and the best information at the time.

QUESTION:

What was the straight-time payroll charged to distribution and transmission (separately for each function) expense by O&M and A&G expense account and payroll tax expense account and provide the straight-time payroll costs, including loadings, charged to deferred storm costs for each month January 2014 through December 2019?

RESPONSE:

As set forth in its general objections, Gulf objects to each and every discovery request that seeks information and/or documentation about costs incurred by Gulf prior to the year 2018, with the exception of certain vegetation management information, on the basis that such information is irrelevant, immaterial, and not reasonably calculated to lead to the discovery of admissible evidence in this proceeding, and is overbroad and unduly burdensome. Subject to its objections Gulf responds to Interrogatory No. 85 with information for the years 2016, 2017, 2018, and 2019.

Gulf Power Company adheres to the Uniform System of Accounts prescribed for all public utilities regulated by the Federal Energy Regulatory Commission (FERC). The FERC chart of accounts requires that all distribution and transmission O&M expenses are booked to the appropriate account within the 500-599 series of accounts, all administrative & general expense are booked to the appropriate account within the 900-949 series of accounts, and all payroll taxes are booked to 408 Taxes Other than Income Taxes. Therefore, there are no distribution or transmission expenses charged to A&G or payroll tax expense.

For straight-time payroll charged to distribution and transmission for the years 2016, 2017, 2018, and 2019, please see OPC's Third Set of Interrogatories No. 85, Attachment 1. The payroll adders (i.e. loadings) reflected in this attachment are those associated with both straight-time payroll as requested in this interrogatory and the overtime payroll requested in OPC's Third Set of Interrogatories No. 86.

Gulf did not charge any straight-time labor to deferred storm costs between January 2014 and September 2018. In 2018 and 2019, Gulf charged straight-time payroll costs, including loadings, of \$5,466,811 for distribution and transmission to deferred storm costs of which \$3,046,687 was cleared back to O&M as an ICCA adjustment. The chart below presents the monthly straight-time payroll charged to deferred storm costs before adjustments. As it relates to the Distribution function, the 2018 budgeted payroll allocation between base O&M and capital was 30 percent and 70 percent, respectively. Therefore, 30 percent was removed as non-incremental base O&M payroll. As it relates to the Transmission function, the 2018 budgeted payroll allocation between base O&M and capital was 20 percent and 80 percent, respectively. Therefore, 20 percent was removed as non-incremental base O&M payroll. The regular payroll costs from general support allocated to transmission and distribution were removed as non-incremental.

Gulf Power Company
Docket No. 20190038-EI
OPC's Third Set of Interrogatories
Interrogatory No. 85
Page 2 of 2

	<u>Oct-18</u>	<u>Nov-18</u>	<u>Dec-18</u>	<u>Jan-19</u>	<u>Feb-19</u>	<u>Mar-19</u>	<u>Apr-19</u>
Distribution	1,345,434	1,252,537	1,574,352	14,988	73,773	45,134	6,719
Transmission	371,569	287,538	180,585	6,485	2,701	6,294	378
T&D Total	1,717,003	1,540,075	1,754,937	21,473	76,474	51,428	7,096
	<u>May-19</u>	<u>Jun-19</u>	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Total</u>
Distribution	1,915	1,321	98	11,853	170,812	73,552	4,572,487
Transmission	61	52	13	1,331	28,684	8,633	894,324
T&D Total	1,975	1,373	111	13,184	199,496	82,186	5,466,811

QUESTION:

What was the overtime payroll charged to distribution and transmission expense by O&M and A&G and payroll tax expense account and provide the overtime payroll costs, including loadings, charged to deferred storm costs for each month January 2014 through December 2019?

RESPONSE:

As set forth in its general objections, Gulf objects to each and every discovery request that seeks information and/or documentation about costs incurred by Gulf prior to the year 2018, with the exception of certain vegetation management information, on the basis that such information is irrelevant, immaterial, and not reasonably calculated to lead to the discovery of admissible evidence in this proceeding, and is overbroad and unduly burdensome. Subject to its objections Gulf responds to Interrogatory No. 86 with information for the years 2016, 2017, 2018, and 2019.

Gulf Power Company adheres to the Uniform System of Accounts prescribed for all public utilities regulated by the Federal Energy Regulatory Commission (FERC). The FERC chart of accounts requires that all distribution and transmission O&M expenses are booked to the appropriate account within the 500-599 series of accounts, all administrative & general expense are booked to the appropriate account within the 900-949 series of accounts, and all payroll taxes are booked to 408 Taxes Other than Income Taxes. Therefore, there are no distribution or transmission expenses charged to A&G or payroll tax expense.

For overtime payroll, including loadings, charged to distribution and transmission for the year 2016, 2017, 2018, and 2019, please see response to OPC's Third Set of Interrogatories No. 85.

Gulf did not charge any overtime payroll to deferred storm costs between January 2014 and September 2018. In 2018 and 2019, Gulf charged overtime payroll costs, including loadings, of \$5,141,728.79 for distribution and transmission to deferred storm costs of which \$74,793.34 was cleared back to O&M as an ICCA adjustment. The chart below presents the monthly overtime payroll charged to deferred storm costs before adjustments. All budgeted overtime and overtime for follow-up work performed in 2019 was adjusted as non-incremental.

Gulf Power Company
Docket No. 20190038-EI
OPC's Third Set of Interrogatories
Interrogatory No. 86
Page 2 of 2

	<u>Oct-18</u>	<u>Nov-18</u>	<u>Dec-18</u>	<u>Jan-19</u>	<u>Feb-19</u>	<u>Mar-19</u>	<u>Apr-19</u>
Distribution	1,793,053	1,923,822	560,700	-	1,271	18,406	20,702
Transmission	413,940	352,102	29,472	-	143	1,381	1,195
T&D Total	2,206,993	2,275,924	590,172	-	1,414	19,787	21,897

	<u>May-19</u>	<u>Jun-19</u>	<u>Jul-19</u>	<u>Aug-19</u>	<u>Sep-19</u>	<u>Oct-19</u>	<u>Total</u>
Distribution	12,395	9,770	1,422	274	19	-	4,341,834
Transmission	928	575	157	-	-	-	799,895
T&D Total	13,323	10,346	1,580	274	19	-	5,141,729

Gulf's Response to OPC's Third Production of Documents AMENDED Nos. 33, 34, 36-39.

(No. 36 has amended confidential attachments)

**CONFIDENTIAL DN.
02483-2020**

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 30
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Goldstein (33, 34, 36-39)
Talley (37)

QUESTION:

Refer to the confidential response to POD 10 in OPC's First Request for Production of Documents for invoice binder 45.0, specifically to Bates pages 012335-37 and 012411-61 as examples of hourly labor billing for this vendor showing that all time is billed at overtime or double time rates. Refer also to the contract pages located in the confidential response to POD 6 in OPC's First Request for Production of Documents related to this vendor at Bates pages 001377-78. The contract pages provided state that the extended time (overtime) multiplier is applicable to hours paid over 40 hours in one week. Provide all documents that show the authorization or requirement to pay this vendor for all hours at overtime or double time rates. If none, so state.

RESPONSE:

Please see Gulf's response to OPC3rdPOD_Item No. 33 - attachment 1_ServiceElect, attached hereto, for additional information as it pertains to the requirement to pay the vendor overtime for storm restoration work.

Please see Bates 001377 in Binder Storm Contracts-Rates M – Z in POD 6 for the requirement to pay the vendor double time rates during Holidays and Sundays.

Section 9: Gulf Power Alternate Contractor Proposals

OVERTIME

All work performed in excess of forty (40) hours per week, and or outside of the normal work hours of 6:00 a.m to 6:00 p.m. weekdays, and or work performed between 6:00 a.m. Saturday and 6:00 a.m. Monday shall be paid for at one and one-half (1&1/2) times the employee's regular straight time rate (extended rate).

HOLIDAYS

The following day or days celebrated in lieu thereof shall be considered holidays: New Year's Day, Memorial Day, Fourth of July, Labor Day, Thanksgiving Day, Christmas Eve, and Christmas Day. All work performed on holidays and on Sundays shall be paid for at 180% times the Straight Time Billing Rate. Holidays will be observed on the same day as the day celebrated by the Utility Company for whom the work is being performed.

STORM RESTORATION

When an employee engages in **storm restoration**, responding employees will be paid time and one-half (1 & 1/2) for all work performed including standby. Employees will remain on time and one half until an eight hour rest has been granted.

If crews are requested to travel to a geographical area outside of the Southern Company's normal area to provide services for another utility the rates included in this proposal DO NOT APPLY. Due to IBEW jurisdictional agreements compensation and working conditions could differ greatly from those contained herein.

