

COMMISSIONERS:
RONALD A. BRISÉ, CHAIRMAN
LISA POLAK EDGAR
ART GRAHAM
EDUARDO E. BALBIS
JULIE I. BROWN

STATE OF FLORIDA



OFFICE OF THE GENERAL COUNSEL
S. CURTIS KISER
GENERAL COUNSEL
(850) 413-6199

Public Service Commission

May 6, 2013

COMMISSION
CLERK

13 MAY -6 PM 3:31

RECEIVED-FPSC

Jeffrey A Stone
Beggs & Lane
P.O. Box 12950
Pensacola, FL 32591

STAFF'S FIRST DATA REQUEST

RE: Docket No. 130092-EI- Petition of Gulf Power Company to include the Plant Daniel Bromine and ACI Project, the Plant Crist Transmission Upgrades Project, and the Plant Smith Transmission Upgrades Project in the Company's program, and approve the costs associated with these compliance strategies for recovery through the ECRC.

Dear Mr. Beasley,

By this letter, the Commission staff requests that Gulf Power Company provide responses to the following data requests.

For questions 1-4 please refer to the Gulf witness Vick's Environmental Compliance Program Update Testimony filed April 1, 2013, in Docket No. 130007-EI.

1. On pages 3 and 4 the witness testifies that the MATS rule allows for one and two year extensions under limited circumstances.
 - a. Has Gulf requested an extension for compliance with the MATS rule?
 - b. If yes, what is the current status of that request?
 - c. If no, why has Gulf not pursued an extension?

2. On page 5 the witness testifies that Plant Crist is designated as a "must run" facility.
 - a. Given the "must run" designation of Plant Crist, what does Gulf currently do when Plant Crist is down for planned or unplanned outages?
 - b. What would happen if Plant Crist were required to shut down prior to the proposed transmission projects being completed?
 - c. What would happen if Plant Crist were required to shut down in 2017 and the proposed transmission projects are not constructed?

DOCUMENT NUMBER - DATE
02514 MAY -6 2013

FPSC - COMMISSION CLERK

3. On page 6 the witness testifies that, with the scrubber bypassed, Plant Crist would be unavailable. Would Gulf be able to use emission allowances to continue operation of Plant Crist while the scrubber is bypassed?
4. On page 10 the witness testifies that Plant Smith is designated as a “must run” facility.
 - a. Given the “must run” designation, what does Gulf currently do when Plant Smith is down for planned or unplanned outages?
 - b. What would happen if Plant Smith were required to shut down prior to the proposed transmission projects being completed?
 - c. What would happen if Plant Smith were required to shut down in 2017, and the proposed transmission projects are not constructed?

For questions 5-9 please refer to the Gulf witness Cain’s Environmental Compliance Program Update Testimony filed April 1, 2013, in Docket No. 130007-EI.

5. On page 2 witness Cain testifies that the purpose of her testimony is to discuss the economic analysis supporting Gulf’s MATS compliance strategy for Plant Crist.
 - a. What time frame is assumed for the Plant Crist compliance strategy evaluation?
 - b. How was the time frame selected?
6. On page 2 the witness testifies that the purpose of her testimony is to discuss the economic analysis supporting Gulf’s MATS compliance strategy for Plant Smith.
 - a. What was the time frame over which the compliance strategy for Plant Smith was evaluated?
 - b. How was the time frame selected?
7. On page 3 the witness testifies that three fixed costs were considered in the economic evaluation of Gulf’s MATS strategy. Please describe how each fixed cost was developed.
8. On page 4 the witness testifies that the economic evaluation of Gulf’s MATS considers a range of CO2 penalties.
 - a. Please describe how the CO2 penalties, used in the economic evaluation, were developed.
 - b. Please provide the CO2 penalties (\$/metric tonne) for each year evaluated.
9. On page 4 the witness testifies that the economic evaluation of Gulf’s MATS strategy considers a range of natural gas prices.
 - a. Please describe how the range of natural gas prices, used in the economic evaluation, was developed.
 - b. For each scenario considered, please provide the natural gas cost (\$/mmbtu) for each year evaluated.

10. For Plant Crist MATS Option 1, included on page 14 of Gulf's Environmental Compliance Program Update, please describe each transmission upgrade that is needed. As part of this description please provide a schedule, similar to Schedule 10 of Gulf's Ten-Year Site Plan.
11. For Plant Crist MATS Option 4, included on pages 14-15 of Gulf's Environmental Compliance Program Update, please describe each transmission upgrade that is needed. As part of this description please provide a schedule, similar to Schedule 10 of Gulf's Ten-Year Site Plan.
12. For Plant Smith MATS Option 1 discussed in Gulf's Environmental Compliance Program Update, please describe each transmission upgrade that is needed. As part of this description please provide a schedule, similar to Schedule 10 of Gulf's Ten-Year Site Plan.
13. For Plant Smith MATS Option 2 discussed in Gulf's Environmental Compliance Program Update, please describe each transmission upgrade that is needed. As part of this description please provide a schedule, similar to Schedule 10 of Gulf's Ten-Year Site Plan.
14. For Options 1 and 2, please provide the projected capacity factor for Plant Smith for each year of Gulf's economic evaluation.
15. How often does Gulf anticipate performing maintenance on the scrubbers for Plant Crist?
16. How often does Gulf anticipate that scrubber maintenance at Plant Crist would be performed during an unplanned outage?
17. Please identify each prior Commission decision, with pinpoint citation, that Gulf believes supports its request for recovery of the Plant Smith and Plant Crist transmission projects through the ECRC.
18. Please describe any scrubber malfunction events or outages that have occurred since the scrubber at Plant Crist Units 4-7 has become operational. Please include the date that the event or outage occurred, the duration of the event or outage, and the reason for the event or outage.
19. If Gulf does not proceed with the transmission projects as proposed, what environmental rule or regulation will be violated?
20. At page 5 of its Petition, Gulf states "the MATS rule does limit the ability of the units to operate in the event of a scrubber malfunction or outage for any meaningful period of time without the addition of further environmental controls." Please provide pinpoint citation(s) to the MATS rule limitation referenced in this statement.

21. Please identify any economic penalties that might result from operating Plant Crist while the scrubber is down for maintenance, and describe how the potential for such penalties was incorporated into the economic analysis for Plant Crist.
22. Please provide an itemized breakdown of the costs associated with the proposed transmission projects.
23. Please provide critical milestones for completion of the proposed transmission projects.

Please file the original and five copies of the requested information by Thursday, May 27, 2013, with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6218 if you have any questions.

Respectfully,



Charles W. Murphy
Senior Attorney

CWM/dmw

cc: Office of Commission Clerk
Robert L. McGee, Jr. (Gulf)