

THIS FILING IS

EI804-10-AR

Form 1 Approved  
OMB No. 1902-0021  
(Expires 12/31/2011)  
Form 1-F Approved  
OMB No. 1902-0029  
(Expires 12/31/2011)  
Form 3-Q Approved  
OMB No. 1902-0205  
(Expires 1/31/2012)

Item 1:  An Initial (Original) Submission OR  Resubmission No. \_\_\_\_\_



**OFFICIAL COPY**  
Public Service Commission  
Do Not Remove from this Office

**FERC FINANCIAL REPORT  
FERC FORM No. 1: Annual Report of  
Major Electric Utilities, Licensees  
and Others and Supplemental  
Form 3-Q: Quarterly Financial Report**

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

**FPSC VERSION**

|   |   |
|---|---|
| <b>Exact Legal Name of Respondent (Company)</b><br>Gulf Power Company | <b>Year/Period of Report</b><br>End of <u>2010/Q4</u> |
|---|---|

**SIGNATURE PAGE**

I certify that I am the responsible accounting officer of  
**Gulf Power Company** \_\_\_\_\_ ;

that I have examined the following report; that to the best of my knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2010 to December 31, 2010, inclusive.

I also certify that all affiliated transfer prices and affiliated cost allocations were determined consistent with the methods reported to this Commission on the appropriate forms included in this report.

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

4/18/2011

**Date**

*Connie J. Erickson*  
\_\_\_\_\_  
**Signature**

Connie J. Erickson

**Name**

Comptroller

**Title**

## INDEPENDENT AUDITORS' REPORT

Gulf Power Company

We have audited the balance sheet — regulatory basis of Gulf Power Company (the "Company") as of December 31, 2010, and the related statements of income — regulatory basis; retained earnings — regulatory basis; and cash flows — regulatory basis for the year ended December 31, 2010, included on pages 110 through 123 of the accompanying Federal Energy Regulatory Commission (FERC) Form 1. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards as established by the Auditing Standards Board (United States) and in accordance with the auditing standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audit included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in item 3 of FERC Form 1 page 123.1, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, such regulatory-basis financial statements present fairly, in all material respects, the assets, liabilities, and proprietary capital of Gulf Power Company at December 31, 2010, and the results of its operations and its cash flows for the year ended December 31, 2010, in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

This report is intended solely for the information and use of the board of directors and management of the Company and for filing with the Federal Energy Regulatory Commission and is not intended to be and should not be used by anyone other than these specified parties.

*Deloitte & Touche LLP*

Atlanta, Georgia  
February 25, 2011

## INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

### GENERAL INFORMATION

#### I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

#### II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

#### III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/eforms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.

The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

| <u>Reference Schedules</u>     | <u>Pages</u> |
|--------------------------------|--------------|
| Comparative Balance Sheet      | 110-113      |
| Statement of Income            | 114-117      |
| Statement of Retained Earnings | 118-119      |
| Statement of Cash Flows        | 120-121      |
| Notes to Financial Statements  | 122-123      |

- e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of \_\_\_\_\_ for the year ended on which we have reported separately under date of \_\_\_\_\_, we have also reviewed schedules \_\_\_\_\_ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/eforms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/eforms.asp#3Q-qas>.

#### **IV. When to Submit:**

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18<sup>th</sup> of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

**V. Where to Send Comments on Public Reporting Burden.**

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 150 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

## GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions** (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

#### DEFINITIONS

i. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

ii. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

## EXCERPTS FROM THE LAW

### Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to wit:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power; .....

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special\* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies\*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

#### **General Penalties**

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

**FERC FORM NO. 1/3-Q:  
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

**IDENTIFICATION**

|   |  |  |                                       |
|---|--|--|---------------------------------------|
| 01 Exact Legal Name of Respondent<br>Gulf Power Company   |  | 02 Year/Period of Report<br>End of 2010/Q4 |                                       |
| 03 Previous Name and Date of Change (if name changed during year)<br>/ /  |  |  |                                       |
| 04 Address of Principal Office at End of Period (Street, City, State, Zip Code)<br>500 Bayfront Pkwy, Pensacola, FL 32520 |  |  |                                       |
| 05 Name of Contact Person<br>Connie J. Erickson   |  | 06 Title of Contact Person<br>Comptroller  |                                       |
| 07 Address of Contact Person (Street, City, State, Zip Code)<br>One Energy Place, Pensacola, FL 32520-0734                |  |  |                                       |
| 08 Telephone of Contact Person, Including Area Code<br>(850) 444-6384   | 09 This Report Is<br>(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission |  | 10 Date of Report (Mo, Da, Yr)<br>/ / |

**ANNUAL CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

|                               |  |  |
|-------------------------------|--|--|
| 01 Name<br>Connie J. Erickson | 03 Signature<br> | 04 Date Signed<br>(Mo, Da, Yr)<br>04/18/2011 |
| 02 Title<br>Comptroller       |  |  |

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

LIST OF SCHEDULES (Electric Utility)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

| Line No. | Title of Schedule<br>(a)   | Reference Page No.<br>(b) | Remarks<br>(c) |
|----------|--|---------------------------|----------------|
| 1        | General Information  | 101                       |                |
| 2        | Control Over Respondent  | 102                       |                |
| 3        | Corporations Controlled by Respondent                                  | 103                       |                |
| 4        | Officers   | 104                       |                |
| 5        | Directors  | 105                       |                |
| 6        | Information on Formula Rates   | 106(a)(b)                 |                |
| 7        | Important Changes During the Year                                      | 108-109                   |                |
| 8        | Comparative Balance Sheet  | 110-113                   |                |
| 9        | Statement of Income for the Year                                       | 114-117                   |                |
| 10       | Statement of Retained Earnings for the Year                            | 118-119                   |                |
| 11       | Statement of Cash Flows  | 120-121                   |                |
| 12       | Notes to Financial Statements  | 122-123                   |                |
| 13       | Statement of Accum Comp Income, Comp Income, and Hedging Activities    | 122(a)(b)                 |                |
| 14       | Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep | 200-201                   |                |
| 15       | Nuclear Fuel Materials   | 202-203                   | NA             |
| 16       | Electric Plant in Service  | 204-207                   |                |
| 17       | Electric Plant Leased to Others  | 213                       | NA             |
| 18       | Electric Plant Held for Future Use                                     | 214                       |                |
| 19       | Construction Work in Progress-Electric                                 | 216                       |                |
| 20       | Accumulated Provision for Depreciation of Electric Utility Plant       | 219                       |                |
| 21       | Investment of Subsidiary Companies                                     | 224-225                   | NA             |
| 22       | Materials and Supplies   | 227                       |                |
| 23       | Allowances   | 228(ab)-229(ab)           |                |
| 24       | Extraordinary Property Losses  | 230                       | NA             |
| 25       | Unrecovered Plant and Regulatory Study Costs                           | 230                       | NA             |
| 26       | Transmission Service and Generation Interconnection Study Costs        | 231                       | NA             |
| 27       | Other Regulatory Assets  | 232                       |                |
| 28       | Miscellaneous Deferred Debits  | 233                       |                |
| 29       | Accumulated Deferred Income Taxes                                      | 234                       |                |
| 30       | Capital Stock  | 250-251                   |                |
| 31       | Other Paid-in Capital  | 253                       |                |
| 32       | Capital Stock Expense  | 254                       |                |
| 33       | Long-Term Debt   | 256-257                   |                |
| 34       | Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax | 261                       |                |
| 35       | Taxes Accrued, Prepaid and Charged During the Year                     | 262-263                   |                |
| 36       | Accumulated Deferred Investment Tax Credits                            | 266-267                   |                |



|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

LIST OF SCHEDULES (Electric Utility) (continued)

Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".

| Line No. | Title of Schedule<br>(a)                            | Reference Page No.<br>(b) | Remarks<br>(c) |
|----------|---|---------------------------|----------------|
| 67       | Transmission Lines Added During the Year            | 424-425                   |                |
| 68       | Substations   | 426-427                   |                |
| 69       | Transactions with Associated (Affiliated) Companies | 429                       |                |
| 70       | Footnote Data                                       | 450                       |                |

Stockholders' Reports Check appropriate box:

- Two copies will be submitted
- No annual report to stockholders is prepared

|  |   |                                       |  |
|--|---|---------------------------------------|--|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of <u>2010/Q4</u> |
|--|---|---------------------------------------|--|

**GENERAL INFORMATION**

1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.

Connie J. Erickson  
Comptroller  
500 Bayfront Parkway  
Pensacola, FL 32520-0734

2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.

Incorporated on November 2, 2005, in Florida

3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.

NA

4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.

Production of electricity in Northwest Florida (Mississippi and Georgia for use in Northwest Florida), and other miscellaneous services.

5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?

- (1)  Yes...Enter the date when such independent accountant was initially engaged:  
(2)  No

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**CONTROL OVER RESPONDENT**

1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the respondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.

1. Southern Company, a registered holding company, owns all of the Common Stock of the respondent.
2. 2010 Notes to Financial Statements (Gulf Power Company), Note 1 Summary of Significant Accounting Policies, General.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

CORPORATIONS CONTROLLED BY RESPONDENT

1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.
2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.
3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.

Definitions

1. See the Uniform System of Accounts for a definition of control.
2. Direct control is that which is exercised without interposition of an intermediary.
3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.
4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.

| Line No. | Name of Company Controlled<br>(a) | Kind of Business<br>(b)      | Percent Voting Stock Owned<br>(c) | Footnote Ref.<br>(d) |
|----------|-----------------------------------|------------------------------|-----------------------------------|----------------------|
| 1        | Gulf Power Capital Trust V        | Trust established for the    | 100%                              |                      |
| 2        |                                   | purpose of issuing preferred |                                   |                      |
| 3        |                                   | securities and subsequently  |                                   |                      |
| 4        |                                   | linking the proceeds to      |                                   |                      |
| 5        |                                   | Gulf Power Company.          |                                   |                      |
| 6        |                                   |                              |                                   |                      |
| 7        | Gulf Power Capital Trust VI       | Trust established for the    | 100%                              |                      |
| 8        |                                   | purpose of issuing preferred |                                   |                      |
| 9        |                                   | securities and subsequently  |                                   |                      |
| 10       |                                   | linking the proceeds to      |                                   |                      |
| 11       |                                   | Gulf Power Company.          |                                   |                      |
| 12       |                                   |                              |                                   |                      |
| 13       |                                   |                              |                                   |                      |
| 14       |                                   |                              |                                   |                      |
| 15       |                                   |                              |                                   |                      |
| 16       |                                   |                              |                                   |                      |
| 17       |                                   |                              |                                   |                      |
| 18       |                                   |                              |                                   |                      |
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| 27       |                                   |                              |                                   |                      |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 103 Line No.: 1 Column: a**  
Dissolved August 3, 2010.

**Schedule Page: 103 Line No.: 7 Column: a**  
Dissolved August 3, 2010.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
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OFFICERS

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

| Line No. | Title (a)  | Name of Officer (b)    | Salary for Year (c) |
|----------|--|------------------------|---------------------|
| 1        | President and Chief Executive Officer              | Susan N. Story         | 1,672,840           |
| 2        |  |                        |                     |
| 3        | Vice President-External Affairs/Corporate Services | Bentina C. Terry       | 432,843             |
| 4        |  |                        |                     |
| 5        | Vice President - Customer Operations               | P. Bernard Jacob       | 423,459             |
| 6        |  |                        |                     |
| 7        | Vice President - Chief Financial Officer           | Philip C. Raymond      | 806,332             |
| 8        |  |                        |                     |
| 9        | Vice President - Power Generation                  | Theodore J. McCullough | 705,222             |
| 10       |  |                        |                     |
| 11       | Vice President - Chief Financial Officer           | Richard S. Teel        | 846,400             |
| 12       |  |                        |                     |
| 13       | Vice President - Power Generation                  | Michael L. Burroughs   | 491,166             |
| 14       |  |                        |                     |
| 15       |  |                        |                     |
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|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

- Schedule Page: 104 Line No.: 1 Column: a**  
Resigned 12/31/10. Transferred to Southern Company Services.
- Schedule Page: 104 Line No.: 7 Column: a**  
Resigned 8/12/10. Transferred to Alabama Power Company.
- Schedule Page: 104 Line No.: 9 Column: a**  
Resigned 6/29/10. Transferred to Alabama Power Company.
- Schedule Page: 104 Line No.: 11 Column: a**  
Elected effective 8/13/10.
- Schedule Page: 104 Line No.: 13 Column: a**  
Elected effective 8/1/10.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**DIRECTORS**

- Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.
- Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.

| Line No. | Name (and Title) of Director (a)      | Principal Business Address (b)  |
|----------|---------------------------------------|---------------------------------|
| 1        | Susan N. Story                        | One Energy Place                |
| 2        | President and Chief Executive Officer | Pensacola, FL 32520-0100        |
| 3        |                                       |                                 |
| 4        | C. LeDon Anchors                      | 909 Mar Walt Drive, Suite 1014  |
| 5        |                                       | Ft. Walton Beach, FL 32547      |
| 6        |                                       |                                 |
| 7        | Allan G. Bense                        | 1405 W. Beach Drive             |
| 8        |                                       | Panama City, FL 32401           |
| 9        |                                       |                                 |
| 10       | Deborah H. Calder                     | 5550 Heritage Oaks Drive        |
| 11       |                                       | Pensacola, FL 32526             |
| 12       |                                       |                                 |
| 13       | William C. Cramer, Jr.                | 2251 West 23rd Street           |
| 14       |                                       | Panama City, FL 32405           |
| 15       |                                       |                                 |
| 16       | Fred C. Donovan, Sr.                  | 449 West Main Street            |
| 17       |                                       | Pensacola, FL 32502             |
| 18       |                                       |                                 |
| 19       | J. Mort O'Sullivan, III               | 316 S. Baylen Street, Suite 300 |
| 20       |                                       | Pensacola, FL 32502             |
| 21       |                                       |                                 |
| 22       | William A. Pullum                     | 8494 Navarre Parkway            |
| 23       |                                       | Navarre, FL 32566               |
| 24       |                                       |                                 |
| 25       | Winston E. Scott                      | 150 W. University Blvd          |
| 26       |                                       | Melbourne, FL 32901             |
| 27       |                                       |                                 |
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| Name of Respondent | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| Gulf Power Company |   |                                       |                                  |
| FOOTNOTE DATA      |   |                                       |                                  |

**Schedule Page: 105 Line No.: 4 Column: a**

Retired March 22, 2010.

**Schedule Page: 105 Line No.: 16 Column: a**

Retired August 4, 2010.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
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INFORMATION ON FORMULA RATES  
FERC Rate Schedule/Tariff Number FERC Proceeding

Does the respondent have formula rates?  Yes  No

1. Please list the Commission accepted formula rates including FERC Rate Schedule or Tariff Number and FERC proceeding (i.e. Docket No) accepting the rate(s) or changes in the accepted rate.

| Line No. | FERC Rate Schedule or Tariff Number        | FERC Proceeding          |
|----------|--|--------------------------|
| 1        | Southern Operating Companies First Revised |                          |
| 2        | Rate Schedule FERC No. 62                  | ER01-602-009             |
| 3        | Southern Operating Companies First Revised |                          |
| 4        | Rate Schedule FERC No. 77                  | ER00-3232                |
| 5        | Southern Operating Companies Rate          |                          |
| 6        | Schedule FERC No. 67                       | ER11-2477-000            |
| 7        | Southern Operating Companies Rate          |                          |
| 8        | Schedule FERC No. 66                       | ER11-2477-000            |
| 9        | Southern Operating Companies First Revised |                          |
| 10       | Rate Schedule FERC No. 70                  | ER00-3232                |
| 11       | Southern Operating Companies First Revised |                          |
| 12       | Rate Schedule FERC No. 53                  | ER01-602-009             |
| 13       | Southern Operating Companies Rate          |                          |
| 14       | Schedule FERC No. 68                       | ER11-2477-000            |
| 15       | Southern Operating Companies First Revised |                          |
| 16       | Rate Schedule FERC No. 76                  | ER00-3232                |
| 17       | Southern Operating Companies First Revised |                          |
| 18       | Rate Schedule FERC No. 30                  | ER01-602-009             |
| 19       | Southern Operating Companies First Revised |                          |
| 20       | Rate Schedule FERC No. 93                  | ER00-3232                |
| 21       | Southern Operating Companies First Revised |                          |
| 22       | Rate Schedule FERC No. 33                  | ER01-602-009             |
| 23       | Southern Operating Companies FERC          |                          |
| 24       | Electric Tariff Fourth Revised Volume No.5 | ER11-2452-000            |
| 25       | Southern Company Services, Inc. FERC       |                          |
| 26       | Electric Tariff Original Volume No. 13     | ER08-756                 |
| 27       | Southern Operating Companies First Revised |                          |
| 28       | Services Agreement No. 487                 | ER11-2683-000            |
| 29       | Southern Company Services, Inc. Second     |                          |
| 30       | Revised Rate Schedule FERC No. 138         | FERC Docket No. EL05-102 |
| 31       |  |                          |
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|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**INFORMATION ON FORMULA RATES**  
FERC Rate Schedule/Tariff Number FERC Proceeding

|  |  |
|--|--|
| Does the respondent file with the Commission annual (or more frequent) filings containing the inputs to the formula rate(s)? | <input checked="" type="checkbox"/> Yes<br><input type="checkbox"/> No |
|--|--|

2. If yes, provide a listing of such filings as contained on the Commission's eLibrary website:

| Line No. | Accession No. | Document Date \ Filed Date | Docket No.    | Description                        | Formula Rate FERC Rate Schedule Number or Tariff Number |
|----------|---------------|----------------------------|---------------|------------------------------------|---|
| 1        | 20091103-0109 | 10/30/2009                 | ER10-203-000  | 2010 OATT Informational Filing     | Southern Operating                                      |
| 2        |               |                            |               |                                    | Companies FERC  |
| 3        |               |                            |               |                                    | Electric Tariff Fourth                                  |
| 4        |               |                            |               |                                    | Revised Volume No. 5                                    |
| 5        | 20100503-0280 | 04/30/2010                 | ER11-1170-000 | 2009 OATT True-up Filing           | Southern Operating                                      |
| 6        |               |                            |               |                                    | Companies FERC  |
| 7        |               |                            |               |                                    | Electric Tariff Fourth                                  |
| 8        |               |                            |               |                                    | Revised Volume No. 5                                    |
| 9        | 20091030-0052 | 10/30/2009                 | ER10-133-000  | UPS Agreement Informational Filing | Southern Operating                                      |
| 10       |               |                            |               |                                    | Companies Rate  |
| 11       |               |                            |               |                                    | Schedule FERC No. 66                                    |
| 12       | 20091030-0052 | 10/30/2009                 | ER10-133-000  | UPS Agreement Informational        | Southern Operating                                      |
| 13       |               |                            |               |                                    | Companies Rate  |
| 14       |               |                            |               |                                    | Schedule  |
| 15       | 20091030-0052 | 10/30/2009                 | ER10-133-000  | UPS Agreement Informational Filing | Southern Operating                                      |
| 16       |               |                            |               |                                    | Companies Rate  |
| 17       |               |                            |               |                                    | Schedule FERC No. 68                                    |
| 18       | 20091102-0119 | 10/30/2009                 | ER10-171-000  | IIC Informational Filing           | Southern Company  |
| 19       |               |                            |               |                                    | Services, Inc. Second                                   |
| 20       |               |                            |               |                                    | Revised Rate Schedule                                   |
| 21       |               |                            |               |                                    | FERC No. 138  |
| 22       |               |                            |               |                                    |   |
| 23       |               |                            |               |                                    |   |
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|--|---|----------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>11 | Year/Period of Report<br>End of 2010/Q4 |
|--|---|----------------------|---|

**IMPORTANT CHANGES DURING THE QUARTER/YEAR**

Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.

1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.
2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.
3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.
4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.
5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.
6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.
7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.
8. State the estimated annual effect and nature of any important wage scale changes during the year.
9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.
10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.
11. (Reserved.)
12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.
13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.
14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.

PAGE 108 INTENTIONALLY LEFT BLANK  
SEE PAGE 109 FOR REQUIRED INFORMATION.

|   |   |                                       |                                  |
|---|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company              | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued) |   |                                       |                                  |

- 1) N/A
- 2) N/A
- 3) N/A
- 4) N/A
- 5) N/A
- 6) As of December 31, 2010, Gulf Power had \$92.0 million in Commercial Paper borrowing with authorization from the Florida Public Service Commission under Docket No. 100418-EI, Order No. PSC-10-0718-FOF-EI.  
  
See Long-Term Debt schedule on pages 256-257 and Notes to Financial Statements beginning on page 123.1.
- 7) N/A
- 8) N/A
- 9) See Notes to the Financial Statements beginning on page 123.1.
- 10) N/A
- 11) (Reserved)
- 12) See Notes to the Financial Statements beginning on page 123.1.
- 13) Susan N. Story, President and Chief Executive Officer - Gulf Power Company, resigned effective December 31, 2010, transferred to Southern Company.  
  
Mark A. Crosswhite, President and Chief Executive Officer - Gulf Power Company, elected effective January 1, 2011.
- 14) N/A

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

| Line No.  | Title of Account<br>(a)   | Ref. Page No.<br>(b) | Current Year<br>End of Quarter/Year<br>Balance<br>(c) | Prior Year<br>End Balance<br>12/31<br>(d) |
|-----------|---|----------------------|---|---|
| <b>1</b>  | <b>UTILITY PLANT</b>  |                      |   |   |
| 2         | Utility Plant (101-106, 114)                                      | 200-201              | 3,634,254,551   | 3,430,502,969                             |
| 3         | Construction Work in Progress (107)                               | 200-201              | 209,807,863   | 159,499,457                               |
| 4         | TOTAL Utility Plant (Enter Total of lines 2 and 3)                |                      | 3,844,062,414   | 3,590,002,426                             |
| 5         | (Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)   | 200-201              | 1,273,413,908   | 1,201,055,042                             |
| 6         | Net Utility Plant (Enter Total of line 4 less 5)                  |                      | 2,570,648,506   | 2,388,947,384                             |
| 7         | Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1) | 202-203              | 0   | 0   |
| 8         | Nuclear Fuel Materials and Assemblies-Stock Account (120.2)       |                      | 0   | 0   |
| 9         | Nuclear Fuel Assemblies in Reactor (120.3)                        |                      | 0   | 0   |
| 10        | Spent Nuclear Fuel (120.4)  |                      | 0   | 0   |
| 11        | Nuclear Fuel Under Capital Leases (120.6)                         |                      | 0   | 0   |
| 12        | (Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)   | 202-203              | 0   | 0   |
| 13        | Net Nuclear Fuel (Enter Total of lines 7-11 less 12)              |                      | 0   | 0   |
| 14        | Net Utility Plant (Enter Total of lines 6 and 13)                 |                      | 2,570,648,506   | 2,388,947,384                             |
| 15        | Utility Plant Adjustments (116)                                   |                      | 0   | 0   |
| 16        | Gas Stored Underground - Noncurrent (117)                         |                      | 0   | 0   |
| <b>17</b> | <b>OTHER PROPERTY AND INVESTMENTS</b>                             |                      |   |   |
| 18        | Nonutility Property (121)   |                      | 15,307,660  | 14,945,617                                |
| 19        | (Less) Accum. Prov. for Depr. and Amort. (122)                    |                      | 1,834,137   | 1,469,972                                 |
| 20        | Investments in Associated Companies (123)                         |                      | 2,878,483   | 2,447,762                                 |
| 21        | Investment in Subsidiary Companies (123.1)                        | 224-225              | 0   | 0   |
| 22        | (For Cost of Account 123.1, See Footnote Page 224, line 42)       |                      |   |   |
| 23        | Noncurrent Portion of Allowances                                  | 228-229              | 0   | 0   |
| 24        | Other Investments (124)   |                      | 0   | 0   |
| 25        | Sinking Funds (125)   |                      | 0   | 0   |
| 26        | Depreciation Fund (126)   |                      | 0   | 0   |
| 27        | Amortization Fund - Federal (127)                                 |                      | 0   | 0   |
| 28        | Other Special Funds (128)   |                      | 94,925,268  | 58,784,773                                |
| 29        | Special Funds (Non Major Only) (129)                              |                      | 0   | 0   |
| 30        | Long-Term Portion of Derivative Assets (175)                      |                      | 0   | 0   |
| 31        | Long-Term Portion of Derivative Assets - Hedges (176)             |                      | 574,793   | 47,620                                    |
| 32        | TOTAL Other Property and Investments (Lines 18-21 and 23-31)      |                      | 111,852,067   | 74,755,800                                |
| <b>33</b> | <b>CURRENT AND ACCRUED ASSETS</b>                                 |                      |   |   |
| 34        | Cash and Working Funds (Non-major Only) (130)                     |                      | 0   | 0   |
| 35        | Cash (131)  |                      | 1,283,556   | 2,354,715                                 |
| 36        | Special Deposits (132-134)  |                      | 10,750  | 6,357,272                                 |
| 37        | Working Fund (135)  |                      | 380,163   | 302,163                                   |
| 38        | Temporary Cash Investments (136)                                  |                      | 0   | 0   |
| 39        | Notes Receivable (141)  |                      | 0   | 0   |
| 40        | Customer Accounts Receivable (142)                                |                      | 74,377,470  | 64,257,213                                |
| 41        | Other Accounts Receivable (143)                                   |                      | 8,834,310   | 3,793,362                                 |
| 42        | (Less) Accum. Prov. for Uncollectible Acct.-Credit (144)          |                      | 2,014,080   | 1,912,814                                 |
| 43        | Notes Receivable from Associated Companies (145)                  |                      | 0   | 0   |
| 44        | Accounts Receivable from Assoc. Companies (146)                   |                      | 7,939,715   | 7,502,926                                 |
| 45        | Fuel Stock (151)  | 227                  | 152,851,390   | 164,454,800                               |
| 46        | Fuel Stock Expenses Undistributed (152)                           | 227                  | 0   | 0   |
| 47        | Residuals (Elec) and Extracted Products (153)                     | 227                  | 0   | 0   |
| 48        | Plant Materials and Operating Supplies (154)                      | 227                  | 49,322,820  | 38,307,193                                |
| 49        | Merchandise (155)   | 227                  | 0   | 0   |
| 50        | Other Materials and Supplies (156)                                | 227                  | 0   | 0   |
| 51        | Nuclear Materials Held for Sale (157)                             | 202-203/227          | 0   | 0   |
| 52        | Allowances (158.1 and 158.2)                                      | 228-229              | 14,303,740  | 19,164,437                                |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**(Continued)

| Line No. | Title of Account<br>(a)   | Ref. Page No.<br>(b) | Current Year<br>End of Quarter/Year<br>Balance<br>(c) | Prior Year<br>End Balance<br>12/31<br>(d) |
|----------|---|----------------------|---|---|
| 53       | (Less) Noncurrent Portion of Allowances                                 |                      | 0   | 0   |
| 54       | Stores Expense Undistributed (163)                                      | 227                  | 6,214   | 170,472                                   |
| 55       | Gas Stored Underground - Current (164.1)                                |                      | 0   | 0   |
| 56       | Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)      |                      | 0   | 0   |
| 57       | Prepayments (165)   |                      | 59,250,968  | 34,325,663                                |
| 58       | Advances for Gas (166-167)  |                      | 0   | 0   |
| 59       | Interest and Dividends Receivable (171)                                 |                      | 323,365   | 307,677                                   |
| 60       | Rents Receivable (172)  |                      | 703,720   | 0   |
| 61       | Accrued Utility Revenues (173)  |                      | 64,697,369  | 60,414,002                                |
| 62       | Miscellaneous Current and Accrued Assets (174)                          |                      | 0   | 0   |
| 63       | Derivative Instrument Assets (175)                                      |                      | 3,971   | 11,812                                    |
| 64       | (Less) Long-Term Portion of Derivative Instrument Assets (175)          |                      | 0   | 0   |
| 65       | Derivative Instrument Assets - Hedges (176)                             |                      | 2,376,185   | 3,124,496                                 |
| 66       | (Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176) |                      | 574,793   | 47,620                                    |
| 67       | Total Current and Accrued Assets (Lines 34 through 66)                  |                      | 434,076,813   | 402,887,769                               |
| 68       | <b>DEFERRED DEBITS</b>  |                      |   |   |
| 69       | Unamortized Debt Expenses (181)   |                      | 9,664,084   | 10,248,255                                |
| 70       | Extraordinary Property Losses (182.1)                                   | 230a                 | 0   | 0   |
| 71       | Unrecovered Plant and Regulatory Study Costs (182.2)                    | 230b                 | 0   | 0   |
| 72       | Other Regulatory Assets (182.3)   | 232                  | 299,746,308   | 248,649,409                               |
| 73       | Prelim. Survey and Investigation Charges (Electric) (183)               |                      | 14,960,581  | 7,926,176                                 |
| 74       | Preliminary Natural Gas Survey and Investigation Charges 183.1)         |                      | 0   | 0   |
| 75       | Other Preliminary Survey and Investigation Charges (183.2)              |                      | 0   | 0   |
| 76       | Clearing Accounts (184)   |                      | 277,233   | -8,026                                    |
| 77       | Temporary Facilities (185)  |                      | 0   | 0   |
| 78       | Miscellaneous Deferred Debits (186)                                     | 233                  | 8,163,649   | 13,994,750                                |
| 79       | Def. Losses from Disposition of Utility Plt. (187)                      |                      | 0   | 0   |
| 80       | Research, Devel. and Demonstration Expend. (188)                        | 352-353              | 0   | 0   |
| 81       | Unamortized Loss on Reaquired Debt (189)                                |                      | 15,873,585  | 14,598,828                                |
| 82       | Accumulated Deferred Income Taxes (190)                                 | 234                  | 70,586,231  | 61,321,242                                |
| 83       | Unrecovered Purchased Gas Costs (191)                                   |                      | 0   | 0   |
| 84       | Total Deferred Debits (lines 69 through 83)                             |                      | 419,271,671   | 356,730,634                               |
| 85       | TOTAL ASSETS (lines 14-16, 32, 67, and 84)                              |                      | 3,535,849,057   | 3,223,321,587                             |

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|--|---|---------------------------------------|---|
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**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)**

| Line No. | Title of Account<br>(a)   | Ref. Page No.<br>(b) | Current Year<br>End of Quarter/Year<br>Balance<br>(c) | Prior Year<br>End Balance<br>12/31<br>(d) |
|----------|---|----------------------|---|---|
| 1        | PROPRIETARY CAPITAL   |                      |   |   |
| 2        | Common Stock Issued (201)                                       | 250-251              | 303,060,000   | 253,060,000                               |
| 3        | Preferred Stock Issued (204)                                    | 250-251              | 100,000,000   | 100,000,000                               |
| 4        | Capital Stock Subscribed (202, 205)                             |                      | 0   | 0   |
| 5        | Stock Liability for Conversion (203, 206)                       |                      | 0   | 0   |
| 6        | Premium on Capital Stock (207)                                  |                      | 0   | 0   |
| 7        | Other Paid-In Capital (208-211)                                 | 253                  | 538,374,592   | 534,577,331                               |
| 8        | Installments Received on Capital Stock (212)                    | 252                  | 0   | 0   |
| 9        | (Less) Discount on Capital Stock (213)                          | 254                  | 0   | 0   |
| 10       | (Less) Capital Stock Expense (214)                              | 254b                 | 2,001,655   | 2,001,655                                 |
| 11       | Retained Earnings (215, 215.1, 216)                             | 118-119              | 236,327,806   | 219,116,813                               |
| 12       | Unappropriated Undistributed Subsidiary Earnings (216.1)        | 118-119              | 0   | 0   |
| 13       | (Less) Reaquired Capital Stock (217)                            | 250-251              | 0   | 0   |
| 14       | Noncorporate Proprietorship (Non-major only) (218)              |                      | 0   | 0   |
| 15       | Accumulated Other Comprehensive Income (219)                    | 122(a)(b)            | -2,726,852  | -2,462,447                                |
| 16       | Total Proprietary Capital (lines 2 through 15)                  |                      | 1,173,033,891   | 1,102,290,042                             |
| 17       | LONG-TERM DEBT  |                      |   |   |
| 18       | Bonds (221)   | 256-257              | 0   | 0   |
| 19       | (Less) Reaquired Bonds (222)                                    | 256-257              | 0   | 0   |
| 20       | Advances from Associated Companies (223)                        | 256-257              | 0   | 0   |
| 21       | Other Long-Term Debt (224)                                      | 256-257              | 1,230,926,000   | 1,125,441,000                             |
| 22       | Unamortized Premium on Long-Term Debt (225)                     |                      | 0   | 0   |
| 23       | (Less) Unamortized Discount on Long-Term Debt-Debit (226)       |                      | 6,528,421   | 6,527,336                                 |
| 24       | Total Long-Term Debt (lines 18 through 23)                      |                      | 1,224,397,579   | 1,118,913,664                             |
| 25       | OTHER NONCURRENT LIABILITIES                                    |                      |   |   |
| 26       | Obligations Under Capital Leases - Noncurrent (227)             |                      | 0   | 0   |
| 27       | Accumulated Provision for Property Insurance (228.1)            |                      | 27,593,114  | 24,045,884                                |
| 28       | Accumulated Provision for Injuries and Damages (228.2)          |                      | 1,959,884   | 2,936,146                                 |
| 29       | Accumulated Provision for Pensions and Benefits (228.3)         |                      | 143,056,797   | 141,373,292                               |
| 30       | Accumulated Miscellaneous Operating Provisions (228.4)          |                      | 0   | 0   |
| 31       | Accumulated Provision for Rate Refunds (229)                    |                      | 189,387   | 200,564                                   |
| 32       | Long-Term Portion of Derivative Instrument Liabilities          |                      | 0   | 253                                       |
| 33       | Long-Term Portion of Derivative Instrument Liabilities - Hedges |                      | 4,193,390   | 4,446,945                                 |
| 34       | Asset Retirement Obligations (230)                              |                      | 11,470,497  | 12,607,768                                |
| 35       | Total Other Noncurrent Liabilities (lines 26 through 34)        |                      | 188,463,069   | 185,610,852                               |
| 36       | CURRENT AND ACCRUED LIABILITIES                                 |                      |   |   |
| 37       | Notes Payable (231)   |                      | 1,205,709   | 90,330,771                                |
| 38       | Accounts Payable (232)  |                      | 69,317,163  | 77,941,475                                |
| 39       | Notes Payable to Associated Companies (233)                     |                      | 91,977,744  | 0   |
| 40       | Accounts Payable to Associated Companies (234)                  |                      | 46,422,795  | 47,420,636                                |
| 41       | Customer Deposits (235)   |                      | 35,599,535  | 32,360,644                                |
| 42       | Taxes Accrued (236)   | 262-263              | 14,182,447  | 10,891,243                                |
| 43       | Interest Accrued (237)  |                      | 13,602,572  | 10,301,601                                |
| 44       | Dividends Declared (238)  |                      | 1,550,625   | 1,550,625                                 |
| 45       | Matured Long-Term Debt (239)                                    |                      | 0   | 0   |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)** (Continued)

| Line No. | Title of Account<br>(a)  | Ref. Page No.<br>(b) | Current Year<br>End of Quarter/Year<br>Balance<br>(c) | Prior Year<br>End Balance<br>12/31<br>(d) |
|----------|--|----------------------|---|---|
| 46       | Matured Interest (240)   |                      | 0   | 0   |
| 47       | Tax Collections Payable (241)  |                      | -519,384  | 2,041,873                                 |
| 48       | Miscellaneous Current and Accrued Liabilities (242)                    |                      | 26,979,833  | 22,878,473                                |
| 49       | Obligations Under Capital Leases-Current (243)                         |                      | 0   | 0   |
| 50       | Derivative Instrument Liabilities (244)                                |                      | 0   | 0   |
| 51       | (Less) Long-Term Portion of Derivative Instrument Liabilities          |                      | 0   | 0   |
| 52       | Derivative Instrument Liabilities - Hedges (245)                       |                      | 13,608,036  | 13,888,912                                |
| 53       | (Less) Long-Term Portion of Derivative Instrument Liabilities-Hedges   |                      | 4,193,391   | 4,446,945                                 |
| 54       | Total Current and Accrued Liabilities (lines 37 through 53)            |                      | 309,733,684   | 305,159,308                               |
| 55       | DEFERRED CREDITS   |                      |   |   |
| 56       | Customer Advances for Construction (252)                               |                      | 0   | 0   |
| 57       | Accumulated Deferred Investment Tax Credits (255)                      | 266-267              | 8,108,616   | 9,652,416                                 |
| 58       | Deferred Gains from Disposition of Utility Plant (256)                 |                      | 0   | 0   |
| 59       | Other Deferred Credits (253)   | 269                  | 123,014,687   | 95,806,773                                |
| 60       | Other Regulatory Liabilities (254)                                     | 278                  | 51,799,649  | 50,088,372                                |
| 61       | Unamortized Gain on Reaquired Debt (257)                               |                      | 0   | 0   |
| 62       | Accum. Deferred Income Taxes-Accel. Amort.(281)                        | 272-277              | 57,375,561  | 27,685,734                                |
| 63       | Accum. Deferred Income Taxes-Other Property (282)                      |                      | 336,601,361   | 287,475,269                               |
| 64       | Accum. Deferred Income Taxes-Other (283)                               |                      | 63,320,960  | 40,639,157                                |
| 65       | Total Deferred Credits (lines 56 through 64)                           |                      | 640,220,834   | 511,347,721                               |
| 66       | TOTAL LIABILITIES AND STOCKHOLDER EQUITY (lines 16, 24, 35, 54 and 65) |                      | 3,535,849,057   | 3,223,321,587                             |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**STATEMENT OF INCOME**

**Quarterly**

1. Report in column (c) the current year to date balance. Column (c) equals the total of adding the data in column (g) plus the data in column (i) plus the data in column (k). Report in column (d) similar data for the previous year. This information is reported in the annual filing only.
2. Enter in column (e) the balance for the reporting quarter and in column (f) the balance for the same three month period for the prior year.
3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in column (k) the quarter to date amounts for other utility function for the current year quarter.
4. Report in column (h) the quarter to date amounts for electric utility function; in column (j) the quarter to date amounts for gas utility, and in column (l) the quarter to date amounts for other utility function for the prior year quarter.
5. If additional columns are needed, place them in a footnote.