CONTRACT TERMS & CONDITIONS

Note that the Master Agreement and the Service Order have been submitted with markups to indicate exception, clarification and or insertion of terms and conditions we wish to change or incorporate. Newly added blocks of text may be indicated by italicized text; language added to existing text may be indicated via underlined italics; and language to be stricken may be indicated using strikeout font:

7.1.1. "Normal Work Hours" - When workers are required to work outside of normal work hours between the hours of 4:30 p.m. - 12:00 a.m. the billing rate will be 110% of the Straight Time Billing rate. From 12:00 a.m. - 8:00 a.m. the billing rate will be 115% of the Straight Time Billing rate.

EQUIPMENT BILLING

Equipment assigned to a crew, in agreement with the customer, will be billed the same hours as the crews assigned the equipment. Specialty equipment such as cranes, backyard machines, wire pullers, tensioners etc., will be billed a minimum of 25 hours per week when assigned to a crew. Pickup trucks, Bucket trucks and Digger Derricks are not considered specialty equipment and will be billed the same hours as the crew they're assigned.

QUESTION:

Refer to the confidential response to POD 10 in OPC's First Request for Production of Documents for invoice binder 1.0, specifically to Bates pages 001860-61 and 001865-66 as examples of two different sets of hourly labor billing for this vendor. Similar invoices for this vendor appearing to use the same billing rates are also included in numerous other invoice binders. Refer also to the contract pages located in the confidential response to POD 6 in OPC's First Request for Production of Documents related to this vendor at Bates pages 001407-20, in which the labor rates do not appear to match the rates included in the invoice detail while the equipment billing rates do appear to match. Provide or reference all pages in the response to POD 6 in OPC's First Request for Production of Documents that show the contract rates for the two referenced invoices included in binder 1.0.

RESPONSE:

The invoices for Southern Electric Corporation of Mississippi include multiple rates which vary depending on the type of crew the vendor provided in connection with Hurricane Michael restoration. Southern Electric Corporation of Mississippi provided different categories of crews (e.g., Embedded vs. Off System crews), resulting in a variation of the rates charged for the different types of crews.

Please see Bates 001408 in Binder Storm Contract-Rates M – Z in POD 6 for the rates applicable to off system crews. Please see Bates 001407 in Binder Storm Contract-Rates M – Z in POD 6 for the rates applicable to embedded crews.

QUESTION:

Refer to the confidential response to POD 10 in OPC's First Request for Production of Documents for invoice binder 115.0, specifically to Bates pages 034973 -76 showing hourly billing rates for equipment, and refer also to the contract pages located in the confidential response to POD 6 in OPC's First Request for Production of Documents related to this vendor at Bates pages 001715-18. Provide or specifically reference all documents that show or contain the contract billing amount(s) for this equipment.

RESPONSE:

The billing rates for the equipment were inadvertently cut off the rate sheet provided. Please see Gulf's response to OPC3rdPOD_Item No. 36 - attachment 1_Utilicon, attached hereto, which is confidential.

QUESTION:

Refer to the Company's response to POD 5 in OPC's First Request for Production of Documents. Provide copies of any storm-related procurement policies that address the timing of contractor acquisition, selection of contractors, use of standardized contract forms and/or terms, contract rates for labor, contract rates for equipment, and standard hours for labor and/or equipment, among other contract terms.

RESPONSE:

Gulf does not have a storm-related procurement policy. The company follows its normal procurement policies, with the understanding that during an emergency situation such as that experienced following a hurricane, the type and quantity of goods and services requested increase to accurately reflect the needs of the business unit to effectively undertake restoration activities. Based on experience and knowledge of the industry, the personnel responsible for procuring the needed goods and services understand the purchasing options available to them, and understand how to select the option best suited to meet each requirement given the situation and circumstances following a major storm.

QUESTION:

Refer to the Company's response to POD 9 in OPC's First Request for Production of Documents, which requested the expense associated with line contractors providing day-to-day service embedded in base rates. Provide a copy of the schedules and/or workpapers relied upon to calculate the amount of the expense reflected in the Company's cost of service study in the most recent rate case. (This amount should be the amount given in response to Interrogatory [80].)

RESPONSE:

The Florida Public Service Commission entered its Final Order Approving Stipulation and Settlement Agreement and Approving Tariffs and Rate Schedules of Gulf Power Company in Order No. PSC-17-0178-S-EI, issued on May 16, 2017, in Docket Nos. 160170-EI and 160186-EI (consol.). In that proceeding, Gulf submitted various Minimum Filing Requirements (MFRs), which contained expense information supporting Gulf's proposed base rates. Because the case resulted in a settlement, it cannot be assumed that rates were established based upon the information and data included in those MFRs.

Based on correspondence with OPC, Gulf understands that OPC's question asks for the amount of expense reflected in the Company's MFRs in its most recent rate case. In response, Gulf provides the following response.

Please see the attached for screenshots of SOFIA (Southern Financial Information Access) system queries used to generate / calculate the expense.

80. Refer to the Company's response to POD 9 in OPC's First Request for Production of Documents, which requested the expense associated with line contractors providing day-to-day service embedded in base rates. What was the amount of the expense reflected in the Company's cost of service study in the most recent rate case?

Chose Activities for Total Company OH Line Contractors - FERC's 563, 571, 593 (excluding VM Contractors)

Only chose Contractor Costs (Resource Types "KAA-KZZ")

Chose Budget 2016 F1 (2017 Test Year Rate Case)

Total Company Line Contractor Cost 2016 F1 - \$834,564

Sofia - Enter Multiple Segment Ranges or Hierarchies

Segment	I/E	From	To	Hierarchy
RTYPE	I	KAA	KZZ	
FERCSUB	I	56300000	56300000	
FERCSUB	I	57100000	57100000	
FERCSUB	I	59300000	59300000	
EWO	E	DVGMGT	DVGMGT	
EWO	E	TLEMGN	TLEMGN	

SOFIA - GL Summary Data

12 Months AFF Original Budget F1 FINAL

Filtering: Apply Remove Enable Filtering

Row: 1 of 1	CO	Original Budget F1 FINAL ... Jan 16-Dec 16...
	GULF POWER CO	834,564.00
	Total	834,564.00

SOFIA - GL Summary Data

12 Months AFF Original Budget F1 FINAL ...Jan 16-Dec 16...

Filtering: Apply Remove Enable Filtering

Row: 1 of 1	CO	Original Budget F1 FINAL ... Jan 16-Dec 16...
	FPC	834,564.00
	Total	834,564.00

QUESTION:

Refer to the Company's response to POD 11 in OPC's First Request for Production of Documents, which requested the expense associated with vegetation management contractors providing day-to-day service embedded in base rates. Provide a copy of the schedules and/or workpapers relied upon to calculate the amount of the expense reflected in the Company's cost of service study in the most recent rate case. (This amount should be the amount given in response to Interrogatory [81].)

RESPONSE:

The Florida Public Service Commission entered its Final Order Approving Stipulation and Settlement Agreement and Approving Tariffs and Rate Schedules of Gulf Power Company in Order No. PSC-17-0178-S-EI, issued on May 16, 2017, in Docket Nos. 160170-EI and 160186-EI (consol.). In that proceeding, Gulf submitted various Minimum Filing Requirements (MFRs), which contained expense information supporting Gulf's proposed base rates. Because the case resulted in a settlement, it cannot be assumed that rates were established based upon the information and data included in those MFRs.

Based on correspondence with OPC, Gulf understands that OPC's question asks for the amount of expense reflected in the Company's MFRs in its most recent rate case. In response, Gulf provides the following response.

Please see the attached for screenshots of SOFIA (Southern Financial Information Access) system queries used to generate/calculate the expense.

81. Refer to the Company's response to POD 11 in OPC's First Request for Production of Documents, which requested the expense associated with vegetation management contractors providing day-to-day service embedded in base rates. What was the amount of the expense reflected in the Company's cost of service study in the most recent rate case?

Chose Activities for Transmission VM (TSVM and TLVMM) and Distribution VM (DVGMMGT).

Only chose Contractor Costs (Resource Types "KAA-KZZ")

Chose Budget 2016F1 (2017 Test Year Rate Case)

Total Company VM Contractor Cost 2016 F1 - \$8,938,604

The screenshot shows the SOFIA (Southern Financial Information Access System) interface. The main window has a menu bar (File, View, Options, Help) and a title bar. Below the menu bar, there are several configuration sections:

- Access Level:** Gulf Power
- Information View:** O&M (100%) - Exc Cls
- Filter DataTypes:** A button to filter data types.
- AFF Information:** A list of fields with checkboxes and values:
 - Performing Rcn:
 - Resource Type: 3
 - Activity: 5
 - Work Order: 2
 - Project:
 - Location:
 - Ferc/Sub: 1
 - Receiving Organization:
 - Billing Work Order:
 - Allocation Indicator:
 - Company Code: 4
- Data Types:**
 - Save Data Types
 - Trend Analysis
 - Start: Original Budget F1 FINAL
 - End: January
 - Detail Batch: 2016
 - 2016

An overlaid window titled "Sofia - Enter Multiple Segment Ranges or Hierarchies" is open, showing a table with the following data:

Segment	I/E	From	To	Hierarchy
ACTIVITY	I	TSVM	TSVM	
ACTIVITY	I	DVGMMGT	DVGMMGT	
ACTIVITY	I	TLVMM	TLVMM	
RTYPE	I	KAA	KZZ	

At the bottom of the main window, the status bar shows: USER ID: Q2PAPRAT, Company: Gulf Power, Database: Production. The overlaid window has buttons for Add Row, Copy Row, Delete, Save, Close, and Hierarchy.

