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September 13, 2007

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

RECEIVED-FPSC
07 SEP 14 AM 9:25
COMMISSION
CLERK

Dear Ms. Cole:

RE: Docket No. 070002-EG

Enclosed to be filed in the above docket are an original and 15 copies of the following:

1. The Petition of Gulf Power Company. *08354-07.*
2. The Prepared Direct Testimony and Exhibit of William D. Eggart. *08355-07.*

Also enclosed is a 3.5 inch double sided, high density diskette containing the Petition in Microsoft Word for Windows format as prepared on a Windows NT based computer.

CMP _____
 COM 5
 CTR 1
 ECR (disk)
 GCL 1
 OPC _____
 RCA 1
 SCR _____
 SGA _____
 SEC _____
 OTH _____

Sincerely,

Susan D. Ritenour
buh

bh

Enclosures

cc: Beggs & Lane
J. A. Stone, Esq.

DOCUMENT NUMBER-DATE

08354 SEP 14 5

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Conservation Cost Recovery)
) Docket No.: 070002-EG
) Filed: September 14, 2007
)

**PETITION OF GULF POWER COMPANY FOR APPROVAL OF
THE FINAL CONSERVATION COST RECOVERY TRUE-UP AMOUNTS
FOR JANUARY 2006 THROUGH DECEMBER 2006;
ESTIMATED CONSERVATION COST RECOVERY TRUE-UP AMOUNTS
FOR JANUARY 2007 THROUGH DECEMBER 2007;
PROJECTED CONSERVATION COST RECOVERY AMOUNTS
FOR JANUARY 2008 THROUGH DECEMBER 2008;
AND THE CONSERVATION COST RECOVERY FACTORS TO BE APPLIED
BEGINNING WITH THE PERIOD JANUARY 2008 THROUGH DECEMBER 2008**

Notices and communications with respect to this petition and docket should be addressed to:

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Steven R. Griffin
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Susan D. Ritenour
Secretary and Treasurer
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780

GULF POWER COMPANY ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned attorneys, and pursuant to Section 366.82(5) of the Florida Statutes and Rule 25-17.015 of the Florida Administrative Code, hereby petitions the Florida Public Service Commission for recovery of the final conservation cost recovery true-up amounts for January 2006 through December 2006; for approval of its estimated energy conservation true-up amounts for the period January 2007 through December 2007; for approval of the projected energy conservation amounts for the period January 2008 through December 2008; and for approval of the proposed energy conservation cost recovery factors to be applied beginning with the period

January 2008 through December 2008. In support thereof the Company would respectfully show:

1. Gulf is a corporation with its headquarters located at 500 Bayfront Parkway, Pensacola, Florida 32520. The Company is an investor-owned electric utility operating under the jurisdiction of this Commission.

2. Pursuant to Section 366.82 of the Florida Statutes, Gulf's energy conservation programs and goals have been approved and adopted by order of this Commission. The implementation of these programs has resulted in certain reasonable and prudent un-reimbursed costs incurred or to be incurred which the Company hereby petitions to be recovered through its rates and charges pursuant to Rule 25-17.015, F.A.C., and the orders and procedures of this Commission.

3. Incorporated by reference into this petition are the testimony and exhibit of William D. Eggart, submitted in May 2007 and the testimony and exhibit of William D. Eggart submitted with this petition.¹ The two composite exhibits present reports of Gulf's various programs and incorporate the appropriate and necessary data and information to show the energy conservation cost calculations projected for the period January 2008 through December 2008 and the appropriate true-up adjustment to be applied based on actual data through July 2007 and estimated data for the remainder of the period through December 2007.

¹The composite exhibit attached to the May testimony contains the Company's CT schedules for the twelve month period ending December 2006. The composite exhibit attached to this testimony contains the Company's C schedules for the twelve month period ending December 2008 and includes data related to the current period January through July 2007 actual and August through December 2007 estimated.

4. The "final conservation cost recovery true-up amounts" were filed with the Commission in May 2007 as shown on Schedule CT-1. The final true-up amount for the period January 2006 through December 2006, as presented in the testimony and exhibit of William D. Eggart filed in May 2007, is \$426,422 over recovery which amount is hereby submitted for approval by the Commission to be included in the calculation of the conservation cost recovery factors to be refunded in the next period.

5. Gulf has calculated its estimated true-up amount for the period ending December 2007 to be an under recovery of \$170,215. This amount is hereby submitted for approval by the Commission to be included in the calculation of the conservation cost recovery factors to be collected during the projection period.

6. Gulf projects recoverable expenditures of \$10,970,613 for its approved conservation programs during the twelve month period beginning January 2008 and ending December 2008.

7. Gulf projects its retail energy sales during the period January 2008 through December 2008 will be 11,692,537,000 kilowatthours (kWh).

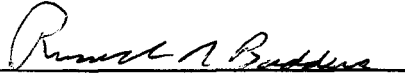
8. On the basis of the final true-up for the period January 2006 through December 2006, the estimated true-up for the period January 2007 through December 2007, the cost projections for the period January 2008 through December 2008, and proper consideration of both projected kWh sales and the adjustment for revenue taxes, the Company's proposed conservation cost recovery factors by customer class for the period January 2008 through December 2008 are as follows:

RATE CLASS	CONSERVATION COST RECOVERY FACTORS ¢/kWh
RS, RSVP	0.097
GS	0.094
GSD, GSDT, GSTOU	0.090
LP, LPT	0.085
PX, PXT, RTP, SBS	0.081
OSI, OSII	0.071
OSIII	0.084

WHEREFORE, Gulf Power Company respectfully requests the Commission to authorize the Company to recover its un-reimbursed costs reasonably and prudently incurred in accordance with this petition and thereby approve the final conservation cost recovery true-up amounts for the period January 2006 through December 2006, the estimated conservation cost recovery true-up amounts for January 2007 through December 2007, the projected conservation cost recovery

amounts for January 2008 through December 2008, and the conservation cost recovery factors to be applied beginning with the period January 2008 through December 2008.

Dated this 13th day of September, 2007



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: **Conservation Cost Recovery**)

Docket No.: **070002-EG**

CERTIFICATE OF SERVICE

13TH I HEREBY CERTIFY that a true copy of the foregoing was furnished by U. S. mail this day of September, 2007, on the following:

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