**Annual or Quarterly if applicable**

5. Do not report fourth quarter data in columns (e) and (f)
6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.
7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.

| Line No. | Title of Account<br>(a)  | (Ref.)<br>Page No.<br>(b) | Total<br>Current Year to<br>Date Balance for<br>Quarter/Year<br>(c) | Total<br>Prior Year to<br>Date Balance for<br>Quarter/Year<br>(d) | Current 3 Months<br>Ended<br>Quarterly Only<br>No 4th Quarter<br>(e) | Prior 3 Months<br>Ended<br>Quarterly Only<br>No 4th Quarter<br>(f) |
|----------|--|---------------------------|---|---|--|--|
| 1        | UTILITY OPERATING INCOME   |                           |   |   |  |  |
| 2        | Operating Revenues (400)   | 300-301                   | 1,590,368,687   | 1,302,433,325   |  |  |
| 3        | Operating Expenses   |                           |   |   |  |  |
| 4        | Operation Expenses (401)   | 320-323                   | 1,036,918,120   | 853,816,441   |  |  |
| 5        | Maintenance Expenses (402)   | 320-323                   | 83,374,399  | 72,051,701  |  |  |
| 6        | Depreciation Expense (403)   | 336-337                   | 118,347,286   | 90,795,008  |  |  |
| 7        | Depreciation Expense for Asset Retirement Costs (403.1)                | 336-337                   | 139,783   | 170,412   |  |  |
| 8        | Amort. & Depl. of Utility Plant (404-405)                              | 336-337                   | 3,825,982   | 3,576,890   |  |  |
| 9        | Amort. of Utility Plant Acq. Adj. (406)                                | 336-337                   |   |   |  |  |
| 10       | Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407) |                           |   | 88,244  |  |  |
| 11       | Amort. of Conversion Expenses (407)                                    |                           |   |   |  |  |
| 12       | Regulatory Debits (407.3)  |                           | 979,234   | 652,452   |  |  |
| 13       | (Less) Regulatory Credits (407.4)                                      |                           | 795,930   | 812,291   |  |  |
| 14       | Taxes Other Than Income Taxes (408.1)                                  | 262-263                   | 101,777,748   | 94,505,664  |  |  |
| 15       | Income Taxes - Federal (409.1)   | 262-263                   | -15,057,683   | 63,335,588  |  |  |
| 16       | - Other (409.1)  | 262-263                   | 4,997,302   | 8,647,483   |  |  |
| 17       | Provision for Deferred Income Taxes (410.1)                            | 234, 272-277              | 189,298,064   | 95,993,906  |  |  |
| 18       | (Less) Provision for Deferred Income Taxes-Cr. (411.1)                 | 234, 272-277              | 106,614,497   | 112,535,105   |  |  |
| 19       | Investment Tax Credit Adj. - Net (411.4)                               | 266                       | -1,543,800  | -1,602,984  |  |  |
| 20       | (Less) Gains from Disp. of Utility Plant (411.6)                       |                           | 5,956   |   |  |  |
| 21       | Losses from Disp. of Utility Plant (411.7)                             |                           |   |   |  |  |
| 22       | (Less) Gains from Disposition of Allowances (411.8)                    |                           | 110,223   | 111,740   |  |  |
| 23       | Losses from Disposition of Allowances (411.9)                          |                           |   |   |  |  |
| 24       | Accretion Expense (411.10)   |                           | 656,148   | 641,879   |  |  |
| 25       | TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)      |                           | 1,416,185,977   | 1,169,213,548   |  |  |
| 26       | Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27    |                           | 174,182,710   | 133,219,777   |  |  |
|          |  |                           |   |   |  |  |



STATEMENT OF INCOME FOR THE YEAR (continued)

| Line No. | Title of Account<br>(a)  | (Ref.)<br>Page No.<br>(b) | TOTAL               |                      | Current 3 Months<br>Ended<br>Quarterly Only<br>No 4th Quarter<br>(e) | Prior 3 Months<br>Ended<br>Quarterly Only<br>No 4th Quarter<br>(f) |
|----------|--|---------------------------|---------------------|----------------------|--|--|
|          |  |                           | Current Year<br>(c) | Previous Year<br>(d) |  |  |
| 27       | Net Utility Operating Income (Carried forward from page 114)           |                           | 174,182,710         | 133,219,777          |  |  |
| 28       | Other Income and Deductions  |                           |                     |                      |  |  |
| 29       | Other Income   |                           |                     |                      |  |  |
| 30       | Nonutility Operating Income  |                           |                     |                      |  |  |
| 31       | Revenues From Merchandising, Jobbing and Contract Work (415)           |                           | 1,292,742           | 1,231,117            |  |  |
| 32       | (Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)     |                           | 589,795             | 552,637              |  |  |
| 33       | Revenues From Nonutility Operations (417)                              |                           |                     |                      |  |  |
| 34       | (Less) Expenses of Nonutility Operations (417.1)                       |                           |                     |                      |  |  |
| 35       | Nonoperating Rental Income (418)                                       |                           | 270,041             | -53,620              |  |  |
| 36       | Equity in Earnings of Subsidiary Companies (418.1)                     | 119                       |                     |                      |  |  |
| 37       | Interest and Dividend Income (419)                                     |                           | 123,038             | 422,815              |  |  |
| 38       | Allowance for Other Funds Used During Construction (419.1)             |                           | 7,212,816           | 23,808,786           |  |  |
| 39       | Miscellaneous Nonoperating Income (421)                                |                           | 7,234               | 7,145                |  |  |
| 40       | Gain on Disposition of Property (421.1)                                |                           |                     | 11,860               |  |  |
| 41       | TOTAL Other Income (Enter Total of lines 31 thru 40)                   |                           | 8,316,076           | 24,875,466           |  |  |
| 42       | Other Income Deductions  |                           |                     |                      |  |  |
| 43       | Loss on Disposition of Property (421.2)                                |                           |                     |                      |  |  |
| 44       | Miscellaneous Amortization (425)                                       |                           | 255,312             | 255,312              |  |  |
| 45       | Donations (426.1)  |                           | 1,546,861           | 2,265,557            |  |  |
| 46       | Life Insurance (426.2)   |                           |                     |                      |  |  |
| 47       | Penalties (426.3)  |                           | 126,152             | 20,627               |  |  |
| 48       | Exp. for Certain Civic, Political & Related Activities (426.4)         |                           | 1,523,623           | 1,516,153            |  |  |
| 49       | Other Deductions (426.5)   |                           | 504,401             | 601,882              |  |  |
| 50       | TOTAL Other Income Deductions (Total of lines 43 thru 49)              |                           | 3,956,349           | 4,659,531            |  |  |
| 51       | Taxes Applic. to Other Income and Deductions                           |                           |                     |                      |  |  |
| 52       | Taxes Other Than Income Taxes (408.2)                                  | 262-263                   | 42,015              | 58,556               |  |  |
| 53       | Income Taxes-Federal (409.2)   | 262-263                   | -281,714            | -356,079             |  |  |
| 54       | Income Taxes-Other (409.2)   | 262-263                   | -824,892            | -2,057,435           |  |  |
| 55       | Provision for Deferred Inc. Taxes (410.2)                              | 234, 272-277              | 10,685              | 21,533               |  |  |
| 56       | (Less) Provision for Deferred Income Taxes-Cr. (411.2)                 | 234, 272-277              | 13,667              | 24,888               |  |  |
| 57       | Investment Tax Credit Adj.-Net (411.5)                                 |                           |                     |                      |  |  |
| 58       | (Less) Investment Tax Credits (420)                                    |                           |                     |                      |  |  |
| 59       | TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)      |                           | -1,067,573          | -2,358,313           |  |  |
| 60       | Net Other Income and Deductions (Total of lines 41, 50, 59)            |                           | 5,427,300           | 22,574,248           |  |  |
| 61       | Interest Charges   |                           |                     |                      |  |  |
| 62       | Interest on Long-Term Debt (427)                                       |                           | 49,298,449          | 42,165,856           |  |  |
| 63       | Amort. of Debt Disc. and Expense (428)                                 |                           | 1,509,574           | 1,241,244            |  |  |
| 64       | Amortization of Loss on Reaquired Debt (428.1)                         |                           | 1,408,066           | 1,649,049            |  |  |
| 65       | (Less) Amort. of Premium on Debt-Credit (429)                          |                           |                     |                      |  |  |
| 66       | (Less) Amortization of Gain on Reaquired Debt-Credit (429.1)           |                           |                     |                      |  |  |
| 67       | Interest on Debt to Assoc. Companies (430)                             |                           |                     |                      |  |  |
| 68       | Other Interest Expense (431)   |                           | 2,555,005           | 2,791,101            |  |  |
| 69       | (Less) Allowance for Borrowed Funds Used During Construction-Cr. (432) |                           | 2,874,577           | 9,488,832            |  |  |
| 70       | Net Interest Charges (Total of lines 62 thru 69)                       |                           | 51,896,517          | 38,358,418           |  |  |
| 71       | Income Before Extraordinary Items (Total of lines 27, 60 and 70)       |                           | 127,713,493         | 117,435,607          |  |  |
| 72       | Extraordinary Items  |                           |                     |                      |  |  |
| 73       | Extraordinary Income (434)   |                           |                     |                      |  |  |
| 74       | (Less) Extraordinary Deductions (435)                                  |                           |                     |                      |  |  |
| 75       | Net Extraordinary Items (Total of line 73 less line 74)                |                           |                     |                      |  |  |
| 76       | Income Taxes-Federal and Other (409.3)                                 | 262-263                   |                     |                      |  |  |
| 77       | Extraordinary Items After Taxes (line 75 less line 76)                 |                           |                     |                      |  |  |
| 78       | Net Income (Total of line 71 and 77)                                   |                           | 127,713,493         | 117,435,607          |  |  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

| Line No. | Item (a)  | Contra Primary Account Affected (b) | Current Quarter/Year Year to Date Balance (c) | Previous Quarter/Year Year to Date Balance (d) |
|----------|---|-------------------------------------|---|--|
|          | UNAPPROPRIATED RETAINED EARNINGS (Account 216)                      |                                     |   |  |
| 1        | Balance-Beginning of Period   |                                     | 219,116,813                                   | 197,417,382                                    |
| 2        | Changes   |                                     |   |  |
| 3        | Adjustments to Retained Earnings (Account 439)                      |                                     |   |  |
| 4        | Preferred Stock Redemption Expenses                                 |                                     |   | ( 233,676)                                     |
| 5        |   |                                     |   |  |
| 6        |   |                                     |   |  |
| 7        |   |                                     |   |  |
| 8        |   |                                     |   |  |
| 9        | TOTAL Credits to Retained Earnings (Acct. 439)                      |                                     |   | ( 233,676)                                     |
| 10       |   |                                     |   |  |
| 11       |   |                                     |   |  |
| 12       |   |                                     |   |  |
| 13       |   |                                     |   |  |
| 14       |   |                                     |   |  |
| 15       | TOTAL Debits to Retained Earnings (Acct. 439)                       |                                     |   |  |
| 16       | Balance Transferred from Income (Account 433 less Account 418.1)    |                                     | 127,713,493                                   | 117,435,607                                    |
| 17       | Appropriations of Retained Earnings (Acct. 436)                     |                                     |   |  |
| 18       |   |                                     |   |  |
| 19       |   |                                     |   |  |
| 20       |   |                                     |   |  |
| 21       |   |                                     |   |  |
| 22       | TOTAL Appropriations of Retained Earnings (Acct. 436)               |                                     |   |  |
| 23       | Dividends Declared-Preferred Stock (Account 437)                    |                                     |   |  |
| 24       | 6.00% Preference  | 238                                 | -3,300,000                                    | ( 3,300,000)                                   |
| 25       | 6.45% Preference  | 238                                 | -2,902,500                                    | ( 2,902,500)                                   |
| 26       |   |                                     |   |  |
| 27       |   |                                     |   |  |
| 28       |   |                                     |   |  |
| 29       | TOTAL Dividends Declared-Preferred Stock (Acct. 437)                |                                     | -6,202,500                                    | ( 6,202,500)                                   |
| 30       | Dividends Declared-Common Stock (Account 438)                       |                                     |   |  |
| 31       | 20,000,000 shares authorized  | 238                                 | -104,300,000                                  | ( 89,300,000)                                  |
| 32       | 3,642,717 shares outstanding  |                                     |   |  |
| 33       |   |                                     |   |  |
| 34       |   |                                     |   |  |
| 35       |   |                                     |   |  |
| 36       | TOTAL Dividends Declared-Common Stock (Acct. 438)                   |                                     | -104,300,000                                  | ( 89,300,000)                                  |
| 37       | Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings |                                     |   |  |
| 38       | Balance - End of Period (Total 1,9,15,16,22,29,36,37)               |                                     | 236,327,806                                   | 219,116,813                                    |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

| Line No. | Item (a)   | Contra Primary Account Affected (b) | Current Quarter/Year Year to Date Balance (c) | Previous Quarter/Year Year to Date Balance (d) |
|----------|--|-------------------------------------|---|--|
|          | <b>APPROPRIATED RETAINED EARNINGS (Account 215)</b>                        |                                     |   |  |
| 39       |  |                                     |   |  |
| 40       |  |                                     |   |  |
| 41       |  |                                     |   |  |
| 42       |  |                                     |   |  |
| 43       |  |                                     |   |  |
| 44       |  |                                     |   |  |
| 45       | TOTAL Appropriated Retained Earnings (Account 215)                         |                                     |   |  |
|          | <b>APPROP. RETAINED EARNINGS - AMORT. Reserve, Federal (Account 215.1)</b> |                                     |   |  |
| 46       | TOTAL Approp. Retained Earnings-Amort. Reserve, Federal (Acct. 215.1)      |                                     |   |  |
| 47       | TOTAL Approp. Retained Earnings (Acct. 215, 215.1) (Total 45,46)           |                                     |   |  |
| 48       | TOTAL Retained Earnings (Acct. 215, 215.1, 216) (Total 38, 47) (216.1)     |                                     | 236,327,806                                   | 219,116,813                                    |
|          | <b>UNAPPROPRIATED UNDISTRIBUTED SUBSIDIARY EARNINGS (Account</b>           |                                     |   |  |
|          | Report only on an Annual Basis, no Quarterly                               |                                     |   |  |
| 49       | Balance-Beginning of Year (Debit or Credit)                                |                                     |   |  |
| 50       | Equity in Earnings for Year (Credit) (Account 418.1)                       |                                     |   |  |
| 51       | (Less) Dividends Received (Debit)  |                                     |   |  |
| 52       |  |                                     |   |  |
| 53       | Balance-End of Year (Total lines 49 thru 52)                               |                                     |   |  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

| Line No. | Description (See Instruction No. 1 for Explanation of Codes)<br>(a)   | Current Year to Date<br>Quarter/Year<br>(b) | Previous Year to Date<br>Quarter/Year<br>(c) |
|----------|---|---|--|
| 1        | Net Cash Flow from Operating Activities:                              |   |  |
| 2        | Net Income (Line 78(c) on page 117)                                   | 127,713,493                                 | 117,435,607                                  |
| 3        | Noncash Charges (Credits) to Income:                                  |   |  |
| 4        | Depreciation and Depletion  | 121,400,514                                 | 93,542,845                                   |
| 5        | Amortization of   |   |  |
| 6        | Limited Term Property   | 3,825,982                                   | 3,576,890                                    |
| 7        | Other, net  | 2,670,416                                   | 2,444,758                                    |
| 8        | Deferred Income Taxes (Net)   | 82,680,585                                  | -16,544,553                                  |
| 9        | Investment Tax Credit Adjustment (Net)                                |   |  |
| 10       | Net (Increase) Decrease in Receivables                                | -21,532,879                                 | -4,835,694                                   |
| 11       | Net (Increase) Decrease in Inventory                                  | 4,653,929                                   | -65,533,439                                  |
| 12       | Net (Increase) Decrease in Allowances Inventory                       | 4,860,697                                   | -11,253,045                                  |
| 13       | Net Increase (Decrease) in Payables and Accrued Expenses              | 20,479,871                                  | 649,424                                      |
| 14       | Net (Increase) Decrease in Other Regulatory Assets                    | -18,000,794                                 | 92,573,965                                   |
| 15       | Net Increase (Decrease) in Other Regulatory Liabilities               | 2,890,501                                   | 10,929,221                                   |
| 16       | (Less) Allowance for Other Funds Used During Construction             | 7,212,816                                   | 23,808,786                                   |
| 17       | (Less) Undistributed Earnings from Subsidiary Companies               |   |  |
| 18       | Other (provide details in footnote):                                  | -56,649,358                                 | -4,946,012                                   |
| 19       |   |   |  |
| 20       |   |   |  |
| 21       |   |   |  |
| 22       | Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21) | 267,780,141                                 | 194,231,181                                  |
| 23       |   |   |  |
| 24       | Cash Flows from Investment Activities:                                |   |  |
| 25       | Construction and Acquisition of Plant (including land):               |   |  |
| 26       | Gross Additions to Utility Plant (less nuclear fuel)                  | -285,378,998                                | -450,420,849                                 |
| 27       | Gross Additions to Nuclear Fuel                                       |   |  |
| 28       | Gross Additions to Common Utility Plant                               |   |  |
| 29       | Gross Additions to Nonutility Plant                                   |   |  |
| 30       | (Less) Allowance for Other Funds Used During Construction             | -7,212,816                                  | -23,808,786                                  |
| 31       | Other (provide details in footnote):                                  | -14,782,046                                 | -11,868,666                                  |
| 32       |   |   |  |
| 33       |   |   |  |
| 34       | Cash Outflows for Plant (Total of lines 26 thru 33)                   | -292,948,228                                | -438,480,729                                 |
| 35       |   |   |  |
| 36       | Acquisition of Other Noncurrent Assets (d)                            |   |  |
| 37       | Proceeds from Disposal of Noncurrent Assets (d)                       | 314   |  |
| 38       |   |   |  |
| 39       | Investments in and Advances to Assoc. and Subsidiary Companies        |   |  |
| 40       | Contributions and Advances from Assoc. and Subsidiary Companies       |   |  |
| 41       | Disposition of Investments in (and Advances to)                       |   |  |
| 42       | Associated and Subsidiary Companies                                   |   |  |
| 43       |   |   |  |
| 44       | Purchase of Investment Securities (a)                                 | -430,721                                    | -68,022                                      |
| 45       | Proceeds from Sales of Investment Securities (a)                      |   |  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

| Line No. | Description (See Instruction No. 1 for Explanation of Codes)<br>(a) | Current Year to Date<br>Quarter/Year<br>(b) | Previous Year to Date<br>Quarter/Year<br>(c) |
|----------|---|---|--|
| 46       | Loans Made or Purchased   |   |  |
| 47       | Collections on Loans  |   |  |
| 48       |   |   |  |
| 49       | Net (Increase) Decrease in Receivables                              |   |  |
| 50       | Net (Increase ) Decrease in Inventory                               |   |  |
| 51       | Net (Increase) Decrease in Allowances Held for Speculation          |   |  |
| 52       | Net Increase (Decrease) in Payables and Accrued Expenses            | -21,580,809                                 | -23,603,081                                  |
| 53       | Other (provide details in footnote):                                | 6,514,617                                   | -6,283,919                                   |
| 54       |   |   |  |
| 55       |   |   |  |
| 56       | Net Cash Provided by (Used in) Investing Activities                 |   |  |
| 57       | Total of lines 34 thru 55)  | -308,444,827                                | -468,435,751                                 |
| 58       |   |   |  |
| 59       | Cash Flows from Financing Activities:                               |   |  |
| 60       | Proceeds from Issuance of:  |   |  |
| 61       | Long-Term Debt (b)  | 300,000,000                                 | 140,000,000                                  |
| 62       | Preferred Stock   |   |  |
| 63       | Common Stock  | 50,000,000                                  | 135,000,000                                  |
| 64       | Other (provide details in footnote):                                |   | 22,031,512                                   |
| 65       | Capital Contributions from Partners                                 | 2,241,590                                   |  |
| 66       | Net Increase in Short-Term Debt (c)                                 | 4,450,625                                   |  |
| 67       | Other (provide details in footnote):                                | 21,356,626                                  | 130,451,193                                  |
| 68       |   |   |  |
| 69       |   |   |  |
| 70       | Cash Provided by Outside Sources (Total 61 thru 69)                 | 378,048,841                                 | 427,482,705                                  |
| 71       |   |   |  |
| 72       | Payments for Retirement of:   |   |  |
| 73       | Long-term Debt (b)  |   |  |
| 74       | Preferred Stock   |   |  |
| 75       | Common Stock  |   |  |
| 76       | Other (provide details in footnote):                                | -219,124,311                                | -2,942,323                                   |
| 77       |   |   |  |
| 78       | Net Decrease in Short-Term Debt (c)                                 |   | -49,599,287                                  |
| 79       |   |   |  |
| 80       | Dividends on Preferred Stock  | -6,202,500                                  | -6,202,500                                   |
| 81       | Dividends on Common Stock   | -104,300,000                                | -89,300,000                                  |
| 82       | Net Cash Provided by (Used in) Financing Activities                 |   |  |
| 83       | (Total of lines 70 thru 81)   | 48,422,030                                  | 279,438,595                                  |
| 84       |   |   |  |
| 85       | Net Increase (Decrease) in Cash and Cash Equivalents                |   |  |
| 86       | (Total of lines 22,57 and 83)                                       | 7,757,344                                   | 5,234,025                                    |
| 87       |   |   |  |
| 88       | Cash and Cash Equivalents at Beginning of Period                    | 8,676,559                                   | 3,442,534                                    |
| 89       |   |   |  |
| 90       | Cash and Cash Equivalents at End of period                          | 16,433,903                                  | 8,676,559                                    |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 120 Line No.: 18 Column: b**

Other Operating Activities:

|  |                        |
|--|------------------------|
| Pension, Postretirement, and Other Employee Benefits | \$17,877,429           |
| Stock Option Expense                                 | 1,101,285              |
| Tax Benefit of Executive Stock Option                | 248,807                |
| Prepayments  | (67,720,611)           |
| Other Current Assets                                 | 55,070                 |
| Accumulated Provision for Property Insurance         | 3,500,000              |
| Other Deferred Credits                               | (14,327,038)           |
| Preliminary Survey & Investigation Charges           | (7,034,405)            |
| Clearing Accounts                                    | (285,259)              |
| Misc. Deferred Debits                                | 4,201,499              |
| Hedge Settlements                                    | 1,529,700              |
| Undistributed Earnings from Affiliated Trusts        | (291,463)              |
| Miscellaneous, Other Net                             | (1,535,302)            |
| Increase (Decrease) Other Current Liabilities        | <u>6,030,930</u>       |
| Total Other Operating Activities                     | <u>\$ (56,649,358)</u> |

**Schedule Page: 120 Line No.: 31 Column: b**

Other Construction & Acquisition of Plant Activities

|  |                        |
|--|------------------------|
| Cost of Removal  | \$ (1,144,595)         |
| Gross Property Additions Adjustments                       | <u>(13,637,451)</u>    |
| Total Other Construction & Acquisition of Plant Activities | <u>\$ (14,782,046)</u> |

**Schedule Page: 120 Line No.: 53 Column: b**

Other Investment Activities

|  |                    |
|--|--------------------|
| Non-Utility Property   | \$ (203,339)       |
| Provision for Depr. & Amort. of Non-Utility Property         | 371,434            |
| Distribution of Restricted Cash from Pollution Control Bonds | <u>6,346,522</u>   |
| Total Other Investment Activities                            | <u>\$6,514,617</u> |

**Schedule Page: 120 Line No.: 67 Column: b**

Other Financing Activities-Proceeds

|  |                     |
|--|---------------------|
| Pollution Control Revenue Bonds                    | \$21,000,000        |
| Proceeds-Gross Excess Tax Benefit of Stock Options | <u>356,626</u>      |
| Total Other Financing Activities-Proceeds          | <u>\$21,356,626</u> |

**Schedule Page: 120 Line No.: 76 Column: b**

Other Financing Activities-Payments

|   |                         |
|---|-------------------------|
| Senior Notes                              | \$ (215,515,000)        |
| Bond Premium and Discount                 | (926,488)               |
| Gains/Losses on Required Debt             | <u>(2,682,823)</u>      |
| Total Other Financing Activities-Payments | <u>\$ (219,124,311)</u> |

|  |   |                       |  |
|--|---|-----------------------|--|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>/ / | Year/Period of Report<br>End of <u>2010/Q4</u> |
|--|---|-----------------------|--|

**NOTES TO FINANCIAL STATEMENTS**

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK  
SEE PAGE 123 FOR REQUIRED INFORMATION.

|   |   |                                       |                                  |
|---|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company  | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| NOTES TO FINANCIAL STATEMENTS (Continued) |   |                                       |                                  |

1.) The Notes to the Financial Statements of the respondent's 2010 10-K filing with the Securities and Exchange Commission are attached hereto.

2.) Applicable to the Statement of Cash Flows:

|  |                     |
|--|---------------------|
| A. "Cash and Cash Equivalents at the End of Year"                | Current Year        |
| Cash   | \$ 1,283,556        |
| Working Funds  | 380,163             |
| Temporary Cash Investments                                       | <u>14,770,184</u>   |
| Total  | <u>\$16,433,903</u> |
| B. Cash paid during the year for interest                        | \$42,520,899        |
| Cash paid during the year for Income Taxes                       | \$17,223,527        |
| Noncash transactions - accrued property additions<br>at year-end | \$14,474,747        |

3.) These financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission ("FERC") as set forth in the applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States ("GAAP"). These requirements as they relate to these financial statements differ from GAAP primarily in 1) the classification of the components of accumulated deferred income taxes, certain miscellaneous current and accrued liabilities, prepaid assets, pension and post-retirement benefit obligations, maturities of long-term debt, deferred debits, and deferred credits, 2) comparative presentation, 3) the presentation of dividends on preference stock, 4) the classification of other cost of removal obligations, and 5) the presentation of the impact of accounting standards related to defined postretirement benefit plans. The Notes to the Financial Statements have been prepared in conformity with GAAP. Accordingly, certain footnotes are not prepared on the same basis as the financial statements presented herein.

|   |  |                     |                       |
|---|--|---------------------|-----------------------|
| Name of Respondent                        | This Report is:  | Date of Report      | Year/Period of Report |
| Gulf Power Company                        | (1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | (Mo, Da, Yr)<br>/ / | 2010/Q4               |
| NOTES TO FINANCIAL STATEMENTS (Continued) |  |                     |                       |

## 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### General

Gulf Power Company (the Company) is a wholly owned subsidiary of Southern Company, which is the parent company of four traditional operating companies, Southern Power Company (Southern Power), Southern Company Services, Inc. (SCS), Southern Communications Services, Inc. (SouthernLINC Wireless), Southern Company Holdings, Inc. (Southern Holdings), Southern Nuclear Operating Company, Inc. (Southern Nuclear), and other direct and indirect subsidiaries. The traditional operating companies - the Company, Alabama Power Company (Alabama Power), Georgia Power Company (Georgia Power), and Mississippi Power Company (Mississippi Power) - are vertically integrated utilities providing electric service in four Southeastern states. The Company operates as a vertically integrated utility providing electricity to retail customers in northwest Florida and to wholesale customers in the Southeast. Southern Power constructs, acquires, owns, and manages generation assets and sells electricity at market-based rates in the wholesale market. SCS, the system service company, provides, at cost, specialized services to Southern Company and its subsidiary companies. SouthernLINC Wireless provides digital wireless communications for use by Southern Company and its subsidiary companies and also markets these services to the public and provides fiber cable services within the Southeast. Southern Holdings is an intermediate holding company subsidiary for Southern Company's investments in leveraged leases. Southern Nuclear operates and provides services to Southern Company's nuclear power plants.

The equity method is used for entities in which the Company has significant influence but does not control.

The Company is subject to regulation by the Federal Energy Regulatory Commission (FERC) and the Florida Public Service Commission (PSC). The Company follows generally accepted accounting principles (GAAP) in the U.S. and complies with the accounting policies and practices prescribed by its regulatory commissions. The preparation of financial statements in conformity with GAAP requires the use of estimates, and the actual results may differ from those estimates. Certain prior years' data presented in the financial statement have been reclassified to conform to the current year presentation.

### Affiliate Transactions

The Company has an agreement with SCS under which the following services are rendered to the Company at direct or allocated cost: general and design engineering, operations, purchasing, accounting, finance and treasury, tax, information technology, marketing, auditing, insurance and pension administration, human resources, systems and procedures, digital wireless communications, and other services with respect to business and operations and power pool operations. Costs for these services amounted to \$99 million, \$87 million, and \$86 million during 2010, 2009, and 2008, respectively. Cost allocation methodologies used by SCS were approved by the Securities and Exchange Commission (SEC) prior to the repeal of the Public Utility Holding Company Act of 1935, as amended, and management believes they are reasonable. The FERC permits services to be rendered at cost by system service companies.

The Company has agreements with Georgia Power and Mississippi Power under which the Company owns a portion of Plant Scherer and Plant Daniel, respectively. Georgia Power operates Plant Scherer and Mississippi Power operates Plant Daniel. The Company reimbursed Georgia Power \$8.9 million, \$3.9 million, and \$8.1 million and Mississippi Power \$25.0 million, \$20.9 million, and \$22.8 million in 2010, 2009, and 2008, respectively, for its proportionate share of related expenses. See Note 4 and Note 7 under "Operating Leases" for additional information.

The Company entered into a power purchase agreement (PPA), with Southern Power for a total of approximately 292 megawatts (MWs) annually from June 2009 through May 2014. Expenses associated with the PPA were \$14.7 million, \$13.2 million, and none in 2010, 2009, and 2008, respectfully. These costs have been approved for recovery by the Florida PSC through the Company's purchase power capacity cost recovery clause. Additionally, the Company had \$4.2 million of deferred capacity expenses included in prepaid expenses and other regulatory liabilities, current in the balance sheets at December 31, 2010 and 2009, respectfully. See Note 7 under "Fuel and Purchased Power Commitments" for additional information.

The Company has an agreement with Alabama Power under which Alabama Power will make transmission system upgrades to ensure firm delivery of energy under a non-affiliate PPA. Revenue requirement obligations to Alabama Power for these upgrades are estimated to be \$135 million for the entire project. These costs are estimated to begin in 2012 and will continue through 2023. These costs have been approved for recovery by the Florida PSC through the Company's purchase power capacity cost recovery clause and

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by FERC in the transmission facilities cost allocation tariff.

The Company provides incidental services to and receives such services from other Southern Company subsidiaries which are generally minor in duration and amount. Except as described herein, the Company neither provided nor received any significant services to or from affiliates in 2010, 2009, or 2008.

The traditional operating companies, including the Company, and Southern Power jointly enter into various types of wholesale energy, natural gas, and certain other contracts, either directly or through SCS, as agent. Each participating company may be jointly and severally liable for the obligations incurred under these agreements. See Note 7 under "Fuel and Purchased Power Commitments" for additional information.

In 2010, the Company purchased an assembly fluted compressor from Georgia Power and an unbucketed turbine rotor from Southern Power for \$3.9 million and \$6.3 million, respectively. The Company also sold a universal distance piece to Southern Power, a compressor rotor and blades to Georgia Power and a turbine rotor and blades to Mississippi Power for \$0.6 million, \$3.9 million, and \$6.2 million, respectively. There were no significant affiliate transactions for 2009. In 2008, the Company sold a turbine rotor assembly and a distance piece component to Southern Power for \$9.4 million and \$0.7 million, respectively. These affiliate transactions were made in accordance with FERC and state PSC rules and guidelines.

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NOTES TO FINANCIAL STATEMENTS (Continued)

### Regulatory Assets and Liabilities

The Company is subject to the provisions of the Financial Accounting Standards Board in accounting for the effects of rate regulation. Regulatory assets represent probable future revenues associated with certain costs that are expected to be recovered from customers through the ratemaking process. Regulatory liabilities represent probable future reductions in revenues associated with amounts that are expected to be credited to customers through the ratemaking process.

Regulatory assets and (liabilities) reflected in the balance sheets at December 31 relate to:

|  | 2010                  | 2009              | Note  |
|--|-----------------------|-------------------|-------|
|  | <i>(in thousands)</i> |                   |       |
| Deferred income tax charges                    | \$ 42,352             | \$ 39,018         | (a)   |
| Deferred income tax charges – Medicare subsidy | 4,332                 | -                 | (b)   |
| Asset retirement obligations                   | (4,310)               | (4,371)           | (a,j) |
| Other cost of removal obligations              | (204,408)             | (191,248)         | (a)   |
| Deferred income tax credits                    | (9,362)               | (11,412)          | (a)   |
| Loss on reacquired debt                        | 15,874                | 14,599            | (c)   |
| Vacation pay                                   | 8,288                 | 8,120             | (d,j) |
| Under recovered regulatory clause revenues     | 17,437                | 2,384             | (e)   |
| Over recovered regulatory clause revenues      | (17,703)              | (14,510)          | (e)   |
| Property damage reserve                        | (27,593)              | (24,046)          | (f)   |
| Fuel-hedging (realized and unrealized) losses  | 15,024                | 15,367            | (g,j) |
| Fuel-hedging (realized and unrealized) gains   | (2,376)               | (190)             | (g,j) |
| PPA charges                                    | 52,404                | 8,141             | (j,k) |
| Generation site selection/evaluation costs     | 12,814                | 8,373             | (l)   |
| Other assets                                   | 833                   | 131               | (e,j) |
| Environmental remediation                      | 61,749                | 65,223            | (h,j) |
| PPA credits                                    | (7,536)               | (7,536)           | (j,k) |
| Other liabilities                              | (930)                 | (715)             | (f)   |
| Retiree benefit plans, net                     | 74,930                | 91,055            | (i,j) |
| <b>Total assets (liabilities), net</b>         | <b>\$ 31,819</b>      | <b>\$ (1,617)</b> |       |

Note: The recovery and amortization periods for these regulatory assets and (liabilities) are as follows:

- (a) Asset retirement and removal assets and liabilities are recorded, deferred income tax assets are recovered, and deferred income tax liabilities are amortized over the related property lives, which may range up to 65 years. Asset retirement and removal liabilities will be settled and trued up following completion of the related activities.
- (b) Recovered and amortized over periods not exceeding 14 years. See Note 5 under "Current and Deferred Income Taxes" for additional information.
- (c) Recovered over either the remaining life of the original issue or, if refinanced, over the life of the new issue, which may range up to 40 years.
- (d) Recorded as earned by employees and recovered as paid, generally within one year.
- (e) Recorded and recovered or amortized as approved by the Florida PSC, generally within one year.
- (f) Recorded and recovered or amortized as approved by the Florida PSC.
- (g) Fuel-hedging assets and liabilities are recognized over the life of the underlying hedged purchase contracts, which generally do not exceed four years. Upon final settlement, costs are recovered through the fuel cost recovery clause.
- (h) Recovered through the environmental cost recovery clause when the remediation is performed.
- (i) Recovered and amortized over the average remaining service period which may range up to 15 years. Includes \$166 thousand related to other postretirement benefits. See Note 2 and Note 5 for additional information.
- (j) Not earning a return as offset in rate base by a corresponding asset or liability.
- (k) Recovered over the life of the PPA for periods up to 14 years.
- (l) Deferred pursuant to Florida Statute while the Company continues to evaluate certain potential new generation projects.

In the event that a portion of the Company's operations is no longer subject to applicable accounting rules for rate regulation, the Company would be required to write off or reclassify to accumulated other comprehensive income (OCI) related regulatory assets and liabilities that are not specifically recoverable through regulated rates. In addition, the Company would be required to determine if any impairment to other assets, including plant, exists and write down the assets, if impaired, to their fair values. All regulatory assets and liabilities are to be reflected in rates.

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## Revenues

Wholesale capacity revenues are generally recognized on a levelized basis over the appropriate contract period. Energy and other revenues are recognized as services are provided. Unbilled revenues related to retail sales are accrued at the end of each fiscal period. Electric rates for the Company include provisions to adjust billings for fluctuations in fuel costs, the energy component of purchased power costs, and certain other costs. The Company continuously monitors the over or under recovered fuel cost balance in light of the inherent variability in fuel costs. The Company is required to notify the Florida PSC if the projected fuel cost over or under recovery is expected to exceed 10% of the projected fuel revenue applicable for the period and indicate if an adjustment to the fuel cost recovery factor is being requested. The Company has similar retail cost recovery clauses for energy conservation costs, purchased power capacity costs, and environmental compliance costs. Revenues are adjusted for differences between these actual costs and amounts billed in current regulated rates. Under or over recovered regulatory clause revenues are recorded in the balance sheets and are recovered or returned to customers through adjustments to the billing factors. Annually, the Company petitions for recovery of projected costs including any true-up amounts from prior periods, and approved rates are implemented each January. See Note 3 under "Retail Regulatory Matters" for additional information.

The Company has a diversified base of customers. No single customer or industry comprises 10% or more of revenues. For all periods presented, uncollectible accounts averaged less than 1% of revenues.

## Fuel Costs

Fuel costs are expensed as the fuel is used. Fuel expense includes the cost of purchased emissions allowances as they are used.

## Income and Other Taxes

The Company uses the liability method of accounting for deferred income taxes and provides deferred income taxes for all significant income tax temporary differences. Investment tax credits utilized are deferred and amortized to income over the average life of the related property. Taxes that are collected from customers on behalf of governmental agencies to be remitted to these agencies are presented net on the statements of income.

In accordance with accounting standards related to the uncertainty in income taxes, the Company recognizes tax positions that are "more likely than not" of being sustained upon examination by the appropriate taxing authorities. See Note 5 under "Unrecognized Tax Benefits" for additional information.

## Property, Plant, and Equipment

Property, plant, and equipment is stated at original cost less regulatory disallowances and impairments. Original cost includes: materials; labor; minor items of property; appropriate administrative and general costs; payroll-related costs such as taxes, pensions, and other benefits; and the interest capitalized and/or cost of funds used during construction.

The Company's property, plant, and equipment consisted of the following at December 31:

|                              | 2010                  | 2009         |
|------------------------------|-----------------------|--------------|
|                              | <i>(in thousands)</i> |              |
| Generation                   | \$ 2,157,619          | \$ 2,034,826 |
| Transmission                 | 337,055               | 317,298      |
| Distribution                 | 982,022               | 938,393      |
| General                      | 154,762               | 136,934      |
| Plant acquisition adjustment | 2,797                 | 3,052        |
| Total plant in service       | \$ 3,634,255          | \$ 3,430,503 |

The cost of replacements of property, exclusive of minor items of property, is capitalized. The cost of maintenance, repairs, and replacement of minor items of property is charged to maintenance expense as incurred or performed.

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### Depreciation and Amortization

Depreciation of the original cost of utility plant in service is provided primarily by using composite straight-line rates, which approximated 3.5% in 2010, 3.1% in 2009, and 3.4% in 2008. Depreciation studies are conducted periodically to update the composite rates. These studies are approved by the Florida PSC. When property subject to depreciation is retired or otherwise disposed of in the normal course of business, its original cost, together with the cost of removal, less salvage, is charged to accumulated depreciation. For other property dispositions, the applicable cost and accumulated depreciation are removed from the balance sheet accounts and a gain or loss is recognized. Minor items of property included in the original cost of the plant are retired when the related property unit is retired.

### Asset Retirement Obligations and Other Costs of Removal

Asset retirement obligations are computed as the present value of the ultimate costs for an asset's future retirement and are recorded in the period in which the liability is incurred. The costs are capitalized as part of the related long-lived asset and depreciated over the asset's useful life. The Company has received an order from the Florida PSC allowing the continued accrual of other future retirement costs for long-lived assets that the Company does not have a legal obligation to retire. Accordingly, the accumulated removal costs for these obligations are reflected in the balance sheets as a regulatory liability.

The liability recognized to retire long-lived assets primarily relates to the Company's combustion turbines at its Pea Ridge facility, various landfill sites, a barge unloading dock, asbestos removal, ash ponds, and disposal of polychlorinated biphenyls in certain transformers. The Company also has identified retirement obligations related to certain transmission and distribution facilities, certain wireless communication towers, and certain structures authorized by the U.S. Army Corps of Engineers. However, liabilities for the removal of these assets have not been recorded because the range of time over which the Company may settle these obligations is unknown and cannot be reasonably estimated. The Company will continue to recognize in the statements of income allowed removal costs in accordance with its regulatory treatment. Any differences between costs recognized in accordance with accounting standards related to asset retirement and environmental obligations and those reflected in rates are recognized as either a regulatory asset or liability, as ordered by the Florida PSC, and are reflected in the balance sheets.

Details of the asset retirement obligations included in the balance sheets are as follows:

|                              | 2010                  | 2009      |
|------------------------------|-----------------------|-----------|
|                              | <i>(in thousands)</i> |           |
| Balance at beginning of year | \$ 12,608             | \$ 12,042 |
| Liabilities incurred         | -                     | 224       |
| Liabilities settled          | (1,794)               | (300)     |
| Accretion                    | 656                   | 642       |
| Cash flow revisions          | -                     | -         |
| Balance at end of year       | \$ 11,470             | \$ 12,608 |

### Allowance for Funds Used During Construction (AFUDC)

In accordance with regulatory treatment, the Company records AFUDC, which represents the estimated debt and equity costs of capital funds that are necessary to finance the construction of new regulated facilities. While cash is not realized currently from such allowance, it increases the revenue requirement over the service life of the plant through a higher rate base and higher depreciation. The equity component of AFUDC is not included in calculating taxable income. The average annual AFUDC rate was 7.65% for each of the years 2010, 2009, and 2008. AFUDC, net of income taxes, as a percentage of net income after dividends on preference stock was 7.39%, 26.64%, and 12.62% for 2010, 2009, and 2008, respectively.

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### Impairment of Long-Lived Assets and Intangibles

The Company evaluates long-lived assets for impairment when events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. The determination of whether an impairment has occurred is based on either a specific regulatory disallowance or an estimate of undiscounted future cash flows attributable to the assets, as compared with the carrying value of the assets. If an impairment has occurred, the amount of the impairment recognized is determined by either the amount of regulatory disallowance or by estimating the fair value of the assets and recording a loss if the carrying value is greater than the fair value. For assets identified as held for sale, the carrying value is compared to the estimated fair value less the cost to sell in order to determine if an impairment loss is required. Until the assets are disposed of, their estimated fair value is re-evaluated when circumstances or events change.

### Property Damage Reserve

The Company accrues for the cost of repairing damages from major storms and other uninsured property damages, including uninsured damages to transmission and distribution facilities, generation facilities, and other property. The costs of such damage are charged to the reserve. The Florida PSC-approved annual accrual to the property damage reserve is \$3.5 million, with a target level for the reserve between \$25.1 million and \$36.0 million. The Florida PSC also authorized the Company to make additional accruals above the \$3.5 million at the Company's discretion. The Company accrued total expenses of \$3.5 million in 2010, \$3.5 million in 2009, and \$3.5 million in 2008. As of December 31, 2010 and 2009, the balance in the Company's property damage reserve totaled approximately \$27.6 million and \$24.0 million, respectively, which is included in deferred liabilities in the balance sheets.