12 Months AFF F1 FINAL ...Jan 16-Dec 16

Filtering

Apply Remove Enable Filtering

Values / Descriptions

Row: 1 of 1	
CO	Original Budget F1 FINAL ... (Jan 16-Dec 16...)
FPC	8,938,604.00
Total	8,938,604.00

12 Months AFF F1 FINAL ...Jan 16-Dec 16

Filtering

Apply Remove Enable Filtering

Values / Descriptions

Row: 1 of 1	
CO	Original Budget F1 FINAL ... (Jan 16-Dec 16...)
GULF POWER CO	8,938,604.00
Total	8,938,604.00

You will notice a discrepancy on this query vs. ROG 80. This query excludes FERC 563 and EWO TLEMGN.

This EWO is used to capture expenses associated with Miscellaneous Vegetation Management Expenses.

This EWO used for Miscellaneous Vegetation Management expenses was erroneously budgeted. These dollars were erroneously used as a placeholder for Transmission Labor and other expenses. These are truly not VM Expenses and when filings were made to the Commission, these totals for Budget were not included. And since some Covered Straight Time was budgeted, an amount was calculated for Covered Pay for Performance and other allocated Resource Types.

There is also a table at the very bottom showing that zero dollars were charged to this EWO over the past 5 years, therefore ensuring that the actual numbers submitted for Vegetation Management expenses are indeed correct.

The screenshot shows the SOFIA software interface. At the top, the window title is "SOFIA : Southern Financial Information Access System - V:\Workgroups\FPC Business Planning\Allison\Website\MH\SOFIA\SOFIA\TLEMGN Misc Tree Tri...". The menu bar includes "File View Options Help".

The main interface is divided into several sections:


- Access Level:** A dropdown menu set to "Gulf Power".
- Information View:** A dropdown menu set to "O&M (100%) - Exc Cls".
- Filter DataTypes:** A button to filter data types.
- AFF Information:** A table with columns for "Display Order", "Level of Display", "Select Values OR", "Range of Values [From / Thru]", "OR", and "Multiple Ranges". Rows include "Performing Rcn", "Resource Type", "Activity", "Work Order", "Project", "Location", "Ferc/Sub", "Receiving Organization", "Billing Work Order", "Allocation Indicator", and "Company Code".
- Data Types:** A section with checkboxes for "Save Data Types" and "Trend Analysis". It includes a table with columns for "Actual", "Start", and "End". Rows are for years 2014 through 2018, each with "January" and "December" dropdowns and a "Detail Batch" button.
- Buttons:** "Summary Data" and "Exit" buttons are visible at the bottom right.

A modal window titled "Sofia -Enter Multiple Segment Ranges or Hierarchies" is open in the foreground. It contains a table with the following data:

Segment	I/E	From	To	Hierarchy
EWO	I	TLEMGN	TLEMGN	

At the bottom of the modal window, there are buttons for "Add Row", "Copy Row", "Delete", "Save", "Close", and "Hierarchy".

A total of \$28,949.45 was excluded from Total Tree Trim Budget in 2016F1.

 SOFIA - GL Summary Data

File View Options Help

12 Months		AFF		Original Budget F1 FINAL ...Jar ▾		
Filtering						
<input type="button" value="Apply"/>		<input type="button" value="Remove"/>		<input type="checkbox"/> Enable Filtering		
Values / Descriptions						
Row: 48 of 48						
	PRCN	EWO	ACTVTY	FERCS	RT	Original Budget F1 Jan 16-Dec 16...
	40333	TLEMG	TLEM	5630000	MMN	0.00
	40333	TLEMG	TLEM	5630000	SDM	0.00
	40334	TLEMG	TLEM	5630000	CCE	0.00
	40334	TLEMG	TLEM	5630000	ECM	0.00
	40334	TLEMG	TLEM	5630000	ITR	0.00
	40334	TLEMG	TLEM	5630000	LAN	0.00
	40334	TLEMG	TLEM	5630000	LEC	0.00
	40334	TLEMG	TLEM	5630000	LSC	7,538.00
	40334	TLEMG	TLEM	5630000	MHS	0.00
	40334	TLEMG	TLEM	5630000	MMN	0.00
	40991	TLEMG	TLEM	5630000	LEC	0.00
	40991	TLEMG	TLEM	5630000	LPC	1,960.45
	40995	TLEMG	GLABA	5630000	LAC	60.00
▶	40995	TLEMG	GLABA	5630000	LRT	0.00
	Total					28,949.45

12 Months
AFF
Actual ...Jan 14-Dec 14...
Detail Batch
Drilldown
Where Am I
Close

Filtering

Apply
Remove
 Enable Filtering



Values / Descriptions

Row: 46 of 46

	PRCN	EWD	ACTVTY	FERCS	RT	Actual ... Jan 14-Dec 14...	Actual ... Jan 15-Dec 15...	Actual ... Jan 16-Dec 16...	Actual ... Jan 17-Dec 17...	Actual IC Jan 18-Dec 18..
	40333	TLEMG	TLEM	5630000	MMN	0.00	0.00	0.00	0.00	0.00
	40333	TLEMG	TLEM	5630000	SDM	0.00	0.00	0.00	0.00	0.00
	40334	TLEMG	TLEM	5630000	CCE	0.00	0.00	0.00	0.00	0.00
	40334	TLEMG	TLEM	5630000	ECM	0.00	0.00	0.00	0.00	0.00
	40334	TLEMG	TLEM	5630000	ITR	0.00	0.00	0.00	0.00	0.00
	40334	TLEMG	TLEM	5630000	LAN	0.00	0.00	0.00	0.00	0.00
	40334	TLEMG	TLEM	5630000	LEC	0.00	0.00	0.00	0.00	0.00
	40334	TLEMG	TLEM	5630000	LSC	0.00	0.00	0.00	0.00	0.00
	40334	TLEMG	TLEM	5630000	MHS	0.00	0.00	0.00	0.00	0.00
	40334	TLEMG	TLEM	5630000	MMN	0.00	0.00	0.00	0.00	0.00
	40991	TLEMG	TLEM	5630000	LEC	0.00	0.00	0.00	0.00	0.00
	40991	TLEMG	TLEM	5630000	LPC	0.00	0.00	0.00	0.00	0.00
	40995	TLEMG	GLABA	5630000	LAC	0.00	0.00	0.00	0.00	0.00
▶	40995	TLEMG	GLABA	5630000	LRT	0.00	0.00	0.00	0.00	0.00
	Total					0.00	0.00	0.00	0.00	0.00

12 Months

AFF

Original Budget F1 FINAL ...Jar

Detail Batch

Drilldown

Wt

Filtering

Apply

Remove

Enable Filtering

Values / Descriptions

Row: 6 of 6

	PRCN	EWO	ACTVTY	FERCS	RT	Original Budget F1 Jan 16-Dec 16...	Original Budget BY Jan 17-Dec 17...	Actual IC Jan 17-Dec 17...
	40333	TLEMG	TLEM	5630000	KLO	6,600.00	0.00	0.00
	40333	TLEMG	TLEM	5630000	LEC	5,253.00	6,500.00	0.00
	40333	TLEMG	TLEM	5630000	LSC	7,538.00	0.00	0.00
	40334	TLEMG	TLEM	5630000	LSC	7,538.00	0.00	0.00
	40991	TLEMG	TLEM	5630000	LPC	1,960.45	366.95	0.00
▶	40995	TLEMG	GLABA	5630000	LAC	60.00	0.00	0.00
	Total					28,949.45	6,866.95	0.00

