STATE OF FLORIDA



MARSHALL WILLIS, DIRECTARIG 16 AM 8: 21 DIVISION OF ECONOMIC REGULATION (850) 413-6900

COMMISSION CLERK

Public Service Commission

August 12, 2010

Susan D. Ritenour Secretary and Treasurer and Regulatory Manager Gulf Power Company One Energy Place Pensacola, FL 32520-0781

Re: Docket No. 100368-EI, Request for approval to initiate depreciation of a Landfill Gas to Energy Facility in Escambia County by Gulf Power Company

Dear Ms. Ritenour:

COMMISSIONERS:

NATHAN A. SKOP ART GRAHAM

RONALD A. BRISÉ

LISA POLAK EDGAR

NANCY ARGENZIANO, CHAIRMAN

The staff is in the process of reviewing Gulf's filing in the above referenced docket. As a result, some questions have arisen which are covered in the attached data request.

Please provide your responses by August 31, 2010. If there are any questions, please contact Sue Ollila at (850) 413-6540.

Sincerely,

Dave Dowds

Supervisor, Cost Analysis Section

DD/SO:lr

Enclosure

cc:

Office of Commission Clerk (Docket No. 100368-EI)

Office of the General Counsel (Fleming)

Request for approval to initiate depreciation of a Landfill Gas to Energy Facility in Escambia County by Gulf Power Company – Docket No. 100368-EI First Data Request

- 1. Please explain and describe in detail a "landfill gas to energy facility," e.g., what comprises it, how does it work, does the landfill need to be closed, etc. Please include any information specific to the Perdido facility, including where it is located in comparison with the landfill.
- 2. Does Gulf own the land under the facility? If Gulf does not own the land, who does own it? Will Gulf pay rent for the land?
- 3. Will Gulf operate the facility? If not, who will?
- 4. Does Gulf have the breakdown of the \$5.1 M investment by specific FERC account? Please explain why or why not. If the breakdown is available, please provide it. If Gulf does not have the breakdown, when does Gulf expect to have it?
- 5. When Gulf refers to "Renewable Energy Facility," is Gulf referring to the definition as found in Sections 220.193(2)(d) and 377.803, Florida Statutes? If not, please explain and describe the significance of the term.
- 6. Does Gulf's proposed "20-year life" for this facility refer to a 20-year average service life? If no, please explain what type of life the proposal references.
- 7. Please explain and describe the basis for Gulf's determination that a 20-year life for this facility is appropriate. Please provide all documents relied on or supporting a 20-year life for this facility.
- 8. Are there other landfill gas to energy facilities in the Southern Company's service territories? If so, please list each one with its name, location, commission order number, and prescribed average life.
- 9. Is Gulf aware of other landfill gas to energy facilities in Florida? If so, please list each one with its name, location, and average life.
- 10. Has Gulf used, or does Gulf expect to use, federal Recovery Act funds for this facility? If yes, please describe and explain the impact on Gulf's \$5.1 million of investment.
- 11. Does Gulf still expect this facility to be placed into service in August 2010? If so, what is the expected date of commercial operation? If not, when will the facility be placed in service?
- 12. What is Gulf's proposed effective date for implementation of the depreciation rate?
- 13. What interim net salvage is Gulf proposing for this facility? Please provide all data and other information relied on that supports the interim net salvage proposal.
- 14. When does Gulf plan to perform and provide a dismantlement study on the Perdido landfill gas to energy facility?
- 15. What is the depreciation rate Gulf is proposing for this facility?