When the property damage reserve is inadequate to cover the cost of major storms, the Florida PSC can authorize a storm cost recovery surcharge to be applied to customer bills. Such a surcharge was authorized in 2005 after Hurricane Ivan in 2004 and was extended by a 2006 Florida PSC order approving a stipulation to address costs incurred as a result of Hurricanes Dennis and Katrina in 2005. According to the 2006 Florida PSC order, in the case of future storms, if the Company incurs cumulative costs for storm-recovery activities in excess of \$10 million during any calendar year, the Company will be permitted to file a streamlined formal request for an interim surcharge. Any interim surcharge would provide for the recovery, subject to refund, of up to 80% of the claimed costs for storm-recovery activities. The Company would then petition the Florida PSC for full recovery through a final or non-interim surcharge or other cost recovery mechanism.

### Injuries and Damages Reserve

The Company is subject to claims and lawsuits arising in the ordinary course of business. As permitted by the Florida PSC, the Company accrues for the uninsured costs of injuries and damages by charges to income amounting to \$1.6 million annually. The Florida PSC has also given the Company the flexibility to increase its annual accrual above \$1.6 million to the extent the balance in the reserve does not exceed \$2 million and to defer expense recognition of liabilities greater than the balance in the reserve. The cost of settling claims is charged to the reserve. The injuries and damages reserve was \$2.0 million and \$2.9 million at December 31, 2010 and 2009, respectively. For 2010, \$1.6 million and \$0.4 million are included in current liabilities and deferred credits and other liabilities in the balance sheets, respectively. For 2009, \$1.6 million and \$1.3 million are included in current liabilities and deferred credits and other liabilities in the balance sheets, respectively. Liabilities in excess of the reserve balance of \$0.8 million and \$0.1 million at December 31, 2010 and 2009, respectively, are included in deferred credits and other liabilities in the balance sheets. Corresponding regulatory assets of \$0.8 million and \$0.1 million at December 31, 2010 and 2009, respectively, are included in current assets in the balance sheets.

### Cash and Cash Equivalents

For purposes of the financial statements, temporary cash investments are considered cash equivalents. Temporary cash investments are securities with original maturities of 90 days or less.

### Materials and Supplies

Generally, materials and supplies include the average cost of transmission, distribution, and generating plant materials. Materials are charged to inventory when purchased and then expensed or capitalized to plant, as appropriate, at weighted average cost when

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installed.

### Fuel Inventory

Fuel inventory includes the average costs of oil, coal, natural gas, and emissions allowances. Fuel is charged to inventory when purchased and then expensed as used and recovered by the Company through fuel cost recovery rates approved by the Florida PSC. Emissions allowances granted by the Environmental Protection Agency (EPA) are included in inventory at zero cost.

### Financial Instruments

The Company uses derivative financial instruments to limit exposure to fluctuations in interest rates, the prices of certain fuel purchases, and electricity purchases and sales. All derivative financial instruments are recognized as either assets or liabilities (included in "Other" or shown separately as "Risk Management Activities") and are measured at fair value. See Note 9 for additional information. Substantially all of the Company's bulk energy purchases and sales contracts that meet the definition of a derivative are excluded from fair value accounting requirements because they qualify for the "normal" scope exemption, and are accounted for under the accrual method. Other derivative contracts qualify as cash flow hedges of anticipated transactions or are recoverable through the Florida PSC-approved hedging program. This results in the deferral of related gains and losses in OCI or regulatory assets and liabilities, respectively, until the hedged transactions occur. Any ineffectiveness arising from cash flow hedges is recognized currently in net income. Other derivative contracts are marked to market through current period income and are recorded on a net basis in the statements of income. See Note 10 for additional information.

The Company does not offset fair value amounts recognized for multiple derivative instruments executed with the same counterparty under a master netting arrangement. Additionally, the Company has no outstanding collateral repayment obligations or rights to reclaim collateral arising from derivative instruments recognized at December 31, 2010.

The Company is exposed to losses related to financial instruments in the event of counterparties' nonperformance. The Company has established controls to determine and monitor the creditworthiness of counterparties in order to mitigate the Company's exposure to counterparty credit risk.

### Comprehensive Income

The objective of comprehensive income is to report a measure of all changes in common stock equity of an enterprise that result from transactions and other economic events of the period other than transactions with owners. Comprehensive income consists of net income, changes in the fair value of qualifying cash flow hedges, and reclassifications for amounts included in net income.

## 2. RETIREMENT BENEFITS

The Company has a defined benefit, trustee, pension plan covering substantially all employees. This qualified pension plan is funded in accordance with requirements of the Employee Retirement Income Security Act of 1974, as amended (ERISA). In December 2010, the Company contributed approximately \$28 million to the qualified pension plan. No contributions to the qualified pension plan are expected for the year ending December 31, 2011. The Company also provides certain defined benefit pension plans for a selected group of management and highly compensated employees. Benefits under these non-qualified pension plans are funded on a cash basis. In addition, the Company provides certain medical care and life insurance benefits for retired employees through other postretirement benefit plans. The Company funds its other post retirement trusts to the extent required by the FERC. For the year ending December 31, 2011, no other postretirement trust contributions are expected.

### Actuarial Assumptions

The weighted average rates assumed in the actuarial calculations used to determine both the benefit obligations as of the measurement date and the net periodic costs for the pension and other postretirement benefit plans for the following year are presented below. Net periodic benefit costs were calculated in 2007 for the 2008 plan year using a discount rate of 6.30% and an annual salary increase of 3.75%.

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|                                    | 2010  | 2009  | 2008  |
|------------------------------------|-------|-------|-------|
| Discount rate:                     |       |       |       |
| Pension plans                      | 5.53% | 5.93% | 6.75% |
| Other postretirement benefit plans | 5.41  | 5.84  | 6.75  |
| Annual salary increase             | 3.84  | 4.18  | 3.75  |
| Long-term return on plan assets:   |       |       |       |
| Pension plans                      | 8.75  | 8.50  | 8.50  |
| Other postretirement benefit plans | 8.18  | 8.36  | 8.38  |

The Company estimates the expected rate of return on pension plan and other postretirement benefit plan assets using a financial model to project the expected return on each current investment portfolio. The analysis projects an expected rate of return on each of seven different asset classes in order to arrive at the expected return on the entire portfolio relying on each trust's target asset allocation and reasonable capital market assumptions. The financial model is based on four key inputs: anticipated returns by asset class (based in part on historical returns), each trust's target asset allocation, an anticipated inflation rate, and the projected impact of a periodic rebalancing of each trust's portfolio.

An additional assumption used in measuring the accumulated other postretirement benefit obligations (APBO) was a weighted average medical care cost trend rate of 8.25% for 2011, decreasing gradually to 5.00% through the year 2019 and remaining at that level thereafter. An annual increase or decrease in the assumed medical care cost trend rate of 1% would affect the APBO and the service and interest cost components at December 31, 2010 as follows:

|                            | 1 Percent<br>Increase | 1 Percent<br>Decrease |
|----------------------------|-----------------------|-----------------------|
|                            | <i>(in thousands)</i> |                       |
| Benefit obligation         | \$ 3,802              | \$ 3,246              |
| Service and interest costs | 205                   | 175                   |

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### Pension Plans

The total accumulated benefit obligation for the pension plans was \$290 million in 2010 and \$275 million in 2009. Changes in the projected benefit obligations and the fair value of plan assets during the plan years ended December 31, 2010 and 2009 were as follows:

|   | 2010              | 2009               |
|---|-------------------|--------------------|
| <i>(in thousands)</i>                           |                   |                    |
| <b>Change in benefit obligation</b>             |                   |                    |
| Benefit obligation at beginning of year         | \$ 298,886        | \$ 260,765         |
| Service cost                                    | 7,853             | 6,478              |
| Interest cost                                   | 17,305            | 17,139             |
| Benefits paid                                   | (13,401)          | (12,884)           |
| Plan amendments                                 | 460               | -                  |
| Actuarial loss (gain)                           | 5,183             | 27,388             |
| <b>Balance at end of year</b>                   | <b>316,286</b>    | <b>298,886</b>     |
| <b>Change in plan assets</b>                    |                   |                    |
| Fair value of plan assets at beginning of year  | 254,059           | 229,407            |
| Actual return (loss) on plan assets             | 38,736            | 36,840             |
| Employer contributions                          | 28,434            | 696                |
| Benefits paid                                   | (13,401)          | (12,884)           |
| <b>Fair value of plan assets at end of year</b> | <b>307,828</b>    | <b>254,059</b>     |
| <b>Accrued liability</b>                        | <b>\$ (8,458)</b> | <b>\$ (44,827)</b> |

At December 31, 2010, the projected benefit obligations for the qualified and non-qualified pension plans were \$300 million and \$16 million, respectively. All pension plan assets are related to the qualified pension plan.

Amounts recognized in the balance sheets at December 31, 2010 and 2009 related to the Company's pension plans consist of the following:

|                                     | 2010            | 2009            |
|-------------------------------------|-----------------|-----------------|
| <i>(in thousands)</i>               |                 |                 |
| Prepaid pension costs               | \$ 7,291        | \$ -            |
| Other regulatory assets             | 75,096          | 85,194          |
| Current liabilities, other          | (778)           | (910)           |
| <b>Employee benefit obligations</b> | <b>(14,971)</b> | <b>(43,917)</b> |

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Presented below are the amounts included in regulatory assets at December 31, 2010 and 2009 related to the defined benefit pension plans that had not yet been recognized in net periodic pension cost along with the estimated amortization of such amounts for 2011.

|                                   | 2010      | 2009                  | Estimated<br>Amortization<br>in 2011 |
|-----------------------------------|-----------|-----------------------|--------------------------------------|
|                                   |           | <i>(in thousands)</i> |                                      |
| Prior service cost                | \$ 7,664  | \$ 8,506              | \$ 1,262                             |
| Net (gain) loss                   | 67,432    | 76,688                | 512                                  |
| Other regulatory assets, deferred | \$ 75,096 | \$ 85,194             |                                      |

The changes in the balance of regulatory assets related to the defined benefit pension plans for the years ended December 31, 2010 and 2009 are presented in the following table:

|                                     | Regulatory<br>Assets  |
|-------------------------------------|-----------------------|
|                                     | <i>(in thousands)</i> |
| <b>Balance at December 31, 2008</b> | \$ 71,990             |
| Net loss                            | 14,906                |
| Change in prior service costs       | -                     |
| Reclassification adjustments:       |                       |
| Amortization of prior service costs | (1,478)               |
| Amortization of net gain            | (224)                 |
| Total reclassification adjustments  | (1,702)               |
| Total change                        | 13,204                |
| <b>Balance at December 31, 2009</b> | 85,194                |
| Net (gain)                          | (8,857)               |
| Change in prior service costs       | 459                   |
| Reclassification adjustments:       |                       |
| Amortization of prior service costs | (1,302)               |
| Amortization of net gain            | (398)                 |
| Total reclassification adjustments  | (1,700)               |
| Total change                        | (10,098)              |
| <b>Balance at December 31, 2010</b> | \$ 75,096             |

Components of net periodic pension cost were as follows:

|                                | 2010     | 2009                  | 2008     |
|--------------------------------|----------|-----------------------|----------|
|                                |          | <i>(in thousands)</i> |          |
| Service cost                   | \$ 7,853 | \$6,478               | \$6,750  |
| Interest cost                  | 17,305   | 17,139                | 15,475   |
| Expected return on plan assets | (24,695) | (24,357)              | (23,757) |
| Recognized net (gain) loss     | 398      | 224                   | 334      |
| Net amortization               | 1,302    | 1,478                 | 1,478    |
| Net periodic pension cost      | \$ 2,163 | \$ 962                | \$ 280   |

|   |  |                                |                       |
|---|--|--------------------------------|-----------------------|
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Net periodic pension cost is the sum of service cost, interest cost, and other costs netted against the expected return on plan assets. The expected return on plan assets is determined by multiplying the expected rate of return on plan assets and the market-related value of plan assets. In determining the market-related value of plan assets, the Company has elected to amortize changes in the market value of all plan assets over five years rather than recognize the changes immediately. As a result, the accounting value of plan assets that is used to calculate the expected return on plan assets differs from the current fair value of the plan assets.

Future benefit payments reflect expected future service and are estimated based on assumptions used to measure the projected benefit obligation for the pension plans. At December 31, 2010, estimated benefit payments were as follows:

| <b>Benefit Payments</b> |           |
|-------------------------|-----------|
| <i>(in thousands)</i>   |           |
| 2011                    | \$ 14,524 |
| 2012                    | 15,129    |
| 2013                    | 15,709    |
| 2014                    | 16,419    |
| 2015                    | 17,158    |
| 2016 to 2020            | 99,482    |

#### Other Postretirement Benefits

Changes in the APBO and in the fair value of plan assets during the plan years ended December 31, 2010 and 2009 were as follows:

|  | 2010                  | 2009        |
|--|-----------------------|-------------|
|  | <i>(in thousands)</i> |             |
| <b>Change in benefit obligation</b>            |                       |             |
| Benefit obligation at beginning of year        | \$ 72,640             | \$ 72,391   |
| Service cost                                   | 1,304                 | 1,328       |
| Interest cost                                  | 4,121                 | 4,705       |
| Benefits paid                                  | (4,068)               | (4,115)     |
| Actuarial (gain) loss                          | (4,704)               | 497         |
| Plan amendments                                | -                     | (2,416)     |
| Retiree drug subsidy                           | 324                   | 250         |
| Balance at end of year                         | 69,617                | 72,640      |
| <b>Change in plan assets</b>                   |                       |             |
| Fair value of plan assets at beginning of year | 14,973                | 13,180      |
| Actual return (loss) on plan assets            | 2,010                 | 2,735       |
| Employer contributions                         | 2,458                 | 2,923       |
| Benefits paid                                  | (3,744)               | (3,865)     |
| Fair value of plan assets at end of year       | 15,697                | 14,973      |
| Accrued liability                              | \$ (53,920)           | \$ (57,667) |

Amounts recognized in the balance sheets at December 31, 2010 and 2009 related to the Company's other postretirement benefit plans consist of the following:

|                              | 2010                  | 2009     |
|------------------------------|-----------------------|----------|
|                              | <i>(in thousands)</i> |          |
| Regulatory assets            | \$ -                  | \$ 5,861 |
| Regulatory liabilities       | (166)                 | -        |
| Current liabilities, other   | (211)                 | -        |
| Employee benefit obligations | (53,709)              | (57,667) |

Presented below are the amounts included in regulatory assets at December 31, 2010 and 2009 related to the other postretirement

|   |  |                     |                       |
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| NOTES TO FINANCIAL STATEMENTS (Continued) |  |                     |                       |

benefit plans that had not yet been recognized in net periodic other postretirement benefit cost along with the estimated amortization of such amounts for 2011.

|                                 | 2010     | 2009           | Estimated Amortization in 2011 |
|---------------------------------|----------|----------------|--------------------------------|
|                                 |          | (in thousands) |                                |
| Prior service cost              | \$ 695   | \$ 881         | \$ 186                         |
| Net (gain) loss                 | (1,311)  | 4,273          | (47)                           |
| Transition obligation           | 450      | 707            | 257                            |
| Regulatory assets (liabilities) | \$ (166) | \$ 5,861       |                                |

The changes in the balance of regulatory assets and regulatory liabilities related to the other postretirement benefit plans for the plan years ended December 31, 2010 and 2009 are presented in the following table:

|   | Regulatory Assets | Regulatory Liabilities |
|---|-------------------|------------------------|
|   | (in thousands)    |                        |
| <b>Balance at December 31, 2008</b>                 | \$ 9,922          | \$ -                   |
| Net gain  | (1,097)           | -                      |
| Change in prior service costs/transition obligation | (2,416)           | -                      |
| Reclassification adjustments:                       |                   |                        |
| Amortization of transition obligation               | (323)             | -                      |
| Amortization of prior service costs                 | (293)             | -                      |
| Amortization of net gain                            | 68                | -                      |
| Total reclassification adjustments                  | (548)             | -                      |
| Total change  | (4,061)           | -                      |
| <b>Balance at December 31, 2009</b>                 | \$ 5,861          | \$ -                   |
| Net gain  | (5,455)           | (166)                  |
| Change in prior service costs/transition obligation | -                 | -                      |
| Reclassification adjustments:                       |                   |                        |
| Amortization of transition obligation               | (257)             | -                      |
| Amortization of prior service costs                 | (186)             | -                      |
| Amortization of net gain                            | 37                | -                      |
| Total reclassification adjustments                  | (406)             | -                      |
| Total change  | (5,861)           | (166)                  |
| <b>Balance at December 31, 2010</b>                 | \$ -              | \$ (166)               |

Components of the other postretirement benefit plans' net periodic cost were as follows:

|                                | 2010           | 2009     | 2008     |
|--------------------------------|----------------|----------|----------|
|                                | (in thousands) |          |          |
| Service cost                   | \$ 1,304       | \$ 1,328 | \$ 1,413 |
| Interest cost                  | 4,121          | 4,705    | 4,536    |
| Expected return on plan assets | (1,481)        | (1,436)  | (1,452)  |
| Net amortization               | 406            | 548      | 702      |
| Net postretirement cost        | \$ 4,350       | \$ 5,145 | \$ 5,199 |

The Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Medicare Act) provides a 28% prescription drug subsidy for Medicare eligible retirees. The effect of the subsidy reduced the Company's expenses for the years ended December 31,

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2010, 2009, and 2008 by approximately \$1.0 million, \$1.3 million, and \$1.4 million, respectively, and is expected to have a similar impact on future expenses.

Future benefit payments, including prescription drug benefits, reflect expected future service and are estimated based on assumptions used to measure the APBO for the other postretirement benefit plans. Estimated benefit payments are reduced by drug subsidy receipts expected as a result of the Medicare Act as follows:

|              | Benefit<br>Payments | Subsidy<br>Receipts   | Total    |
|--------------|---------------------|-----------------------|----------|
|              |                     | <i>(in thousands)</i> |          |
| 2011         | \$ 4,461            | \$ (372)              | \$ 4,089 |
| 2012         | 4,706               | (423)                 | 4,283    |
| 2013         | 4,931               | (477)                 | 4,454    |
| 2014         | 5,177               | (531)                 | 4,646    |
| 2015         | 5,372               | (589)                 | 4,783    |
| 2016 to 2020 | 27,974              | (3,023)               | 24,951   |

### Benefit Plan Assets

Pension plan and other postretirement benefit plan assets are managed and invested in accordance with all applicable requirements, including ERISA and the Internal Revenue Code of 1986, as amended (Internal Revenue Code). In 2009, in determining the optimal asset allocation for the pension fund, the Company performed an extensive study based on projections of both assets and liabilities over a 10-year forward horizon. The primary goal of the study was to maximize plan funded status. The Company's investment policies for both the pension plan and the other postretirement benefit plans cover a diversified mix of assets, including equity and fixed income securities, real estate, and private equity. Derivative instruments are used primarily to gain efficient exposure to the various asset classes and as hedging tools. The Company minimizes the risk of large losses primarily through diversification but also monitors and manages other aspects of risk.

The composition of the Company's pension plan and other postretirement benefit plan assets as of December 31, 2010 and 2009, along with the targeted mix of assets for each plan, is presented below:

|  | Target | 2010        | 2009 |
|--|--------|-------------|------|
| <b>Pension plan assets:</b>                      |        |             |      |
| Domestic equity                                  | 29%    | <b>29%</b>  | 33%  |
| International equity                             | 28     | <b>27</b>   | 29   |
| Fixed income                                     | 15     | <b>22</b>   | 15   |
| Special situations                               | 3      | -           | -    |
| Real estate investments                          | 15     | <b>13</b>   | 13   |
| Private equity                                   | 10     | <b>9</b>    | 10   |
| Total  | 100%   | <b>100%</b> | 100% |
| <b>Other postretirement benefit plan assets:</b> |        |             |      |
| Domestic equity                                  | 28%    | <b>28%</b>  | 32%  |
| International equity                             | 27     | <b>26</b>   | 28   |
| Domestic fixed income                            | 18     | <b>25</b>   | 18   |
| Special situations                               | 3      | -           | -    |
| Real estate investments                          | 14     | <b>12</b>   | 12   |
| Private equity                                   | 10     | <b>9</b>    | 10   |
| Total  | 100%   | <b>100%</b> | 100% |

The investment strategy for plan assets related to the Company's qualified pension plan is to be broadly diversified across major asset classes. The asset allocation is established after consideration of various factors that affect the assets and liabilities of the pension plan

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including, but not limited to, historical and expected returns, volatility, correlations of asset classes, the current level of assets and liabilities, and the assumed growth in assets and liabilities. Because a significant portion of the liability of the pension plan is long-term in nature, the assets are invested consistent with long-term investment expectations for return and risk. To manage the actual asset class exposures relative to the target asset allocation, the Company employs a formal rebalancing program. As additional risk management, external investment managers and service providers are subject to written guidelines to ensure appropriate and prudent investment practices.

### ***Investment Strategies***

Detailed below is a description of the investment strategies for each major asset category for the pension and other postretirement benefit plans disclosed above:

- ***Domestic equity.*** A mix of large and small capitalization stocks with an equal distribution of value and growth attributes, managed both actively and through passive index approaches.
- ***International equity.*** An actively-managed mix of growth stocks and value stocks with both developed and emerging market exposure.
- ***Fixed income.*** A mix of domestic and international bonds.
- ***Special situations.*** Though currently unfunded, established both to execute opportunistic investment strategies with the objectives of diversifying and enhancing returns and exploiting short-term inefficiencies, as well as to invest in promising new strategies of a longer-term nature.
- ***Real estate investments.*** Investments in traditional private-market, equity-oriented investments in real properties (indirectly through pooled funds or partnerships) and in publicly traded real estate securities.
- ***Private equity.*** Investments in private partnerships that invest in private or public securities typically through privately-negotiated and/or structured transactions, including leveraged buyouts, venture capital, and distressed debt.

### ***Benefit Plan Asset Fair Values***

Following are the fair value measurements for the pension plan and the other postretirement benefit plan assets as of December 31, 2010 and 2009. The fair values presented are prepared in accordance with applicable accounting standards regarding fair value. For purposes of determining the fair value of the pension plan and other postretirement benefit plan assets and the appropriate level designation, management relies on information provided by the plan's trustee. This information is reviewed and evaluated by management with changes made to the trustee information as appropriate.

Securities for which the activity is observable on an active market or traded exchange are categorized as Level 1. Fixed income securities classified as Level 2 are valued using matrix pricing, a common model utilizing observable inputs. Domestic and international equity securities classified as Level 2 consist of pooled funds where the value is not quoted on an exchange but where the value is determined using observable inputs from the market. Securities that are valued using unobservable inputs are classified as Level 3 and include investments in real estate and investments in limited partnerships. The Company invests (through the pension plan trustee) directly in the limited partnerships which then invest in various types of funds or various private entities within a fund. The fair value of the limited partnerships' investments is based on audited annual capital accounts statements which are generally prepared on a fair value basis. The Company also relies on the fact that, in most instances, the underlying assets held by the limited partnerships are reported at fair value. External investment managers typically send valuations to both the custodian and to the Company within 90 days of quarter end. The custodian reports the most recent value available and adjusts the value for cash flows since the statement date for each respective fund.

|   |   |                                       |                                  |
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| Gulf Power Company                        |   |                                       |                                  |
| NOTES TO FINANCIAL STATEMENTS (Continued) |   |                                       |                                  |

The fair values of pension plan assets as of December 31, 2010 and 2009 are presented below. These fair value measurements exclude cash, receivables related to investment income, pending investments sales, and payables related to pending investment purchases.

|  | <u>Fair Value Measurements Using</u>  |   |  | Total     |
|--|---|---|--|-----------|
|  | Quoted Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |           |
| As of December 31, 2010:                     |   |   |  |           |
|  |   | (in thousands)  |  |           |
| <u>Assets:</u>                               |   |   |  |           |
| Domestic Equity*                             | \$57,023  | \$23,012  | \$31   | \$80,066  |
| International Equity*                        | 57,515  | 19,940  | -  | 77,455    |
| <u>Fixed Income:</u>                         |   |   |  |           |
| U. S. Treasury, government, and agency bonds | -   | 13,703  | -  | 13,703    |
| Mortgage- and asset-backed securities        | -   | 11,122  | -  | 11,122    |
| Corporate Bonds                              | -   | 26,760  | 92   | 26,852    |
| Pooled Funds                                 | -   | 9,063   | -  | 9,063     |
| Cash equivalents and other                   | 92  | 21,537  | -  | 21,629    |
| Special situations                           | -   | -   | -  | -         |
| Real estate investments                      | 8,295   | -   | 30,355   | 38,650    |
| Private equity                               | -   | -   | 28,727   | 28,727    |
| Total  | \$122,925   | \$125,137   | \$59,205   | \$307,267 |
| <u>Liabilities:</u>                          |   |   |  |           |
| Derivatives                                  | (31)  | -   | -  | (31)      |
| Total  | \$122,894   | \$125,137   | \$59,205   | \$307,236 |

\*Level 1 securities consist of actively traded stocks while Level 2 securities consist of pooled funds. Management believes that the portfolio is well-diversified with no significant concentrations of risk.

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
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|--|---|---------------------------------------|----------------------------------|

NOTES TO FINANCIAL STATEMENTS (Continued)

**Fair Value Measurements Using**

| As of December 31, 2009:                     | Quoted Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Total            |
|--|---|---|--|------------------|
|  | (in thousands)  |   |  |                  |
| <b>Assets:</b>                               |   |   |  |                  |
| Domestic Equity*                             | \$50,434  | \$20,856  | \$ -   | \$71,290         |
| International Equity*                        | 65,197  | 6,497   | -  | 71,694           |
| <b>Fixed Income:</b>                         |   |   |  |                  |
| U. S. Treasury, government, and agency bonds | -   | 18,783  | -  | 18,793           |
| Mortgage- and asset-backed securities        | -   | 5,107   | -  | 5,107            |
| Corporate Bonds                              | -   | 12,589  | -  | 12,589           |
| Pooled Funds                                 | -   | 455   | -  | 455              |
| Cash equivalents and other                   | 126   | 15,396  | -  | 15,522           |
| Special situations                           | -   | -   | -  | -                |
| Real estate investments                      | 7,862   | -   | 24,699   | 32,561           |
| Private equity                               | -   | -   | 25,053   | 25,053           |
| <b>Total</b>                                 | <b>\$123,619</b>  | <b>\$ 79,683</b>  | <b>\$ 49,752</b>                                   | <b>\$253,054</b> |
| <b>Liabilities:</b>                          |   |   |  |                  |
| Derivatives                                  | (202)   | (51)  | -  | (253)            |
| <b>Total</b>                                 | <b>\$123,417</b>  | <b>\$ 79,632</b>  | <b>\$ 49,752</b>                                   | <b>\$252,801</b> |

\*Level 1 securities consist of actively traded stocks while Level 2 securities consist of pooled funds. Management believes that the portfolio is well-diversified with no significant concentrations of risk.

Changes in the fair value measurement of the Level 3 items in the pension plan assets valued using significant unobservable inputs for the years ended December 31, 2010 and 2009 are as follows:

|   | 2010                       |                   | 2009                       |                   |
|---|----------------------------|-------------------|----------------------------|-------------------|
|   | Real Estate<br>Investments | Private<br>Equity | Real Estate<br>Investments | Private<br>Equity |
|   | (in thousands)             |                   |                            |                   |
| Beginning balance                           | \$ 24,699                  | \$ 25,053         | \$ 37,790                  | \$ 22,063         |
| Actual return on investments:               |                            |                   |                            |                   |
| Related to investments held at year end     | 2,596                      | 2,954             | (10,741)                   | 1,724             |
| Related to investments sold during the year | 810                        | 810               | (2,938)                    | 452               |
| Total return on investments                 | 3,406                      | 3,764             | (13,679)                   | 2,176             |
| Purchases, sales, and settlements           | 2,250                      | (90)              | 588                        | 814               |
| Transfers into/out of Level 3               | -                          | -                 | -                          | -                 |
| <b>Ending balance</b>                       | <b>\$ 30,355</b>           | <b>\$ 28,727</b>  | <b>\$ 24,699</b>           | <b>\$ 25,053</b>  |

|   |   |                                       |                                  |
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The fair values of other postretirement benefit plan assets as of December 31, 2010 and 2009 are presented below. These fair value measurements exclude cash, receivables related to investment income, pending investments sales, and payables related to pending investment purchases.

|  | <u>Fair Value Measurements Using</u>  |   |  | Total            |
|--|---|---|--|------------------|
|  | Quoted Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |                  |
| <u>As of December 31, 2010:</u>              |   |   |  |                  |
|  |   | (in thousands)  |  |                  |
| <u>Assets:</u>                               |   |   |  |                  |
| Domestic Equity*                             | \$ 2,727  | \$ 1,100  | \$ 1   | \$ 3,828         |
| International Equity*                        | 2,751   | 955   | -  | 3,706            |
| <u>Fixed Income:</u>                         |   |   |  |                  |
| U. S. Treasury, government, and agency bonds | -   | 655   | -  | 655              |
| Mortgage- and asset-backed securities        | -   | 533   | -  | 533              |
| Corporate Bonds                              | -   | 1,280   | -  | 1,280            |
| Pooled Funds                                 | -   | 953   | -  | 953              |
| Cash equivalents and other                   | 3   | 1,030   | -  | 1,033            |
| Special situations                           | -   | -   | -  | -                |
| Real estate investments                      | 396   | -   | 1,452  | 1,848            |
| Private equity                               | -   | -   | 1,375  | 1,375            |
| <u>Total</u>                                 | <u>\$ 5,877</u>   | <u>\$ 6,506</u>   | <u>\$ 2,828</u>                                    | <u>\$ 15,211</u> |

\*Level 1 securities consist of actively traded stocks while Level 2 securities consist of pooled funds. Management believes that the portfolio is well-diversified with no significant concentrations of risk.

|                    |   |                                       |                                  |
|--------------------|---|---------------------------------------|----------------------------------|
| Name of Respondent | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| Gulf Power Company |   |                                       |                                  |

NOTES TO FINANCIAL STATEMENTS (Continued)

**Fair Value Measurements Using**

| As of December 31, 2009:                     | Quoted Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) | Total            |
|--|---|---|--|------------------|
|  |   | (in thousands)  |  |                  |
| <b>Assets:</b>                               |   |   |  |                  |
| Domestic Equity*                             | \$ 2,706  | \$ 1,119  | \$ -   | \$ 3,825         |
| International Equity*                        | 3,499   | 348   | -  | 3,847            |
| <b>Fixed Income:</b>                         |   |   |  |                  |
| U. S. Treasury, government, and agency bonds | -   | 1,008   | -  | 1,008            |
| Mortgage- and asset-backed securities        | -   | 274   | -  | 274              |
| Corporate Bonds                              | -   | 675   | -  | 675              |
| Pooled Funds                                 | -   | 553   | -  | 553              |
| Cash equivalents and other                   | 8   | 827   | -  | 835              |
| Special situations                           | -   | -   | -  | -                |
| Real estate investments                      | 420   | -   | 1,326  | 1,746            |
| Private equity                               | -   | -   | 1,346  | 1,346            |
| <b>Total</b>                                 | <b>\$ 6,633</b>   | <b>\$ 4,804</b>   | <b>\$ 2,672</b>                                    | <b>\$ 14,109</b> |
| <b>Liabilities:</b>                          |   |   |  |                  |
| Derivatives                                  | (11)  | (3)   | -  | (14)             |
| <b>Total</b>                                 | <b>\$ 6,622</b>   | <b>\$ 4,801</b>   | <b>\$ 2,672</b>                                    | <b>\$ 14,095</b> |

\*Level 1 securities consist of actively traded stocks while Level 2 securities consist of pooled funds. Management believes that the portfolio is well-diversified with no significant concentrations of risk.

Changes in the fair value measurement of the Level 3 items in the other postretirement benefit plan assets valued using significant unobservable inputs for the years ended December 31, 2010 and 2009 are as follows:

|   | 2010                       |                   | 2009                       |                   |
|---|----------------------------|-------------------|----------------------------|-------------------|
|   | Real Estate<br>Investments | Private<br>Equity | Real Estate<br>Investments | Private<br>Equity |
|   |                            |                   |                            |                   |
|   |                            | (in thousands)    |                            |                   |
| Beginning balance                           | \$ 1,326                   | \$ 1,346          | \$ 2,073                   | \$ 1,211          |
| Actual return on investments:               |                            |                   |                            |                   |
| Related to investments held at year end     | 30                         | -                 | (624)                      | 68                |
| Related to investments sold during the year | 40                         | 34                | (154)                      | 25                |
| Total return on investments                 | 70                         | 34                | (778)                      | 93                |
| Purchases, sales, and settlements           | 56                         | (5)               | 31                         | 42                |
| Transfers into/out of Level 3               | -                          | -                 | -                          | -                 |
| Ending balance                              | \$ 1,452                   | \$ 1,375          | \$ 1,326                   | \$ 1,346          |

**Employee Savings Plan**

The Company also sponsors a 401(k) defined contribution plan covering substantially all employees. The Company provides an 85% matching contribution on up to 6% of an employee's base salary. Total matching contributions made to the plan for 2010, 2009, and 2008 were \$3.6 million, \$3.7 million, and \$3.5 million, respectively.

|   |   |                                       |                                  |
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### 3. CONTINGENCIES AND REGULATORY MATTERS

#### General Litigation Matters

The Company is subject to certain claims and legal actions arising in the ordinary course of business. In addition, the Company's business activities are subject to extensive governmental regulation related to public health and the environment such as regulation of air emissions and water discharges. Litigation over environmental issues and claims of various types, including property damage, personal injury, common law nuisance, and citizen enforcement of environmental requirements such as opacity and air and water quality standards, has increased generally throughout the U.S. In particular, personal injury and other claims for damages caused by alleged exposure to hazardous materials, and common law nuisance claims for injunctive relief and property damage allegedly caused by greenhouse gas and other emissions, have become more frequent. The ultimate outcome of such pending or potential litigation against the Company cannot be predicted at this time; however, for current proceedings not specifically reported herein, management does not anticipate that the liabilities, if any, arising from such current proceedings would have a material adverse effect on the Company's financial statements.

#### Environmental Matters

##### *New Source Review Actions*

In November 1999, the EPA brought a civil action in the U.S. District Court for the Northern District of Georgia against certain Southern Company subsidiaries, including Alabama Power and Georgia Power, alleging that these subsidiaries had violated the New Source Review (NSR) provisions of the Clean Air Act and related state laws at certain coal-fired generating facilities. These actions were filed concurrently with the issuance of notices of violation of the NSR provisions to the Company with respect to the Company's Plant Crist. After Alabama Power was dismissed from the original action, the EPA filed a separate action in January 2001 against Alabama Power in the U.S. District Court for the Northern District of Alabama. In these lawsuits, the EPA alleges that NSR violations occurred at eight coal-fired generating facilities operated by Alabama Power and Georgia Power, including one facility co-owned by the Company. The civil actions request penalties and injunctive relief, including an order requiring installation of the best available control technology at the affected units. The original action, now solely against Georgia Power, has been administratively closed since the spring of 2001, and the case has not been reopened.

In June 2006, the U.S. District Court for the Northern District of Alabama entered a consent decree between Alabama Power and the EPA, resolving a portion of the Alabama Power lawsuit relating to the alleged NSR violations at Plant Miller. In July 2008, the U.S. District Court for the Northern District of Alabama granted partial summary judgment in favor of Alabama Power with respect to its other affected units regarding the proper legal test for determining whether projects are routine maintenance, repair, and replacement and therefore are excluded from NSR permitting. On September 2, 2010, the EPA dismissed five of its eight remaining claims against Alabama Power, leaving only three claims for summary disposition or trial. The parties each filed motions for summary judgment on September 30, 2010. The court has set a trial date for October 2011 for any remaining claims.

The Company believes that it complied with applicable laws and the EPA regulations and interpretations in effect at the time the work in question took place. The Clean Air Act authorizes maximum civil penalties of \$25,000 to \$37,500 per day, per violation at each generating unit, depending on the date of the alleged violation. An adverse outcome could require substantial capital expenditures or affect the timing of currently budgeted capital expenditures that cannot be determined at this time and could possibly require payment of substantial penalties. Such expenditures could affect future results of operations, cash flows, and financial condition if such costs are not recovered through regulated rates. The ultimate outcome of this matter cannot be determined at this time.

#### *Carbon Dioxide Litigation*

##### *New York Case*

In July 2004, three environmental groups and attorneys general from eight states, each outside of Southern Company's service territory, and the corporation counsel for New York City filed complaints in the U.S. District Court for the Southern District of New York against Southern Company and four other electric power companies. The complaints allege that the companies' emissions of carbon dioxide, a greenhouse gas, contribute to global warming, which the plaintiffs assert is a public nuisance. Under common law

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public and private nuisance theories, the plaintiffs seek a judicial order (1) holding each defendant jointly and severally liable for creating, contributing to, and/or maintaining global warming and (2) requiring each of the defendants to cap its emissions of carbon dioxide and then reduce those emissions by a specified percentage each year for at least a decade. The plaintiffs have not, however, requested that damages be awarded in connection with their claims. Southern Company believes these claims are without merit and notes that the complaint cites no statutory or regulatory basis for the claims. In September 2005, the U.S. District Court for the Southern District of New York granted Southern Company's and the other defendants' motions to dismiss these cases. The plaintiffs filed an appeal to the U.S. Court of Appeals for the Second Circuit in October 2005 and, in September 2009, the U.S. Court of Appeals for the Second Circuit reversed the district court's ruling, vacating the dismissal of the plaintiffs' claim, and remanding the case to the district court. On December 6, 2010, the U.S. Supreme Court granted the defendants' petition for writ of certiorari. The ultimate outcome of these matters cannot be determined at this time.

#### *Kivalina Case*

In February 2008, the Native Village of Kivalina and the City of Kivalina filed a suit in the U.S. District Court for the Northern District of California against several electric utilities (including Southern Company), several oil companies, and a coal company. The plaintiffs are the governing bodies of an Inupiat village in Alaska. The plaintiffs contend that the village is being destroyed by erosion allegedly caused by global warming that the plaintiffs attribute to emissions of greenhouse gases by the defendants. The plaintiffs assert claims for public and private nuisance and contend that some of the defendants have acted in concert and are therefore jointly and severally liable for the plaintiffs' damages. The suit seeks damages for lost property values and for the cost of relocating the village, which is alleged to be \$95 million to \$400 million. Southern Company believes that these claims are without merit and notes that the complaint cites no statutory or regulatory basis for the claims. In September 2009, the U.S. District Court for the Northern District of California granted the defendants' motions to dismiss the case based on lack of jurisdiction and ruled the claims were barred by the political question doctrine and by the plaintiffs' failure to establish the standard for determining that the defendants' conduct caused the injury alleged. In November 2009, the plaintiffs filed an appeal with the U.S. Court of Appeals for the Ninth Circuit challenging the district court's order dismissing the case. On January 24, 2011, the defendants filed a motion with the U.S. Court of Appeals for the Ninth Circuit to defer scheduling the case pending the decision of the U.S. Supreme Court in the New York case discussed above. The ultimate outcome of this matter cannot be determined at this time.

#### *Other Litigation*

Common law nuisance claims for injunctive relief and property damage allegedly caused by greenhouse gas emissions have become more frequent, and, as illustrated by the New York and Kivalina cases, courts have been debating whether private parties and states have standing to bring such claims. In another common law nuisance case, the U.S. District Court for the Southern District of Mississippi dismissed private party claims against certain oil, coal, chemical, and utility companies alleging damages as a result of Hurricane Katrina. The court ruled that the parties lacked standing to bring the claims and the claims were barred by the political question doctrine. In October 2009, the U.S. Court of Appeals for the Fifth Circuit reversed the district court and held that the plaintiffs did have standing to assert their nuisance, trespass, and negligence claims and none of the claims were barred by the political question doctrine. On May 28, 2010, however, the U.S. Court of Appeals for the Fifth Circuit dismissed the plaintiffs' appeal of the case based on procedural grounds, reinstating the district court decision in favor of the defendants. On January 10, 2011, the U.S. Supreme Court denied the plaintiffs' petition to reinstate the appeal. This case is now concluded.

#### *Environmental Remediation*

The Company must comply with environmental laws and regulations that cover the handling and disposal of waste and releases of hazardous substances. Under these various laws and regulations, the Company may also incur substantial costs to clean up properties. The Company received authority from the Florida PSC to recover approved environmental compliance costs through the environmental cost recovery clause. The Florida PSC reviews costs and adjusts rates up or down annually.