12 Months		AFF		Actual ...Jan 16-Dec 16...		Detail Batch		Drilldown		Where Am I		Close	
Filtering													
Apply		Remove		<input type="checkbox"/> Enable Filtering									
Values / Descriptions													
Row: 46 of 46													
PRCN	EWO	ACTVTY	FERCS	RT	Actual ... Jan 16-Dec 16...	Actual ... Jan 17-Dec 17...	Actual ... Jan 18-Dec 18...	Actual ... Jan 15-Dec 15...	Actual ... Jan 14-Dec 14...				
40333	TLEMG	TLEM	5630000	MMN	0.00	0.00	0.00	0.00	0.00				
40333	TLEMG	TLEM	5630000	SDM	0.00	0.00	0.00	0.00	0.00				
40334	TLEMG	TLEM	5630000	CCE	0.00	0.00	0.00	0.00	0.00				
40334	TLEMG	TLEM	5630000	ECM	0.00	0.00	0.00	0.00	0.00				
40334	TLEMG	TLEM	5630000	ITR	0.00	0.00	0.00	0.00	0.00				
40334	TLEMG	TLEM	5630000	LAN	0.00	0.00	0.00	0.00	0.00				
40334	TLEMG	TLEM	5630000	LEC	0.00	0.00	0.00	0.00	0.00				
40334	TLEMG	TLEM	5630000	LSC	0.00	0.00	0.00	0.00	0.00				
40334	TLEMG	TLEM	5630000	MHS	0.00	0.00	0.00	0.00	0.00				
40334	TLEMG	TLEM	5630000	MMN	0.00	0.00	0.00	0.00	0.00				
40991	TLEMG	TLEM	5630000	LEC	0.00	0.00	0.00	0.00	0.00				
40991	TLEMG	TLEM	5630000	LPC	0.00	0.00	0.00	0.00	0.00				
40995	TLEMG	GLABA	5630000	LAC	0.00	0.00	0.00	0.00	0.00				
▶ 40995	TLEMG	GLABA	5630000	LRT	0.00	0.00	0.00	0.00	0.00				
Total					0.00	0.00	0.00	0.00	0.00				

SOFIA - GL Summary Data

File View Options Help

12 Months AFF

Filtering

Apply

Remove

Values / Descriptions

Row: 13 of 13

	FERCS	Original Budget F1 Jan 16-Dec 16...
	580	4,572.00
	581	17,342.00
	582	6,000.00
	583	168,325.00
	584	16,575.00
	586	35,693.00
	587	32,197.00
	588	35,412.00
	590	16,451.00
	592	59,370.00
	593	572,545.00
	594	106,645.00
	595	26,148.00
	Total	1,097,275.00

SOFIA - GL Summary Data

File View Options Help

12 Months AFF Original Budget F1 FINAL ...Jar Detail Batch

Filtering

Apply

Remove

Enable Filtering

Values / Descriptions

Row: 13 of 13

	FERCSUB	Original Budget F1 FINAL ... Jan 16-Dec 16...
	DIST-OPERATION SUPERVISION,ENG	4,572.00
	DIST-LOAD DISPATCHING	17,342.00
	DIST-STATION EXPENSES	6,000.00
	DIST-OVERHEAD LINE EXPENSES	168,325.00
	DIST-UNDERGROUND LINE EXPENSES	16,575.00
	DIST-METER EXPENSES	35,693.00
	DIST-CUST INSTALLATIONS EXP	32,197.00
	DIST-MISC DISTRIBUTION EXP	35,412.00
	DIST-MAINT SUPERVISION AND ENG	16,451.00
	DIST-MAINT-STATION EQUIP	59,370.00
	DIST-MAINT-OVERHEAD LINES	572,545.00
	DIST-MAINT-UG LINES	106,645.00
	DIST-MAINT-LINE TRANSFORMERS	26,148.00
	Total	1,097,275.00

Gulf's Response to OPC's Fourth Set of Interrogatories
No. 89, 90

(No. 90 has attachments)

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 31
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Goldstein (89, 90)

QUESTION:

Refer to the Company's response to OPC's Second Set of Interrogatories No. 76, which asked why the December 2018 invoices after the week ending 12/1/2018 for the vendor found in invoice binder 100 contained 2019 contract billing rates instead of the 2018 rates. The response referred to the response to OPC's Second Set of Interrogatories No. 75. There does not appear to be anything in the response to OPC's Second Set of Interrogatories No. 75 that answers the question as to why the 2019 billing rates were used for the December 2018 invoices. Please answer the original question and cite to all provisions in the contract(s) or other correspondence allowing the use of 2019 rates for 2018 services provided by this vendor. If the Company determines that a switch to 2019 contract billing rates was premature for the December 2018 invoices, please so state and quantify the excess paid to that vendor. Provide all supporting calculations of the excess.

RESPONSE:

The second paragraph in Gulf's response to OPC's Second Set of Interrogatories No. 75, should have stated "incorrectly paid double time *and 2019 rates*". The analysis resulting in the reduction of \$45,871.98, which Gulf plans to remove from the total costs for which it is seeking recovery in this proceeding, was initially calculated with the premature application of 2019 rates, but was corrected by utilizing the 2018 rates that were in effect when the work was performed. As stated in Gulf's response to OPC's Second Set of Interrogatories No. 75, Gulf will provide a revised cost recovery figure, which reflects the removal of the \$45,871.98, with its rebuttal testimony.

QUESTION:

Refer to rule 25-6.043(e)(7), F.A.C.

- a. Indicate where the Company has reduced, pursuant to the requirements of rule 25-6.043(e)(7), its claim for storm-related materials and supplies costs to exclude "those costs that normally would be charged to non-cost recovery clause operating expenses in the absence of a storm." If the Company did not reduce its claim for "those costs," then explain why it did not do so.
- b. Provide the Company's calculation of the materials and supplies "costs that normally would be charged to non-cost recovery clause operating expenses in the absence of a storm" for each month October 2018 through August 2019 by FERC account/subaccount. Describe the methodology used to identify and calculate these costs. Identify and provide all support for these amounts, including electronic spreadsheets in live format with all formulas intact, source documents, and data annotated to the source documents.
- c. Provide the actual materials and supplies cost in total and the expense for each month October 2015 through August 2018. Provide the expense amounts by FERC O&M expense account.

RESPONSE:

- a. Storm-related materials and supplies costs are included in the adjustments for capitalizable costs reducing the total incremental storm costs.
- b. Gulf, in determining the costs to be charged to cover storm-related damages, used an Incremental Cost and Capitalization Approach methodology (ICCA). Under the ICCA methodology the utility is allowed to charge to Account No. 228.1 costs that are incremental to costs normally charged to base rates in the absence of a storm. Normal capital construction is not charged to the 228-reserve account. These costs were instead charged to the normal plant account. These transactions, consisting of expenditures for the removal, retirement and replacement of damaged facilities were calculated in a manner that removed costs related to the nature of bringing in resources for storm restoration, such as storm labor rates, material pricing increases and transportation. Gulf reconstructed the Distribution mass property at normal costs using the latest Roll Forward Ledger (RFL). The RFL spreadsheet was used to calculate the annual additions, retirements and ending balances based on average cost. The RFL AUC was fully loaded with the cost of materials, labor, and associated overheads. The storm capital additions were derived from the stores quantity issues and priced on the RFL current year average additions costs. The retirements were again based on the stores quantity issues and priced on the average cost/composite value for all years contained in the ending balance. The cost estimate for removing the retired goods used a composite cost of removal per dollar of retirement in the RFL year. When the appropriate estimates were made the costs for capital additions and the cost of removing the retired assets were removed from the storm order and moved to a capital work order. The calculated retirement values of the assets were then retired on this work order as well.

The area outside of mass property (primarily distribution line investment), was handled by creating capital work orders for the construction of the replacement facilities. The values to retire were known here since this investment was tracked individually as location property. The replacement capital was built using normal estimation tools with known adjustments for storm related expenses. Removal costs were estimated with the normal estimation process for transmission lines and sub-stations.

The calculated construction amounts were removed from the storm Jobs and booked to their normal capital account numbers.

For Gulf's support for these amounts, please see OPC's Second Set of Interrogatories No. 90, Attachment Nos. 1-10 for the calculations of Gulf's Hurricane Michael ICCA capital adjustments, which includes materials and supplies.

- c. Please see OPC's Second Set of Interrogatories No. 90, Attachment No. 11.

Gulf's Response to OPC's Fifth Set of Interrogatories
Nos. 91-93.

(Nos. 91, 93 have attachments)

QUESTION:

Refer to Attachment No. 1 – Supplemental provided in response to OPC’s 2nd INT 66.

- a. Refer to cell I42. Confirm that the formula in this cell contains an error. Provide a corrected version of this spreadsheet.
- b. Explain the amounts shown in cells H21 and I21.
- c. Explain why there were no charges to account 571 in Oct-Nov 2018.
- d. Explain why the charges to account 593 in Oct-Nov 2018 were significantly greater than the charges to this account in Oct-Nov 2015, Oct-Nov 2016, and Oct-Nov 2017.
- e. Refer to account 593 EWO descriptions OH ASSET MGT-GENERAL and OH LOCAL STORMS. Provide a detailed description of the expenses included in these EWOs.
- f. Refer to cells I31, G34, H34, and I34. Provide the underlying activity detail charged to this account and explain why these amounts were significantly greater than charges to these EWOs in Oct-Nov 2015, Oct-Nov 2016, and Oct-Nov 2017.

RESPONSE:

As set forth in its general objections, Gulf objects to each and every discovery request that seeks information and/or documentation about costs incurred by Gulf prior to the year 2018, with the exception of certain vegetation management information, on the basis that such information is irrelevant, immaterial, and not reasonably calculated to lead to the discovery of admissible evidence in this proceeding, and is overbroad and unduly burdensome.

- a. Yes. Please see OPC’s Fifth Set of Interrogatories No. 91, Attachment No. 1 for a corrected version.
- b. Cell H21 reflects the line contractor maintenance expenses related to Hurricane Michael. These expenses should have been charged to FERC 820 On System Storm clearing account rather than direct to O&M. Cell I21 reflects the credit which correctly moved these expenses out of O&M and into the FERC 820 clearing account the following month.
- c. Contractor expenses typically charged to FERC 571 are related to transmission tower and transformer painting. Beginning October 2018, the severity of the Hurricane Michael restoration efforts impacted the prioritization of the previously planned painting work and it did not proceed as scheduled.
- d. Please see OPC’s Fifth Set of Interrogatories No. 91, Attachment No. 1 which provides the detailed breakout for activity in the FERC 593. In 2018, Gulf Power’s service areas experienced increased storm activity outside of Hurricane Michael which it had not

experienced in previous years. As a result, charges to account 593 in Oct-Nov 2018 were significantly higher than historical amounts.

e. EWO DOAMGT (**D**istribution **O**verhead **A**sset **M**ana**G**ement**T** - General) is used to capture minor non-program specific charges associated with asset management included with the general maintenance of all overhead distribution system attachments, devices, equipment, fixtures, and poles. Please note that DOAMGT is the parent activity for the following common activities:

- General repair and maintenance costs associated with overhead distribution line inspections;
- Overhead distribution pole ground line treatments (Includes inspection if incidental to treatment of the pole);
- Inspection of overhead distribution line reclosers;
- Maintenance of overhead distribution line reclosers;
- Inspection of overhead distribution line capacitors;
- Maintenance of overhead distribution line capacitors;
- Maintenance of overhead distribution line gang operated switches;
- Maintenance of overhead distribution line automation devices;
- Maintenance of overhead distribution line fault indicators;
- Infra-red Inspections of overhead distribution lines;
- Proactive hardening of overhead distribution system against storms;
- Incidental maintenance associated with replacing deteriorated conductor on a capital project on the overhead distribution system;
- Credits associated with the first cost of installing and removing transformers on the overhead distribution system;
- Replacing (Installing and Removing) overhead transformers;
- Charges associated with scrapping obsolete materials previously used on the overhead distribution system;
- Maintenance of overhead distribution lines associated with the smart grid projects; and
- Maintenance of overhead distribution lines associated with customer requests such as temporary grounding or cover up.

EWO DOSTRM (**D**istribution **O**verhead Local **S**T**O**R**M**s) is used to capture expenses associated with the reactive response for restorations associated with interruptions in service on the overhead distribution system, which are primarily due to weather associated with local storms, including the re-fusing of lines and transformers as required to return the distribution system back to the normal state. These charges also include major storm expense allocations (i.e. straight time labor that would have been charged to normal business but transferred to FERC 593 after it was transferred from the 820 clearing account).

f. For underlying detail activity for cells I31, G34, H34, and I34, please see OPC's Fifth Set of Interrogatories No. 91, Attachment No. 2.

Charges to EWO DOAMGT (OH ASSET MGT-GENERAL) were greater in December 2018 due to timing. Asset Management Reliability contractor work is typically planned for earlier in the year.

For an explanation of why charges to EWO DOSTRM (OH LOCAL STORMS) were greater in Oct-Nov 2018, please see response to subpart d of Gulf's response to OPC Interrogatory No. 91

QUESTION:

Refer to OPC's 2nd INT 68. The intent of this question is to obtain the line maintenance expense excluding line contractor expense incurred that was unrelated to Hurricane Michael and the line maintenance expense excluding line contractor expense incurred directly as the result of Hurricane Michael. For each of the items below, provide the information requested as if the Company had recorded the expense components of the storm costs directly to the O&M expense accounts and then deferred the storm expenses to the storm account rather than apparently bypassing this accounting step and deferring the expenses directly to the storm account.

- a. Provide the Company's line maintenance expense, excluding contractor expense, for each month October through December by FERC account for each year 2015, 2016, 2017, and 2018, including in this answer the storm expense charged to the storm account.
- b. Provide the Company's line maintenance expense, excluding contractor expense, for each month October through December by FERC account for each year 2015, 2016, 2017, and 2018, excluding from this answer the storm expense charged to the storm account.
- c. Identify all documents utilized in answering this interrogatory or that support the answer to this interrogatory.

RESPONSE:

As set forth in its general objections, Gulf objects to each and every discovery request that seeks information and/or documentation about costs incurred by Gulf prior to the year 2018, with the exception of certain vegetation management information, on the basis that such information is irrelevant, immaterial, and not reasonably calculated to lead to the discovery of admissible evidence in this proceeding, and is overbroad and unduly burdensome. Subject to its objections

Gulf did not bypass an accounting step in its recording of this information. The Company adheres to the FERC Uniform System of Accounts prescribed for public utilities. Expenses related to storm activity are first booked to the FERC 820 clearing account until it is determined that it either qualifies to be charged to the storm reserve or is charged back to base O&M.

- a. Please see Gulf's response to OPC's Fifth Set of Interrogatories No. 93 and Attachment No. 1 thereto.
- b. Please see Gulf's response to OPC's Fifth Set of Interrogatories No. 93 and Attachment No. 1 thereto.
- c. Please see Gulf's response to OPC's Fourth Set of Production of Documents, No. 44.

DECLARATION

I sponsored the answer to Interrogatory Nos. 91-93 from OPC's Fifth Set of Interrogatories to Gulf Power Company in Docket No. 20190038-EI, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.



Mitchell Goldstein

Date: _____

Gulf's responses to FEA's 1st set of Interrogatories
Nos.5-7.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 33
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Goldstein (5-7)

QUESTION:

At page 9 of Mr. Goldstein's Direct Testimony, he states that the Company is including contractor costs and line clearing costs of \$255.9 for mutual aid utilities. Please explain whether or not the Company included contractor-related costs in base rates, where those expenses were not spent during the period of restoration for Hurricane Michael was conducted. If affirmative, please explain why contractor-related costs included in base rates, that were not spent, were not used as a credit to Hurricane Michael restoration costs.

RESPONSE:

Gulf's base rates in effect for 2018 were the result of a comprehensive black box settlement agreement approved by the Commission in Order No. PSC-17-0178-S-EI, issued on May 16, 2017 in Docket Nos. 160170-EI and 160186-EI (consol.) ("2017 Settlement"). The 2017 Settlement was achieved after extensive, good faith negotiations among the signatory parties and represented a compromise of many diverse and competing litigation positions. As a result, the actual revenue requirement adopted under the 2017 Settlement was significantly less than the as-filed revenue requirement. The fixed base rates approved under the 2017 Settlement were designed to achieve this settled revenue requirement, not the as-filed revenue requirement. Although the base rates charged to customers under the 2017 Settlement are fixed, the 2017 Settlement agreement did not fix or otherwise specify the amount of contractor-related costs to be charged to base rates in any given year. The actual amount of contractor-related costs to be charged to base rates can and does fluctuate from year to year – meaning the amount of regular contractor-related expense charged to base rates in one year could be the same, more, or less than the amount charged to base rates in prior or subsequent years. However, these fluctuations do not alter the fixed base rates charged to customers under the 2017 Settlement.

Gulf's \$255.9 million in line contractor costs, line clearing costs incurred through the work of vegetation contractors, and costs incurred for work performed by mutual aid utilities, were determined to be incremental and therefore eligible for recovery pursuant to Rule 25-6.0143, F.A.C.

QUESTION:

Referring to page 11 of Mr. Goldstein's Direct Testimony, he states that vegetation management was included in the Hurricane Michael incremental costs. Please explain whether the Company recovers vegetation management in base rates, and were those costs fully expended before incremental costs associated with Hurricane Michael were estimated and included in the recoverable balance? Please explain answer.

RESPONSE:

The base rates in effect for 2018 were the result of a full comprehensive, black box settlement agreement approved by the Commission in Final Order Approving Stipulation and Settlement Agreement and Approving Tariffs and Rate Schedules for Gulf Power Company PSC-17-0178-S-EI ("2017 Settlement"). The 2017 Settlement was achieved after extensive, good faith negotiations among the signatory parties and represented a compromise of many diverse and competing litigation positions. As a result, the actual revenue requirement adopted under the 2017 Settlement was significantly less than the as-filed revenue requirement. The fixed base rates approved under the 2017 Settlement were designed to achieve this settled revenue requirement, not the as-filed revenue requirement. Although the base rates charged to customers under the 2017 Settlement are fixed, the 2017 Settlement agreement did not fix or otherwise specify the amount of vegetation management contractor expense to be charged to base rates in any given year. The actual amount of vegetation management contractor expense to be charged to base rates can and does fluctuate from year to year – meaning the amount of regular vegetation management contractor expense charged to base rates in one year could be the same, more, or less than the amount charged to base rates in prior or subsequent years. However, these fluctuations do not alter the fixed base rates charged to customers under the 2017 Settlement.