The Company's environmental remediation liability includes estimated costs of environmental remediation projects of approximately \$61.7 million as of December 31, 2010. These estimated costs relate to site closure criteria by the Florida Department of Environmental Protection (FDEP) for potential impacts to soil and groundwater from herbicide applications at the Company's substations. The schedule for completion of the remediation projects will be subject to FDEP approval. The projects have been approved by the Florida PSC for recovery through the Company's environmental cost recovery clause; therefore, there is no impact to

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net income as a result of these liabilities.

The final outcome of these matters cannot now be determined. However, based on the currently known conditions at these sites and the nature and extent of activities relating to these sites, the Company does not believe that additional liabilities, if any, at these sites would be material to the Company's financial statements.

## Income Tax Matters

### *Tax Method of Accounting for Repairs*

The Company submitted a change in the tax accounting method for repair costs associated with the Company's generation, transmission, and distribution systems with the filing of the 2009 federal income tax return in September 2010. The new tax method resulted in net positive cash flow in 2010 of approximately \$8 million for the Company. Although IRS approval of this change is considered automatic, the amount claimed is subject to review because the IRS will be issuing final guidance on this matter. Currently, the IRS is working with the utility industry in an effort to resolve this matter in a consistent manner for all utilities. Due to uncertainty concerning the ultimate resolution of this matter, an unrecognized tax benefit has been recorded for the change in the tax accounting method for repair costs. See Note 5 under "Unrecognized Tax Benefits" for additional information. The ultimate outcome of this matter cannot be determined at this time.

## Retail Regulatory Matters

### *General*

The Company's rates and charges for service to retail customers are subject to the regulatory oversight of the Florida PSC. The Company's rates are a combination of base rates and several separate cost recovery clauses for specific categories of costs. These separate cost recovery clauses address such items as fuel and purchased energy costs, purchased power capacity costs, energy conservation and demand side management programs, and the costs of compliance with environmental laws and regulations. Costs not addressed through one of the specific cost recovery clauses are recovered through the Company's base rates.

In November 2010, the Florida PSC approved the Company's annual cost recovery clause requests for its fuel, purchased power capacity, energy conservation, and environmental compliance cost recovery factors for 2011. The net effect of the approved changes to the Company's cost recovery factors for 2011 is a 2.8% rate decrease for residential customers using 1,000 kilowatt-hours per month. The billing factors for 2011 are intended to allow the Company to recover projected 2011 costs as well as refund or collect the 2010 over or under recovered amounts in 2011. Revenues for all cost recovery clauses, as recorded on the financial statements, are adjusted for differences in actual recoverable costs and amounts billed in current regulated rates. Accordingly, changing the billing factors has no significant effect on the Company's revenues or net income, but does impact annual cash flow.

### *Fuel Cost Recovery*

The Company petitions for fuel cost recovery rates to be approved by the Florida PSC on an annual basis. The fuel cost recovery rates include the costs of fuel and purchased energy. The Company continuously monitors the over or under recovered fuel cost balance in light of the inherent variability in fuel costs. If, at any time during the year, the projected fuel cost over or under recovery balance exceeds 10% of the projected fuel revenue applicable for the period, the Company is required to notify the Florida PSC and indicate if an adjustment to the fuel cost recovery factor is being requested. The change in the fuel cost under-recovered balance during 2010 was primarily due to higher than expected fuel costs and purchased power energy expenses. At December 31, 2010 and 2009, the under recovered fuel balance was approximately \$17.4 million and \$2.4 million, respectively, which is included in under recovered regulatory clause revenues, current in the balance sheets.

### *Purchased Power Capacity Recovery*

The Florida PSC allows the Company to recover its costs for capacity purchased from other power producers under PPAs through a separate cost recovery component or factor in the Company's retail energy rates. Like the other specific cost recovery factors included in the Company's retail energy rates, the rates for purchased capacity are set annually. When the Company enters into a new PPA, it is

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reviewed and approved by the Florida PSC for cost recovery purposes. As of December 31, 2010 and 2009, the Company had an over recovered purchased power capacity balance of approximately \$4.4 million and \$1.5 million, respectively, which is included in other regulatory liabilities, current in the balance sheets.

#### **Environmental Cost Recovery**

The Florida Legislature adopted legislation for an environmental cost recovery clause, which allows an electric utility to petition the Florida PSC for recovery of prudent environmental compliance costs that are not being recovered through base rates or any other recovery mechanism. Such environmental costs include operations and maintenance expenses, emission allowance expense, depreciation, and a return on invested capital. This legislation also allows recovery of costs incurred as a result of an agreement between the Company and the FDEP for the purpose of ensuring compliance with ozone ambient air quality standards adopted by the EPA. In August 2007, the Florida PSC voted to approve a stipulation among the Company, the Office of Public Counsel, and the Florida Industrial Power Users Group regarding the Company's plan for complying with certain federal and state regulations addressing air quality. The Company's environmental compliance plan as filed in March 2007 contemplates implementation of specific projects identified in the plan from 2007 through 2018. The stipulation covers all elements of the current plan that are scheduled to be implemented in the 2007 through 2011 timeframe. On April 1, 2010, the Company filed an update to the plan, which was approved by the Florida PSC on November 15, 2010. The Florida PSC acknowledged that the costs associated with the Company's Clean Air Interstate Rule and Clean Air Visibility Rule compliance plans are eligible for recovery through the environmental cost recovery clause. Annually, the Company seeks recovery of projected costs including any true-up amounts from prior periods. At December 31, 2010 and 2009, the over recovered environmental balance was approximately \$10.4 million and \$11.7 million, respectively, which is included in other regulatory liabilities, current in the balance sheets.

#### **4. JOINT OWNERSHIP AGREEMENTS**

The Company and Mississippi Power jointly own Plant Daniel Units 1 and 2, which together represent capacity of 1,000 MWs. Plant Daniel is a generating plant located in Jackson County, Mississippi. In accordance with the operating agreement, Mississippi Power acts as the Company's agent with respect to the construction, operation, and maintenance of these units.

The Company and Georgia Power jointly own the 818 MWs capacity Plant Scherer Unit 3. Plant Scherer is a generating plant located near Forsyth, Georgia. In accordance with the operating agreement, Georgia Power acts as the Company's agent with respect to the construction, operation, and maintenance of the unit.

The Company's proportionate share of expenses related to both plants is included in the corresponding operating expense accounts in the statements of income and the Company is responsible for providing its own financing.

At December 31, 2010, the Company's percentage ownership and investment in these jointly owned facilities were as follows:

|                               | <b>Plant Scherer<br/>Unit 3 (coal)</b> | <b>Plant Daniel<br/>Units 1 &amp; 2 (coal)</b> |
|-------------------------------|--|--|
|                               | <i>(in thousands)</i>                  |  |
| Plant in service              | \$ 285,923(a)                          | \$ 267,527                                     |
| Accumulated depreciation      | 104,492                                | 155,672  |
| Construction work in progress | 72,250                                 | 137  |
| Ownership                     | 25%                                    | 50%  |

(a) Includes net plant acquisition adjustment of \$2.8 million.

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## 5. INCOME TAXES

Southern Company files a consolidated federal income tax return and combined state income tax returns for the States of Georgia and Mississippi. The Company files separate State of Florida income tax returns. Under a joint consolidated income tax allocation agreement, each subsidiary's current and deferred tax expense is computed on a stand-alone basis and no subsidiary is allocated more expense than would be paid if it filed a separate income tax return. In accordance with IRS regulations, each company is jointly and severally liable for the tax liability.

### Current and Deferred Income Taxes

Details of income tax provisions are as follows:

|              | 2010                  | 2009             | 2008             |
|--------------|-----------------------|------------------|------------------|
|              | <i>(in thousands)</i> |                  |                  |
| Federal –    |                       |                  |                  |
| Current      | \$ (14,115)           | \$ 62,980        | \$ 26,592        |
| Deferred     | 77,452                | (14,453)         | 21,481           |
|              | <b>63,337</b>         | <b>48,527</b>    | <b>48,073</b>    |
| State –      |                       |                  |                  |
| Current      | 2,948                 | 6,590            | 3,563            |
| Deferred     | 5,229                 | (2,092)          | 2,467            |
|              | <b>8,177</b>          | <b>4,498</b>     | <b>6,030</b>     |
| <b>Total</b> | <b>\$ 71,514</b>      | <b>\$ 53,025</b> | <b>\$ 54,103</b> |

The tax effects of temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases, which give rise to deferred tax assets and liabilities, are as follows:

|  | 2010                  | 2009              |
|--|-----------------------|-------------------|
|  | <i>(in thousands)</i> |                   |
| Deferred tax liabilities–                                      |                       |                   |
| Accelerated depreciation                                       | \$ 413,490            | \$ 332,971        |
| Fuel recovery clause   | 7,062                 | 965               |
| Pension and other employee benefits                            | 23,990                | 15,539            |
| Regulatory assets associated with employee benefit obligations | 29,054                | 37,768            |
| Regulatory assets associated with asset retirement obligations | 4,646                 | 5,106             |
| Other  | 15,793                | 9,084             |
| <b>Total</b>   | <b>494,035</b>        | <b>401,433</b>    |
| Deferred tax assets–   |                       |                   |
| Federal effect of state deferred taxes                         | 14,757                | 13,076            |
| Postretirement benefits  | 20,723                | 18,465            |
| Pension and other employee benefits                            | 33,047                | 41,124            |
| Property reserve   | 12,712                | 10,642            |
| Other comprehensive loss                                       | 1,712                 | 1,546             |
| Asset retirement obligations                                   | 4,646                 | 5,106             |
| Other  | 19,727                | 16,995            |
| <b>Total</b>   | <b>107,324</b>        | <b>106,954</b>    |
| <b>Net deferred tax liabilities</b>                            | <b>386,711</b>        | <b>294,479</b>    |
| <b>Less current portion, net</b>                               | <b>(3,835)</b>        | <b>2,926</b>      |
| <b>Accumulated deferred income taxes</b>                       | <b>\$ 382,876</b>     | <b>\$ 297,405</b> |

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At December 31, 2010, the tax-related regulatory assets to be recovered from customers was \$42.4 million. These assets are attributable to tax benefits flowed through to customers in prior years, to deferred taxes previously recognized at rates lower than the current enacted tax law, and to taxes applicable to capitalized allowance for funds used during construction. At December 31, 2010, the tax-related regulatory liabilities to be credited to customers was \$9.4 million. These liabilities are attributable to deferred taxes previously recognized at rates higher than the current enacted tax law and to unamortized investment tax credits. In 2010, the Company deferred \$4.5 million as a regulatory asset related to the impact of the Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 (together, the Acts). The Acts eliminated the deductibility of health care costs that are covered by federal Medicare subsidy payments. The Company will amortize the regulatory asset to amortization expense over the remaining average service life of 14 years. Amortization amounted to \$0.2 million in 2010.

In accordance with regulatory requirements, deferred investment tax credits are amortized over the lives of the related property with such amortization normally applied as a credit to reduce depreciation in the statements of income. Credits amortized in this manner amounted to \$1.5 million in 2010, \$1.6 million in 2009, and \$1.7 million in 2008. At December 31, 2010, all investment tax credits available to reduce federal income taxes payable had been utilized.

On September 27, 2010, the Small Business Jobs and Credit Act of 2010 (SBJCA) was signed into law. The SBJCA includes an extension of the 50% bonus depreciation for certain property acquired and placed in service in 2010 (and for certain long-term construction projects to be placed in service in 2011). Additionally, on December 17, 2010, the Tax Relief, Unemployment Insurance Reauthorization, and Job Creation Act (Tax Relief Act) was signed into law. Major tax incentives in the Tax Relief Act include 100% bonus depreciation for property placed in service after September 8, 2010 and through 2011 (and for certain long-term construction projects to be placed in service in 2012) and 50% bonus depreciation for property placed in service in 2012 (and for certain long-term construction projects to be placed in service in 2013). The application of the bonus depreciation provisions in these acts in 2010 significantly increased deferred income tax liabilities related to accelerated depreciation.

#### Effective Tax Rate

A reconciliation of the federal statutory income tax rate to the effective income tax rate was as follows:

|  | 2010  | 2009  | 2008  |
|--|-------|-------|-------|
| Federal statutory rate                                   | 35.0% | 35.0% | 35.0% |
| State income tax, net of federal deduction               | 2.7   | 1.7   | 2.5   |
| Non-deductible book depreciation                         | 0.3   | 0.3   | -     |
| Difference in prior years' deferred and current tax rate | (0.3) | (0.4) | (0.5) |
| Production activities deduction                          | -     | (0.9) | 0.1   |
| AFUDC equity   | (1.3) | (4.9) | (2.2) |
| Other, net   | (0.5) | 0.3   | (0.8) |
| Effective income tax rate                                | 35.9% | 31.1% | 34.1% |

The increase in the 2010 effective tax rate is primarily the result of a decrease in AFUDC equity, which is not taxable.

The American Jobs Creation Act of 2004 created a tax deduction for a portion of income attributable to U.S. production activities as defined in the Internal Revenue Code Section 199 (production activities deduction). The deduction is equal to a stated percentage of qualified production activities net income. The percentage was phased in over the years 2005 through 2010. For 2008 and 2009 a 6% reduction was available to the Company. Thereafter, the allowed rate is 9%; however, due to increased tax deductions from bonus depreciation and pension contributions there was no domestic production deduction available to the Company for 2010.

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### Unrecognized Tax Benefits

For 2010, the total amount of unrecognized tax benefits increased by \$2.2 million, resulting in a balance of \$3.9 million as of December 31, 2010.

Changes during the year in unrecognized tax benefits were as follows:

|  | 2010            | 2009                  | 2008   |
|--|-----------------|-----------------------|--------|
|  |                 | <i>(in thousands)</i> |        |
| Unrecognized tax benefits at beginning of year   | <b>\$ 1,639</b> | \$ 294                | \$ 887 |
| Tax positions from current periods               | <b>1,027</b>    | 455                   | 93     |
| Tax positions from prior periods                 | <b>1,204</b>    | 890                   | 11     |
| Reductions due to settlements                    | -               | -                     | (697)  |
| Reductions due to expired statute of limitations | -               | -                     | -      |
| <b>Balance at end of year</b>                    | <b>\$ 3,870</b> | \$ 1,639              | \$ 294 |

The tax positions increase from current periods relates primarily to the tax accounting method change for repairs tax position and other miscellaneous uncertain tax positions. The tax positions increase from prior periods relates primarily to the tax accounting method change for repairs; and other miscellaneous uncertain tax positions. See Note 3 under "Income Tax Matters" for additional information.

The impact on the Company's effective tax rate, if recognized, was as follows:

|  | 2010            | 2009                  | 2008   |
|--|-----------------|-----------------------|--------|
|  |                 | <i>(in thousands)</i> |        |
| Tax positions impacting the effective tax rate     | <b>\$ 1,826</b> | \$ 1,639              | \$ 294 |
| Tax positions not impacting the effective tax rate | <b>2,044</b>    | -                     | -      |
| <b>Balance of unrecognized tax benefits</b>        | <b>\$ 3,870</b> | \$ 1,639              | \$ 294 |

The tax positions impacting the effective tax rate relate primarily to the production activities deduction. The tax positions not impacting the effective tax rate relate to the timing difference associated with the tax accounting method change for repairs. These amounts are presented on a gross basis without considering the related federal or state income tax impact. See Note 3 under "Income Tax Matters" for additional information.

Accrued interest for unrecognized tax benefits was as follows:

|  | 2010          | 2009                  | 2008  |
|--|---------------|-----------------------|-------|
|  |               | <i>(in thousands)</i> |       |
| Interest accrued at beginning of year    | <b>\$ 90</b>  | \$ 17                 | \$ 58 |
| Interest reclassified due to settlements | -             | -                     | (54)  |
| Interest accrued during the year         | <b>120</b>    | 73                    | 13    |
| <b>Balance at end of year</b>            | <b>\$ 210</b> | \$ 90                 | \$ 17 |

The Company classifies interest on tax uncertainties as interest expense. The Company did not accrue any penalties on uncertain tax positions.

It is reasonably possible that the amount of the unrecognized tax benefits associated with a majority of the Company's unrecognized tax positions will significantly increase or decrease within the next 12 months. The conclusion or settlement of state audits could also impact the balances significantly. At this time, an estimate of the range of reasonably possible outcomes cannot be determined.

The IRS has audited and closed all tax returns prior to 2007. The audits for the state returns have either been concluded, or the statute of limitations has expired, for years prior to 2006.

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## 6. FINANCING

### Securities Due Within One Year

At December 31, 2010, the Company had a \$110 million bank loan that will mature on April 8, 2011.

### Senior Notes

At December 31, 2010 and 2009, the Company had a total of \$812.0 million and \$727.5 million of senior notes outstanding, respectively. These senior notes are effectively subordinate to all secured debt of the Company which totaled approximately \$41 million at December 31, 2010.

### Pollution Control Revenue Bonds

Pollution control obligations represent loans to the Company from public authorities of funds derived from sales by such authorities of revenue bonds issued to finance pollution control facilities. At December 31, 2010 and 2009, the Company had a total of \$309 million and \$288 million of outstanding pollution control revenue bonds, respectively, and is required to make payments sufficient for the authorities to meet principal and interest requirements of such bonds. Proceeds from certain issuances are restricted until qualifying expenditures are incurred.

### Outstanding Classes of Capital Stock

The Company currently has preferred stock, Class A preferred stock, preference stock, and common stock authorized. The Company's preferred stock and Class A preferred stock, without preference between classes, rank senior to the Company's preference stock and common stock with respect to payment of dividends and voluntary or involuntary dissolution. No shares of preferred stock or Class A preferred stock were outstanding at December 31, 2010. The Company's preference stock ranks senior to the common stock with respect to the payment of dividends and voluntary or involuntary dissolution. Certain series of the preference stock are subject to redemption at the option of the Company on or after a specified date (typically five or 10 years after the date of issuance) at a redemption price equal to 100% of the liquidation amount of the preference stock. In addition, one series of the preference stock may be redeemed earlier at a redemption price equal to 100% of the liquidation amount plus a make-whole premium based on the present value of the liquidation amount and future dividends.

On January 25, 2010, the Company issued to Southern Company 500,000 shares of the Company's common stock, without par value, and realized proceeds of \$50 million. On January 20, 2011, the Company issued to Southern Company 500,000 shares of the Company's common stock, without par value, and realized proceeds of \$50 million. The proceeds were used to repay a portion of the Company's short-term debt and for other general corporate purposes, including the Company's continuous construction program.

### Dividend Restrictions

The Company can only pay dividends to Southern Company out of retained earnings or paid-in-capital.

### Assets Subject to Lien

The Company has granted a lien on its property at Plant Daniel in connection with the issuance of two series of pollution control revenue bonds with an outstanding principal amount of \$41 million. There are no agreements or other arrangements among the Southern Company system companies under which the assets of one company have been pledged or otherwise made available to satisfy obligations of Southern Company or any of its subsidiaries.

### Bank Credit Arrangements

At December 31, 2010, the Company had \$240 million of lines of credit with banks, all of which remained unused. These bank credit arrangements will expire in 2011 and \$210 million contain provisions allowing one-year term loans executable at expiration. Of the \$240 million, \$69 million provides support for variable rate pollution control revenue bonds and \$171 million was available for liquidity support for the Company's commercial paper program and for other general corporate purposes. In February 2011, the

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Company renewed a \$30 million credit facility. Commitment fees average less than ? of 1% for the Company.

Certain credit arrangements contain covenants that limit the level of indebtedness to capitalization to 65%, as defined in the arrangements. At December 31, 2010, the Company was in compliance with these covenants.

In addition, certain credit arrangements contain cross default provisions to other indebtedness that would trigger an event of default if the Company defaulted on indebtedness over a specified threshold. The cross default provisions are restricted only to indebtedness of the Company. The Company is currently in compliance with all such covenants.

The Company borrows primarily through a commercial paper program that has the liquidity support of the Company's committed bank credit arrangements. The Company may also borrow through various other arrangements with banks. At December 31, 2010, the Company had \$92.0 million of commercial paper outstanding. At December 31, 2009, the Company had \$88.9 million of commercial paper outstanding.

During 2010, the maximum amount outstanding for commercial paper was \$108 million, and the average amount outstanding was \$44 million. The maximum amount outstanding for commercial paper in 2009 was \$152.1 million and the average amount outstanding was \$51.7 million. The weighted average annual interest rate on commercial paper was 0.3% and 1.0% for 2010 and 2009, respectively.

## 7. COMMITMENTS

### Construction Program

The construction program of the Company is currently estimated to include a base level investment of \$381.5 million in 2011, \$395.5 million in 2012, and \$384.1 million in 2013. Included in these estimated amounts are environmental expenditures to comply with existing statutes and regulations of \$175.9 million, \$227.8 million, and \$214.0 million for 2011, 2012, and 2013, respectively. The construction program is subject to periodic review and revision, and actual construction costs may vary from these estimates because of numerous factors. These factors include: changes in business conditions; changes in load projections; storm impacts; changes in environmental statutes and regulations; changes in generating plants, including unit retirements and replacements, to meet new regulatory requirements; changes in FERC rules and regulations; Florida PSC approvals; changes in legislation; the cost and efficiency of construction labor, equipment, and materials; project scope and design changes; and the cost of capital. In addition, there can be no assurance that costs related to capital expenditures will be fully recovered. The Company does not have any significant new generating capacity under construction. Construction of new transmission and distribution facilities and other capital improvements, including those needed to meet environmental standards for the Company's existing generation, transmission, and distribution facilities, are ongoing.

### Long-Term Service Agreements

The Company has a long-term service agreement (LTSA) with General Electric (GE) for the purpose of securing maintenance support for a combined cycle generating facility. The LTSA provides that GE will perform all planned inspections on the covered equipment, which generally includes the cost of all labor and materials. GE is also obligated to cover the costs of unplanned maintenance on the covered equipment subject to limits and scope specified in the LTSA.

In general, the LTSA is in effect through two major inspection cycles of the unit. Scheduled payments to GE, which are subject to price escalation, are made at various intervals based on actual operating hours of the unit. Total remaining payments to GE under the LTSA for facilities owned are currently estimated at \$50.5 million over the remaining life of the LTSA, which is currently estimated to be up to seven years. However, the LTSA contains various cancellation provisions at the option of the Company.

Payments made under the LTSA prior to the performance of any planned inspections are recorded as prepayments. These amounts are included in deferred charges and other assets in the balance sheets for 2010 and current assets and deferred charges and other assets in the balance sheets for 2009. Inspection costs are capitalized or charged to expense based on the nature of the work performed.

### Limestone Commitments

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As part of the Company's program to reduce sulfur dioxide emissions from certain of its coal plants, the Company has entered into various long-term commitments for the procurement of limestone to be used in flue gas desulfurization equipment. Limestone contracts are structured with tonnage minimums and maximums in order to account for fluctuations in coal burn and sulfur content. The Company has a minimum contractual obligation of 0.8 million tons, equating to approximately \$63 million, through 2019. Estimated expenditures (based on minimum contracted obligated dollars) over the next five years are \$6.4 million in 2011, \$6.5 million in 2012, \$6.7 million in 2013, \$6.9 million in 2014, and \$7.0 million in 2015. Limestone costs are recovered through the environmental cost recovery clause.

#### Fuel and Purchased Power Commitments

To supply a portion of the fuel requirements of the generating plants, the Company has entered into various long-term commitments for the procurement of fossil fuel. In most cases, these contracts contain provisions for price escalations, minimum purchase levels, and other financial commitments. Coal commitments include forward contract purchases for sulfur dioxide and nitrogen oxide emissions allowances. Natural gas purchase commitments contain fixed volumes with prices based on various indices at the time of delivery; amounts included in the chart below represent estimates based on New York Mercantile Exchange future prices at December 31, 2010.

Also, the Company has entered into various long-term commitments for the purchase of capacity, energy, and transmission. The energy-related costs associated with PPAs are recovered through the fuel cost recovery clause. The capacity-related costs associated with PPAs are recovered through the purchased power capacity cost recovery clause. Total estimated minimum long-term obligations at December 31, 2010 were as follows:

|                     | Commitments           |                   |                   |
|---------------------|-----------------------|-------------------|-------------------|
|                     | Purchased Power*      | Natural Gas       | Coal              |
|                     | <i>(in thousands)</i> |                   |                   |
| 2011                | \$ 40,911             | \$ 104,977        | \$ 312,244        |
| 2012                | 41,327                | 86,108            | 119,773           |
| 2013                | 45,449                | 75,304            | -                 |
| 2014                | 66,812                | 86,101            | -                 |
| 2015                | 92,843                | 79,294            | -                 |
| 2016 and thereafter | 685,750               | 209,308           | -                 |
| <b>Total</b>        | <b>\$ 973,092</b>     | <b>\$ 641,092</b> | <b>\$ 432,017</b> |

\*Included above is \$186.6 million in obligations with affiliated companies. Certain PPAs are accounted for as operating leases.

Additional commitments for fuel will be required to supply the Company's future needs.

SCS may enter into various types of wholesale energy and natural gas contracts acting as an agent for the Company and all of the other Southern Company traditional operating companies and Southern Power. Under these agreements, each of the traditional operating companies and Southern Power may be jointly and severally liable. The creditworthiness of Southern Power is currently inferior to the creditworthiness of the traditional operating companies. Accordingly, Southern Company has entered into keep-well agreements with the Company and each of the other traditional operating companies to ensure the Company will not subsidize or be responsible for any costs, losses, liabilities, or damages resulting from the inclusion of Southern Power as a contracting party under these agreements.

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## Operating Leases

The Company has operating lease agreements with various terms and expiration dates. Rental expenses related to these operating leases totaled \$23.1 million, \$10.1 million, and \$5.0 million for 2010, 2009, and 2008, respectively.

At December 31, 2010, estimated minimum lease payments for noncancelable operating leases were as follows:

|                     | Minimum Lease Payments |                 |                  |
|---------------------|------------------------|-----------------|------------------|
|                     | Barges &<br>Rail Cars  | Other           | Total            |
|                     | <i>(in thousands)</i>  |                 |                  |
| 2011                | \$ 18,482              | \$ 2,147        | \$ 20,629        |
| 2012                | 16,608                 | 452             | 17,060           |
| 2013                | 15,529                 | 233             | 15,762           |
| 2014                | 14,385                 | 131             | 14,516           |
| 2015                | 554                    | -               | 554              |
| 2016 and thereafter | 1,045                  | -               | 1,045            |
| <b>Total</b>        | <b>\$ 66,603</b>       | <b>\$ 2,963</b> | <b>\$ 69,566</b> |

The Company and Mississippi Power jointly entered into operating lease agreements for aluminum rail cars for the transportation of coal to Plant Daniel. The Company has the option to purchase the rail cars at the greater of lease termination value or fair market value or to renew the leases at the end of each lease term. The Company and Mississippi Power also have separate lease agreements for other rail cars that do not include purchase options. The Company's share of the lease costs, charged to fuel inventory and recovered through the fuel cost recovery clause, was \$3.5 million in 2010, \$4.0 million in 2009, and \$4.0 million in 2008. The Company's annual railcar lease payments for 2011 through 2015 will average approximately \$1.1 million and after 2015, lease payments total in aggregate approximately \$1.0 million.

The Company has other operating lease agreements for aluminum rail cars for transportation of coal to Plant Scholtz and to the Alabama State Docks located in Mobile, Alabama. At the Alabama State Docks this coal is transferred from the railcar to barge for transportation to Plant Crist and Plant Smith. The Company has the option to renew the leases at the end of each lease term. The Company's lease costs, charged to fuel inventory and recovered through the fuel cost recovery clause, were \$3.9 million in 2010, \$4.0 million in 2009, and none in 2008. The Company's annual railcar lease payments for 2011 through 2013 will average approximately \$2.1 million.

The Company entered into operating lease agreements for barges and tow boats for the transport of coal to Plants Crist and Smith. The Company has the option to renew the leases at the end of each lease term. The Company's lease costs, charged to fuel inventory and recovered through the fuel cost recovery clause, were \$13.5 million in 2010 and none in both 2009 and 2008. The Company's annual barge and tow boat lease payments for 2011 through 2014 will average approximately \$13.4 million.

## 8. STOCK COMPENSATION

### Stock Option Plan

Southern Company provides non-qualified stock options to a large segment of the Company's employees ranging from line management to executives. As of December 31, 2010, there were 290 current and former employees of the Company participating in the stock option plan, and there were 10 million shares of Southern Company common stock remaining available for awards under this plan and the Performance Share Plan discussed below. The prices of options were at the fair market value of the shares on the dates of grant. These options become exercisable pro rata over a maximum period of three years from the date of grant. The Company generally recognizes stock option expense on a straight-line basis over the vesting period which equates to the requisite service period; however, for employees who are eligible for retirement, the total cost is expensed at the grant date. Options outstanding will expire no later than 10 years after the date of grant, unless terminated earlier by the Southern Company Board of Directors in accordance with the stock option plan. For certain stock option awards, a change in control will provide accelerated vesting.

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The estimated fair values of stock options granted in 2010, 2009, and 2008 were derived using the Black-Scholes stock option pricing model. Expected volatility was based on historical volatility of Southern Company's stock over a period equal to the expected term.

Southern Company used historical exercise data to estimate the expected term that represents the period of time that options granted to employees are expected to be outstanding. The risk-free rate was based on the U.S. Treasury yield curve in effect at the time of grant that covers the expected term of the stock options.

The following table shows the assumptions used in the pricing model and the weighted average grant-date fair value of stock options granted:

| <b>Year Ended December 31</b>          | <b>2010</b> | <b>2009</b> | <b>2008</b> |
|--|-------------|-------------|-------------|
| Expected volatility                    | 17.4%       | 15.6%       | 13.1%       |
| Expected term (in years)               | 5.0         | 5.0         | 5.0         |
| Interest rate                          | 2.4%        | 1.9%        | 2.8%        |
| Dividend yield                         | 5.6%        | 5.4%        | 4.5%        |
| Weighted average grant-date fair value | \$2.23      | \$1.80      | \$2.37      |

The Company's activity in the stock option plan for 2010 is summarized below:

|   | <b>Shares Subject to Option</b> | <b>Weighted Average Exercise Price</b> |
|---|---------------------------------|--|
| Outstanding at December 31, 2009        | 1,658,121                       | \$ 32.28                               |
| Granted                                 | 324,919                         | 31.18                                  |
| Exercised                               | (246,822)                       | 29.50                                  |
| Cancelled                               | (253)                           | 30.17                                  |
| <b>Outstanding at December 31, 2010</b> | <b>1,735,965</b>                | <b>\$ 32.47</b>                        |
| <b>Exercisable at December 31, 2010</b> | <b>1,056,570</b>                | <b>\$ 32.92</b>                        |

The number of stock options vested, and expected to vest in the future, as of December 31, 2010 was not significantly different from the number of stock options outstanding at December 31, 2010 as stated above. As of December 31, 2010, the weighted average remaining contractual term for the options outstanding and options exercisable was approximately six years and five years, respectively, and the aggregate intrinsic value for the options outstanding and options exercisable was \$10.0 million and \$5.6 million, respectively.

As of December 31, 2010, there was \$0.3 million of total unrecognized compensation cost related to stock option awards not yet vested. That cost is expected to be recognized over a weighted-average period of approximately 11 months.

For the years ended December 31, 2010, 2009, and 2008, total compensation cost for stock option awards recognized in income was \$0.8 million, \$0.9 million, and \$0.8 million, respectively, with the related tax benefit also recognized in income of \$0.3 million, \$0.4 million, and \$0.3 million, respectively.

The compensation cost and tax benefits related to the grant and exercise of Southern Company stock options to the Company's employees are recognized in the Company's financial statements with a corresponding credit to equity, representing a capital contribution from Southern Company.

The total intrinsic value of options exercised during the years ended December 31, 2010, 2009, and 2008 was \$1.6 million, \$0.2 million, and \$1.3 million, respectively. The actual tax benefit realized by the Company for the tax deductions from stock option exercises totaled \$0.6 million, \$0.1 million, and \$0.5 million for the years ended December 31, 2010, 2009, and 2008, respectively.

#### **Performance Share Plan**

In 2010, Southern Company implemented the performance share program under its omnibus incentive compensation plan, which provides performance share award units to a large segment of its employees ranging from line management to executives. The

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performance share units granted under the plan vest at the end of a three-year performance period which equates to the requisite service period. Employees that retire prior to the end of the three-year period receive a pro rata number of shares, issued at the end of the performance period, based on actual months of service prior to retirement. The value of the award units is based on Southern Company's total shareholder return (TSR) over the three-year performance period which measures Southern Company's relative performance against a group of industry peers. The performance shares are delivered in common stock following the end of the performance period based on Southern Company's actual TSR and may range from 0% to 200% of the original target performance share amount.

The fair value of performance share awards is determined as of the grant date using a Monte Carlo simulation model to estimate the TSR of Southern Company's stock among the industry peers over the performance period. The Company recognizes compensation expense on a straight-line basis over the three-year performance period without remeasurement. Compensation expense for awards where the service condition is met is recognized regardless of the actual number of shares issued. Expected volatility used in the model of 20.7% was based on historical volatility of Southern Company's stock over a period equal to the performance period. The risk-free rate of 1.4% was based on the U.S. Treasury yield curve in effect at the time of grant that covers the performance period of the award units. The annualized dividend rate at the time of the grant was \$1.75. During 2010, 35,933 performance share units were granted to the Company's employees with a weighted-average grant date fair value of \$30.13. During 2010, 365 performance share units were forfeited by the Company's employees resulting in 35,568 unvested units outstanding at December 31, 2010.

For the year ended December 31, 2010, the Company's total compensation cost for performance share units recognized in income was \$0.3 million, with the related tax benefit also recognized in income of \$0.1 million. As of December 31, 2010, there was \$0.6 million of total unrecognized compensation cost related to performance share award units that will be recognized over the next two years.

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## 9. FAIR VALUE MEASUREMENTS

Fair value measurements are based on inputs of observable and unobservable market data that a market participant would use in pricing the asset or liability. The use of observable inputs is maximized where available and the use of unobservable inputs is minimized for fair value measurement and reflects a three-tier fair value hierarchy that prioritizes inputs to valuation techniques used for fair value measurement.

- Level 1 consists of observable market data in an active market for identical assets or liabilities.
- Level 2 consists of observable market data, other than that included in Level 1, that is either directly or indirectly observable.
- Level 3 consists of unobservable market data. The input may reflect the assumptions of the Company of what a market participant would use in pricing an asset or liability. If there is little available market data, then the Company's own assumptions are the best available information.

In the case of multiple inputs being used in a fair value measurement, the lowest level input that is significant to the fair value measurement represents the level in the fair value hierarchy in which the fair value measurement is reported.

As of December 31, 2010, assets and liabilities measured at fair value on a recurring basis during the period, together with the level of the fair value hierarchy in which they fall, were as follows:

|                                 | Fair Value Measurements Using   |   |  | Total            |
|---------------------------------|---|---|--|------------------|
|                                 | Quoted Prices<br>in Active<br>Markets for<br>Identical<br>Assets<br>(Level 1) | Significant<br>Other<br>Observable<br>Inputs<br>(Level 2) | Significant<br>Unobservable<br>Inputs<br>(Level 3) |                  |
| <b>As of December 31, 2010:</b> |   |   |  |                  |
|                                 | <i>(in thousands)</i>   |   |  |                  |
| Assets:                         |   |   |  |                  |
| Energy-related derivatives      | \$ -  | \$ 2,380  | \$ -   | \$ 2,380         |
| Cash equivalents                | 11,770  | -   | -  | 11,770           |
| <b>Total</b>                    | <b>\$ 11,770</b>  | <b>\$ 2,380</b>   | <b>\$ -</b>  | <b>\$ 14,150</b> |
| Liabilities:                    |   |   |  |                  |
| Energy-related derivatives      | \$ -  | \$ 13,608   | \$ -   | \$ 13,608        |

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### Valuation Methodologies

The energy-related derivatives primarily consist of over-the-counter financial products for natural gas and physical power products, including, from time to time, basis swaps. These are standard products used within the energy industry and are valued using the market approach. The inputs used are mainly from observable market sources, such as forward natural gas prices, power prices, implied volatility, and London Interbank Offered Rate interest rates. See Note 10 for additional information on how these derivatives are used.

As of December 31, 2010, the fair value measurements of investments calculated at net asset value per share (or its equivalent), as well as the nature and risks of those investments, were as follows:

| As of December 31, 2010: | Fair Value            | Unfunded Commitments | Redemption Frequency | Redemption Notice Period |
|--------------------------|-----------------------|----------------------|----------------------|--------------------------|
|                          | <i>(in thousands)</i> |                      |                      |                          |
| Cash equivalents:        |                       |                      |                      |                          |
| Money market funds       | \$ 11,770             | None                 | Daily                | Not applicable           |

The money market funds are short-term investments of excess funds in various money market mutual funds, which are portfolios of short-term debt securities. The money market funds are regulated by the SEC and typically receive the highest rating from credit rating agencies. Regulatory and rating agency requirements for money market funds include minimum credit ratings and maximum maturities for individual securities and a maximum weighted average portfolio maturity. Redemptions are available on a same day basis, up to the full amount of the Company's investment in the money market funds.

As of December 31, 2010 and 2009, other financial instruments for which the carrying amount did not equal fair value were as follows:

|                 | Carrying Amount       | Fair Value   |
|-----------------|-----------------------|--------------|
|                 | <i>(in thousands)</i> |              |
| Long-term debt: |                       |              |
| 2010            | \$ 1,224,398          | \$ 1,258,428 |
| 2009            | \$ 1,118,914          | \$ 1,137,761 |

The fair values were based on either closing market prices (Level 1) or closing prices of comparable instruments (Level 2).

## 10. DERIVATIVES

The Company is exposed to market risks, primarily commodity price risk and interest rate risk. To manage the volatility attributable to these exposures, the Company nets its exposures, where possible, to take advantage of natural offsets and enters into various derivative transactions for the remaining exposures pursuant to the Company's policies in areas such as counterparty exposure and risk management practices. The Company's policy is that derivatives are to be used primarily for hedging purposes and mandates strict adherence to all applicable risk management policies. Derivative positions are monitored using techniques including, but not limited to, market valuation, value at risk, stress testing, and sensitivity analysis. Derivative instruments are recognized at fair value in the balance sheets as either assets or liabilities.

### Energy-Related Derivatives

The Company enters into energy-related derivatives to hedge exposures to electricity, gas, and other fuel price changes. However, due to cost-based rate regulations and other various cost recovery mechanisms, the Company has limited exposure to market volatility in commodity fuel prices and prices of electricity. The Company manages fuel-hedging programs, implemented per the guidelines of the Florida PSC, through the use of financial derivative contracts, and recently has started using financial options which is expected to continue to mitigate price volatility.

To mitigate residual risks relative to movements in electricity prices, the Company may enter into physical fixed-price contracts for the purchase and sale of electricity through the wholesale electricity market. To mitigate residual risks relative to movements in gas

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prices, the Company may enter into fixed-price contracts for natural gas purchases; however, a significant portion of contracts are priced at market.

Energy-related derivative contracts are accounted for in one of two methods:

**Regulatory Hedges** – Energy-related derivative contracts which are designated as regulatory hedges relate primarily to the Company’s fuel hedging programs, where gains and losses are initially recorded as regulatory liabilities and assets, respectively, and then are included in fuel expense as the underlying fuel is used in operations and ultimately recovered through the fuel cost recovery clause.

**Not Designated** – Gains and losses on energy-related derivative contracts that are not designated or fail to qualify as hedges are recognized in the statements of income as incurred.

Some energy-related derivative contracts require physical delivery as opposed to financial settlement, and this type of derivative is both common and prevalent within the electric industry. When an energy-related derivative contract is settled physically, any cumulative unrealized gain or loss is reversed and the contract price is recognized in the respective line item representing the actual price of the underlying goods being delivered.

At December 31, 2010, the net volume of energy-related derivative contracts for natural gas positions for the Company, together with the longest hedge date over which it is hedging its exposure to the variability in future cash flows for forecasted transactions and the longest date for derivatives not designated as hedges, were as follows:

| Gas                             |               |                   |
|---------------------------------|---------------|-------------------|
| Net Purchased<br>mmBtu*         | Longest Hedge | Longest Non-Hedge |
| <i>(in thousands)</i><br>19,620 | 2015          | -                 |

\*mmBtu – million British thermal units

**Interest Rate Derivatives**

The Company also enters into interest rate derivatives to hedge exposure to changes in interest rates. Derivatives related to existing variable rate securities or forecasted transactions are accounted for as cash flow hedges where the effective portion of the derivatives’ fair value gains or losses is recorded in OCI and is reclassified into earnings at the same time the hedged transactions affect earnings. The derivatives employed as hedging instruments are structured to minimize ineffectiveness, which is recorded directly to earnings.