Rule 25-6.0143, F.A.C., specifically provides that "Tree trimming expenses, incurred in any month in which storm damage restoration activities are conducted, that are less than the actual monthly average of tree trimming costs charged to operation and maintenance expense for the same month in the three previous calendar years" are prohibited from being charged to the reserve under the ICCA methodology. Gulf analyzed all vegetation management costs incurred during Hurricane Michael restoration, expensed costs up to the monthly three-year average to non-cost recovery clause operating expenses, and requests recovery in this proceeding for vegetation management expenses above the referenced monthly three-year average.

QUESTION:

At page 11 of Mr. Goldstein's Direct Testimony, he states that he included vehicle utilization and fuel costs in the recoverable hurricane expense. Please explain whether or not the vehicle costs are included base rates, and whether or not these costs increased as the result of the Hurricane Michael recovery effort.

RESPONSE:

The base rates in effect for 2018 were the result of a full comprehensive, black box settlement agreement approved by the Commission in Final Order Approving Stipulation and Settlement Agreement and Approving Tariffs and Rate Schedules for Gulf Power Company PSC-17-0178-S-EI ("2017 Settlement"). The 2017 Settlement was achieved after extensive, good faith negotiations among the signatory parties and represented a compromise of many diverse and competing litigation positions. As a result, the actual revenue requirement adopted under the 2017 Settlement was significantly less than the as-filed revenue requirement. The fixed base rates approved under the 2017 Settlement were designed to achieve this settled revenue requirement, not the as-filed revenue requirement. Although the base rates charged to customers under the 2017 Settlement are fixed, the 2017 Settlement agreement did not fix or otherwise specify the amount of vehicle utilization and fuel costs to be charged to base rates in any given year. The actual amount of vehicle utilization and fuel costs to be charged to base rates can and does fluctuate from year to year – meaning the amount of regular vehicle utilization and fuel expense charged to base rates in one year could be the same, more, or less than the amount charged to base rates in prior or subsequent years. However, these fluctuations do not alter the fixed base rates charged to customers under the 2017 Settlement.

Rule 25-6.0143, F.A.C., provides examples of the types of storm related costs allowed to be charged to the reserve under the ICCA methodology, as they are considered storm-related costs that are incremental to costs normally charged to non-cost recovery clause operating expenses in the absence of a storm. The non-exclusive list specifically provides that fuel cost for company and contractor vehicles used in storm restoration activities and vehicle costs for vehicles specifically rented for storm restoration activities are allowable storm reserve charges. For vehicle utilization, Gulf Power's 2018 budgeted vehicle allocation between base O&M and capital was 35 percent and 65 percent, respectively. Therefore, 35 percent of vehicle utilization incurred in connection with Hurricane Michael restoration efforts was removed from FERC Account 186 as non-incremental base O&M expense.

DECLARATION

I sponsored the answer to Interrogatory Nos. 1 and 3-7 from FEA's First Set of Interrogatories to Gulf Power Company in Docket No. 20190038-EI, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.



Mitchell Goldstein

Date: _____

OPC's Response to Staff's First Set of Interrogatories
No. 1.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 34
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Kollen (1)

- J. In responding to these discovery request, Citizens have made a reasonable inquiry of those persons likely to possess information responsive thereto and has conducted a reasonable search of those records in Citizens' possession, custody, or control where the requested information would likely be maintained in the ordinary course of business. To the extent that the requests ask Citizens to go to greater lengths, Citizens object because such requests are overly broad, unduly burdensome, and unreasonable.
- K. Citizens object to providing responsive documents to the extent that such documents are in the public record, including documents filed by Citizens in any matter before the Florida Public Service Commission and available to Staff.
- L. In responding to these Requests, Citizens do not waive the foregoing objections, or the specific objections that are set forth in the responses to particular requests.
- M. Any responses provided by Citizens are provided subject to, and without waiver of, the foregoing objection.

ADDITIONAL SPECIFIC OBJECTIONS

In addition to the general objections which apply to every interrogatory, Citizens provide the following objections to specific interrogatories:

INTERROGATORIES

1. Please refer to OPC witness Kollen's direct testimony for the following questions.

Please refer to page 18, lines 10 – 14. The witness stated the Utility's petition and interim recovery request references incremental restoration costs related to Hurricane Michael and that "... they do not refer to other costs that may have been incurred to repair other damage caused by the storm." What other costs is the witness referring to? Please explain your answer.

OBJECTION: Without waiving the general objections stated above or any privilege, OPC responds, below.

RESPONSE:

These other costs are the costs to “rebuild,” as that term is used by Gulf Power Company, and as distinguished from the costs for “restoration,” as that term is used by Gulf Power Company. With this explanation, refer to pages 30:7 through 33:10 of Mr. Kollen’s direct testimony for a more detailed description and analysis of the “rebuild” costs incurred in 2019, along with Mr. Kollen’s recommendation regarding those costs.

Respectfully submitted,

/s/ Thomas A. (Tad) David
Thomas A. (Tad) David
Associate Public Counsel

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Attorneys for the Citizens
of the State of Florida

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Citizens' Objections and Responses to the Staff of the Public Service Commission's First Set of Interrogatories (No. 1) was furnished by electronic mail to the following parties on this 27th day of July, 2020:

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AFFIDAVIT

STATE OF GEORGIA)

COUNTY OF FULTON)

I hereby certify that on this 23rd day of July, 2020, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Lane Kollen, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 1 from STAFF'S FIRST SET OF INTERROGATORIES TO OFFICE OF PUBLIC COUNSEL (NO.1) in Docket No. 20190038-EI, and that the responses are true and correct based on his/her personal knowledge.

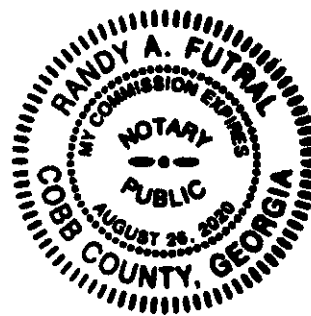
In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 23rd day of July, 2020.



Notary Public
State of Georgia

My Commission Expires:

August 26, 2020



Gulf's response to Staff's Settlement Questions.

Data Request Nos. 1-2.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 35
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Gulf's response to Staff's
Settlement Questions. Data Request Nos. 1-2.
[Bates Nos. 00263-00265]

QUESTION:

Please refer to page 4, paragraph 3, of the settlement agreement. Please explain or describe the parties' understanding of the statement "as well as all other tax savings due to the storm."

RESPONSE:

The phrase "all other tax savings due to the storm" in paragraph 3 on page 4 of the settlement agreement is intended to be a 'catch all' for any tax savings in addition to the ADIT on the deferral itself and the ADIT on the casualty loss deductions on existing property that was destroyed and retired, the two tax savings that are known. The "all other savings" may include, but is not limited to, the repair allowance deduction on costs that are capitalized to CWIP/plant in service for book accounting purposes.

- Interest on the Unamortized Reserve Balance will be calculated by Gulf monthly, in arrears, on a base that is net of the Accumulated Deferred Income Taxes (ADIT) specifically due to temporary differences caused by the deferral of storm costs. For the avoidance of confusion, Gulf's effective tax rate is currently 25.34%, reflecting the 21.0% Federal tax rate and the 5.5% Florida tax rate, reduced by 1.16% to reflect the Federal deduction for Florida taxes, and, as such, Gulf's Unamortized Reserve Balance net of ADIT is 74.66% of the Unamortized Reserve Balance. Therefore, Gulf will calculate interest based on 74.66% of the Unamortized Reserve Balance each month. If tax rates change, this calculation will be updated to reflect the new tax rates.

QUESTION:

Please refer to page 4, paragraph 3, of the settlement agreement.

- a. Please explain whether Gulf will use the Financial or Non-Financial 30-day Commercial paper rate to calculate the interest.
- b. Please explain what interest rate Gulf will use if neither commercial paper rate is published on the Federal Reserve's website for a specific day.
- c. Please explain what "comparable source" Gulf will use if the 30-day Commercial paper rate is not available on the Federal Reserve's website.

RESPONSE:

- a. Gulf will use the monthly average of the daily Financial 30-day Commercial paper rate as published on the Federal Reserve website.
- b. See response to a., Gulf will use the published monthly average rate.
- c. If the 30-day Commercial paper rate is not available on the Federal Reserve's website, Gulf will refer to the Public Service Commission's memorandum which also provides Commercial paper rates. Because Gulf understands that the Commission's published Commercial paper rates are derived from or based upon information found on the Federal Reserve's website, in the absence of a published Commercial paper rate from both the Federal Reserve and the Commission, Gulf will work with Commission staff and the parties to the settlement to determine the "comparable source" to be used for the calculation.

Joint Motion of the OPC, Gulf, FEA for Expedited
Approval of a Stipulation and Settlement Agreement.