At December 31, 2010, there were no interest rate derivatives outstanding.

For the year ended December 31, 2010, the Company had realized net gains of \$1.5 million upon termination of certain interest rate derivatives at the same time the related debt was issued. The effective portion of these gains has been deferred in OCI and is being amortized to interest expense over the life of the original interest rate derivative, reflecting the period in which the forecasted hedge transaction affects earnings.

The estimated pre-tax losses that will be reclassified from OCI to interest expense for the next 12-month period ending December 31, 2011 are \$0.9 million. The Company has deferred gains and losses that are expected to be amortized into earnings through 2020.

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### Derivative Financial Statement Presentation and Amounts

At December 31, 2010 and 2009, the fair value of energy-related derivatives and interest rate derivatives were reflected in the balance sheets as follows:

| Derivative Category  | Asset Derivatives                 |                       | Liability Derivatives |   |                       |                  |
|--|-----------------------------------|-----------------------|-----------------------|---|-----------------------|------------------|
|  | Balance Sheet Location            | 2010                  | 2009                  | Balance Sheet Location                      | 2010                  | 2009             |
|  |                                   | <i>(in thousands)</i> |                       |   | <i>(in thousands)</i> |                  |
| <b>Derivatives designated as hedging instruments for regulatory purposes</b>       |                                   |                       |                       |   |                       |                  |
| Energy-related derivatives:  | Other current assets              | \$ 1,801              | \$ 142                | Liabilities from risk management activities | \$ 9,415              | \$ 9,442         |
|  | Other deferred charges and assets | 575                   | 48                    | Other deferred credits and liabilities      | 4,193                 | 4,447            |
| <b>Total derivatives designated as hedging instruments for regulatory purposes</b> |                                   | <b>\$ 2,376</b>       | <b>\$ 190</b>         |   | <b>\$ 13,608</b>      | <b>\$ 13,889</b> |
| <b>Derivatives designated as hedging instruments in cash flow hedges</b>           |                                   |                       |                       |   |                       |                  |
| Interest rate derivatives:   | Other current assets              | \$ -                  | \$ 2,934              | Liabilities from risk management activities | \$ -                  | \$ -             |
| <b>Derivatives not designated as hedging instruments</b>                           |                                   |                       |                       |   |                       |                  |
| Energy-related derivatives:  | Other current assets              | \$ 4                  | \$ 12                 | Liabilities from risk management activities | \$ -                  | \$ -             |
| <b>Total</b>   |                                   | <b>\$ 2,380</b>       | <b>\$ 3,136</b>       |   | <b>\$ 13,608</b>      | <b>\$ 13,889</b> |

All derivative instruments are measured at fair value. See Note 9 for additional information.

At December 31, 2010 and 2009, the pre-tax effect of unrealized derivative gains (losses) arising from energy-related derivative instruments designated as regulatory hedging instruments and deferred on the balance sheets was as follows:

| Derivative Category                                   | Unrealized Losses                 |                       | Unrealized Gains   |  |                       |               |
|---|-----------------------------------|-----------------------|--------------------|--|-----------------------|---------------|
|   | Balance Sheet Location            | 2010                  | 2009               | Balance Sheet Location                 | 2010                  | 2009          |
|   |                                   | <i>(in thousands)</i> |                    |  | <i>(in thousands)</i> |               |
| Energy-related derivatives:                           | Other regulatory assets, current  | \$ (9,415)            | \$ (9,442)         | Other regulatory liabilities, current  | \$ 1,801              | \$ 142        |
|   | Other regulatory assets, deferred | (4,193)               | (4,447)            | Other regulatory liabilities, deferred | 575                   | 48            |
| <b>Total energy-related derivative gains (losses)</b> |                                   | <b>\$ (13,608)</b>    | <b>\$ (13,889)</b> |  | <b>\$ 2,376</b>       | <b>\$ 190</b> |

|   |   |                                       |                                  |
|---|---|---------------------------------------|----------------------------------|
| Name of Respondent                        | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| Gulf Power Company                        |   |                                       |                                  |
| NOTES TO FINANCIAL STATEMENTS (Continued) |   |                                       |                                  |

For the years ended December 31, 2010, 2009, and 2008, the pre-tax effect of interest rate derivatives designated as cash flow hedging instruments on the statements of income was as follows:

| Derivatives in Cash Flow Hedging Relationships<br>Derivative Category | Gain (Loss) Recognized in OCI on Derivative (Effective Portion) |          |            | Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion) |                |            |          |
|---|---|----------|------------|---|----------------|------------|----------|
|   | 2010  | 2009     | 2008       | Statements of Income Location   | 2010           | 2009       | 2008     |
|   | (in thousands)  |          |            |   | (in thousands) |            |          |
| Interest rate derivatives   | \$ (1,405)  | \$ 2,934 | \$ (2,792) | Interest expense,<br>net of amounts capitalized                               | \$ (974)       | \$ (1,085) | \$ (949) |

There was no material ineffectiveness recorded in earnings for any period presented.

For the years ended December 31, 2010, 2009, and 2008, the pre-tax effect of energy-related derivatives not designated as hedging instruments on the statements of income was not material.

### Contingent Features

The Company does not have any credit arrangements that would require material changes in payment schedules or terminations as a result of a credit rating downgrade. There are certain derivatives that could require collateral, but not accelerated payment, in the event of various credit rating changes of certain affiliated companies. At December 31, 2010, the fair value of derivative liabilities with contingent features was \$0.8 million.

At December 31, 2010, the Company had no collateral posted with its derivative counterparties; however, because of the joint and several liability features underlying these derivatives, the maximum potential collateral requirements arising from the credit-risk-related contingent features, at a rating below BBB- and/or Baa3, is \$40.0 million.

Generally, collateral may be provided by a Southern Company guaranty, letter of credit, or cash. The Company participates in certain agreements that could require collateral in the event that one or more Southern Company system power pool participants has a credit rating change to below investment grade.

### 11. QUARTERLY FINANCIAL INFORMATION (UNAUDITED)

Summarized quarterly financial data for 2010 and 2009 are as follows:

| Quarter Ended  | Operating Revenues | Operating Income | Net Income After Dividends on Preference Stock |
|----------------|--------------------|------------------|--|
|                |                    | (in thousands)   |  |
| March 2010     | \$ 356,712         | \$ 52,430        | \$ 25,300                                      |
| June 2010      | 403,171            | 65,066           | 32,317   |
| September 2010 | 483,455            | 82,896           | 42,907   |
| December 2010  | 346,871            | 46,408           | 20,987   |
| March 2009     | \$ 284,284         | \$ 30,914        | \$ 16,542                                      |
| June 2009      | 341,095            | 54,320           | 32,269   |
| September 2009 | 377,641            | 67,392           | 41,208   |
| December 2009  | 299,209            | 36,036           | 21,214   |

The Company's business is influenced by seasonal weather conditions.





|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS  
FOR DEPRECIATION, AMORTIZATION AND DEPLETION**

Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (h) common function.

| Line No. | Classification<br>(a)                             | Total Company for the<br>Current Year/Quarter Ended<br>(b) | Electric<br>(c) |
|----------|---|--|-----------------|
| 1        | Utility Plant                                     |  |                 |
| 2        | In Service  |  |                 |
| 3        | Plant in Service (Classified)                     | 2,924,069,448  | 2,924,069,448   |
| 4        | Property Under Capital Leases                     |  |                 |
| 5        | Plant Purchased or Sold                           |  |                 |
| 6        | Completed Construction not Classified             | 701,723,524  | 701,723,524     |
| 7        | Experimental Plant Unclassified                   |  |                 |
| 8        | Total (3 thru 7)                                  | 3,625,792,972  | 3,625,792,972   |
| 9        | Leased to Others                                  |  |                 |
| 10       | Held for Future Use                               | 5,664,735  | 5,664,735       |
| 11       | Construction Work in Progress                     | 209,807,863  | 209,807,863     |
| 12       | Acquisition Adjustments                           | 2,796,844  | 2,796,844       |
| 13       | Total Utility Plant (8 thru 12)                   | 3,844,062,414  | 3,844,062,414   |
| 14       | Accum Prov for Depr, Amort, & Depl                | 1,273,413,908  | 1,273,413,908   |
| 15       | Net Utility Plant (13 less 14)                    | 2,570,648,506  | 2,570,648,506   |
| 16       | Detail of Accum Prov for Depr, Amort & Depl       |  |                 |
| 17       | In Service:                                       |  |                 |
| 18       | Depreciation                                      | 1,252,510,965  | 1,252,510,965   |
| 19       | Amort & Depl of Producing Nat Gas Land/Land Right |  |                 |
| 20       | Amort of Underground Storage Land/Land Rights     |  |                 |
| 21       | Amort of Other Utility Plant                      | 20,902,943   | 20,902,943      |
| 22       | Total In Service (18 thru 21)                     | 1,273,413,908  | 1,273,413,908   |
| 23       | Leased to Others                                  |  |                 |
| 24       | Depreciation                                      |  |                 |
| 25       | Amortization and Depletion                        |  |                 |
| 26       | Total Leased to Others (24 & 25)                  |  |                 |
| 27       | Held for Future Use                               |  |                 |
| 28       | Depreciation                                      |  |                 |
| 29       | Amortization                                      |  |                 |
| 30       | Total Held for Future Use (28 & 29)               |  |                 |
| 31       | Abandonment of Leases (Natural Gas)               |  |                 |
| 32       | Amort of Plant Acquisition Adj                    |  |                 |
| 33       | Total Accum Prov (equals 14) (22,26,30,31,32)     | 1,273,413,908  | 1,273,413,908   |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)**

- Report below the original cost of electric plant in service according to the prescribed accounts.
- In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.
- Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.
- For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.
- Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.
- Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)

| Line No. | Account (a)  | Balance Beginning of Year (b) | Additions (c) |
|----------|--|-------------------------------|---------------|
| 1        | 1. INTANGIBLE PLANT  |                               |               |
| 2        | (301) Organization   | 194,815                       |               |
| 3        | (302) Franchises and Consents                                      | 594                           |               |
| 4        | (303) Miscellaneous Intangible Plant                               |                               | 12,661,466    |
| 5        | TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)          | 195,409                       | 12,661,466    |
| 6        | 2. PRODUCTION PLANT  |                               |               |
| 7        | A. Steam Production Plant  |                               |               |
| 8        | (310) Land and Land Rights   | 14,870,936                    | 16,893        |
| 9        | (311) Structures and Improvements                                  | 228,489,626                   | 13,894,781    |
| 10       | (312) Boiler Plant Equipment                                       | 1,179,264,370                 | 63,208,534    |
| 11       | (313) Engines and Engine-Driven Generators                         |                               |               |
| 12       | (314) Turbogenerator Units   | 217,748,964                   | 25,921,148    |
| 13       | (315) Accessory Electric Equipment                                 | 162,691,619                   | 5,298,179     |
| 14       | (316) Misc. Power Plant Equipment                                  | 21,024,686                    | 1,911,879     |
| 15       | (317) Asset Retirement Costs for Steam Production                  | 4,336,247                     |               |
| 16       | TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)      | 1,828,426,448                 | 110,251,414   |
| 17       | B. Nuclear Production Plant  |                               |               |
| 18       | (320) Land and Land Rights   |                               |               |
| 19       | (321) Structures and Improvements                                  |                               |               |
| 20       | (322) Reactor Plant Equipment                                      |                               |               |
| 21       | (323) Turbogenerator Units   |                               |               |
| 22       | (324) Accessory Electric Equipment                                 |                               |               |
| 23       | (325) Misc. Power Plant Equipment                                  |                               |               |
| 24       | (326) Asset Retirement Costs for Nuclear Production                |                               |               |
| 25       | TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)   |                               |               |
| 26       | C. Hydraulic Production Plant                                      |                               |               |
| 27       | (330) Land and Land Rights   |                               |               |
| 28       | (331) Structures and Improvements                                  |                               |               |
| 29       | (332) Reservoirs, Dams, and Waterways                              |                               |               |
| 30       | (333) Water Wheels, Turbines, and Generators                       |                               |               |
| 31       | (334) Accessory Electric Equipment                                 |                               |               |
| 32       | (335) Misc. Power PLant Equipment                                  |                               |               |
| 33       | (336) Roads, Railroads, and Bridges                                |                               |               |
| 34       | (337) Asset Retirement Costs for Hydraulic Production              |                               |               |
| 35       | TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34) |                               |               |
| 36       | D. Other Production Plant  |                               |               |
| 37       | (340) Land and Land Rights   | 337,696                       |               |
| 38       | (341) Structures and Improvements                                  | 12,506,211                    | 1,083,852     |
| 39       | (342) Fuel Holders, Products, and Accessories                      | 3,455,478                     | 78,714        |
| 40       | (343) Prime Movers   | 100,934,352                   | 38,811,612    |
| 41       | (344) Generators   | 73,587,498                    | 35,969        |
| 42       | (345) Accessory Electric Equipment                                 | 11,713,523                    | 1,032,499     |
| 43       | (346) Misc. Power Plant Equipment                                  | 719,606                       | 5,662,963     |
| 44       | (347) Asset Retirement Costs for Other Production                  | 397,195                       |               |
| 45       | TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)          | 203,651,559                   | 46,705,609    |
| 46       | TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)        | 2,032,078,007                 | 156,957,023   |



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|--|--|---|---------------------------------------|---|
| <b>ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)</b> |  |   |                                       |   |
| Line No.   | Account<br>(a)   | Balance<br>Beginning of Year<br>(b)   | Additions<br>(c)                      |   |
| 47   | 3. TRANSMISSION PLANT  |   |                                       |   |
| 48   | (350) Land and Land Rights   | 14,972,602  | 140,281                               |   |
| 49   | (352) Structures and Improvements                                      | 8,426,310   | 851,724                               |   |
| 50   | (353) Station Equipment  | 100,888,004   | 8,369,269                             |   |
| 51   | (354) Towers and Fixtures  | 38,868,886  | 2,407,903                             |   |
| 52   | (355) Poles and Fixtures   | 76,122,945  | 5,838,332                             |   |
| 53   | (356) Overhead Conductors and Devices                                  | 63,854,916  | 3,322,047                             |   |
| 54   | (357) Underground Conduit  |   |                                       |   |
| 55   | (358) Underground Conductors and Devices                               | 14,094,502  |                                       |   |
| 56   | (359) Roads and Trails   | 61,447  |                                       |   |
| 57   | (359.1) Asset Retirement Costs for Transmission Plant                  | 7,861   |                                       |   |
| 58   | TOTAL Transmission Plant (Enter Total of lines 48 thru 57)             | 317,297,473   | 20,929,556                            |   |
| 59   | 4. DISTRIBUTION PLANT  |   |                                       |   |
| 60   | (360) Land and Land Rights   | 2,757,929   |                                       |   |
| 61   | (361) Structures and Improvements                                      | 16,745,219  | 1,532,998                             |   |
| 62   | (362) Station Equipment  | 159,050,636   | 5,914,198                             |   |
| 63   | (363) Storage Battery Equipment  |   |                                       |   |
| 64   | (364) Poles, Towers, and Fixtures                                      | 119,993,792   | 6,391,271                             |   |
| 65   | (365) Overhead Conductors and Devices                                  | 118,489,613   | 6,453,610                             |   |
| 66   | (366) Underground Conduit  | 1,217,455   |                                       |   |
| 67   | (367) Underground Conductors and Devices                               | 111,391,188   | 6,813,153                             |   |
| 68   | (368) Line Transformers  | 208,399,324   | 14,433,300                            |   |
| 69   | (369) Services   | 92,130,524  | 2,882,848                             |   |
| 70   | (370) Meters   | 51,269,486  | 8,327,690                             |   |
| 71   | (371) Installations on Customer Premises                               |   |                                       |   |
| 72   | (372) Leased Property on Customer Premises                             |   |                                       |   |
| 73   | (373) Street Lighting and Signal Systems                               | 56,904,426  | 2,278,904                             |   |
| 74   | (374) Asset Retirement Costs for Distribution Plant                    | 43,466  |                                       |   |
| 75   | TOTAL Distribution Plant (Enter Total of lines 60 thru 74)             | 938,393,058   | 55,027,972                            |   |
| 76   | 5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT                    |   |                                       |   |
| 77   | (380) Land and Land Rights   |   |                                       |   |
| 78   | (381) Structures and Improvements                                      |   |                                       |   |
| 79   | (382) Computer Hardware  |   |                                       |   |
| 80   | (383) Computer Software  |   |                                       |   |
| 81   | (384) Communication Equipment  |   |                                       |   |
| 82   | (385) Miscellaneous Regional Transmission and Market Operation Plant   |   |                                       |   |
| 83   | (386) Asset Retirement Costs for Regional Transmission and Market Oper |   |                                       |   |
| 84   | TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83) |   |                                       |   |
| 85   | 6. GENERAL PLANT   |   |                                       |   |
| 86   | (389) Land and Land Rights   | 6,858,329   |                                       |   |
| 87   | (390) Structures and Improvements                                      | 64,301,502  | 2,730,623                             |   |
| 88   | (391) Office Furniture and Equipment                                   | 6,563,155   | 858,927                               |   |
| 89   | (392) Transportation Equipment   | 26,837,345  | 2,005,857                             |   |
| 90   | (393) Stores Equipment   | 796,334   | 209,685                               |   |
| 91   | (394) Tools, Shop and Garage Equipment                                 | 1,502,347   | 1,297,473                             |   |
| 92   | (395) Laboratory Equipment   | 3,364,133   | 628,194                               |   |
| 93   | (396) Power Operated Equipment   | 593,661   |                                       |   |
| 94   | (397) Communication Equipment  | 21,373,298  | 1,669,891                             |   |
| 95   | (398) Miscellaneous Equipment  | 4,352,298   | 220,402                               |   |
| 96   | SUBTOTAL (Enter Total of lines 86 thru 95)                             | 136,542,402   | 9,621,052                             |   |
| 97   | (399) Other Tangible Property  |   |                                       |   |
| 98   | (399.1) Asset Retirement Costs for General Plant                       | 196,571   |                                       |   |
| 99   | TOTAL General Plant (Enter Total of lines 96, 97 and 98)               | 136,738,973   | 9,621,052                             |   |
| 100  | TOTAL (Accounts 101 and 106)   | 3,424,702,920   | 255,197,069                           |   |
| 101  | (102) Electric Plant Purchased (See Instr. 8)                          |   |                                       |   |
| 102  | (Less) (102) Electric Plant Sold (See Instr. 8)                        |   |                                       |   |
| 103  | (103) Experimental Plant Unclassified                                  |   |                                       |   |
| 104  | TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)    | 3,424,702,920   | 255,197,069                           |   |

ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)

| Retirements<br>(d) | Adjustments<br>(e) | Transfers<br>(f) | Balance at<br>End of Year<br>(g) | Line<br>No. |
|--------------------|--------------------|------------------|----------------------------------|-------------|
|                    |                    |                  |                                  | 47          |
|                    | -148,729           |                  | 14,964,154                       | 48          |
|                    |                    | 12,892           | 9,290,926                        | 49          |
| 451,276            |                    | 30,468           | 108,836,465                      | 50          |
| 19,253             |                    | 30,477           | 41,288,013                       | 51          |
| 420,644            |                    | -26,521          | 81,514,112                       | 52          |
| 179,743            |                    |                  | 66,997,220                       | 53          |
|                    |                    |                  |                                  | 54          |
|                    |                    |                  | 14,094,502                       | 55          |
|                    |                    |                  | 61,447                           | 56          |
|                    |                    |                  | 7,861                            | 57          |
| 1,070,916          | -148,729           | 47,316           | 337,054,700                      | 58          |
|                    |                    |                  |                                  | 59          |
|                    | -17,244            |                  | 2,740,685                        | 60          |
| 15,444             |                    |                  | 18,262,773                       | 61          |
| 603,627            |                    | -26,275          | 164,334,932                      | 62          |
|                    |                    |                  |                                  | 63          |
| 1,065,125          |                    |                  | 125,319,938                      | 64          |
| 2,151,102          |                    | -810,590         | 121,981,531                      | 65          |
|                    |                    |                  | 1,217,455                        | 66          |
| 457,884            |                    | 810,590          | 118,557,047                      | 67          |
| 2,633,803          |                    | -21,041          | 220,177,780                      | 68          |
| 1,947,107          |                    |                  | 93,066,265                       | 69          |
| 2,049,913          |                    |                  | 57,547,263                       | 70          |
|                    |                    |                  |                                  | 71          |
|                    |                    |                  |                                  | 72          |
| 410,414            |                    |                  | 58,772,916                       | 73          |
|                    |                    |                  | 43,466                           | 74          |
| 11,334,419         | -17,244            | -47,316          | 982,022,051                      | 75          |
|                    |                    |                  |                                  | 76          |
|                    |                    |                  |                                  | 77          |
|                    |                    |                  |                                  | 78          |
|                    |                    |                  |                                  | 79          |
|                    |                    |                  |                                  | 80          |
|                    |                    |                  |                                  | 81          |
|                    |                    |                  |                                  | 82          |
|                    |                    |                  |                                  | 83          |
|                    |                    |                  |                                  | 84          |
|                    |                    |                  |                                  | 85          |
|                    |                    |                  | 6,858,329                        | 86          |
| 83,198             |                    |                  | 66,948,927                       | 87          |
| 340,152            |                    |                  | 7,081,930                        | 88          |
| 1,351,116          |                    |                  | 27,492,086                       | 89          |
|                    |                    |                  | 1,006,019                        | 90          |
|                    |                    |                  | 2,799,820                        | 91          |
| 1,580,610          |                    |                  | 2,411,717                        | 92          |
|                    |                    |                  | 593,661                          | 93          |
| 125,508            |                    |                  | 22,917,681                       | 94          |
| 974,835            |                    |                  | 3,597,865                        | 95          |
| 4,455,419          |                    |                  | 141,708,035                      | 96          |
|                    |                    |                  |                                  | 97          |
|                    |                    |                  | 196,571                          | 98          |
| 4,455,419          |                    |                  | 141,904,606                      | 99          |
| 51,022,367         | -3,084,650         |                  | 3,625,792,972                    | 100         |
|                    |                    |                  |                                  | 101         |
|                    |                    |                  |                                  | 102         |
|                    |                    |                  |                                  | 103         |
| 51,022,367         | -3,084,650         |                  | 3,625,792,972                    | 104         |
|                    |                    |                  |                                  |             |

|  |   |                                       |  |
|--|---|---------------------------------------|--|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of <u>2010/Q4</u> |
|--|---|---------------------------------------|--|

**ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)**

- Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.
- For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.

| Line No. | Description and Location Of Property (a)         | Date Originally Included in This Account (b) | Date Expected to be used in Utility Service (c) | Balance at End of Year (d) |
|----------|--|--|---|----------------------------|
| 1        | Land and Rights:                                 |  |   |                            |
| 2        | Caryville Electric Generating Plant -            |  |   |                            |
| 3        | Future Site, Located in Holmes Cnty., FL         | 09/19/1963                                   | 12/31/2017                                      | 1,355,569                  |
| 4        | Smith Plant - Future Ash Disposal Site -         |  |   |                            |
| 5        | Located in Bay County, FL                        | 04/18/1989                                   | 12/31/2017                                      | 710,968                    |
| 6        | Mossy Head Electric Generating Center -          |  |   |                            |
| 7        | Located in Walton County, FL                     | 08/01/1999                                   | 12/31/2017                                      | 296,447                    |
| 8        | Plant Daniel - Future Scrubber Site              |  |   |                            |
| 9        | Located in Jackson County, MS                    | 02/04/2010                                   | 12/31/2014                                      | 2,917,155                  |
| 10       |  |  |   |                            |
| 11       | Other Land - Misc:                               |  |   | 384,596                    |
| 12       | Plant Daniel - Future Ash Disposal Site          |  |   |                            |
| 13       | Located in Jackson County, MS                    |  |   |                            |
| 14       | Panama City District Office expansion -          |  |   |                            |
| 15       | Located in Bay County, FL                        |  |   |                            |
| 16       | General Repair Facility Located in Pensacola, FL |  |   |                            |
| 17       | Sandestin Sub. Located in Sandestin, FL          |  |   |                            |
| 18       | Corporate Office Building Site -                 |  |   |                            |
| 19       | Located in Pensacola, FL                         |  |   |                            |
| 20       | Altha Sub. Site Located in Calhoun County, FL    |  |   |                            |
| 21       | Other Property:                                  |  |   |                            |
| 22       |  |  |   |                            |
| 23       |  |  |   |                            |
| 24       |  |  |   |                            |
| 25       |  |  |   |                            |
| 26       |  |  |   |                            |
| 27       |  |  |   |                            |
| 28       |  |  |   |                            |
| 29       |  |  |   |                            |
| 30       |  |  |   |                            |
| 31       |  |  |   |                            |
| 32       |  |  |   |                            |
| 33       |  |  |   |                            |
| 34       |  |  |   |                            |
| 35       |  |  |   |                            |
| 36       |  |  |   |                            |
| 37       |  |  |   |                            |
| 38       |  |  |   |                            |
| 39       |  |  |   |                            |
| 40       |  |  |   |                            |
| 41       |  |  |   |                            |
| 42       |  |  |   |                            |
| 43       |  |  |   |                            |
| 44       |  |  |   |                            |
| 45       |  |  |   |                            |
| 46       |  |  |   |                            |
| 47       | Total  |  |   | 5,664,735                  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

| Line No. | Description of Project<br>(a)        | Construction work in progress -<br>Electric (Account 107)<br>(b) |
|----------|--------------------------------------|--|
| 1        | 1010 CRIST 6 PRI SUPERHTR REPLACE    | 200,000  |
| 2        | 1013 CRIST 6 HRA SIDEWALLS HEADER    | 920,027  |
| 3        | 1031 ECRC-AIR-CRIST 7 SCR CATALYST   | 409,683  |
| 4        | 1038 ECRC AIR CRIST 6 UPGR PRECIP    | 471,744  |
| 5        | 1094 CRIST FUEL HANDLING CRANE       | 3,620,184  |
| 6        | 1111 CRIST 6 LOWER ECON AND HEADER   | 1,117,111  |
| 7        | 1121 CRIST 6 REHEAT HEADER           | 186,283  |
| 8        | 1146 CRIST 7 BATTERY BANK            | 156,623  |
| 9        | 1159 CRIST 7 REP BRKR, CBL, & SWITCH | 216,277  |
| 10       | 1196 CRIST 6 REHEAT AND SUPERHEAT    | 299,997  |
| 11       | 1222 ECRC-AIR-CRIST SCRUBBER         | 17,476,961   |
| 12       | 1230 CRIST 6 REPLACE REHEATER        | 1,502,540  |
| 13       | 1233 ECRC-AIR-CRIST SCRUBBER MISC.   | 283,963  |
| 14       | 1258 CRIST 41047 DEMINERALZR CONTRO  | 251,898  |
| 15       | 1279 ECRC-AIR-CRIST 6 SCR            | 58,763,024   |
| 16       | 1400 SMITH-MISC PLANT ADDITIONS      | 836,106  |
| 17       | 1421 SMITH A COMBUSTION TURBINE C    | 1,958,659  |
| 18       | 1452 SMITH 2 REPL HOT REHEAT PIPING  | 806,356  |
| 19       | 1465 SMITH 2 REPLACE DUCTWORK/EXP    | 368,800  |
| 20       | 1600 SMITH 3-MISC REPLACEMENTS       | 710,466  |
| 21       | 1607 SMITH FISH EXCLUSION DEVICE     | 488,317  |
| 22       | 1611 SMITH 3 REPL WATER LAB BLDG     | 663,789  |
| 23       | 1679 SMITH UNIT 3 CORROSION PROJECT  | 239,171  |
| 24       | 1700 SCHERER MISC ADDITIONS & IMPRV  | 791,786  |
| 25       | 1705 SCHERER 3 SUHTR OUT TEE/LEAD    | 341,204  |
| 26       | 1709 SCHERER 3 REPLACE HP TURBINE    | 1,891,926  |
| 27       | 1727 ENVIR-AIR-SCHERER SCR PROJECT   | 740,375  |
| 28       | 1728 ENVIR-AIR-SCHERER SCRUBBER      | 58,508,247   |
| 29       | 1729 ENVIR-AIR-SCHERER BAGHOUSE      | 698,022  |
| 30       | 1739 SCHERER 3 REPL GENERATOR 500KV  | 411,294  |
| 31       | 1750 SCHERER MISC. ADD AND IMPROVE   | 417,202  |
| 32       | 1757 SCHERER 3 REPL AIR HTR BASKETS  | 404,113  |
| 33       | 1775 SCHERER 3 REPL SOOTBLOW CONTROL | 134,623  |
| 34       | 1778 ENVIR-SCHERER ENVIRN SITE PLAN  | 8,272,256  |
| 35       | 2552 NEW BUSINESS DISTRIBUTION       | 379,733  |
| 36       | 2553 NEW BUSINESS STREET LIGHTS      | 110,152  |
| 37       | 2554 NEW BUSINESS-UNDERGROUND        | 579,995  |
| 38       | 2556 PRIVATE STREET & YARD LIGHTS    | 328,800  |
| 39       | 2603 BUILD SHAKY JOE SWAMP TRNS SUB  | 273,140  |
| 40       | 2801 TRANS SUB INFRASTRUCTURE PROJ   | 1,209,940  |
| 41       | 2802 TRANS LINE INFRASTRUCTURE PROJ  | 3,544,640  |
| 42       | 2810 115KV TRANS LINE STATIC WIRE    | 765,119  |
| 43       | TOTAL                                | 209,807,863  |

|  |   |                                       |  |
|--|---|---------------------------------------|--|
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|--|---|---------------------------------------|--|

**CONSTRUCTION WORK IN PROGRESS -- ELECTRIC (Account 107)**

1. Report below descriptions and balances at end of year of projects in process of construction (107)
2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts)
3. Minor projects (5% of the Balance End of the Year for Account 107 or \$1,000,000, whichever is less) may be grouped.

| Line No. | Description of Project<br>(a)         | Construction work in progress -<br>Electric (Account 107)<br>(b) |
|----------|---------------------------------------|--|
| 1        | 2814 LAGUNA-SANTA ROSA 230KV CONVER   | 1,291,823  |
| 2        | 2825 SINAI CEMETERY 230KV REACTOR     | 2,333,832  |
| 3        | 2837 WRIGHT RELAY MODERNIZATION 2015  | 372,340  |
| 4        | 2843 CALLAWAY 230/115KV PROT & CONTR  | 111,290  |
| 5        | 2845 TRANS TOOLS/TEST EQUIP (SGIG)    | 219,407  |
| 6        | 2852 BRENTWOOD 230/115KV AUTOBANK     | 11,084,190   |
| 7        | 2853 LAGUNA BEACH 230/115KV AUTOBANK  | 985,176  |
| 8        | 2863 WRIGHT-FREEDOM WAY 115KV SUBST   | 1,628,716  |
| 9        | 2867 HOLMES CRK-HIGHLD NEW 230KV TL   | 1,560,452  |
| 10       | 2874 SMITH-LAGUNA CONVERT TO 230KV    | 3,460,213  |
| 11       | 2882 MOLINO-PINE FOREST 115KV RECON   | 673,239  |
| 12       | 3401 DIST SUB INFRASTRUCTURE PROJECT  | 807,207  |
| 13       | 3402 MISC DIST LINE IMPRV & REPLAC    | 583,807  |
| 14       | 3403 DIST. ADD & RET DUE TO HWY COM   | 387,849  |
| 15       | 3407 MISC. CAPITAL ACCRUALS           | 481,049  |
| 16       | 3408 DISTRIBUTION IMPRMNTS-OSMOSE     | 180,431  |
| 17       | 3481 GREENWOOD PROT & CNTRL SYSTEM    | 1,152,404  |
| 18       | 3483 GOULDING PROT & CNTRL SYS REPLAC | 157,227  |
| 19       | 3498 SMART GRID-ECON STIMULUS-SGIG    | 1,051,262  |
| 20       | 3642 CHIPLEY 9202-PHASE ADDITION      | 110,576  |
| 21       | 3691 EAST HILL SUB OCB 714 CONVERT    | 109,284  |
| 22       | 3693 DEVILL SUB OCB 7414 PROTECTORS   | 173,678  |
| 23       | 3702 CIRCUIT SWITCHER IMPROV TS/DS    | 103,199  |
| 24       | 3727 HINSONS CROSSRDS BANK ADDITION   | 2,076,345  |
| 25       | 3742 EMS SYSTEM ADDITIONS & IMPROVE   | 1,784,738  |
| 26       | 3752 FAIRFIELD 115KV RING BUS         | 2,401,661  |
| 27       | 3753 BUILD NEW HOLIDAY SUBSTATION     | 330,519  |
| 28       | 3756 FAIRFIELD RING BUS (SGIG)        | 513,474  |
| 29       | 4785 ACCRUED PAYROLL                  | 439,809  |
| 30       | MINOR PROJECTS LESS THAN \$100,000    | 1,492,120  |
| 31       |                                       |  |
| 32       |                                       |  |
| 33       |                                       |  |
| 34       |                                       |  |
| 35       |                                       |  |
| 36       |                                       |  |
| 37       |                                       |  |
| 38       |                                       |  |
| 39       |                                       |  |
| 40       |                                       |  |
| 41       |                                       |  |
| 42       |                                       |  |
| 43       | TOTAL                                 | 209,807,863  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)**

1. Explain in a footnote any important adjustments during year.
2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.
3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.
4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.

**Section A. Balances and Changes During Year**

| Line No. | Item (a)  | Total (c+d+e) (b) | Electric Plant in Service (c) | Electric Plant Held for Future Use (d) | Electric Plant Leased to Others (e) |
|----------|---|-------------------|-------------------------------|--|-------------------------------------|
| 1        | Balance Beginning of Year   | 1,180,623,437     | 1,180,623,437                 |  |                                     |
| 2        | Depreciation Provisions for Year, Charged to                      |                   |                               |  |                                     |
| 3        | (403) Depreciation Expense  | 118,347,286       | 118,347,286                   |  |                                     |
| 4        | (403.1) Depreciation Expense for Asset Retirement Costs           | 139,783           | 139,783                       |  |                                     |
| 5        | (413) Exp. of Elec. Plt. Leas. to Others                          |                   |                               |  |                                     |
| 6        | Transportation Expenses-Clearing                                  | 2,204,421         | 2,204,421                     |  |                                     |
| 7        | Other Clearing Accounts   |                   |                               |  |                                     |
| 8        | Other Accounts (Specify, details in footnote):                    | 41,124            | 41,124                        |  |                                     |
| 9        |   |                   |                               |  |                                     |
| 10       | TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)       | 120,732,614       | 120,732,614                   |  |                                     |
| 11       | Net Charges for Plant Retired:                                    |                   |                               |  |                                     |
| 12       | Book Cost of Plant Retired  | 46,624,980        | 46,624,980                    |  |                                     |
| 13       | Cost of Removal   | 13,255,482        | 13,255,482                    |  |                                     |
| 14       | Salvage (Credit)  | 7,017,888         | 7,017,888                     |  |                                     |
| 15       | TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14) | 52,862,574        | 52,862,574                    |  |                                     |
| 16       | Other Debit or Cr. Items (Describe, details in footnote):         |                   |                               |  |                                     |
| 17       | Plant Adjustments   | 5,048,479         | 5,048,479                     |  |                                     |
| 18       | Book Cost or Asset Retirement Costs Retired                       | -1,030,991        | -1,030,991                    |  |                                     |
| 19       | Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18) | 1,252,510,965     | 1,252,510,965                 |  |                                     |

**Section B. Balances at End of Year According to Functional Classification**

|    |  |               |               |  |  |
|----|--|---------------|---------------|--|--|
| 20 | Steam Production                           | 685,116,399   | 685,116,399   |  |  |
| 21 | Nuclear Production                         |               |               |  |  |
| 22 | Hydraulic Production-Conventional          |               |               |  |  |
| 23 | Hydraulic Production-Pumped Storage        |               |               |  |  |
| 24 | Other Production                           | 26,438,446    | 26,438,446    |  |  |
| 25 | Transmission                               | 114,379,001   | 114,379,001   |  |  |
| 26 | Distribution                               | 380,202,351   | 380,202,351   |  |  |
| 27 | Regional Transmission and Market Operation |               |               |  |  |
| 28 | General                                    | 46,374,768    | 46,374,768    |  |  |
| 29 | TOTAL (Enter Total of lines 20 thru 28)    | 1,252,510,965 | 1,252,510,965 |  |  |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 219 Line No.: 8 Column: c**

Balance for Rail Road Track.

**Schedule Page: 219 Line No.: 17 Column: c**

|   |                    |
|---|--------------------|
| Plant Smith Combined Cycle Long Term Service Agreement Reserve Adjustment     | \$5,092,999        |
| Florida Public Service Commission Required Reserve Adjustment for Plant Crist | <u>(44,520)</u>    |
| Total Adjustment  | <u>\$5,048,479</u> |

|  |   |                                       |  |
|--|---|---------------------------------------|--|
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|--|---|---------------------------------------|--|

**MATERIALS AND SUPPLIES**

1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.
2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.

| Line No. | Account<br>(a)   | Balance Beginning of Year<br>(b) | Balance End of Year<br>(c) | Department or Departments which Use Material<br>(d) |
|----------|--|----------------------------------|----------------------------|---|
| 1        | Fuel Stock (Account 151)   | 164,454,800                      | 152,851,390                |   |
| 2        | Fuel Stock Expenses Undistributed (Account 152)                        |                                  |                            |   |
| 3        | Residuals and Extracted Products (Account 153)                         |                                  |                            |   |
| 4        | Plant Materials and Operating Supplies (Account 154)                   |                                  |                            |   |
| 5        | Assigned to - Construction (Estimated)                                 |                                  |                            |   |
| 6        | Assigned to - Operations and Maintenance                               |                                  |                            |   |
| 7        | Production Plant (Estimated)   | 24,047,761                       | 32,280,179                 |   |
| 8        | Transmission Plant (Estimated)   | 824,595                          | 1,576,789                  |   |
| 9        | Distribution Plant (Estimated)   | 13,434,837                       | 15,465,852                 |   |
| 10       | Regional Transmission and Market Operation Plant (Estimated)           |                                  |                            |   |
| 11       | Assigned to - Other (provide details in footnote)                      |                                  |                            |   |
| 12       | TOTAL Account 154 (Enter Total of lines 5 thru 11)                     | 38,307,193                       | 49,322,820                 |   |
| 13       | Merchandise (Account 155)  |                                  |                            |   |
| 14       | Other Materials and Supplies (Account 156)                             |                                  |                            |   |
| 15       | Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util) |                                  |                            |   |
| 16       | Stores Expense Undistributed (Account 163)                             | 170,472                          | 6,214                      |   |
| 17       |  |                                  |                            |   |
| 18       |  |                                  |                            |   |
| 19       |  |                                  |                            |   |
| 20       | TOTAL Materials and Supplies (Per Balance Sheet)                       | 202,932,465                      | 202,180,424                |   |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 227 Line No.: 7 Column: c**

Increase due to joint ownership inventory, generation purchases for Spring outages, and scrubber spares.

**Schedule Page: 227 Line No.: 8 Column: c**

Increase due to purchases associated with SGIG and other T&D projects.

**Schedule Page: 227 Line No.: 9 Column: c**

Increase due to purchases associated with SGIG and other T&D projects.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

Allowances (Accounts 158.1 and 158.2)

- Report below the particulars (details) called for concerning allowances.
- Report all acquisitions of allowances at cost.
- Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
- Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
- Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

| Line No. | SO2 Allowances Inventory<br>(Account 158.1)<br>(a) | Current Year |             | 2011       |             |
|----------|--|--------------|-------------|------------|-------------|
|          |  | No.<br>(b)   | Amt.<br>(c) | No.<br>(d) | Amt.<br>(e) |
| 1        | Balance-Beginning of Year                          | 109,604.00   | 12,401,773  |            |             |
| 2        |  |              |             |            |             |
| 3        | Acquired During Year:                              |              |             |            |             |
| 4        | Issued (Less Withheld Allow)                       | 28,070.00    |             |            |             |
| 5        | Returned by EPA                                    | 1,631.00     |             |            |             |
| 6        |  |              |             |            |             |
| 7        |  |              |             |            |             |
| 8        | Purchases/Transfers:                               |              |             |            |             |
| 9        |  |              |             |            |             |
| 10       |  |              |             |            |             |
| 11       |  |              |             |            |             |
| 12       |  |              |             |            |             |
| 13       |  |              |             |            |             |
| 14       |  |              |             |            |             |
| 15       | Total  |              |             |            |             |
| 16       |  |              |             |            |             |
| 17       | Relinquished During Year:                          |              |             |            |             |
| 18       | Charges to Account 509                             | 28,114.00    | 2,636,387   |            |             |
| 19       | Other:   |              |             |            |             |
| 20       |  |              |             |            |             |
| 21       | Cost of Sales/Transfers:                           |              |             |            |             |
| 22       |  |              |             |            |             |
| 23       |  |              |             |            |             |
| 24       |  |              |             |            |             |
| 25       |  |              |             |            |             |
| 26       |  |              |             |            |             |
| 27       |  |              |             |            |             |
| 28       | Total  |              |             |            |             |
| 29       | Balance-End of Year                                | 111,191.00   | 9,765,386   |            |             |
| 30       |  |              |             |            |             |
| 31       | Sales:   |              |             |            |             |
| 32       | Net Sales Proceeds(Assoc. Co.)                     |              |             |            |             |
| 33       | Net Sales Proceeds (Other)                         |              |             |            |             |
| 34       | Gains  |              |             |            |             |
| 35       | Losses   |              |             |            |             |
|          | Allowances Withheld (Acct 158.2)                   |              |             |            |             |
| 36       | Balance-Beginning of Year                          |              |             |            |             |
| 37       | Add: Withheld by EPA                               |              |             |            |             |
| 38       | Deduct: Returned by EPA                            |              |             |            |             |
| 39       | Cost of Sales                                      |              |             |            |             |
| 40       | Balance-End of Year                                |              |             |            |             |
| 41       |  |              |             |            |             |
| 42       | Sales:   |              |             |            |             |
| 43       | Net Sales Proceeds (Assoc. Co.)                    |              | 33,490      |            |             |
| 44       | Net Sales Proceeds (Other)                         |              |             |            |             |
| 45       | Gains  |              |             |            |             |
| 46       | Losses   |              |             |            |             |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferees of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

| 2012    |          | 2013    |          | Future Years |          | Totals     |            | Line No. |
|---------|----------|---------|----------|--------------|----------|------------|------------|----------|
| No. (f) | Amt. (g) | No. (h) | Amt. (i) | No. (j)      | Amt. (k) | No. (l)    | Amt. (m)   |          |
|         |          |         |          |              |          | 109,604.00 | 12,401,773 | 1        |
|         |          |         |          |              |          |            |            | 2        |
|         |          |         |          |              |          |            |            | 3        |
|         |          |         |          |              |          | 28,070.00  |            | 4        |
|         |          |         |          |              |          | 1,631.00   |            | 5        |
|         |          |         |          |              |          |            |            | 6        |
|         |          |         |          |              |          |            |            | 7        |
|         |          |         |          |              |          |            |            | 8        |
|         |          |         |          |              |          |            |            | 9        |
|         |          |         |          |              |          |            |            | 10       |
|         |          |         |          |              |          |            |            | 11       |
|         |          |         |          |              |          |            |            | 12       |
|         |          |         |          |              |          |            |            | 13       |
|         |          |         |          |              |          |            |            | 14       |
|         |          |         |          |              |          |            |            | 15       |
|         |          |         |          |              |          |            |            | 16       |
|         |          |         |          |              |          | 28,114.00  | 2,636,387  | 18       |
|         |          |         |          |              |          |            |            | 19       |
|         |          |         |          |              |          |            |            | 20       |
|         |          |         |          |              |          |            |            | 21       |
|         |          |         |          |              |          |            |            | 22       |
|         |          |         |          |              |          |            |            | 23       |
|         |          |         |          |              |          |            |            | 24       |
|         |          |         |          |              |          |            |            | 25       |
|         |          |         |          |              |          |            |            | 26       |
|         |          |         |          |              |          |            |            | 27       |
|         |          |         |          |              |          |            |            | 28       |
|         |          |         |          |              |          | 111,191.00 | 9,765,386  | 29       |
|         |          |         |          |              |          |            |            | 30       |
|         |          |         |          |              |          |            |            | 31       |
|         |          |         |          |              |          |            |            | 32       |
|         |          |         |          |              |          |            |            | 33       |
|         |          |         |          |              |          |            |            | 34       |
|         |          |         |          |              |          |            |            | 35       |
|         |          |         |          |              |          |            |            | 36       |
|         |          |         |          |              |          |            |            | 37       |
|         |          |         |          |              |          |            |            | 38       |
|         |          |         |          |              |          |            |            | 39       |
|         |          |         |          |              |          |            |            | 40       |
|         |          |         |          |              |          |            |            | 41       |
|         |          |         |          |              |          |            |            | 42       |
|         |          |         |          |              | 1,840    |            | 35,330     | 43       |
|         |          |         |          |              |          |            |            | 44       |
|         |          |         |          |              |          |            |            | 45       |
|         |          |         |          |              |          |            |            | 46       |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
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Allowances (Accounts 158.1 and 158.2)

- Report below the particulars (details) called for concerning allowances.
- Report all acquisitions of allowances at cost.
- Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
- Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
- Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

| Line No. | NOx Allowances Inventory<br>(Account 158.1)<br>(a) | Current Year |             | 2011       |             |
|----------|--|--------------|-------------|------------|-------------|
|          |  | No.<br>(b)   | Amt.<br>(c) | No.<br>(d) | Amt.<br>(e) |
| 1        | Balance-Beginning of Year                          | 9,338.00     | 6,762,664   |            |             |
| 2        |  |              |             |            |             |
| 3        | Acquired During Year:                              |              |             |            |             |
| 4        | Issued (Less Withheld Allow)                       | 13,654.00    |             |            |             |
| 5        | Returned by EPA                                    | 342.00       |             |            |             |
| 6        |  |              |             |            |             |
| 7        |  |              |             |            |             |
| 8        | Purchases/Transfers:                               |              |             |            |             |
| 9        | Annual NOX   | 3,400.00     | 6,512,500   |            |             |
| 10       | Seasonal NOX                                       | 200.00       | 13,000      |            |             |
| 11       |  |              |             |            |             |
| 12       |  |              |             |            |             |
| 13       |  |              |             |            |             |
| 14       |  |              |             |            |             |
| 15       | Total  | 3,600.00     | 6,525,500   |            |             |
| 16       |  |              |             |            |             |
| 17       | Relinquished During Year:                          |              |             |            |             |
| 18       | Charges to Account 509                             | 20,986.00    | 8,749,810   |            |             |
| 19       | Other:   |              |             |            |             |
| 20       |  |              |             |            |             |
| 21       | Cost of Sales/Transfers:                           |              |             |            |             |
| 22       |  |              |             |            |             |
| 23       |  |              |             |            |             |
| 24       |  |              |             |            |             |
| 25       |  |              |             |            |             |
| 26       |  |              |             |            |             |
| 27       |  |              |             |            |             |
| 28       | Total  |              |             |            |             |
| 29       | Balance-End of Year                                | 5,948.00     | 4,538,354   |            |             |
| 30       |  |              |             |            |             |
| 31       | Sales:   |              |             |            |             |
| 32       | Net Sales Proceeds(Assoc. Co.)                     |              |             |            |             |
| 33       | Net Sales Proceeds (Other)                         |              |             |            |             |
| 34       | Gains  |              |             |            |             |
| 35       | Losses   |              |             |            |             |
|          | Allowances Withheld (Acct 158.2)                   |              |             |            |             |
| 36       | Balance-Beginning of Year                          |              |             |            |             |
| 37       | Add: Withheld by EPA                               |              |             |            |             |
| 38       | Deduct: Returned by EPA                            |              |             |            |             |
| 39       | Cost of Sales                                      |              |             |            |             |
| 40       | Balance-End of Year                                |              |             |            |             |
| 41       |  |              |             |            |             |
| 42       | Sales:   |              |             |            |             |
| 43       | Net Sales Proceeds (Assoc. Co.)                    |              |             |            |             |
| 44       | Net Sales Proceeds (Other)                         |              |             |            |             |
| 45       | Gains  |              |             |            |             |
| 46       | Losses   |              |             |            |             |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferrors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

| 2012    |          | 2013    |          | Future Years |          | Totals    |           | Line No. |
|---------|----------|---------|----------|--------------|----------|-----------|-----------|----------|
| No. (f) | Amt. (g) | No. (h) | Amt. (i) | No. (j)      | Amt. (k) | No. (l)   | Amt. (m)  |          |
|         |          |         |          |              |          | 9,338.00  | 6,762,664 | 1        |
|         |          |         |          |              |          |           |           | 2        |
|         |          |         |          |              |          |           |           | 3        |
|         |          |         |          |              |          | 13,654.00 |           | 4        |
|         |          |         |          |              |          | 342.00    |           | 5        |
|         |          |         |          |              |          |           |           | 6        |
|         |          |         |          |              |          |           |           | 7        |
|         |          |         |          |              |          |           |           | 8        |
|         |          |         |          |              |          | 3,400.00  | 6,512,500 | 9        |
|         |          |         |          |              |          | 200.00    | 13,000    | 10       |
|         |          |         |          |              |          |           |           | 11       |
|         |          |         |          |              |          |           |           | 12       |
|         |          |         |          |              |          |           |           | 13       |
|         |          |         |          |              |          |           |           | 14       |
|         |          |         |          |              |          | 3,600.00  | 6,525,500 | 15       |
|         |          |         |          |              |          |           |           | 16       |
|         |          |         |          |              |          |           |           | 17       |
|         |          |         |          |              |          | 20,986.00 | 8,749,810 | 18       |
|         |          |         |          |              |          |           |           | 19       |
|         |          |         |          |              |          |           |           | 20       |
|         |          |         |          |              |          |           |           | 21       |
|         |          |         |          |              |          |           |           | 22       |
|         |          |         |          |              |          |           |           | 23       |
|         |          |         |          |              |          |           |           | 24       |
|         |          |         |          |              |          |           |           | 25       |
|         |          |         |          |              |          |           |           | 26       |
|         |          |         |          |              |          |           |           | 27       |
|         |          |         |          |              |          |           |           | 28       |
|         |          |         |          |              |          | 5,948.00  | 4,538,354 | 29       |
|         |          |         |          |              |          |           |           | 30       |
|         |          |         |          |              |          |           |           | 31       |
|         |          |         |          |              |          |           |           | 32       |
|         |          |         |          |              |          |           |           | 33       |
|         |          |         |          |              |          |           |           | 34       |
|         |          |         |          |              |          |           |           | 35       |
|         |          |         |          |              |          |           |           | 36       |
|         |          |         |          |              |          |           |           | 37       |
|         |          |         |          |              |          |           |           | 38       |
|         |          |         |          |              |          |           |           | 39       |
|         |          |         |          |              |          |           |           | 40       |
|         |          |         |          |              |          |           |           | 41       |
|         |          |         |          |              |          |           |           | 42       |
|         |          |         |          |              |          |           |           | 43       |
|         |          |         |          |              |          |           |           | 44       |
|         |          |         |          |              |          |           |           | 45       |
|         |          |         |          |              |          |           |           | 46       |

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| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**OTHER REGULATORY ASSETS (Account 182.3)**

- Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable.
- Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
- For Regulatory Assets being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Assets<br><br>(a) | Balance at Beginning of Current Quarter/Year<br>(b) | Debits<br>(c)      | CREDITS  |   | Balance at end of Current Quarter/Year<br>(f) |
|----------|---|---|--------------------|--|---|---|
|          |   |   |                    | Written off During the Quarter/Year Account Charged<br>(d) | Written off During the Period Amount<br>(e) |   |
| 1        | Regulatory Tax Assets - FASB 109                              |   |                    |  |   |   |
| 2        | Flow - Through - Property                                     | 39,018,436  | 3,333,756          | 282,283  |   | 42,352,192                                    |
| 3        |   |   |                    |  |   |   |
| 4        | Miscellaneous Regulatory Assets:                              |   |                    |  |   |   |
| 5        | Primary Contract - Elect                                      |   | 32,533             | 245  | 32,533                                      |   |
| 6        | Primary Contract - Current                                    | 9,441,967   | 18,534,821         | 245  | 18,562,142                                  | 9,414,646                                     |
| 7        | Primary Contract - Non Current                                | 4,446,945   | 2,853,084          | 245  | 3,106,638                                   | 4,193,391                                     |
| 8        | Primary Contract - Opportunity                                |   |                    | 245  |   |   |
| 9        | Gas Hedge   | 1,478,710   | 20,426,020         | 234  | 20,489,040                                  | 1,415,690                                     |
| 10       | Asset Retirement Obligation - Steam                           | 5,427,613   | 484,646            | 407  | 1,964,705                                   | 3,947,554                                     |
| 11       | Asset Retirement Obligation - Other                           | 535,232   | 77,693             | 407  | 19,272                                      | 593,653                                       |
| 12       | Asset Retirement Obligation - Transmission                    | 54,362  | 3,400              | 407  |   | 57,762  |
| 13       | Asset Retirement Obligation - Distribution                    | 218,745   | 14,360             | 407  |   | 233,105                                       |
| 14       | Asset Retirement Obligation - General Distribution            | 827,138   | 55,182             | 407  |   | 882,320                                       |
| 15       | Crist Unit 1  |   |                    | 407  |   |   |
| 16       | Crist Unit 2  | 44,533  |                    | 407  | 44,533                                      |   |
| 17       | Deferred Injuries & Damages                                   | 86,531  | 1,219,503          | 253  | 473,230                                     | 832,804                                       |
| 18       | Vacation Accrual  | 8,120,000   | 8,288,000          | 242  | 8,120,000                                   | 8,288,000                                     |
| 19       | Environmental Reserve Account                                 | 65,223,273  |                    | 253  | 3,474,459                                   | 61,748,814                                    |
| 20       | Deferred Broker Fees - NOX                                    |   |                    | 232  |   |   |
| 21       | Project Frank   |   |                    | 182  |   |   |
| 22       | Other Reg Asset-OPRB-RDS Tax                                  |   | 4,576,339          | 407  | 245,193                                     | 4,331,746                                     |
| 23       |   |   |                    |  |   |   |
| 24       | Retiree Benefit Plans:  |   |                    |  |   |   |
| 25       | Supplemental Pension & SERP                                   | 6,909,317   |                    | 228  | 6,909,317                                   |   |
| 26       | Post Retirement Life  |   |                    | 228  |   |   |
| 27       | Post Retirement Medical                                       | 11,086,689  |                    | 228  | 11,086,689                                  |   |
| 28       | FAS 158 Medical & Life  | ( 1,452,162)  | 12,390,610         | 228  | 7,235,025                                   | 3,703,423                                     |
| 29       | Qualified Pension   | 78,788,259  | 4,827,580          | 228  | 14,620,522                                  | 68,995,317                                    |
| 30       | FAS 158 Pension   | ( 503,619)  | 7,412,782          | 228  | 808,538                                     | 6,100,625                                     |
| 31       |   |   |                    |  |   |   |
| 32       | Recovery Clauses:   |   |                    |  |   |   |
| 33       | Environmental Compliance Cost Under Recovered                 |   |                    | 456  |   |   |
| 34       | Purchased Power Capacity Clause Under Recovery                |   |                    | 456  |   |   |
| 35       | Fuel Cost Under Recovery                                      | 2,383,682   | 18,635,235         | 456  | 3,582,369                                   | 17,436,548                                    |
| 36       |   |   |                    |  |   |   |
| 37       | Purchase Power Agreements                                     |   |                    |  |   |   |
| 38       | Tenaska Levelized Capacity Lease                              | 8,141,240   | 44,263,139         | 253  |   | 52,404,379                                    |
| 39       |   |   |                    |  |   |   |
| 40       | Future Generation Site Costs                                  |   |                    |  |   |   |
| 41       | Potential Nuclear Sites                                       | 8,372,518   | 4,454,695          | 232  | 12,874                                      | 12,814,339                                    |
| 42       |   |   |                    |  |   |   |
| 44       | <b>TOTAL</b>  | <b>248,649,409</b>                                  | <b>151,883,978</b> |  | <b>100,787,079</b>                          | <b>299,746,308</b>                            |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

MISCELLANEOUS DEFFERED DEBITS (Account 186)

1. Report below the particulars (details) called for concerning miscellaneous deferred debits.
2. For any deferred debit being amortized, show period of amortization in column (a)
3. Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$100,000, whichever is less) may be grouped by classes.

| Line No. | Description of Miscellaneous Deferred Debits<br>(a)      | Balance at Beginning of Year<br>(b) | Debits<br>(c) | CREDITS                |               | Balance at End of Year<br>(f) |
|----------|--|-------------------------------------|---------------|------------------------|---------------|-------------------------------|
|          |  |                                     |               | Account Charged<br>(d) | Amount<br>(e) |                               |
| 1        | Form S-3 Registr. Statement                              | 56,302                              | 76,007        | 181,214                | 122,926       | 9,383                         |
| 2        |  |                                     |               |                        |               |                               |
| 3        | Company Job Orders                                       | 749,705                             | 42,226,728    | Various                | 42,755,109    | 221,324                       |
| 4        |  |                                     |               |                        |               |                               |
| 5        | Accounts Pay. Accrual for Const                          | -138,304                            | 29,844,503    | 300,107                | 31,103,527    | -1,397,328                    |
| 6        |  |                                     |               |                        |               |                               |
| 7        | Other Miscellaneous Expenses                             | 3,491                               | 8,507,098     | Various                | 7,330,547     | 1,180,042                     |
| 8        |  |                                     |               |                        |               |                               |
| 9        | Energy Service Marketing                                 |                                     |               |                        |               |                               |
| 10       | Contract   | 134,070                             | 2,926,120     | 232                    | 2,893,206     | 166,984                       |
| 11       |  |                                     |               |                        |               |                               |
| 12       | Under Recovery - FPU                                     | 412,555                             | 856,770       | 419,456                | 1,130,282     | 139,043                       |
| 13       |  |                                     |               |                        |               |                               |
| 14       | Smith Unit 3 Reheat Piping                               | 243,295                             | 423,940       | 131                    | 667,235       |                               |
| 15       |  |                                     |               |                        |               |                               |
| 16       | Coral Baconton Lev. Capacity                             | 3,301,064                           | 8,790,797     | 254                    | 8,790,797     | 3,301,064                     |
| 17       |  |                                     |               |                        |               |                               |
| 18       | Dahlberg Levelized Capacity                              | 4,234,712                           | 11,277,121    | 254                    | 11,277,121    | 4,234,712                     |
| 19       |  |                                     |               |                        |               |                               |
| 20       | Daniel Unit 1 Turbine Blades                             | 4,040,081                           |               | 234                    | 4,040,081     |                               |
| 21       |  |                                     |               |                        |               |                               |
| 22       | Daniel Unit 2 Turbine Blades                             | 957,779                             | 9,381,262     | 234                    | 10,339,041    |                               |
| 23       |  |                                     |               |                        |               |                               |
| 24       | Labor Accruals - NESBs                                   |                                     | 260,247       | 242                    | 244,189       | 16,058                        |
| 25       |  |                                     |               |                        |               |                               |
| 26       | Tenaska Cont Loss  |                                     | 485,401       | 232                    | 208,016       | 277,385                       |
| 27       |  |                                     |               |                        |               |                               |
| 28       | Under Recovery - Bltn Fuel                               |                                     | 65,913        | 456                    | 50,931        | 14,982                        |
| 29       |  |                                     |               |                        |               |                               |
| 30       |  |                                     |               |                        |               |                               |
| 31       |  |                                     |               |                        |               |                               |
| 32       |  |                                     |               |                        |               |                               |
| 33       |  |                                     |               |                        |               |                               |
| 34       |  |                                     |               |                        |               |                               |
| 35       |  |                                     |               |                        |               |                               |
| 36       |  |                                     |               |                        |               |                               |
| 37       |  |                                     |               |                        |               |                               |
| 38       |  |                                     |               |                        |               |                               |
| 39       |  |                                     |               |                        |               |                               |
| 40       |  |                                     |               |                        |               |                               |
| 41       |  |                                     |               |                        |               |                               |
| 42       |  |                                     |               |                        |               |                               |
| 43       |  |                                     |               |                        |               |                               |
| 44       |  |                                     |               |                        |               |                               |
| 45       |  |                                     |               |                        |               |                               |
| 46       |  |                                     |               |                        |               |                               |
| 47       | Misc. Work in Progress                                   |                                     |               |                        |               |                               |
| 48       | Deferred Regulatory Comm. Expenses (See pages 350 - 351) |                                     |               |                        |               |                               |
| 49       | TOTAL  | 13,994,750                          |               |                        |               | 8,163,649                     |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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**ACCUMULATED DEFERRED INCOME TAXES (Account 190)**

- Report the information called for below concerning the respondent's accounting for deferred income taxes.
- At Other (Specify), include deferrals relating to other income and deductions.

| Line No. | Description and Location<br>(a)                    | Balance of Beginning of Year<br>(b) | Balance at End of Year<br>(c) |
|----------|--|-------------------------------------|-------------------------------|
| 1        | Electric   |                                     |                               |
| 2        | Injury and Damage Reserve                          | 1,189,145                           | 793,759                       |
| 3        | Property Insurance Reserve                         | 10,641,567                          | 12,711,555                    |
| 4        | ITC FAS 109  | 5,424,650                           | 4,489,718                     |
| 5        | Regulatory Liabilities - Excess Deferred - FAS 109 | 2,309,466                           | 1,879,398                     |
| 6        | State Income Tax Timing Difference                 | 13,016,364                          | 14,741,482                    |
| 7        | Other  | 28,717,699                          | 35,941,808                    |
| 8        | TOTAL Electric (Enter Total of lines 2 thru 7)     | 61,298,891                          | 70,557,720                    |
| 9        | Gas  |                                     |                               |
| 10       |  |                                     |                               |
| 11       |  |                                     |                               |
| 12       |  |                                     |                               |
| 13       |  |                                     |                               |
| 14       |  |                                     |                               |
| 15       | Other  |                                     |                               |
| 16       | TOTAL Gas (Enter Total of lines 10 thru 15)        |                                     |                               |
| 17       | Other (Specify): Stock Option Non-Utility          | 22,351                              | 28,511                        |
| 18       | TOTAL (Acct 190) (Total of lines 8, 16 and 17)     | 61,321,242                          | 70,586,231                    |

Notes

|                    |  |                     |                       |
|--------------------|--|---------------------|-----------------------|
| Name of Respondent | This Report is:  | Date of Report      | Year/Period of Report |
| Gulf Power Company | (1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | (Mo, Da, Yr)<br>/ / | 2010/Q4               |

FOOTNOTE DATA

Schedule Page: 234 Line No.: 7 Column: a

ELECTRIC OTHER:

|  | Balance at<br>Beg. of Year | Balance at<br>End of Year |
|--|----------------------------|---------------------------|
| Early Retirement                           | \$ 557,224                 | \$ 555,728                |
| Supplemental Benefit Plan                  | 3,355,895                  | 3,993,351                 |
| Energy Conservation Clause                 | 515,392                    | 1,183,795                 |
| Post Retirement (Life)                     | 5,511,083                  | 5,791,751                 |
| AT&T Lease                                 | 17,010                     | 24,806                    |
| Post Retirement (Medical)                  | 12,793,747                 | 14,816,324                |
| Inventory Adjustment                       | 610,367                    | 400,867                   |
| Section 419 LTD                            | 192,584                    | 192,584                   |
| Post Retirement Benefits O/S Directors     | 2,429,686                  | 2,579,885                 |
| Other Post Employment FAS 112              | (616,361)                  | (616,361)                 |
| Purchased Power Capacity Clause            | 611,877                    | 1,774,331                 |
| Post Employment Benefits                   | 830,597                    | 731,656                   |
| IRS Audit                                  | (163,781)                  | (170,135)                 |
| Environmental Clause                       | 4,593,191                  | 4,055,335                 |
| Emission Allowances                        | (7,217,425)                | (5,301,534)               |
| Uncollectible Accounts                     | 777,573                    | 818,587                   |
| Supplemental ESP/ESOP Plan                 | 10,641                     | 10,641                    |
| SEC 263A Resale Inventory Adjustment       | (80,547)                   | (80,547)                  |
| Bonus Accrual                              | (293,161)                  | (769,949)                 |
| Section 461 (n) Non-deductible             | (2)                        | (2)                       |
| Railcar Lease Maintenance                  | (304,763)                  | (396,780)                 |
| Medical Insurance Claims                   | 419,761                    | 288,295                   |
| ITC Delta Comm                             | 343,669                    | 281,184                   |
| SCES Energy Finance Program                | 78,966                     | 70,098                    |
| Other Actualizing                          | (294,452)                  | (294,452)                 |
| Wilsonville                                | (38,708)                   | (39,326)                  |
| Clean Air                                  | (21,230)                   | (22,120)                  |
| Retro Active Overtime Adjustment           | (19,092)                   | 7,367                     |
| Performance Dividend                       | 176,853                    | 8,412                     |
| Deferred Intercompany Gain                 | 212,307                    | 282,996                   |
| Change in Control Trust Fund               | (37,534)                   | (35,186)                  |
| Other Comprehensive Income                 | 1,546,355                  | 1,712,362                 |
| Accretion Expense                          | 1,075,402                  | 1,213,673                 |
| Amortization of Regulatory Asset/Liability | (1,011,384)                | (1,076,119)               |
| Cash Flow Hedge Settlement                 | (290,606)                  | (785,972)                 |
| Proposed Patent Liability                  | 1                          | 1                         |
| Flat Bill                                  | (150,902)                  | (145,715)                 |
| Accrued Vacation                           | (16,475)                   | (16,475)                  |
| GE Purchasing Card Rebate                  | 63,899                     | 63,899                    |
| FICA Tax Provision                         | (47,561)                   | 25,365                    |
| FIN 48 Offset                              | 70,206                     | 34,053                    |
| VEBA Post Retirement                       | 953,548                    | 1,250,968                 |
| Oil Insurance Reserve                      | (128,532)                  | (128,532)                 |
| Performance Shares                         | 0                          | 129,043                   |
| Stock Options                              | 1,422,604                  | 1,885,438                 |
| Severance Pay Plan (Career Tr.)            | (104,826)                  | (104,826)                 |
| Productivity Improvement Plan              | 362,517                    | 362,517                   |
| Pension                                    | (132,982)                  | (174,157)                 |
| UPS Transmission True-Up                   | 423,393                    | 1,361,696                 |
| ARO Settlement                             | (214,324)                  | (214,324)                 |
| Generation Dominance Settlement            | 0                          | 43,725                    |
| Plant Barry-CSS Project Equipment          | 0                          | 579,653                   |
| Taxable Medicare Subsidy                   | 0                          | (209,956)                 |
| Mark to Market Gains and Losses            | 0                          | (6,110)                   |

| Name of Respondent | This Report is:  | Date of Report<br>(Mo, Da, Yr) | Year/Period of Report |
|--------------------|--|--------------------------------|-----------------------|
| Gulf Power Company | (1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | / /                            | 2010/Q4               |
| FOOTNOTE DATA      |  |                                |                       |

TOTAL

\$28,717,699

\$35,941,808

|  |   |                                       |  |
|--|---|---------------------------------------|--|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of <u>2010/Q4</u> |
|--|---|---------------------------------------|--|

CAPITAL STOCKS (Account 201 and 204)

1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.
2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.

| Line No. | Class and Series of Stock and Name of Stock Series<br>(a) | Number of shares Authorized by Charter<br>(b) | Par or Stated Value per share<br>(c) | Call Price at End of Year<br>(d) |
|----------|---|---|--------------------------------------|----------------------------------|
| 1        | Account 201   |   |                                      |                                  |
| 2        | Common Stock (No Par)                                     | 20,000,000                                    |                                      |                                  |
| 3        |   |   |                                      |                                  |
| 4        | TOTAL COMMON STOCK  | 20,000,000                                    |                                      |                                  |
| 5        |   |   |                                      |                                  |
| 6        | Account 204   |   |                                      |                                  |
| 7        | Cumulative Preferred (\$100 Par)                          |   |                                      |                                  |
| 8        | Undesignated  | 10,000,000                                    |                                      |                                  |
| 9        | Cumulative Preferred - Class A (\$25 Par)                 |   |                                      |                                  |
| 10       | Undesignated  | 10,000,000                                    |                                      |                                  |
| 11       | Non-Cumulative Preference Stock                           |   |                                      |                                  |
| 12       | 6.000% Series   | 550,000                                       | 100.00                               | 97.00                            |
| 13       | 6.45% Series 2007A (\$100 Par)                            | 450,000                                       | 100.00                               | 100.00                           |
| 14       | Undesignated  | 9,000,000                                     |                                      |                                  |
| 15       |   |   |                                      |                                  |
| 16       | TOTAL PREFERRED & PREFERENCE                              | 30,000,000                                    |                                      |                                  |
| 17       |   |   |                                      |                                  |
| 18       |   |   |                                      |                                  |
| 19       | Requirement #3:   |   |                                      |                                  |
| 20       | Remaining authority to issue preferred stock,             |   |                                      |                                  |
| 21       | preferred securities, senior notes, and junior            |   |                                      |                                  |
| 22       | subordinated notes under Form S-3 Registration            |   |                                      |                                  |
| 23       | Statement #333-138480, and #333-149664                    |   |                                      |                                  |
| 24       | \$60 million.   |   |                                      |                                  |
| 25       |   |   |                                      |                                  |
| 26       | Remaining authority to issue equity securities            |   |                                      |                                  |
| 27       | and long-term debt securities under Florida               |   |                                      |                                  |
| 28       | Public Service Commission is \$429 million.               |   |                                      |                                  |
| 29       |   |   |                                      |                                  |
| 30       |   |   |                                      |                                  |
| 31       |   |   |                                      |                                  |
| 32       |   |   |                                      |                                  |
| 33       |   |   |                                      |                                  |
| 34       |   |   |                                      |                                  |
| 35       |   |   |                                      |                                  |
| 36       |   |   |                                      |                                  |
| 37       |   |   |                                      |                                  |
| 38       |   |   |                                      |                                  |
| 39       |   |   |                                      |                                  |
| 40       |   |   |                                      |                                  |
| 41       |   |   |                                      |                                  |
| 42       |   |   |                                      |                                  |

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| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

| OUTSTANDING PER BALANCE SHEET<br>(Total amount outstanding without reduction<br>for amounts held by respondent) |               | HELD BY RESPONDENT                |             |                            |               | Line<br>No. |
|---|---------------|-----------------------------------|-------------|----------------------------|---------------|-------------|
| Shares<br>(e)   | Amount<br>(f) | AS REACQUIRED STOCK (Account 217) |             | IN SINKING AND OTHER FUNDS |               |             |
|   |               | Shares<br>(g)                     | Cost<br>(h) | Shares<br>(i)              | Amount<br>(j) |             |
|   |               |                                   |             |                            |               | 1           |
| 3,642,717   | 303,060,000   |                                   |             |                            |               | 2           |
|   |               |                                   |             |                            |               | 3           |
| 3,642,717   | 303,060,000   |                                   |             |                            |               | 4           |
|   |               |                                   |             |                            |               | 5           |
|   |               |                                   |             |                            |               | 6           |
|   |               |                                   |             |                            |               | 7           |
|   |               |                                   |             |                            |               | 8           |
|   |               |                                   |             |                            |               | 9           |
|   |               |                                   |             |                            |               | 10          |
|   |               |                                   |             |                            |               | 11          |
| 550,000   | 55,000,000    |                                   |             |                            |               | 12          |
| 450,000   | 45,000,000    |                                   |             |                            |               | 13          |
|   |               |                                   |             |                            |               | 14          |
|   |               |                                   |             |                            |               | 15          |
| 1,000,000   | 100,000,000   |                                   |             |                            |               | 16          |
|   |               |                                   |             |                            |               | 17          |
|   |               |                                   |             |                            |               | 18          |
|   |               |                                   |             |                            |               | 19          |
|   |               |                                   |             |                            |               | 20          |
|   |               |                                   |             |                            |               | 21          |
|   |               |                                   |             |                            |               | 22          |
|   |               |                                   |             |                            |               | 23          |
|   |               |                                   |             |                            |               | 24          |
|   |               |                                   |             |                            |               | 25          |
|   |               |                                   |             |                            |               | 26          |
|   |               |                                   |             |                            |               | 27          |
|   |               |                                   |             |                            |               | 28          |
|   |               |                                   |             |                            |               | 29          |
|   |               |                                   |             |                            |               | 30          |
|   |               |                                   |             |                            |               | 31          |
|   |               |                                   |             |                            |               | 32          |
|   |               |                                   |             |                            |               | 33          |
|   |               |                                   |             |                            |               | 34          |
|   |               |                                   |             |                            |               | 35          |
|   |               |                                   |             |                            |               | 36          |
|   |               |                                   |             |                            |               | 37          |
|   |               |                                   |             |                            |               | 38          |
|   |               |                                   |             |                            |               | 39          |
|   |               |                                   |             |                            |               | 40          |
|   |               |                                   |             |                            |               | 41          |
|   |               |                                   |             |                            |               | 42          |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 250 Line No.: 12 Column: d**

A make-whole premium would be added to the call price - calculated per the language in the prospectus.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
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**OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)**

Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.

- (a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.
- (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.
- (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.
- (d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.

| Line No. | Item (a)  | Amount (b)  |
|----------|---|-------------|
| 1        | Donations Received from Stockholders (Account 208)                    |             |
| 2        |   |             |
| 3        | None  |             |
| 4        |   |             |
| 5        | Reduction in Par or Stated Value of Capital Stock (Account 209)       |             |
| 6        |   |             |
| 7        | None  |             |
| 8        |   |             |
| 9        | Gain on Resale/Cancellation of Reacquired Capital Stock (Account 210) |             |
| 10       |   |             |
| 11       | None  |             |
| 12       |   |             |
| 13       | Miscellaneous Paid-in Capital (Account 211)                           |             |
| 14       |   |             |
| 15       | Balance Beginning of Year   | 534,577,331 |
| 16       | Capital Contributions from Parent Company - Southern Company          | 3,797,261   |
| 17       |   |             |
| 18       | SUBTOTAL - Balance End of Year  | 538,374,592 |
| 19       |   |             |
| 20       |   |             |
| 21       |   |             |
| 22       |   |             |
| 23       |   |             |
| 24       |   |             |
| 25       |   |             |
| 26       |   |             |
| 27       |   |             |
| 28       |   |             |
| 29       |   |             |
| 30       |   |             |
| 31       |   |             |
| 32       |   |             |
| 33       |   |             |
| 34       |   |             |
| 35       |   |             |
| 36       |   |             |
| 37       |   |             |
| 38       |   |             |
| 39       |   |             |
| 40       | TOTAL   | 538,374,592 |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**CAPITAL STOCK EXPENSE (Account 214)**

1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock.
2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.

| Line No. | Class and Series of Stock (a)  | Balance at End of Year (b) |
|----------|--------------------------------|----------------------------|
| 1        | Preference Stock, 6.00% Series | 1,113,664                  |
| 2        | Preference Stock, 6.45% Series | 887,991                    |
| 3        |                                |                            |
| 4        |                                |                            |
| 5        |                                |                            |
| 6        |                                |                            |
| 7        |                                |                            |
| 8        |                                |                            |
| 9        |                                |                            |
| 10       |                                |                            |
| 11       |                                |                            |
| 12       |                                |                            |
| 13       |                                |                            |
| 14       |                                |                            |
| 15       |                                |                            |
| 16       |                                |                            |
| 17       |                                |                            |
| 18       |                                |                            |
| 19       |                                |                            |
| 20       |                                |                            |
| 21       |                                |                            |
| 22       | <b>TOTAL</b>                   | <b>2,001,655</b>           |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**LONG-TERM DEBT (Account 221, 222, 223 and 224)**

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

| Line No. | Class and Series of Obligation, Coupon Rate<br>(For new issue, give commission Authorization numbers and dates)<br>(a) | Principal Amount<br>Of Debt issued<br>(b) | Total expense,<br>Premium or Discount<br>(c) |
|----------|--|---|--|
| 1        | Account 224 - Other Long-Term Debt   |   |  |
| 2        | Pollution Control Revenue Bonds-   |   |  |
| 3        | 5.625% Series Due July 1, 2022   | 37,000,000                                | 1,791,098                                    |
| 4        |  |   | 81,352 D                                     |
| 5        | Variable Rate - Remarketable Daily (1997 Series) Due July 1, 2022  | 3,930,000                                 | 41,966                                       |
| 6        |  |   | 9,039 D                                      |
| 7        | 4.80% Series Due September 1, 2028   | 13,000,000                                | 890,249                                      |
| 8        |  |   | 390,000 D                                    |
| 9        | 5.25% Series Due September 1, 2037   | 42,000,000                                | 1,784,370                                    |
| 10       |  |   | 147,000 D                                    |
| 11       | 1.750% Series Due June 1, 2023   | 32,550,000                                | 885,384                                      |
| 12       |  |   | 113,925 D                                    |
| 13       | 6.00% Series Due February 1, 2026  | 29,075,000                                | 1,399,561                                    |
| 14       |  |   | 101,763 D                                    |
| 15       | 2.00% Series Due April 1, 2039   | 65,000,000                                | 1,084,756                                    |
| 16       |  |   | 243,750 D                                    |
| 17       | Variable Rate - Remarketable Daily (2009 Series) Due April 1, 2039   | 65,400,000                                | 627,106                                      |
| 18       |  |   | 245,250 D                                    |
| 19       | 2.125% Series Due June 1, 2049   | 21,000,000                                | 402,969                                      |
| 20       |  |   | 73,500 D                                     |
| 21       | SUBTOTAL - Pollution Control Bonds   | 308,955,000                               | 10,313,038                                   |
| 22       |  |   |  |
| 23       |  |   |  |
| 24       | Account 224 - Other Long-Term Debt (continued)   |   |  |
| 25       | 5.60% Series F Senior Notes Due April 1, 2033  | 65,000,000                                | 1,341,556                                    |
| 26       |  |   | 2,047,500 D                                  |
| 27       | 4.35% Series G Senior Notes Due July 15, 2013  | 60,000,000                                | 245,848                                      |
| 28       |  |   | 390,000 D                                    |
| 29       | 5.25% Series H Senior Notes Due July 15, 2033  | 60,000,000                                | 1,229,842                                    |
| 30       |  |   | 1,890,000 D                                  |
| 31       | 5.75% Series I Senior Notes Due September 15, 2033   | 40,000,000                                | 890,598                                      |
| 32       |  |   | 1,260,000 D                                  |
| 33       | TOTAL  | 1,448,955,000                             | 27,432,044                                   |

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|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

| Nominal Date of Issue (d) | Date of Maturity (e) | AMORTIZATION PERIOD |             | Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h) | Interest for Year Amount (i) | Line No. |
|---------------------------|----------------------|---------------------|-------------|---|------------------------------|----------|
|                           |                      | Date From (f)       | Date To (g) |   |                              |          |
|                           |                      |                     |             |   |                              | 1        |
|                           |                      |                     |             |   |                              | 2        |
| 10/09/02                  | 07/01/22             | 10/09/02            | 07/01/22    | 37,000,000  | 2,081,250                    | 3        |
|                           |                      |                     |             |   |                              | 4        |
| 07/01/97                  | 07/01/22             | 07/01/97            | 07/01/22    | 3,930,000   | 10,125                       | 5        |
|                           |                      |                     |             |   |                              | 6        |
| 09/26/02                  | 09/01/28             | 09/26/02            | 09/01/28    | 13,000,000  | 624,000                      | 7        |
|                           |                      |                     |             |   |                              | 8        |
| 09/26/02                  | 09/01/37             | 09/26/02            | 09/01/37    | 42,000,000  | 2,205,000                    | 9        |
|                           |                      |                     |             |   |                              | 10       |
| 04/15/03                  | 06/01/23             | 04/15/03            | 06/01/23    | 32,550,000  | 533,458                      | 11       |
|                           |                      |                     |             |   |                              | 12       |
| 04/15/03                  | 02/01/26             | 04/15/03            | 02/01/26    | 29,075,000  | 1,744,500                    | 13       |
|                           |                      |                     |             |   |                              | 14       |
| 03/31/09                  | 04/01/39             | 03/31/09            | 04/01/39    | 65,000,000  | 1,253,507                    | 15       |
|                           |                      |                     |             |   |                              | 16       |
| 03/31/09                  | 04/01/39             | 03/31/09            | 04/01/39    | 65,400,000  | 192,391                      | 17       |
|                           |                      |                     |             |   |                              | 18       |
| 06/03/10                  | 06/01/49             | 06/03/10            | 06/01/49    | 21,000,000  | 256,594                      | 19       |
|                           |                      |                     |             |   |                              | 20       |
|                           |                      |                     |             | 308,955,000   | 8,900,825                    | 21       |
|                           |                      |                     |             |   |                              | 22       |
|                           |                      |                     |             |   |                              | 23       |
|                           |                      |                     |             |   |                              | 24       |
| 03/26/03                  | 04/01/33             | 03/26/03            | 04/01/33    | 61,971,000  | 3,482,863                    | 25       |
|                           |                      |                     |             |   |                              | 26       |
| 07/22/03                  | 07/15/13             | 07/22/03            | 07/15/13    | 60,000,000  | 2,610,000                    | 27       |
|                           |                      |                     |             |   |                              | 28       |
| 07/22/03                  | 07/15/33             | 07/22/03            | 07/22/33    | 60,000,000  | 3,150,000                    | 29       |
|                           |                      |                     |             |   |                              | 30       |
| 09/16/03                  | 09/15/33             | 09/16/03            | 09/15/33    |   | 1,808,056                    | 31       |
|                           |                      |                     |             |   |                              | 32       |
|                           |                      |                     |             | 1,230,926,000   | 48,323,164                   | 33       |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