Filed: August 25, 2020

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20190038-EI EXHIBIT: 36
PARTY: STAFF HEARING EXHIBITS
DESCRIPTION: Joint Motion of the OPC, Gulf,
FEA for Expedited Approval of a Stipulation and
Settlement Agreement....

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 Michael.

Docket No: 20190038-EI

Date: August 25, 2020

**JOINT MOTION OF THE OFFICE OF PUBLIC COUNSEL, GULF POWER
COMPANY, AND FEDERAL EXECUTIVE AGENCIES FOR EXPEDITED
APPROVAL OF A STIPULATION AND SETTLEMENT AGREEMENT**

Pursuant to Rule 28-106.204(1), Florida Administrative Code (“F.A.C.”), the Office of Public Counsel (“OPC”), Gulf Power Company (“Gulf”), and Federal Executive Agencies (“FEA”) (unless the context clearly requires otherwise, the term “Party” or “Parties” means a signatory to this Joint Motion), by and through their respective undersigned counsel, hereby file this Joint Motion and request that the Florida Public Service Commission (“Commission”) review and approve on an expedited basis the Stipulation and Settlement Agreement (“Agreement”), provided as Attachment A to this Joint Motion, as a full and complete resolution of all matters presented in Docket No. 20190038-EI in accordance with Section 120.57(4), Florida Statutes (“F.S.”), and enter a final order reflecting such approval to effectuate implementation of the Agreement. In support of this motion, the Parties jointly state, as follows:

1. On February 6, 2019, Gulf filed a Petition for Limited Proceeding (“Petition”), pursuant to the provisions of the Stipulation and Settlement Agreement approved by the Commission in Order No. PSC-2017-0178-S-EEI,¹ requesting that the Commission authorize commencement of interim recovery of incremental storm restoration costs related to Hurricane Michael and the replenishment of its retail storm reserve, maintained in accordance with Rule 25-

¹ Order No. PSC-2017-0178-S-EI, issued May 16, 2017, in Docket No. 160186-EI, *In re: Petition for rate increase by Gulf Power Company*; and Docket No. 160170-EI, *In re: Petition for approval of 2016 depreciation and dismantlement studies, approval of proposed depreciation rates and annual dismantlement accruals and Plant Smith Units 1 and 2 regulatory asset amortization, by Gulf Power Company*.

6.0143, F.A.C., through a surcharge on customers' electric bills. In the Petition, Gulf requested that the Commission approve implementation of the surcharge beginning 60 days following its filing.

2. On February 19, 2019, OPC filed its Notice of Intervention in this proceeding, and the Commission acknowledged OPC's Intervention on March 6, 2019, in Order No. PSC-2019-0087-PCO-EI.

3. On March 13, 2019, Gulf requested that the Commission suspend the 60-day timeframe set forth in the Settlement and requested that the Commission approve the storm restoration recovery charge to become effective with the first billing cycle in July 2019.

4. On April 16, 2019, FEA filed a Motion to Intervene in this proceeding, and the Commission granted OPC's Motion on December 6, 2019 in Order No. PSC-2019-0512-PCO-EI.

5. On June 3, 2019, the Commission issued Order No. PSC-2019-0221-PCO-EI approving Gulf's request to implement an interim storm restoration recovery charge, subject to refund, for incremental storm restoration costs related to Hurricane Michael. The Commission's Order also approved Gulf's related interim storm restoration recovery tariffs to become effective with the first billing cycle of July 2019.

6. On November 15, 2019, Gulf submitted a petition to the Commission requesting approval of its: (i) final/actual Recoverable Storm Amount; (ii) proposed Storm Restoration Recovery Surcharges; (iii) proposed Recovery Period; and (iv) proposed process for determining a one-time true-up to be applied to customer bills once the approved Recoverable Storm Amount for Hurricane Michael storm restoration costs and the actual revenues collected through the end of the Proposed Recovery Period are known. Gulf's November 15 petition included the supporting

direct testimony and exhibits of Gulf witnesses Paul A. Talley, Mitchell Goldstein, Tracy G. Clark, and Charles Shane Boyett.

7. On June 11, 2020, OPC submitted the direct testimony and exhibits of OPC witness Lane Kollen, and FEA submitted the direct testimony and exhibits of FEA witness Michael P. Gorman.

8. On June 26, 2020, Commission Staff submitted the direct testimony and exhibits of Staff witnesses Debra M. Dobiac and Carl Vinson.

9. On July 9, 2020, Gulf submitted its rebuttal testimony and supporting exhibits of Gulf witnesses Paul A. Talley and Mitchell Goldstein.

10. On August 5, 2020, Gulf filed a Notice of Adoption of Direct Testimony of Tracy G. Clark by Gulf witness Mitchell Goldstein.

11. OPC, FEA, and Gulf have engaged in extensive discovery throughout this proceeding. Through this process, OPC and FEA thoroughly reviewed and evaluated Gulf's Hurricane Michael storm restoration costs, and Gulf thoroughly reviewed and evaluated OPC's and FEA's positions related to those costs.

12. As a direct result of these efforts, OPC, FEA, and Gulf engaged in negotiations for the purpose of reaching a comprehensive stipulation and settlement of all issues pending in the docket, thereby avoiding the uncertainty associated with the outcome on the issues. These negotiations have culminated in the Agreement attached hereto as Attachment A.

13. OPC, FEA, and Gulf request that the direct testimony of Gulf witnesses Paul A. Talley, Mitchell Goldstein, Tracy G. Clark, and Charles Shane Boyett; the direct testimony of OPC witness Lane Kollen; the direct testimony of FEA witness Michael P. Gorman; the direct testimony of Staff witnesses Debra M. Dobiac and Carl Vinson, and the rebuttal testimony of Gulf witnesses

Paul A. Talley and Mitchell Goldstein be entered into the record, along with the stipulated Comprehensive Exhibit list and listed exhibits. Where applicable, confidential classification shall be maintained as determined by the Commission, Commission rules or applicable provisions of Chapter 366, F.S.

14. The Agreement sets forth in detail the financial and process issues to be resolved through this settlement. Importantly, while the financial issues addressed by the Agreement are premised upon issues raised during the litigation of this matter, the process issues, not part of the litigation, have been added to the Agreement in an effort to facilitate more efficient storm cost recovery proceedings in the future.

15. The Signatories to the Agreement request that, following the Commission's review of this Joint Motion and the Agreement, the Commission grant the Joint Motion and approve the Agreement in order to allow for orderly implementation thereof and to provide certainty to the parties and their respective constituents and customers with respect to the outcome of the proceedings.

16. The Commission has a "long history of encouraging settlements, giving great weight and deference to settlements, and enforcing them in the spirit in which they were reached by the parties." *In Re: Florida Power & Light Company*, Docket No. 20050045-EI, Order No. PSC-2005-0902-S-EI (FPSC Sept. 14, 2005). The proper standard for the Commission's approval of a settlement agreement is whether it is in the public interest. *Sierra Club v. Brown*, 243 So.3d 903, 910-913 (Fla. 2018) (citing *Citizens of State v. FPSC*, 146 So.3d 1143, 1164 (Fla. 2014)).

17. The Florida Supreme Court has explained that the "determination of what is in the public interest rests exclusively with the Commission." *Citizens*, 146 So.3d at 1173. The Commission has broad discretion in deciding what is in the public interest and may consider a

variety of factors in reaching its decision. See *In Re: The Woodlands of Lake Placid L.P.*, Docket No. 20030102-WS, Order No. PSC-2004-1162-FOF-WS, p. 7, (FPSC Nov. 22, 2004); *In Re: Petition for approval of plan to bring generating units into compliance with the Clean Air Act by Gulf Power Company*, Docket No. 19921155-EI, Order No. PSC-1993-1376-FOF-EI, p. 15 (FPSC Sept. 20, 2003). However, the Commission is not required to resolve the merits of every issue independently. *Sierra Club*, 243 So.3d at 913 (citing *Citizens*, 146 So.3d at 1153). Rather, a "determination of public interest requires a case-specific analysis based on consideration of the proposed settlement taken as a whole." *In re: Petition for Rate Increase by Gulf Power Co.*, Docket No. 20160186-EI, Order No. PSC-2017-0178-S-EI, 2017 WL 2212158, at *6 (FPSC May 16, 2017).

18. In this case, after an extensive review and evaluation of Gulf's Hurricane Michael storm restoration costs and activities, OPC, FEA, and Gulf entered into the Agreement which addresses issues raised during the course of the proceedings and process issues beyond the scope of these proceedings. The Agreement represents a reasonable and mutually agreeable compromise of competing positions and fully resolves all issues raised in this docket, and many matters beyond the scope of this docket.

19. Considered as a whole, the Agreement fairly and reasonably balances the interests of Gulf's customers and Gulf. Approving the Agreement is consistent with the Commission's long-standing policy of encouraging the settlement of contested proceedings in a manner that benefits the customers of utilities subject to the Commission's regulatory jurisdiction. Accordingly, OPC, FEA, and Gulf submit that the Agreement is in the public interest, and respectfully request that the Commission review and approve the Agreement in its entirety and without modification.