LONG-TERM DEBT (Account 221, 222, 223 and 224)

- Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
- In column (a), for new issues, give Commission authorization numbers and dates.
- For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
- For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
- For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
- In column (b) show the principal amount of bonds or other long-term debt originally issued.
- In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
- For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
- Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

| Line No. | Class and Series of Obligation, Coupon Rate<br>(For new issue, give commission Authorization numbers and dates)<br>(a) | Principal Amount<br>Of Debt issued<br>(b) | Total expense,<br>Premium or Discount<br>(c) |
|----------|--|---|--|
| 1        | 5.875% Series J Senior Notes Due April 1, 2044   | 35,000,000                                | 162,591                                      |
| 2        |  |   | 1,102,500 D                                  |
| 3        | 4.90% Series K Senior Notes Due October 1, 2014  | 75,000,000                                | 202,355                                      |
| 4        |  |   | 487,500 D                                    |
| 5        | 5.65% Series L Senior Notes Due September 1, 2035  | 60,000,000                                | 188,536                                      |
| 6        |  |   | 525,000 D                                    |
| 7        | 5.30% Series M Senior Notes Due December 1, 2016   | 110,000,000                               | 283,374                                      |
| 8        |  |   | 715,000 D                                    |
| 9        | 5.90% Series 2007A Senior Notes Due June 15, 2017  | 85,000,000                                | 246,841                                      |
| 10       |  |   | 552,500 D                                    |
| 11       | Floating Rate 2009A Senior Notes Due June 28, 2010.  | 140,000,000                               | 463,798                                      |
| 12       | (SEC S-3 Reg File #333-138480, 333-149664)   |   | 280,000 D                                    |
| 13       |  |   |  |
| 14       | 4.75% Series 2010A Senior Notes Due April 15, 2020   | 175,000,000                               | 168,406                                      |
| 15       | (SEC S-3 Reg File #333-13840, 333-149664)  |   | 1,137,500 D                                  |
| 16       |  |   |  |
| 17       | 5.10% Series 2010 B Senior Notes Due October 1, 2040   | 125,000,000                               | 103,973                                      |
| 18       | (SEC S-3 Reg File #333-13840, 333-149664)  |   | 1,093,750 D                                  |
| 19       |  |   |  |
| 20       | SUBTOTAL - Senior Notes  | 1,030,000,000                             | 17,008,968                                   |
| 21       |  |   |  |
| 22       | Account 224 - Other Long-Term Debt (continued)   |   |  |
| 23       | Lloyds TSB Bank Loan Due April 3, 2011   | 110,000,000                               | 110,038                                      |
| 24       | SUBTOTAL - Bank Loans  | 110,000,000                               | 110,038                                      |
| 25       |  |   |  |
| 26       | Requirement #12: See Footnote  |   |  |
| 27       | Requirement #16: See Footnote  |   |  |
| 28       |  |   |  |
| 29       |  |   |  |
| 30       |  |   |  |
| 31       |  |   |  |
| 32       |  |   |  |
| 33       | TOTAL  | 1,448,955,000                             | 27,432,044                                   |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

| Nominal Date of issue (d) | Date of Maturity (e) | AMORTIZATION PERIOD |             | Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h) | Interest for Year Amount (i) | Line No. |
|---------------------------|----------------------|---------------------|-------------|---|------------------------------|----------|
|                           |                      | Date From (f)       | Date To (g) |   |                              |          |
| 04/13/04                  | 04/01/44             | 04/13/04            | 04/01/44    |   | 1,616,441                    | 1        |
|                           |                      |                     |             |   |                              | 2        |
| 09/22/04                  | 10/01/14             | 09/22/04            | 10/01/14    | 75,000,000  | 3,675,000                    | 3        |
|                           |                      |                     |             |   |                              | 4        |
| 08/30/05                  | 09/01/35             | 08/30/05            | 09/01/35    | 60,000,000  | 3,390,000                    | 5        |
|                           |                      |                     |             |   |                              | 6        |
| 12/06/06                  | 12/01/16             | 12/06/06            | 12/01/16    | 110,000,000   | 5,830,000                    | 7        |
|                           |                      |                     |             |   |                              | 8        |
| 06/12/07                  | 06/15/17             | 06/12/07            | 06/15/17    | 85,000,000  | 5,015,000                    | 9        |
|                           |                      |                     |             |   |                              | 10       |
| 03/31/09                  | 04/01/39             | 03/31/09            | 04/01/39    |   | 258,599                      | 11       |
|                           |                      |                     |             |   |                              | 12       |
|                           |                      |                     |             |   |                              | 13       |
| 04/13/10                  | 04/15/20             | 04/13/10            | 04/15/20    | 175,000,000   | 5,934,201                    | 14       |
|                           |                      |                     |             |   |                              | 15       |
|                           |                      |                     |             |   |                              | 16       |
| 09/17/10                  | 10/01/40             | 09/17/10            | 10/01/40    | 125,000,000   | 1,823,958                    | 17       |
|                           |                      |                     |             |   |                              | 18       |
|                           |                      |                     |             |   |                              | 19       |
|                           |                      |                     |             | 811,971,000   | 38,594,118                   | 20       |
|                           |                      |                     |             |   |                              | 21       |
|                           |                      |                     |             |   |                              | 22       |
| 04/08/08                  | 04/08/11             | 04/08/08            | 04/08/11    | 110,000,000   | 828,221                      | 23       |
|                           |                      |                     |             | 110,000,000   | 828,221                      | 24       |
|                           |                      |                     |             |   |                              | 25       |
|                           |                      |                     |             |   |                              | 26       |
|                           |                      |                     |             |   |                              | 27       |
|                           |                      |                     |             |   |                              | 28       |
|                           |                      |                     |             |   |                              | 29       |
|                           |                      |                     |             |   |                              | 30       |
|                           |                      |                     |             |   |                              | 31       |
|                           |                      |                     |             |   |                              | 32       |
|                           |                      |                     |             | 1,230,926,000   | 48,323,164                   | 33       |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 256 Line No.: 11 Column: a**

Converted to a Fixed interest rate on June 11, 2010.

**Schedule Page: 256 Line No.: 15 Column: a**

Converted to a long-term interest rate on April 21, 2010. This rate is effective until April 2, 2012.

**Schedule Page: 256 Line No.: 25 Column: h**

Death redemption benefit on note effective April 1, 2008.

**Schedule Page: 256 Line No.: 27 Column: i**

Difference in interest for year amount if \$326,604 and is caused by amortization of other comprehensive income from interest rate hedge.

**Schedule Page: 256.1 Line No.: 7 Column: i**

Difference in interest for year amount if \$539,868 and is caused by amortization of other comprehensive income from interest rate hedge.

**Schedule Page: 256.1 Line No.: 9 Column: i**

Difference in interest for year amount is \$303,000 and is caused by amortization of other comprehensive income from interest rate hedge.

**Schedule Page: 256.1 Line No.: 14 Column: i**

Difference in interest for year amount is \$111,332 and is caused by amortization of other comprehensive income from interest rate hedge.

**Schedule Page: 256.1 Line No.: 20 Column: a**

NET CHANGES IN ACCOUNT 224 DURING 2010

BALANCE @ 12/31/2009 \$1,125,441,000

Redemptions:

|  |               |
|--|---------------|
| Floating Rate Series 2009A Sr. Notes Due June 28, 2010 | (140,000,000) |
| 5.60% Series F Sr. Notes Due April 1, 2033             | (515,000)     |
| 5.75% Series I Sr. Notes Due September 15, 2033        | (40,000,000)  |
| 5.875% Series J Sr. Notes Due April 1, 2044            | (35,000,000)  |

Refinancings:

Other Notes  
New Issue:

|  |             |
|--|-------------|
| 2.125% PCB Series Due June 1, 2049               | 21,000,000  |
| 4.75% Series 2010A Sr. Notes Due April 15, 2020  | 175,000,000 |
| 5.10% Series 2010B Sr. Notes Due October 1, 2040 | 125,000,000 |

BALANCE @ 12/31/2010 \$1,230,926,000

**Schedule Page: 256.1 Line No.: 22 Column: a**

Remaining authority to issue preferred stock, preferred securities, senior notes, and junior subordinated notes under form S-3 Registration Statement #333-138480, and #333-149664 is \$60 million. Remaining authority to issue equity securities and long-term debt securities under Florida Public Service Commission is \$429 million.

**Schedule Page: 256.1 Line No.: 23 Column: i**

Difference in interest for year amount is \$522,000 and is caused by amortization of other comprehensive income from interest rate hedge.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES**

1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.
2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.
3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.

| Line No. | Particulars (Details)<br>(a)                         | Amount<br>(b) |
|----------|--|---------------|
| 1        | Net Income for the Year (Page 117)                   | 127,713,493   |
| 2        |  |               |
| 3        |  |               |
| 4        | Taxable Income Not Reported on Books                 |               |
| 5        |  |               |
| 6        |  |               |
| 7        |  |               |
| 8        |  |               |
| 9        | Deductions Recorded on Books Not Deducted for Return |               |
| 10       | See Footnote   | 104,318,298   |
| 11       |  |               |
| 12       |  |               |
| 13       |  |               |
| 14       | Income Recorded on Books Not Included in Return      |               |
| 15       | AFUDC-Equity   | 7,212,816     |
| 16       | Amortization of Investment Tax Credit                | 1,543,800     |
| 17       | Medicare Subsidy                                     | 1,003,678     |
| 18       | Total  | 9,760,294     |
| 19       | Deductions on Return Not Charged Against Book Income |               |
| 20       | See Footnote   | 229,179,413   |
| 21       |  |               |
| 22       |  |               |
| 23       |  |               |
| 24       |  |               |
| 25       |  |               |
| 26       |  |               |
| 27       | Federal Tax Net Income                               | -6,907,916    |
| 28       | Show Computation of Tax:                             |               |
| 29       | Tax at 35%   | -2,417,770    |
| 30       | Federal R&D Credit                                   | -67,926       |
| 31       | FIN 48   | 1,797,848     |
| 32       | Prior Year Adjustments                               | -13,427,273   |
| 33       | Affirmative Adjustments                              | 65            |
| 34       |  |               |
| 35       |  |               |
| 36       |  |               |
| 37       |  |               |
| 38       |  |               |
| 39       |  |               |
| 40       |  |               |
| 41       |  |               |
| 42       |  |               |
| 43       |  |               |
| 44       | Total Federal Income Tax Payable                     | -14,115,056   |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 261 Line No.: 10 Column: b**

DEDUCTIONS RECORDED ON BOOKS NOT DEDUCTED FOR RETURN:

|                                    |                      |
|------------------------------------|----------------------|
| Federal Income Taxes               | \$ 63,336,594        |
| State Income Taxes                 | 8,177,004            |
| Meals & Entertainment & Lobbying   | 969,317              |
| System Aircraft                    | 72,000               |
| Reverse Flow-thru                  | 1,956,327            |
| Career Transition                  | 0                    |
| Deferred Comp-BOD                  | 370,860              |
| Emission Allowances                | 4,803,697            |
| ECCR Clause                        | 1,650,378            |
| Flat Bill Deferred Revenue         | 12,808               |
| Performance Shares                 | 323,401              |
| Post Retirement Life               | 704,385              |
| Post Retirement Medical            | 11,531,322           |
| AT&T Lease                         | 19,250               |
| SCS Costs                          | 0                    |
| Stock Option Expense               | 378,439              |
| Stock Options                      | 774,795              |
| Property Insurance Reserve Accrual | 5,111,084            |
| Supplemental Benefit Plan          | 1,028,961            |
| Purchased Power Capacity Clause    | 2,870,257            |
| Uncollectible Reserve              | 101,266              |
| Penalties                          | 126,153              |
| <b>Total</b>                       | <b>\$104,318,298</b> |

**Schedule Page: 261 Line No.: 20 Column: b**

DEDUCTIONS ON RETURN NOT CHARGED AGAINST BOOK INCOME:

|  |                      |
|--|----------------------|
| State Tax Deduction/State Rate Diff/State PR Per | \$ 2,537,296         |
| Early Retirement Plans                           | 10,860               |
| Environmental Cleanup                            | 1,328,040            |
| Fuel Clause                                      | 15,052,866           |
| Charges to Injury and Damages Reserve            | 976,261              |
| Interest Accrued on Audits                       | 15,688               |
| ITC Delta Comm Fiber Optics Income               | 154,286              |
| Loss on Reacquired Debt                          | 1,274,758            |
| Mark to Market Gains                             | 7,478                |
| Medical Insurance Claims                         | 277,704              |
| Post Retirement Benefits Non Reg                 | 244,298              |
| Railcar Lease                                    | 227,201              |
| Pension Expense                                  | 20,197,939           |
| Accelerated Depreciation                         | 186,874,738          |
| <b>Total</b>                                     | <b>\$229,179,413</b> |

**Schedule Page: 261 Line No.: 44 Column: b**

CONSOLIDATION AND ALLOCATION INFORMATION:

Members of Group and Tax Allocation

|                                      |               |
|--------------------------------------|---------------|
| Alabama Power Company                | \$ 52,617,523 |
| Alabama Property Company             | (250,805)     |
| Georgia Power Company                | 146,583,988   |
| Piedmont-Forrest Corporation         | 360,922       |
| Gulf Power Company                   | (15,339,396)  |
| Mississippi Power Company            | 5,399,338     |
| Southern Electric Generating Company | 3,772,879     |



|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are know, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

| Line No. | Kind of Tax<br>(See instruction 5)<br>(a) | BALANCE AT BEGINNING OF YEAR          |  | Taxes Charged During Year<br>(d) | Taxes Paid During Year<br>(e) | Adjustments<br>(f) |
|----------|---|---------------------------------------|--|----------------------------------|-------------------------------|--------------------|
|          |   | Taxes Accrued<br>(Account 236)<br>(b) | Prepaid Taxes<br>(Include in Account 165)<br>(c) |                                  |                               |                    |
| 1        | Federal:                                  |                                       |  |                                  |                               |                    |
| 2        | Income                                    | 1,279,857                             | 6,770,637  | -687,783                         | 7,633,935                     | -13,941,762        |
| 3        | Unemployment                              | 6,182                                 |  | 86,193                           | 88,957                        |                    |
| 4        | FICA                                      | 393,427                               |  | 7,882,728                        | 7,692,519                     |                    |
| 5        | Heavy Vehicle Use                         |                                       |  | 5,878                            | 5,878                         |                    |
| 6        | SUBTOTAL                                  | 1,679,466                             | 6,770,637  | 7,287,016                        | 15,421,289                    | -13,941,762        |
| 7        |   |                                       |  |                                  |                               |                    |
| 8        | Florida:                                  |                                       |  |                                  |                               |                    |
| 9        | Income                                    | 3,129,187                             |  | 3,199,753                        | 10,196,031                    | 1,659,941          |
| 10       | Property Taxes                            | -16,308                               |  | 15,396,697                       | 15,380,389                    |                    |
| 11       | Railcar Property Taxes                    | 98,749                                |  | -87,196                          | 1,251                         |                    |
| 12       | Gross Receipts                            | 2,260,850                             |  | 33,219,174                       | 33,010,647                    |                    |
| 13       | Unemployment                              | 1,952                                 |  | 49,477                           | 38,839                        |                    |
| 14       | FPSC Assessment                           | 438,368                               |  | 987,169                          | 909,990                       |                    |
| 15       | Franchise Fees                            | 2,680,767                             |  | 39,474,052                       | 38,907,789                    |                    |
| 16       | Use Tax - Elec/Telecom                    |                                       |  | 147,432                          | 147,432                       |                    |
| 17       | Occupational & Retail                     |                                       |  | 12,197                           | 12,197                        |                    |
| 18       | Other City, Fire etc.                     |                                       |  | 406,492                          | 406,492                       |                    |
| 19       | SUBTOTAL                                  | 8,593,565                             |  | 92,805,247                       | 99,011,057                    | 1,659,941          |
| 20       |   |                                       |  |                                  |                               |                    |
| 21       | Mississippi:                              |                                       |  |                                  |                               |                    |
| 22       | Income                                    | -93,162                               |  | 69,120                           | -68,711                       | -25,296            |
| 23       | Property Taxes                            | -5,115                                |  | 4,521,059                        | 4,515,944                     |                    |
| 24       | Railcar Property Taxes                    | 2,375                                 |  | 134,702                          | 68,895                        |                    |
| 25       | Unemployment                              |                                       |  | 5,235                            | 5,235                         |                    |
| 26       | State Franchise                           | 142,524                               |  | 151,153                          | 146,094                       |                    |
| 27       | SUBTOTAL                                  | 46,622                                |  | 4,881,269                        | 4,667,457                     | -25,296            |
| 28       |   |                                       |  |                                  |                               |                    |
| 29       | Georgia:                                  |                                       |  |                                  |                               |                    |
| 30       | Income                                    | -721,854                              |  | -1,487,250                       | -42,635                       | -422,633           |
| 31       | Property Taxes                            | 835,866                               |  | 835,539                          | 1,609,981                     |                    |
| 32       | Railcar Property Taxes                    | 189,467                               |  | -70,312                          | 86,457                        |                    |
| 33       | Net Worth                                 |                                       |  | 5,000                            | 5,000                         |                    |
| 34       | Unemployment                              |                                       |  | 2,287                            | 2,287                         |                    |
| 35       | SUBTOTAL                                  | 303,479                               |  | -714,736                         | 1,661,090                     | -422,633           |
| 36       |   |                                       |  |                                  |                               |                    |
| 37       | Alabama:                                  |                                       |  |                                  |                               |                    |
| 38       | Property Taxes                            |                                       |  | 68,067                           | 68,067                        |                    |
| 39       | Railcar Property Taxes                    |                                       |  | 7,932                            | 2,895                         |                    |
| 40       | SUBTOTAL                                  |                                       |  | 75,999                           | 70,962                        |                    |
| 41       | TOTAL                                     | 10,891,243                            | 6,770,637  | 104,918,114                      | 120,896,080                   | -12,729,750        |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (i) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

| BALANCE AT END OF YEAR          |  | DISTRIBUTION OF TAXES CHARGED       |   |  |           | Line No. |
|---------------------------------|--|-------------------------------------|---|--|-----------|----------|
| (Taxes accrued Account 236) (g) | Prepaid Taxes (Incl. in Account 165) (h) | Electric (Account 408.1, 409.1) (i) | Extraordinary Items (Account 409.3) (j) | Adjustments to Ret. Earnings (Account 439) (k) | Other (l) |          |
|                                 |  |                                     |   |  |           | 1        |
| 6,670,565                       | 34,424,825                               | -258,592                            |   |  | -429,192  | 2        |
| 3,418                           |  | 69,245                              |   |  | 16,948    | 3        |
| 583,636                         |  | 6,494,415                           |   |  | 1,388,313 | 4        |
|                                 |  |                                     |   |  | 5,878     | 5        |
| 7,257,619                       | 34,424,825                               | 6,305,068                           |   |  | 981,947   | 6        |
|                                 |  |                                     |   |  |           | 7        |
|                                 |  |                                     |   |  |           | 8        |
| -432,147                        | 1,775,003                                | 3,840,678                           |   |  | -640,925  | 9        |
|                                 |  | 15,332,551                          |   |  | 64,146    | 10       |
| 10,302                          |  |                                     |   |  | -87,196   | 11       |
| 2,469,377                       |  | 33,219,174                          |   |  |           | 12       |
| 12,590                          |  | 46,932                              |   |  | 2,545     | 13       |
| 515,547                         |  | 987,169                             |   |  |           | 14       |
| 3,247,030                       |  | 39,474,052                          |   |  |           | 15       |
|                                 |  | 147,432                             |   |  |           | 16       |
|                                 |  | 12,197                              |   |  |           | 17       |
|                                 |  | 406,492                             |   |  |           | 18       |
| 5,822,699                       | 1,775,003                                | 93,466,677                          |   |  | -661,430  | 19       |
|                                 |  |                                     |   |  |           | 20       |
|                                 |  |                                     |   |  |           | 21       |
|                                 | -19,373                                  | 89,545                              |   |  | -20,425   | 22       |
|                                 |  | 4,521,059                           |   |  |           | 23       |
| 68,182                          |  |                                     |   |  | 134,702   | 24       |
|                                 |  | 5,218                               |   |  | 17        | 25       |
| 147,583                         |  | 151,153                             |   |  |           | 26       |
| 215,765                         | -19,373                                  | 4,766,975                           |   |  | 114,294   | 27       |
|                                 |  |                                     |   |  |           | 28       |
|                                 |  |                                     |   |  |           | 29       |
|                                 | 2,589,102                                | -1,328,442                          |   |  | -158,808  | 30       |
| 61,424                          |  | 835,539                             |   |  |           | 31       |
| 32,698                          |  |                                     |   |  | -70,312   | 32       |
|                                 |  | 5,000                               |   |  |           | 33       |
|                                 |  | 2,051                               |   |  | 236       | 34       |
| 94,122                          | 2,589,102                                | -485,852                            |   |  | -228,884  | 35       |
|                                 |  |                                     |   |  |           | 36       |
|                                 |  |                                     |   |  |           | 37       |
|                                 |  | 68,067                              |   |  |           | 38       |
| 5,037                           |  |                                     |   |  | 7,932     | 39       |
| 5,037                           |  | 68,067                              |   |  | 7,932     | 40       |
|                                 |  |                                     |   |  |           |          |
| 14,182,447                      | 38,769,557                               | 104,120,935                         |   |  | 797,178   | 41       |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.)  
Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

| Line No. | Kind of Tax<br>(See instruction 5)<br>(a) | BALANCE AT BEGINNING OF YEAR       |   | Taxes Charged During Year<br>(d) | Taxes Paid During Year<br>(e) | Adjustments<br>(f) |
|----------|---|------------------------------------|---|----------------------------------|-------------------------------|--------------------|
|          |   | Taxes Accrued (Account 236)<br>(b) | Prepaid Taxes (Include in Account 165)<br>(c) |                                  |                               |                    |
| 1        |   |                                    |   |                                  |                               |                    |
| 2        | Railcar Property Taxes:                   |                                    |   |                                  |                               |                    |
| 3        | Arkansas                                  |                                    |   | 131,582                          |                               |                    |
| 4        | Arizona                                   |                                    |   | 43                               |                               |                    |
| 5        | California                                |                                    |   |                                  |                               |                    |
| 6        | Colorado                                  |                                    |   | 51,056                           |                               |                    |
| 7        | Idaho                                     |                                    |   | 43                               |                               |                    |
| 8        | Kansas                                    |                                    |   | 337,086                          |                               |                    |
| 9        | Kentucky                                  | 28,885                             |   | -21,365                          |                               |                    |
| 10       | Missouri                                  |                                    |   | 32,448                           | 5,818                         |                    |
| 11       | Nebraska                                  |                                    |   | 4,275                            |                               |                    |
| 12       | Nevada                                    |                                    |   | 26                               |                               |                    |
| 13       | New Mexico                                |                                    |   | 220                              | 5                             |                    |
| 14       | North Carolina                            |                                    |   |                                  |                               |                    |
| 15       | Ohio                                      |                                    |   |                                  |                               |                    |
| 16       | Oklahoma                                  |                                    |   | 179,461                          |                               |                    |
| 17       | South Carolina                            | 108,882                            |   | -94,356                          | 7,239                         |                    |
| 18       | Tennessee                                 | 94,855                             |   | -55,687                          | 26,872                        |                    |
| 19       | Texas                                     |                                    |   | 72                               |                               |                    |
| 20       | Utah                                      |                                    |   | 28,809                           | 8,994                         |                    |
| 21       | Virginia                                  | 218                                |   | 203                              | 401                           |                    |
| 22       | West Virginia                             | 32,868                             |   | -17,069                          | 14,656                        |                    |
| 23       | Wyoming                                   |                                    |   | 8,875                            | 240                           |                    |
| 24       | Misc. Adjustment                          | 2,403                              |   | -2,403                           |                               |                    |
| 25       | SUBTOTAL                                  | 268,111                            |   | 583,319                          | 64,225                        |                    |
| 26       |   |                                    |   |                                  |                               |                    |
| 27       |   |                                    |   |                                  |                               |                    |
| 28       |   |                                    |   |                                  |                               |                    |
| 29       |   |                                    |   |                                  |                               |                    |
| 30       |   |                                    |   |                                  |                               |                    |
| 31       |   |                                    |   |                                  |                               |                    |
| 32       |   |                                    |   |                                  |                               |                    |
| 33       |   |                                    |   |                                  |                               |                    |
| 34       |   |                                    |   |                                  |                               |                    |
| 35       |   |                                    |   |                                  |                               |                    |
| 36       |   |                                    |   |                                  |                               |                    |
| 37       |   |                                    |   |                                  |                               |                    |
| 38       |   |                                    |   |                                  |                               |                    |
| 39       |   |                                    |   |                                  |                               |                    |
| 40       |   |                                    |   |                                  |                               |                    |
| 41       | TOTAL                                     | 10,891,243                         | 6,770,637                                     | 104,918,114                      | 120,896,080                   | -12,729,750        |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes)- covers more then one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

| BALANCE AT END OF YEAR          |  | DISTRIBUTION OF TAXES CHARGED       |   |  |           | Line No. |
|---------------------------------|--|-------------------------------------|---|--|-----------|----------|
| (Taxes accrued Account 236) (g) | Prepaid Taxes (Incl. in Account 165) (h) | Electric (Account 408.1, 409.1) (i) | Extraordinary Items (Account 409.3) (j) | Adjustments to Ret. Earnings (Account 439) (k) | Other (l) |          |
|                                 |  |                                     |   |  |           | 1        |
|                                 |  |                                     |   |  |           | 2        |
| 131,582                         |  |                                     |   |  | 131,582   | 3        |
| 43                              |  |                                     |   |  | 43        | 4        |
|                                 |  |                                     |   |  |           | 5        |
| 51,056                          |  |                                     |   |  | 51,056    | 6        |
| 43                              |  |                                     |   |  | 43        | 7        |
| 337,086                         |  |                                     |   |  | 337,086   | 8        |
| 7,520                           |  |                                     |   |  | -21,365   | 9        |
| 26,630                          |  |                                     |   |  | 32,448    | 10       |
| 4,275                           |  |                                     |   |  | 4,275     | 11       |
| 26                              |  |                                     |   |  | 26        | 12       |
| 215                             |  |                                     |   |  | 220       | 13       |
|                                 |  |                                     |   |  |           | 14       |
|                                 |  |                                     |   |  |           | 15       |
| 179,461                         |  |                                     |   |  | 179,461   | 16       |
| 7,287                           |  |                                     |   |  | -94,356   | 17       |
| 12,296                          |  |                                     |   |  | -55,687   | 18       |
| 72                              |  |                                     |   |  | 72        | 19       |
| 19,815                          |  |                                     |   |  | 28,809    | 20       |
| 20                              |  |                                     |   |  | 203       | 21       |
| 1,143                           |  |                                     |   |  | -17,069   | 22       |
| 8,635                           |  |                                     |   |  | 8,875     | 23       |
|                                 |  |                                     |   |  | -2,403    | 24       |
| 787,205                         |  |                                     |   |  | 583,319   | 25       |
|                                 |  |                                     |   |  |           | 26       |
|                                 |  |                                     |   |  |           | 27       |
|                                 |  |                                     |   |  |           | 28       |
|                                 |  |                                     |   |  |           | 29       |
|                                 |  |                                     |   |  |           | 30       |
|                                 |  |                                     |   |  |           | 31       |
|                                 |  |                                     |   |  |           | 32       |
|                                 |  |                                     |   |  |           | 33       |
|                                 |  |                                     |   |  |           | 34       |
|                                 |  |                                     |   |  |           | 35       |
|                                 |  |                                     |   |  |           | 36       |
|                                 |  |                                     |   |  |           | 37       |
|                                 |  |                                     |   |  |           | 38       |
|                                 |  |                                     |   |  |           | 39       |
|                                 |  |                                     |   |  |           | 40       |
| 14,182,447                      | 38,769,557                               | 104,120,935                         |   |  | 797,178   | 41       |

**ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)**

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

| Line No. | Account Subdivisions (a)                                   | Balance at Beginning of Year (b) | Deferred for Year |            | Allocations to Current Year's Income |            | Adjustments (g) |
|----------|--|----------------------------------|-------------------|------------|--------------------------------------|------------|-----------------|
|          |  |                                  | Account No. (c)   | Amount (d) | Account No. (e)                      | Amount (f) |                 |
| 1        | Electric Utility   |                                  |                   |            |                                      |            |                 |
| 2        | 3%   |                                  |                   |            |                                      |            |                 |
| 3        | 4%   | 4,356                            |                   |            | 411.4                                | 4,356      |                 |
| 4        | 7%   |                                  |                   |            |                                      |            |                 |
| 5        | 10%  | 9,648,060                        |                   |            | 411.4                                | 1,539,444  |                 |
| 6        |  |                                  |                   |            |                                      |            |                 |
| 7        |  |                                  |                   |            |                                      |            |                 |
| 8        | TOTAL  | 9,652,416                        |                   |            |                                      | 1,543,800  |                 |
| 9        | Other (List separately and show 3%, 4%, 7%, 10% and TOTAL) |                                  |                   |            |                                      |            |                 |
| 10       |  |                                  |                   |            |                                      |            |                 |
| 11       |  |                                  |                   |            |                                      |            |                 |
| 12       |  |                                  |                   |            |                                      |            |                 |
| 13       |  |                                  |                   |            |                                      |            |                 |
| 14       |  |                                  |                   |            |                                      |            |                 |
| 15       |  |                                  |                   |            |                                      |            |                 |
| 16       |  |                                  |                   |            |                                      |            |                 |
| 17       |  |                                  |                   |            |                                      |            |                 |
| 18       |  |                                  |                   |            |                                      |            |                 |
| 19       |  |                                  |                   |            |                                      |            |                 |
| 20       |  |                                  |                   |            |                                      |            |                 |
| 21       |  |                                  |                   |            |                                      |            |                 |
| 22       |  |                                  |                   |            |                                      |            |                 |
| 23       |  |                                  |                   |            |                                      |            |                 |
| 24       |  |                                  |                   |            |                                      |            |                 |
| 25       |  |                                  |                   |            |                                      |            |                 |
| 26       |  |                                  |                   |            |                                      |            |                 |
| 27       |  |                                  |                   |            |                                      |            |                 |
| 28       |  |                                  |                   |            |                                      |            |                 |
| 30       |  |                                  |                   |            |                                      |            |                 |
| 31       |  |                                  |                   |            |                                      |            |                 |
| 32       |  |                                  |                   |            |                                      |            |                 |
| 33       |  |                                  |                   |            |                                      |            |                 |
| 34       |  |                                  |                   |            |                                      |            |                 |
| 35       |  |                                  |                   |            |                                      |            |                 |
| 36       |  |                                  |                   |            |                                      |            |                 |
| 37       |  |                                  |                   |            |                                      |            |                 |
| 38       |  |                                  |                   |            |                                      |            |                 |
| 39       |  |                                  |                   |            |                                      |            |                 |
| 40       |  |                                  |                   |            |                                      |            |                 |
| 41       |  |                                  |                   |            |                                      |            |                 |
| 42       |  |                                  |                   |            |                                      |            |                 |
| 43       |  |                                  |                   |            |                                      |            |                 |
| 44       |  |                                  |                   |            |                                      |            |                 |
| 45       |  |                                  |                   |            |                                      |            |                 |
| 46       |  |                                  |                   |            |                                      |            |                 |
| 47       |  |                                  |                   |            |                                      |            |                 |
| 48       |  |                                  |                   |            |                                      |            |                 |

ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)

| Balance at End of Year<br>(h) | Average Period of Allocation to Income<br>(i) | ADJUSTMENT EXPLANATION | Line No. |
|-------------------------------|---|------------------------|----------|
|                               |   |                        | 1        |
|                               |   |                        | 2        |
|                               | 37 years                                      |                        | 3        |
|                               |   |                        | 4        |
| 8,108,616                     | 36 years                                      |                        | 5        |
|                               |   |                        | 6        |
|                               |   |                        | 7        |
| 8,108,616                     |   |                        | 8        |
|                               |   |                        | 9        |
|                               |   |                        | 10       |
|                               |   |                        | 11       |
|                               |   |                        | 12       |
|                               |   |                        | 13       |
|                               |   |                        | 14       |
|                               |   |                        | 15       |
|                               |   |                        | 16       |
|                               |   |                        | 17       |
|                               |   |                        | 18       |
|                               |   |                        | 19       |
|                               |   |                        | 20       |
|                               |   |                        | 21       |
|                               |   |                        | 22       |
|                               |   |                        | 23       |
|                               |   |                        | 24       |
|                               |   |                        | 25       |
|                               |   |                        | 26       |
|                               |   |                        | 27       |
|                               |   |                        | 28       |
|                               |   |                        | 30       |
|                               |   |                        | 31       |
|                               |   |                        | 32       |
|                               |   |                        | 33       |
|                               |   |                        | 34       |
|                               |   |                        | 35       |
|                               |   |                        | 36       |
|                               |   |                        | 37       |
|                               |   |                        | 38       |
|                               |   |                        | 39       |
|                               |   |                        | 40       |
|                               |   |                        | 41       |
|                               |   |                        | 42       |
|                               |   |                        | 43       |
|                               |   |                        | 44       |
|                               |   |                        | 45       |
|                               |   |                        | 46       |
|                               |   |                        | 47       |
|                               |   |                        | 48       |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

OTHER DEFERRED CREDITS (Account 253)

1. Report below the particulars (details) called for concerning other deferred credits.
2. For any deferred credit being amortized, show the period of amortization.
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$100,000, whichever is greater) may be grouped by classes.

| Line No. | Description and Other Deferred Credits<br>(a) | Balance at Beginning of Year<br>(b) | DEBITS                |               | Credits<br>(e) | Balance at End of Year<br>(f) |
|----------|---|-------------------------------------|-----------------------|---------------|----------------|-------------------------------|
|          |   |                                     | Contra Account<br>(c) | Amount<br>(d) |                |                               |
| 1        | Deferred Right-of-Way Rental Rev.             |                                     |                       |               |                |                               |
| 2        | AT&T 25 yr Lease                              |                                     |                       |               |                |                               |
| 3        | (Amort. 1987-2011)                            | 42,000                              | 454                   | 105,000       | 84,000         | 21,000                        |
| 4        |   |                                     |                       |               |                |                               |
| 5        | SCS - Early Retirement Plans                  | 83,987                              | 926                   | 232,545       | 221,685        | 73,127                        |
| 6        |   |                                     |                       |               |                |                               |
| 7        | Outside Directors' Pension Plan               | 94,749                              | 131,228               | 191,498       | 96,749         |                               |
| 8        |   |                                     |                       |               |                |                               |
| 9        | Deferred Directors' Compensation              | 2,128,297                           | 930                   | 2,647,905     | 2,873,013      | 2,353,405                     |
| 10       |   |                                     |                       |               |                |                               |
| 11       | Deferred Employee Compensation                | 3,873,559                           | 920                   | 8,184,105     | 8,345,531      | 4,034,985                     |
| 12       |   |                                     |                       |               |                |                               |
| 13       | Supplemental Pensions                         | 7,761,720                           | 926                   | 15,523,441    | 7,761,721      |                               |
| 14       |   |                                     |                       |               |                |                               |
| 15       | Environmental Reserve                         | 65,223,273                          | 182                   | 133,921,005   | 130,446,546    | 61,748,814                    |
| 16       |   |                                     |                       |               |                |                               |
| 17       | ITC Deltacom - Fiber Optic Project            | 694,285                             | 454                   | 1,851,429     | 1,851,429      | 694,285                       |
| 18       |   |                                     |                       |               |                |                               |
| 19       | Additional Minimum Liability                  |                                     |                       |               |                |                               |
| 20       | Non - Qualified Pension Plan                  | 6,909,317                           | 182                   | 20,727,951    | 13,818,634     |                               |
| 21       |   |                                     |                       |               |                |                               |
| 22       | Deferred Workman's Comp. &                    |                                     |                       |               |                |                               |
| 23       | Legal Claims                                  | 86,531                              | 182                   | 646,292       | 1,392,565      | 832,804                       |
| 24       |   |                                     |                       |               |                |                               |
| 25       | GE Rebate                                     | 157,774                             | 929                   | 315,548       | 157,774        |                               |
| 26       |   |                                     |                       |               |                |                               |
| 27       | Over Recovery-Blountstown                     | 69,784                              | 431,456               | 316,679       | 251,480        | 4,585                         |
| 28       |   |                                     |                       |               |                |                               |
| 29       | Over Recovery-FPU                             | 225,210                             | 431,456               | 1,566,223     | 1,450,381      | 109,368                       |
| 30       |   |                                     |                       |               |                |                               |
| 31       | Tenaska Levelized Capacity Lease              | 8,141,240                           | 182                   | 16,282,480    | 60,545,619     | 52,404,379                    |
| 32       |   |                                     |                       |               |                |                               |
| 33       | Navy Fed. Equipment Rev.                      |                                     | 143                   | 742,570       | 1,480,505      | 737,935                       |
| 34       |   |                                     |                       |               |                |                               |
| 35       | Miscellaneous                                 | 315,047                             | Various               | 856,082       | 541,035        |                               |
| 36       |   |                                     |                       |               |                |                               |
| 37       |   |                                     |                       |               |                |                               |
| 38       |   |                                     |                       |               |                |                               |
| 39       |   |                                     |                       |               |                |                               |
| 40       |   |                                     |                       |               |                |                               |
| 41       |   |                                     |                       |               |                |                               |
| 42       |   |                                     |                       |               |                |                               |
| 43       |   |                                     |                       |               |                |                               |
| 44       |   |                                     |                       |               |                |                               |
| 45       |   |                                     |                       |               |                |                               |
| 46       |   |                                     |                       |               |                |                               |
| 47       | TOTAL   | 95,806,773                          |                       | 204,110,753   | 231,318,667    | 123,014,687                   |

| Name of Respondent<br>Gulf Power Company  |  | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission |   | Date of Report<br>(Mo, Da, Yr)<br>/ /    | Year/Period of Report<br>End of 2010/Q4 |
|---|--|---|---|--|---|
| ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)   |  |   |   |  |   |
| 1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amortizable property. |  |   |   |  |   |
| 2. For other (Specify), include deferrals relating to other income and deductions.  |  |   |   |  |   |
| Line No.  | Account<br><br>(a)                             | Balance at Beginning of Year<br><br>(b)   | CHANGES DURING YEAR                     |  |   |
|   |  |   | Amounts Debited to Account 410.1<br>(c) | Amounts Credited to Account 411.1<br>(d) |   |
| 1   | Accelerated Amortization (Account 281)         |   |   |  |   |
| 2   | Electric                                       |   |   |  |   |
| 3   | Defense Facilities                             |   |   |  |   |
| 4   | Pollution Control Facilities                   | 27,685,734  | 26,699,705                              | 1,225,036                                |   |
| 5   | Other (provide details in footnote):           |   |   |  |   |
| 6   |  |   |   |  |   |
| 7   |  |   |   |  |   |
| 8   | TOTAL Electric (Enter Total of lines 3 thru 7) | 27,685,734  | 26,699,705                              | 1,225,036                                |   |
| 9   | Gas  |   |   |  |   |
| 10  | Defense Facilities                             |   |   |  |   |
| 11  | Pollution Control Facilities                   |   |   |  |   |
| 12  | Other (provide details in footnote):           |   |   |  |   |
| 13  |  |   |   |  |   |
| 14  |  |   |   |  |   |
| 15  | TOTAL Gas (Enter Total of lines 10 thru 14)    |   |   |  |   |
| 16  |  |   |   |  |   |
| 17  | TOTAL (Acct 281) (Total of 8, 15 and 16)       | 27,685,734  | 26,699,705                              | 1,225,036                                |   |
| 18  | Classification of TOTAL                        |   |   |  |   |
| 19  | Federal Income Tax                             | 23,958,617  | 23,062,116                              | 1,059,026                                |   |
| 20  | State Income Tax                               | 3,727,117   | 3,637,589                               | 166,010                                  |   |
| 21  | Local Income Tax                               |   |   |  |   |