20. Pursuant to Rule 28-106.204(3), F.A.C., Gulf has conferred with OPC and FEA. These entities are signatories to the Agreement and have advised that they consent to Gulf's filing of this Joint Motion.

WHEREFORE, for the reasons stated above, the OPC, FEA, and Gulf jointly and respectfully request that the Florida Public Service Commission expeditiously approve the Stipulation and Settlement Agreement provided as Attachment A to this Joint Motion.

Respectfully submitted this 25th day of August, 2020.

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By: /s/ Russell A. Badders
Russell A. Badders
Florida Bar No.0007455

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 Michael

Docket No: 20190038-EI

Date: August 24, 2020

STIPULATION AND SETTLEMENT

WHEREAS, Gulf Power Company (“Gulf”), Citizens through the Office of Public Counsel (“OPC”), and Federal Executive Agencies (“FEA”) have signed this Stipulation and Settlement (the “Agreement”; unless the context clearly requires otherwise, the term “Party” or “Parties” means a signatory to this Agreement); and

WHEREAS, Hurricane Michael, a catastrophic Category 5 hurricane, ravaged the Northwest Florida Gulf Coast on October 10, 2018 in the eastern portion of Gulf’s service area. The storm was the third strongest (in terms of barometric pressure) and fourth strongest (in terms of wind speed) hurricane to ever make landfall in the continental U.S. It was the strongest storm to ever make landfall in Northwest Florida; and

WHEREAS, in response to Hurricane Michael, Gulf ultimately coordinated approximately 8,000 restoration personnel (approximately 1,000 Gulf employees and 7,000 external resources) – the largest restoration workforce that the Company has ever assembled. The restoration of service in the Panama City area, from the ground up in many cases, was much more extensive than the restoration work that was encountered in other areas across Gulf’s system; and

WHEREAS, Gulf’s preparation for and execution of its storm response enabled it to complete the major portion of restoration activities in just 13 days, at which time 99% of Gulf’s

customers who could receive electric service from Gulf had been restored. Due to the extensive damage caused by Hurricane Michael, Gulf's storm-related work extended into mid-2019.

WHEREAS, on February 5, 2019, pursuant to Section 366.076(1), Florida Statutes (F.S.), and the provisions of the Stipulation and Settlement Agreement approved by Order No. PSC-2017-0178-S-EI, Gulf filed its Petition for Limited Proceeding for Recovery of Incremental Storm Restoration Costs Related to Hurricane Michael; and

WHEREAS, by Order No. PSC-2019-0221-PCO-EI, issued on June 3, 2019, the Commission approved the requested 2019 Interim Storm Restoration Recovery Charge for a period of 60 months and required Gulf to submit documentation of the actual storm costs for review and true up of any excess or shortfall; and

WHEREAS, on November 15, 2019, Gulf petitioned the Commission for approval of the final/actual recoverable storm amount of \$295.0 million, and submitted the direct testimony and exhibits of witnesses Paul A. Talley, Mitchell Goldstein, Tracy G. Clark, and Charles Shane Boyett in support thereof; and

WHEREAS, the Office of Public Counsel intervened in this docket and, on June 11, 2020, filed the direct testimony and exhibits of Lane Kollen in support of its position; and

WHEREAS, the Federal Executive Agencies intervened in this docket and, on June 11, 2020, filed the direct testimony and exhibit of Michael P. Gorman in support of its position; and

WHEREAS, on July 9, 2020, Gulf filed the rebuttal testimony and exhibits of Gulf witnesses Paul A. Talley and Mitchell Goldstein; and

WHEREAS, the Parties engaged in significant discovery including the production of tens of thousands of pages of documents and hundreds of interrogatories; and

WHEREAS, after an extensive review and evaluation of the testimony and discovery, the Parties to this Agreement have reached a full and complete resolution of all matters in this docket; and

WHEREAS, the Parties have entered into this Agreement in compromise of positions taken in accord with their rights and interests under Chapters 350, 366, and 120, Florida Statutes, as applicable, and as a part of the negotiated exchange of consideration among the Parties to this Agreement each has agreed to concessions to the others with the expectation that all provisions of the Agreement will be enforced by the Commission as to all matters addressed herein with respect to all Parties regardless of whether a court ultimately determines such matters to reflect Commission policy, upon acceptance of the Agreement as provided herein and upon approval as in the public interest; and

NOW THEREFORE, in consideration of the foregoing and the covenants contained herein, the Parties hereby stipulate and agree:

FINANCIAL TERMS

1. This agreement will become effective on the date of the Final Order in Docket No. 20190038-EI (the "Implementation Date").
2. The Parties are not in agreement on the proper regulatory treatment of certain amounts claimed by Gulf as incremental to base rates and therefore recoverable through the storm cost recovery mechanism. It is OPC's and FEA's position that these disputed amounts are properly recoverable through base rates, and therefore not recoverable through the storm

cost recovery mechanism. To resolve this dispute on these amounts, OPC, FEA, and Gulf have mutually agreed in compromise, without any party conceding that any opposing party is correct, that an aggregate negotiated adjustment in the amount of \$5 million shall be made to reduce the amount recoverable by Gulf through the storm cost recovery mechanism. This adjustment includes \$2.25 million of costs recoverable in base rates, and not incremental to base rates, and \$2.75 million of costs being reclassified as capital. This adjustment resolves all issues raised related to contractors' costs, employee payroll, and materials and supplies costs.

3. The parties agree that interest on the Unamortized Reserve Balance will be calculated by Gulf monthly, in arrears, on a base that is net of Accumulated Deferred Income Taxes due to the temporary differences caused by the deferral of storm costs and due to the casualty loss deduction for the tax basis of plant in service that was damaged and retired, as well as all other tax savings due to the storm. The parties agree that Gulf will use a simple average of the daily commercial paper interest rates for the calculation of interest. The parties agree that Gulf will use the 30-day commercial paper interest rates as published by the Federal Reserve at <https://www.federalreserve.gov/releases/cp/rates.htm> or a comparable source for the daily commercial paper interest rates each month.

PROCESS PROVISIONS

4. Beginning with the 2021 storm season, Gulf will implement paragraphs 5 through 20 of the "Process Provisions" contained in the FPSC-approved settlement in Docket 20180049-EI for In re: Evaluation of storm restoration costs for Florida Power & Light Company related to Hurricane Irma. The threshold for the Initial Independent Audit referenced in paragraph 18 is \$150 million for Gulf. Gulf agrees to implement these "Process

Provisions” before the 2021 storm season to help minimize the hourly contractor costs and equipment rental rates.


OTHER PROVISIONS

5. Nothing in the Agreement will have precedential value.
6. The parties agree the direct testimony of Gulf witnesses Paul A. Talley, Mitchell Goldstein, Tracy G. Clark, and Charles Shane Boyett; the direct testimony of OPC witness Lane Kollen; the direct testimony of FEA witness Michael P. Gorman; and the rebuttal testimony of Gulf witnesses Paul A. Talley and Mitchell Goldstein shall be entered into the record along with the stipulated Comprehensive Exhibit List and the listed exhibits.
7. The provisions of this Agreement are contingent upon approval by the Commission in its entirety without modification. Except as expressly set out herein, no Party agrees, concedes, or waives any position with respect to any of the issues identified in the Prehearing Order, and this Agreement does not expressly address any specific issue or any position taken thereon. The Parties will support approval of this Agreement and will not request or support any order, relief, outcome, or result in conflict with it. No Party to the Agreement will request, support, or seek to impose a change to any provision of this Agreement. Approval of this Agreement in its entirety will resolve all matters and issues in this docket. This docket will be closed effective on the date that the Commission Order approving this Agreement is final, and no Party to this Agreement will seek appellate review of any order issued in this docket.
8. The Parties agree that approval of this Agreement is in the public interest.

9. This Agreement may be executed in counterpart originals, and a scanned .pdf copy of an original signature shall be deemed an original. Any person or entity that executes a signature page to this Agreement shall become and be deemed a Party with the full range of rights and responsibilities provided hereunder, notwithstanding that such person or entity is not listed in the first recital above and executes the signature page subsequent to the date of this Agreement, it being expressly understood that the addition of any such additional Party(ies) shall not disturb or diminish the benefits of this Agreement to any current Party.

In Witness Whereof, the Parties evidence their acceptance and agreement with the provisions of this Agreement by their signature.

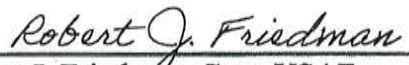
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: **Petition for limited proceeding for recovery of
incremental storm restoration costs related to
Hurricane Michael, by Gulf Power Company**)
)
)

Docket No.: **20190038-EI**


CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by electronic mail this 25th day of August, 2020 to the following:

Federal Executive Agencies
c/o Thomas A. Jernigan
AFCEC/JA
Robert J. Friedman, Capt, USAF,
AFLOA/JACE-ULFSC
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