NOTES

ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

| CHANGES DURING YEAR                        |   | ADJUSTMENTS                |               |                           |               | Balance at<br>End of Year<br>(k) | Line<br>No. |
|--|---|----------------------------|---------------|---------------------------|---------------|----------------------------------|-------------|
| Amounts Debited<br>to Account 410.2<br>(e) | Amounts Credited<br>to Account 411.2<br>(f) | Debits                     |               | Credits                   |               |                                  |             |
|  |   | Account<br>Credited<br>(g) | Amount<br>(h) | Account<br>Debited<br>(i) | Amount<br>(j) |                                  |             |
|  |   |                            |               |                           |               |                                  | 1           |
|  |   |                            |               |                           |               |                                  | 2           |
|  |   |                            |               |                           |               |                                  | 3           |
|  |   | 282-400,401                | 267,802       | 282-400,401               | 4,482,960     | 57,375,561                       | 4           |
|  |   |                            |               |                           |               |                                  | 5           |
|  |   |                            |               |                           |               |                                  | 6           |
|  |   |                            |               |                           |               |                                  | 7           |
|  |   |                            | 267,802       |                           | 4,482,960     | 57,375,561                       | 8           |
|  |   |                            |               |                           |               |                                  | 9           |
|  |   |                            |               |                           |               |                                  | 10          |
|  |   |                            |               |                           |               |                                  | 11          |
|  |   |                            |               |                           |               |                                  | 12          |
|  |   |                            |               |                           |               |                                  | 13          |
|  |   |                            |               |                           |               |                                  | 14          |
|  |   |                            |               |                           |               |                                  | 15          |
|  |   |                            |               |                           |               |                                  | 16          |
|  |   |                            | 267,802       |                           | 4,482,960     | 57,375,561                       | 17          |
|  |   |                            |               |                           |               |                                  | 18          |
|  |   | 282-00400                  | 231,434       | 282-00400                 | 3,869,802     | 49,600,075                       | 19          |
|  |   | 282-00401                  | 36,368        | 282-00401                 | 613,158       | 7,775,486                        | 20          |
|  |   |                            |               |                           |               |                                  | 21          |

NOTES (Continued)

| Name of Respondent<br>Gulf Power Company   |   | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission |   | Date of Report<br>(Mo, Da, Yr)<br>/ /        | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---|---|--|---|
| ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)   |   |   |   |  |   |
| 1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to property not subject to accelerated amortization |   |   |   |  |   |
| 2. For other (Specify), include deferrals relating to other income and deductions.   |   |   |   |  |   |
| Line No.   | Account<br><br>(a)                                | Balance at Beginning of Year<br><br>(b)   | CHANGES DURING YEAR                         |  |   |
|  |   |   | Amounts Debited to Account 410.1<br><br>(c) | Amounts Credited to Account 411.1<br><br>(d) |   |
| 1  | Account 282                                       |   |   |  |   |
| 2  | Electric  | 287,475,269   | 115,357,914                                 | 69,809,227                                   |   |
| 3  | Gas   |   |   |  |   |
| 4  |   |   |   |  |   |
| 5  | TOTAL (Enter Total of lines 2 thru 4)             | 287,475,269   | 115,357,914                                 | 69,809,227                                   |   |
| 6  |   |   |   |  |   |
| 7  |   |   |   |  |   |
| 8  |   |   |   |  |   |
| 9  | TOTAL Account 282 (Enter Total of lines 5 thru 8) | 287,475,269   | 115,357,914                                 | 69,809,227                                   |   |
| 10   | Classification of TOTAL                           |   |   |  |   |
| 11   | Federal Income Tax                                | 249,709,296   | 101,956,706                                 | 59,233,685                                   |   |
| 12   | State Income Tax                                  | 37,765,973  | 13,401,208                                  | 10,575,542                                   |   |
| 13   | Local Income Tax                                  |   |   |  |   |

NOTES

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

| CHANGES DURING YEAR                  |                                       | ADJUSTMENTS          |            |                     |            | Balance at End of Year (k) | Line No. |
|--------------------------------------|---------------------------------------|----------------------|------------|---------------------|------------|----------------------------|----------|
| Amounts Debited to Account 410.2 (e) | Amounts Credited to Account 411.2 (f) | Debits               |            | Credits             |            |                            |          |
|                                      |                                       | Account Credited (g) | Amount (h) | Account Debited (i) | Amount (j) |                            |          |
|                                      |                                       |                      |            |                     |            |                            | 1        |
| 9,551,111                            | 2,612,328                             | Various              | 7,578,980  | Various             | 4,217,602  | 336,601,361                | 2        |
|                                      |                                       |                      |            |                     |            |                            | 3        |
|                                      |                                       |                      |            |                     |            |                            | 4        |
| 9,551,111                            | 2,612,328                             |                      | 7,578,980  |                     | 4,217,602  | 336,601,361                | 5        |
|                                      |                                       |                      |            |                     |            |                            | 6        |
|                                      |                                       |                      |            |                     |            |                            | 7        |
|                                      |                                       |                      |            |                     |            |                            | 8        |
| 9,551,111                            | 2,612,328                             |                      | 7,578,980  |                     | 4,217,602  | 336,601,361                | 9        |
|                                      |                                       |                      |            |                     |            |                            | 10       |
| 9,029,225                            |                                       | Various              | 6,554,865  | Various             | 3,818,176  | 298,724,853                | 11       |
| 521,886                              | 2,612,328                             | Various              | 1,024,115  | Various             | 399,426    | 37,876,508                 | 12       |
|                                      |                                       |                      |            |                     |            |                            | 13       |

NOTES (Continued)

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)**

1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.
2. For other (Specify), include deferrals relating to other income and deductions.

| Line No. | Account<br>(a)                                       | Balance at Beginning of Year<br>(b) | CHANGES DURING YEAR                     |  |
|----------|--|-------------------------------------|---|--|
|          |  |                                     | Amounts Debited to Account 410.1<br>(c) | Amounts Credited to Account 411.1<br>(d) |
| 1        | Account 283  |                                     |   |  |
| 2        | Electric   |                                     |   |  |
| 3        | Pension Accrual                                      | 15,539,126                          | 8,609,215                               | 158,116                                  |
| 4        | Loss on Reacquired Debt                              | 6,212,776                           | 1,137,524                               | 621,248                                  |
| 5        | Reg. Asset Flowthrough                               | 15,051,362                          |   |  |
| 6        | Fuel Adjustment Clause                               | 965,391                             | 7,547,270                               | 1,450,859                                |
| 7        | Repairs 481(A) Adjustment                            |                                     |   |  |
| 8        | Other  | 2,870,502                           |   |  |
| 9        | TOTAL Electric (Total of lines 3 thru 8)             | 40,639,157                          | 17,294,009                              | 2,230,223                                |
| 10       | Gas  |                                     |   |  |
| 11       |  |                                     |   |  |
| 12       |  |                                     |   |  |
| 13       |  |                                     |   |  |
| 14       |  |                                     |   |  |
| 15       |  |                                     |   |  |
| 16       |  |                                     |   |  |
| 17       | TOTAL Gas (Total of lines 11 thru 16)                |                                     |   |  |
| 18       |  |                                     |   |  |
| 19       | TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18) | 40,639,157                          | 17,294,009                              | 2,230,223                                |
| 20       | Classification of TOTAL                              |                                     |   |  |
| 21       | Federal Income Tax                                   | 35,028,284                          | 14,887,246                              | 1,927,353                                |
| 22       | State Income Tax                                     | 5,610,873                           | 2,406,763                               | 302,870                                  |
| 23       | Local Income Tax                                     |                                     |   |  |

NOTES

**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)**

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.  
4. Use footnotes as required.

| CHANGES DURING YEAR                        |   | ADJUSTMENTS                |               |                           |               | Balance at<br>End of Year<br>(k) | Line<br>No. |
|--|---|----------------------------|---------------|---------------------------|---------------|----------------------------------|-------------|
| Amounts Debited<br>to Account 410.2<br>(e) | Amounts Credited<br>to Account 411.2<br>(f) | Debits                     |               | Credits                   |               |                                  |             |
|  |   | Account<br>Credited<br>(g) | Amount<br>(h) | Account<br>Debited<br>(i) | Amount<br>(j) |                                  |             |
|  |   |                            |               |                           |               |                                  | 1           |
|  |   |                            |               |                           |               |                                  | 2           |
|  |   |                            |               |                           |               | 23,990,225                       | 3           |
|  |   |                            |               |                           |               | 6,729,052                        | 4           |
|  |   |                            | 16,620        |                           | 1,302,616     | 16,337,358                       | 5           |
|  |   |                            |               |                           |               | 7,061,802                        | 6           |
| 4,874,145                                  |   |                            |               |                           |               | 4,874,145                        | 7           |
| 7,415                                      | 3,425                                       |                            | 97,158        |                           | 1,551,044     | 4,328,378                        | 8           |
| 4,881,560                                  | 3,425                                       |                            | 113,778       |                           | 2,853,660     | 63,320,960                       | 9           |
|  |   |                            |               |                           |               |                                  | 10          |
|  |   |                            |               |                           |               |                                  | 11          |
|  |   |                            |               |                           |               |                                  | 12          |
|  |   |                            |               |                           |               |                                  | 13          |
|  |   |                            |               |                           |               |                                  | 14          |
|  |   |                            |               |                           |               |                                  | 15          |
|  |   |                            |               |                           |               |                                  | 16          |
|  |   |                            |               |                           |               |                                  | 17          |
|  |   |                            |               |                           |               |                                  | 18          |
| 4,881,560                                  | 3,425                                       |                            | 113,778       |                           | 2,853,660     | 63,320,960                       | 19          |
|  |   |                            |               |                           |               |                                  | 20          |
| 4,217,802                                  | 2,960                                       |                            | 15,115        |                           | 2,458,163     | 54,646,067                       | 21          |
| 663,758                                    | 465   |                            | 98,663        |                           | 395,497       | 8,674,893                        | 22          |
|  |   |                            |               |                           |               |                                  | 23          |

NOTES (Continued)

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 276 Line No.: 8 Column: a**

|                         | Balance at<br>Beg. of Year | Balance at<br>End of Year |
|-------------------------|----------------------------|---------------------------|
| Mark to Market          | \$ 140,235                 | \$ 144,224                |
| Bermuda Insurance       | 2,667,768                  | 2,677,768                 |
| Post Retirement Medical | 0                          | 1,551,044                 |
| Career Transition       | 52,499                     | 52,499                    |
| FIN 48                  | 0                          | (97,158)                  |
| Total Other             | <u>\$2,870,502</u>         | <u>\$4,328,378</u>        |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**OTHER REGULATORY LIABILITIES (Account 254)**

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Liabilities<br>(a) | Balance at Beginning of Current Quarter/Year<br>(b) | DEBITS                  |               | Credits<br>(e) | Balance at End of Current Quarter/Year<br>(f) |
|----------|--|---|-------------------------|---------------|----------------|---|
|          |  |   | Account Credited<br>(c) | Amount<br>(d) |                |   |
| 1        | Excess Deferred Taxes - Property                               | 5,986,952   | 190,282                 | 1,187,221     | 72,062         | 4,871,793                                     |
| 2        | Investment Tax Credit  | 5,424,650   | 190                     | 938,030       | 3,097          | 4,489,717                                     |
| 3        |  |   |                         |               |                |   |
| 4        | Deferred Gains on SO2 Allowances (Amortized                    |   |                         |               |                |   |
| 5        | to Fuel Expense on a straight-line basis, over                 |   |                         |               |                |   |
| 6        | time at the beginning of each appropriate year):               |   |                         |               |                |   |
| 7        | 2009 SO2 Allowance   |   | 411                     | 12,789        | 12,789         |   |
| 8        | 2010 SO2 Allowance   | 76,733  | 411                     | 110,223       | 33,490         |   |
| 9        | 2011 SO2 Allowance   | 113,676   | 411                     |               |                | 113,676                                       |
| 10       | 2012 SO2 Allowance   | 264,195   | 411                     |               |                | 264,195                                       |
| 11       | 2013 SO2 Allowance   | 244,342   | 411                     |               |                | 244,342                                       |
| 12       | 2014 SO2 Allowance   | 171,715   | 411                     |               |                | 171,715                                       |
| 13       | 2015 SO2 Allowance   | 110,419   | 411                     |               |                | 110,419                                       |
| 14       | 2016 SO2 Allowance   | 4,229   | 411                     |               |                | 4,229   |
| 15       | 2017 SO2 Allowance   |   | 411                     |               | 1,840          | 1,840   |
| 16       | Recovery Clauses:  |   |                         |               |                |   |
| 17       | Environmental Compliance Cost Over Recovered                   | 11,727,004  | 431,456                 | 12,395,446    | 11,067,406     | 10,398,964                                    |
| 18       | Purchased Power Capacity Clause Over Recovered                 | 1,510,805   | 431,456                 | 16,105,687    | 17,975,944     | 4,381,062                                     |
| 19       | Energy Conservation Cost Over Recovered                        | 1,272,570   | 431,456                 | 552,422       | 2,202,800      | 2,922,948                                     |
| 20       |  |   |                         |               |                |   |
| 21       | Misc. Regulatory Liabilities:                                  |   |                         |               |                |   |
| 22       | Primary Contract Ineffectiveness                               | 426   | 176                     | 106,795       | 109,791        | 3,422   |
| 23       | FASB 133 - Primary Contract-Current                            | 142,198   | 176                     | 399,837       | 2,055,590      | 1,797,951                                     |
| 24       | FASB 133 - Primary Contract-Non Current                        | 47,620  | 176                     | 260,821       | 787,994        | 574,793                                       |
| 25       | FASB 133 - MTM   |   | 245,426                 |               |                |   |
| 26       | Natural Gas Hedging  |   | 547                     |               |                |   |
| 27       | ARO - Steam  | 11,479,482  | 407                     | 1,955,103     | 544,506        | 10,068,885                                    |
| 28       | ARO - Transmission   | ( 7,619)  | 182                     |               |                | -7,619  |
| 29       | ARO - Distribution   | ( 21,762)   | 407                     |               |                | -21,762                                       |
| 30       | ARO- General Plant   | ( 15,452)   | 182                     |               |                | -15,452                                       |
| 31       |  |   |                         |               |                |   |
| 32       | Retiree Benefit Plans:   |   |                         |               |                |   |
| 33       | Post Retirement Benefits                                       |   | 128                     |               |                |   |
| 34       | Other Post Retirement Benefits                                 | 3,773,427   | 128                     | 511,735       | 607,279        | 3,868,971                                     |
| 35       |  |   |                         |               |                |   |
| 36       | Plant Daniel Railcar Leases:                                   |   |                         |               |                |   |
| 37       | Deferred Credit Railcar (22yr Lease period                     |   |                         |               |                |   |
| 38       | beginning 1989)  | 101,711   | 234                     | 93,440        |                | 8,271   |
| 39       | DTB Railcar RNT (22 yr Lease period                            |   |                         |               |                |   |
| 40       | beginning 1989)  | 145,275   | 234                     | 133,762       |                | 11,513  |
| 41       | TOTAL  | 50,088,372  |                         | 46,295,453    | 48,006,730     | 51,799,649                                    |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**OTHER REGULATORY LIABILITIES (Account 254)**

1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable.
2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$100,000 which ever is less), may be grouped by classes.
3. For Regulatory Liabilities being amortized, show period of amortization.

| Line No. | Description and Purpose of Other Regulatory Liabilities<br><br>(a) | Balance at Beginning of Current Quarter/Year<br><br>(b) | DEBITS                      |                   | Credits<br><br>(e) | Balance at End of Current Quarter/Year<br><br>(f) |
|----------|--|---|-----------------------------|-------------------|--------------------|---|
|          |  |   | Account Credited<br><br>(c) | Amount<br><br>(d) |                    |   |
| 2        | Purchase Power Agreements:   |   |                             |                   |                    |   |
| 3        | Coral Baconton Levelized Capitalized Lease                         | 3,301,064   | 186                         | 5,489,733         | 5,489,733          | 3,301,064   |
| 4        | Dahlberg Levelized Capitalized Leased                              | 4,234,712   | 186                         | 7,042,409         | 7,042,409          | 4,234,712   |
| 5        | Tenaska Levelized Capacit Lease                                    |   | 182                         |                   |                    |   |
| 6        |  |   |                             |                   |                    |   |
| 7        |  |   |                             |                   |                    |   |
| 8        |  |   |                             |                   |                    |   |
| 9        |  |   |                             |                   |                    |   |
| 10       |  |   |                             |                   |                    |   |
| 11       |  |   |                             |                   |                    |   |
| 12       |  |   |                             |                   |                    |   |
| 13       |  |   |                             |                   |                    |   |
| 14       |  |   |                             |                   |                    |   |
| 15       |  |   |                             |                   |                    |   |
| 16       |  |   |                             |                   |                    |   |
| 17       |  |   |                             |                   |                    |   |
| 18       |  |   |                             |                   |                    |   |
| 19       |  |   |                             |                   |                    |   |
| 20       |  |   |                             |                   |                    |   |
| 21       |  |   |                             |                   |                    |   |
| 22       |  |   |                             |                   |                    |   |
| 23       |  |   |                             |                   |                    |   |
| 24       |  |   |                             |                   |                    |   |
| 25       |  |   |                             |                   |                    |   |
| 26       |  |   |                             |                   |                    |   |
| 27       |  |   |                             |                   |                    |   |
| 28       |  |   |                             |                   |                    |   |
| 29       |  |   |                             |                   |                    |   |
| 30       |  |   |                             |                   |                    |   |
| 31       |  |   |                             |                   |                    |   |
| 32       |  |   |                             |                   |                    |   |
| 33       |  |   |                             |                   |                    |   |
| 34       |  |   |                             |                   |                    |   |
| 35       |  |   |                             |                   |                    |   |
| 36       |  |   |                             |                   |                    |   |
| 37       |  |   |                             |                   |                    |   |
| 38       |  |   |                             |                   |                    |   |
| 39       |  |   |                             |                   |                    |   |
| 40       |  |   |                             |                   |                    |   |
| 41       | <b>TOTAL</b>   | 50,088,372  |                             | 46,295,453        | 48,006,730         | 51,799,649  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**ELECTRIC OPERATING REVENUES (Account 400)**

- The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
- Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
- Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
- If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.
- Disclose amounts of \$250,000 or greater in a footnote for accounts 451, 456, and 457 2.

| Line No. | Title of Account<br>(a)                                     | Operating Revenues Year to Date Quarterly/Annual<br>(b) | Operating Revenues Previous year (no Quarterly)<br>(c) |
|----------|---|---|--|
| 1        | Sales of Electricity  |   |  |
| 2        | (440) Residential Sales                                     | 701,070,892   | 639,504,244  |
| 3        | (442) Commercial and Industrial Sales                       |   |  |
| 4        | Small (or Comm.) (See Instr. 4)                             | 434,800,356   | 413,878,811  |
| 5        | Large (or Ind.) (See Instr. 4)                              | 155,584,101   | 154,569,239  |
| 6        | (444) Public Street and Highway Lighting                    | 4,436,929   | 4,447,925  |
| 7        | (445) Other Sales to Public Authorities                     |   |  |
| 8        | (446) Sales to Railroads and Railways                       |   |  |
| 9        | (448) Interdepartmental Sales                               |   |  |
| 10       | TOTAL Sales to Ultimate Consumers                           | 1,295,892,278   | 1,212,400,219  |
| 11       | (447) Sales for Resale                                      | 219,300,292   | 130,368,072  |
| 12       | TOTAL Sales of Electricity                                  | 1,515,192,570   | 1,342,768,291  |
| 13       | (Less) (449.1) Provision for Rate Refunds                   | 14,018  | 134,047  |
| 14       | TOTAL Revenues Net of Prov. for Refunds                     | 1,515,178,552   | 1,342,634,244  |
| 15       | Other Operating Revenues                                    |   |  |
| 16       | (450) Forfeited Discounts                                   |   |  |
| 17       | (451) Miscellaneous Service Revenues                        | 44,663,227  | 41,825,652   |
| 18       | (453) Sales of Water and Water Power                        |   |  |
| 19       | (454) Rent from Electric Property                           | 5,498,641   | 5,406,668  |
| 20       | (455) Interdepartmental Rents                               |   |  |
| 21       | (456) Other Electric Revenues                               | 25,028,267  | -87,433,239  |
| 22       | (456.1) Revenues from Transmission of Electricity of Others |   |  |
| 23       | (457.1) Regional Control Service Revenues                   |   |  |
| 24       | (457.2) Miscellaneous Revenues                              |   |  |
| 25       |   |   |  |
| 26       | TOTAL Other Operating Revenues                              | 75,190,135  | -40,200,919  |
| 27       | TOTAL Electric Operating Revenues                           | 1,590,368,687   | 1,302,433,325  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**ELECTRIC OPERATING REVENUES (Account 400)**

6. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)
7. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.
8. For Lines 2,4,5,and 6, see Page 304 for amounts relating to unbilled revenue by accounts.
9. Include unmetered sales. Provide details of such Sales in a footnote.

| MEGAWATT HOURS SOLD                  |  | AVG. NO. CUSTOMERS PER MONTH       |                                     | Line No. |
|--------------------------------------|--|------------------------------------|-------------------------------------|----------|
| Year to Date Quarterly/Annual<br>(d) | Amount Previous year (no Quarterly)<br>(e) | Current Year (no Quarterly)<br>(f) | Previous Year (no Quarterly)<br>(g) |          |
|                                      |  |                                    |                                     | 1        |
| 5,651,275                            | 5,254,491                                  | 375,847                            | 374,010                             | 2        |
|                                      |  |                                    |                                     | 3        |
| 3,996,502                            | 3,896,105                                  | 53,349                             | 53,414                              | 4        |
| 1,685,817                            | 1,727,106                                  | 275                                | 280                                 | 5        |
| 25,602                               | 25,122                                     | 557                                | 500                                 | 6        |
|                                      |  |                                    |                                     | 7        |
|                                      |  |                                    |                                     | 8        |
|                                      |  |                                    |                                     | 9        |
| 11,359,196                           | 10,902,824                                 | 430,028                            | 428,204                             | 10       |
| 4,111,961                            | 2,684,061                                  | 2                                  | 2                                   | 11       |
| 15,471,157                           | 13,586,885                                 | 430,030                            | 428,206                             | 12       |
|                                      |  |                                    |                                     | 13       |
| 15,471,157                           | 13,586,885                                 | 430,030                            | 428,206                             | 14       |

Line 12, column (b) includes \$ 4,462,031 of unbilled revenues.  
 Line 12, column (d) includes 49,686,496 MWH relating to unbilled revenues

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**SALES OF ELECTRICITY BY RATE SCHEDULES**

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

| Line No. | Number and Title of Rate schedule (a) | MWh Sold (b) | Revenue (c)   | Average Number of Customers (d) | KWh of Sales Per Customer (e) | Revenue Per KWh Sold (f) |
|----------|---------------------------------------|--------------|---------------|---------------------------------|-------------------------------|--------------------------|
| 1        | Residential Sales                     |              |               |                                 |                               |                          |
| 2        | RS                                    | 5,295,076    | 657,704,329   | 356,907                         | 14,836                        | 0.1242                   |
| 3        | RSVP                                  | 176,795      | 21,029,309    | 8,817                           | 20,052                        | 0.1189                   |
| 4        | OS-Part II(Unmetered)                 | 21,070       | 3,907,045     | 1,750                           | 12,040                        | 0.1854                   |
| 5        | Flat Bill - RS                        | 125,712      | 15,498,367    | 8,373                           | 15,014                        | 0.1233                   |
| 6        | Unbilled                              | 32,621       | 2,944,295     |                                 |                               | 0.0903                   |
| 7        | TOTAL Residential                     | 5,651,274    | 701,083,345   | 375,847                         | 15,036                        | 0.1241                   |
| 8        | Commercial and Industrial Sales       |              |               |                                 |                               |                          |
| 9        | Small (Commercial):                   |              |               |                                 |                               |                          |
| 10       | GS                                    | 283,435      | 39,250,233    | 28,236                          | 10,038                        | 0.1385                   |
| 11       | GSD                                   | 2,555,846    | 278,404,414   | 16,206                          | 157,710                       | 0.1089                   |
| 12       | GS-TOU                                | 29,242       | 3,563,532     | 552                             | 52,975                        | 0.1219                   |
| 13       | GSDT                                  | 24,190       | 2,666,207     | 106                             | 228,208                       | 0.1102                   |
| 14       | LP                                    | 469,290      | 47,324,860    | 178                             | 2,636,461                     | 0.1008                   |
| 15       | LPT                                   | 445,892      | 41,969,065    | 79                              | 5,644,203                     | 0.0941                   |
| 16       | OS - Part II (Unmetered)              | 56,466       | 9,401,677     | 3,059                           | 18,459                        | 0.1665                   |
| 17       | OS - Part II Billboard (Unmetered)    | 5,947        | 528,331       | 988                             | 6,019                         | 0.0888                   |
| 18       | OS - Part III (Unmetered)             | 40,593       | 4,480,554     | 3,749                           | 10,828                        | 0.1104                   |
| 19       | RTP                                   | 68,965       | 5,931,220     | 5                               | 13,793,000                    | 0.0860                   |
| 20       | Flat Bill - GS                        | 3,001        | 402,854       | 191                             | 15,712                        | 0.1342                   |
| 21       | Unbilled                              | 13,635       | 877,764       |                                 |                               | 0.0644                   |
| 22       | TOTAL Commercial                      | 3,996,502    | 434,800,711   | 53,349                          | 74,912                        | 0.1088                   |
| 23       | Industrial Sales                      |              |               |                                 |                               |                          |
| 24       | Large (Industrial):                   |              |               |                                 |                               |                          |
| 25       | GS                                    | 270          | 35,723        | 16                              | 16,875                        | 0.1323                   |
| 26       | GSD                                   | 65,605       | 7,086,154     | 162                             | 404,969                       | 0.1080                   |
| 27       | GSDT                                  | 2,457        | 251,370       | 3                               | 819,000                       | 0.1023                   |
| 28       | LP                                    | 109,782      | 10,947,017    | 25                              | 4,391,280                     | 0.0997                   |
| 29       | LPT                                   | 747,579      | 69,813,898    | 32                              | 23,361,844                    | 0.0934                   |
| 30       | SBS2                                  | 12,475       | 1,967,122     | 1                               | 12,475,000                    | 0.1577                   |
| 31       | SBS3                                  | 3,134        | 363,359       | 2                               | 1,567,000                     | 0.1159                   |
| 32       | OS - Part II (Unmetered)              | 828          | 112,617       | 5                               | 165,600                       | 0.1360                   |
| 33       | OS - Part III (Unmetered)             |              | 25            | 1                               |                               |                          |
| 34       | RTP                                   | 706,708      | 61,265,429    | 21                              | 33,652,762                    | 0.0867                   |
| 35       | CSA                                   | 37,640       | 3,645,570     | 1                               | 37,640,000                    | 0.0969                   |
| 36       | GS-TOU                                | 318          | 40,499        | 6                               | 53,000                        | 0.1274                   |
| 37       | Unbilled                              | -979         | 55,319        |                                 |                               | -0.0565                  |
| 38       | TOTAL Industrial                      | 1,685,817    | 155,584,102   | 275                             | 6,130,244                     | 0.0923                   |
| 39       | Public Street & Highway Light.        | 25,602       | 4,436,929     | 557                             | 45,964                        | 0.1733                   |
| 40       | TOTAL Public Street & Hwy. Lght.      | 25,602       | 4,436,929     | 557                             | 45,964                        | 0.1733                   |
| 41       | TOTAL Billed                          | 11,313,918   | 1,292,027,709 | 430,028                         | 26,310                        | 0.1142                   |
| 42       | Total Unbilled Rev.(See Instr. 6)     | 45,277       | 3,877,378     | 0                               | 0                             | 0.0856                   |
| 43       | TOTAL                                 | 11,359,195   | 1,295,905,087 | 430,028                         | 26,415                        | 0.1141                   |

|                    |  |                     |                       |
|--------------------|--|---------------------|-----------------------|
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| Gulf Power Company | (1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | (Mo, Da, Yr)<br>/ / | 2010/Q4               |
| FOOTNOTE DATA      |  |                     |                       |

**Schedule Page: 304 Line No.: 41 Column: c**

SALES OF ELECTRICITY BY RATE SCHEDULE (Continued)

ESTIMATED REVENUES BILLED PURSUANT TO FUEL ADJUSTMENT AND INCLUDED IN CERTAIN RATE SCHEDULES AS TABULATED BELOW:

RESIDENTIAL SALES:

|                        |               |
|------------------------|---------------|
| RS                     | \$284,398,503 |
| RSVP                   | 9,495,675     |
| OS-PART II (UNMETERED) | 1,098,825     |
| FLAT BILL-RS           | 6,752,001     |
| TOTAL                  | \$301,745,004 |

COMMERCIAL AND INDUSTRIAL SALES

SMALL (COMMERCIAL):

|                         |               |
|-------------------------|---------------|
| GS                      | \$ 15,223,308 |
| GSD                     | 137,274,488   |
| GS-TOU                  | 1,570,566     |
| GSDT                    | 1,269,037     |
| LP                      | 24,797,290    |
| LPT                     | 22,981,268    |
| OS-PART II (UNMETERED)  | 3,254,826     |
| OS-PART III (UNMETERED) | 2,180,217     |
| RTP                     | 3,632,261     |
| FLAT BILL-GS            | 161,181       |
| TOTAL                   | \$212,344,442 |

LARGE (INDUSTRIAL):

|                         |               |
|-------------------------|---------------|
| GS                      | \$ 14,525     |
| GSD                     | 3,523,875     |
| GSDT                    | 129,836       |
| LP                      | 5,806,023     |
| LPT                     | 38,682,630    |
| SBS2                    | 160,453       |
| SBS3                    | 636,676       |
| OS-PART II (UNMETERED)  | 43,197        |
| OS-PART III (UNMETERED) | 10            |
| RTP                     | 37,234,906    |
| CSA                     | 1,983,891     |
| GS-TOU                  | 17,063        |
| TOTAL                   | \$ 88,233,085 |

PUBLIC STREET AND  
HIGHWAY LIGHTING:

\$ 1,335,163

UNBILLED FUEL CLAUSE REVENUE \$ 892,016

TOTAL FUEL CLAUSE  
REVENUE \$604,549,710

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**SALES FOR RESALE (Account 447)**

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.  
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

| Line No. | Name of Company or Public Authority<br>(Footnote Affiliations)<br>(a) | Statistical Classification<br>(b) | FERC Rate Schedule or Tariff Number<br>(c) | Average Monthly Billing Demand (MW)<br>(d) | Actual Demand (MW)                |                                  |
|----------|---|-----------------------------------|--|--|-----------------------------------|----------------------------------|
|          |   |                                   |  |  | Average Monthly NCP Demand<br>(e) | Average Monthly CP Demand<br>(f) |
| 1        | City of Blountstown   | RQ                                | SVC MKT                                    | 9.2  | N/A                               | N/A                              |
| 2        | Florida Public Utilities  | RQ                                | SVC MKT                                    | 87.5                                       | N/A                               | N/A                              |
| 3        | Alabama Electric Cooperative, Inc.                                    | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 4        | American Electric Power Svc Corp.                                     | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 5        | Ameren Energy Marketing   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 6        | Associated Electric Cooperative, Inc.                                 | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 7        | BP Energy Company   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 8        | Calpine Power Services Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 9        | Cargill Power Markets, LLC  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 10       | Carolina Power & Light Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 11       | City of Tallahassee   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 12       | Citigroup Energy Inc.   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 13       | Cobb Electric Membership Corp.  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 14       | Conoco Phillips Company   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
|          | Subtotal RQ   |                                   |  | 0  | 0                                 | 0                                |
|          | Subtotal non-RQ   |                                   |  | 0  | 0                                 | 0                                |
|          | <b>Total</b>  |                                   |  | <b>0</b>                                   | <b>0</b>                          | <b>0</b>                         |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

SALES FOR RESALE (Account 447) (Continued)

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Sold<br>(g) | REVENUE                 |                         |                        | Total (\$) (h+i+j)<br>(k) | Line No. |
|----------------------------|-------------------------|-------------------------|------------------------|---------------------------|----------|
|                            | Demand Charges (\$) (h) | Energy Charges (\$) (i) | Other Charges (\$) (j) |                           |          |
| 42,014                     | 1,131,725               | 2,854,737               |                        | 3,986,462                 | 1        |
| 349,450                    | 9,931,521               | 24,590,657              |                        | 34,522,178                | 2        |
| 15,969                     |                         | 925,029                 | 28,541                 | 953,570                   | 3        |
| 126                        |                         | 9,677                   |                        | 9,677                     | 4        |
|                            |                         |                         | 262                    | 262                       | 5        |
| 399                        |                         | 21,758                  |                        | 21,758                    | 6        |
|                            |                         |                         | 2,304                  | 2,304                     | 7        |
| 424                        |                         | 48,122                  |                        | 48,122                    | 8        |
| 3,202                      |                         | 249,317                 |                        | 249,317                   | 9        |
| 1,408                      |                         | 65,596                  |                        | 65,596                    | 10       |
| 4,496                      |                         | 515,147                 |                        | 515,147                   | 11       |
| 38                         |                         | 2,064                   |                        | 2,064                     | 12       |
| 766                        |                         | 94,614                  |                        | 94,614                    | 13       |
| 7                          |                         | 309                     |                        | 309                       | 14       |
|                            |                         |                         |                        |                           |          |
| 391,464                    | 11,063,246              | 27,445,394              | 0                      | 38,508,640                |          |
| 3,720,497                  | 33,816,849              | 147,460,799             | -485,996               | 180,791,652               |          |
| 4,111,961                  | 44,880,095              | 174,906,193             | -485,996               | 219,300,292               |          |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

SALES FOR RESALE (Account 447)

1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity ( i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).

2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.

3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.  
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

| Line No. | Name of Company or Public Authority<br>(Footnote Affiliations)<br>(a) | Statistical Classification<br>(b) | FERC Rate Schedule or Tariff Number<br>(c) | Average Monthly Billing Demand (MW)<br>(d) | Actual Demand (MW)                |                                  |
|----------|---|-----------------------------------|--|--|-----------------------------------|----------------------------------|
|          |   |                                   |  |  | Average Monthly NCP Demand<br>(e) | Average Monthly CP Demand<br>(f) |
| 1        | Constellation Power Source, Inc.                                      | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 2        | Duke Power Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 3        | DTE Energy Trading, Inc.  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 4        | Eagle Energy Marketing  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 5        | East Kentucky Power Cooperative, Inc.                                 | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 6        | Entergy Power, Inc.   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 7        | Exelon Generation Company, LLC  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 8        | Fortis Energy Marketing & Trading GP                                  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 9        | Flint Electric Membership Cooperative                                 | OS                                | N/A  | 50   | N/A                               | N/A                              |
| 10       | Florida Power Corporation (Progress)                                  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 11       | Florida Power Corporation (Progress)                                  | OS                                | N/A  | 50   | N/A                               | N/A                              |
| 12       | Florida Power Corporation (Progress)                                  | OS                                | SCS 66                                     | 57   | N/A                               | N/A                              |
| 13       | Florida Power & Light Company   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 14       | Florida Power & Light Company   | OS                                | N/A  | 111  | N/A                               | N/A                              |
|          |   |                                   |  |  |                                   |                                  |
|          | Subtotal RQ   |                                   |  | 0  | 0                                 | 0                                |
|          | Subtotal non-RQ   |                                   |  | 0  | 0                                 | 0                                |
|          | <b>Total</b>  |                                   |  | <b>0</b>                                   | <b>0</b>                          | <b>0</b>                         |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

SALES FOR RESALE (Account 447) (Continued)

- OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
- AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.
10. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Sold<br>(g) | REVENUE                 |                         |                        | Total (\$) (h+i+j) (k) | Line No. |
|----------------------------|-------------------------|-------------------------|------------------------|------------------------|----------|
|                            | Demand Charges (\$) (h) | Energy Charges (\$) (i) | Other Charges (\$) (j) |                        |          |
| 884                        |                         | 109,654                 |                        | 109,654                | 1        |
| 4,506                      |                         | 215,642                 |                        | 215,642                | 2        |
| 54                         |                         | 2,569                   |                        | 2,569                  | 3        |
| 1,071                      |                         | 80,711                  |                        | 80,711                 | 4        |
| 14                         |                         | 779                     |                        | 779                    | 5        |
| 3,593                      |                         | 446,675                 |                        | 446,675                | 6        |
|                            |                         |                         | 1,477                  | 1,477                  | 7        |
| 173                        |                         | 8,527                   |                        | 8,527                  | 8        |
| 138,321                    | 4,594,642               | 3,642,070               |                        | 8,236,712              | 9        |
| 3,010                      |                         | 893,413                 |                        | 893,413                | 10       |
| 148,331                    | 5,249,809               | 4,390,431               |                        | 9,640,240              | 11       |
| 169,375                    | 3,174,250               | 4,220,574               | 5,116                  | 7,399,940              | 12       |
| 488                        |                         | 24,551                  |                        | 24,551                 | 13       |
| 332,599                    | 11,813,793              | 10,037,378              |                        | 21,851,171             | 14       |
|                            |                         |                         |                        |                        |          |
| 391,464                    | 11,063,246              | 27,445,394              | 0                      | 38,508,640             |          |
| 3,720,497                  | 33,816,849              | 147,460,799             | -485,996               | 180,791,652            |          |
| 4,111,961                  | 44,880,095              | 174,906,193             | -485,996               | 219,300,292            |          |

|  |   |                                       |   |
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|--|---|---------------------------------------|---|

**SALES FOR RESALE (Account 447)**

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
- Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or setter can unilaterally get out of the contract.  
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

| Line No. | Name of Company or Public Authority<br>(Footnote Affiliations)<br>(a) | Statistical Classification<br>(b) | FERC Rate Schedule or Tariff Number<br>(c) | Average Monthly Billing Demand (MW)<br>(d) | Actual Demand (MW)                |                                  |
|----------|---|-----------------------------------|--|--|-----------------------------------|----------------------------------|
|          |   |                                   |  |  | Average Monthly NCP Demand<br>(e) | Average Monthly CP Demand<br>(f) |
| 1        | Florida Power & Light Company   | OS                                | SCS 67                                     | 126  | N/A                               | N/A                              |
| 2        | Jacksonville Electric Authority                                       | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 3        | Jacksonville Electric Authority                                       | OS                                | SCS 68                                     | 28   | N/A                               | N/A                              |
| 4        | J Aron & Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 5        | JP Morgan Ventures Energy Corporation                                 | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 6        | Koch Energy Trading, Inc.   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 7        | Louisville Gas & Electric   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 8        | Morgan Stanley Capital Group, Inc.                                    | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 9        | North Carolina Electric Membership Corp                               | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 10       | North Carolina Municipal Power Agy #1                                 | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 11       | NRG Power Marketing, Inc.   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 12       | Oglethorpe Power Corporation  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 13       | Orlando Utilities Commission  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 14       | PJM Interconnection   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
|          |   |                                   |  |  |                                   |                                  |
|          | Subtotal RQ   |                                   |  | 0  | 0                                 | 0                                |
|          | Subtotal non-RQ   |                                   |  | 0  | 0                                 | 0                                |
|          | <b>Total</b>  |                                   |  | <b>0</b>                                   | <b>0</b>                          | <b>0</b>                         |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

SALES FOR RESALE (Account 447) (Continued)

- OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
- AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.
10. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Sold<br>(g) | REVENUE                 |                         |                        | Total (\$) (h+i+j)<br>(k) | Line No. |
|----------------------------|-------------------------|-------------------------|------------------------|---------------------------|----------|
|                            | Demand Charges (\$) (h) | Energy Charges (\$) (i) | Other Charges (\$) (j) |                           |          |
| 344,015                    | 7,062,869               | 8,226,770               | 10,597                 | 15,300,236                | 1        |
| 2                          |                         | 93                      |                        | 93                        | 2        |
| 85,414                     | 1,586,727               | 2,161,959               | 2,558                  | 3,751,244                 | 3        |
|                            |                         |                         | 2,304                  | 2,304                     | 4        |
| 948                        |                         | 78,597                  |                        | 78,597                    | 5        |
|                            |                         |                         | 31,298                 | 31,298                    | 6        |
| 60                         |                         | 2,816                   |                        | 2,816                     | 7        |
| 156                        |                         | 150,310                 |                        | 150,310                   | 8        |
| 87                         |                         | 4,456                   |                        | 4,456                     | 9        |
| 1                          |                         | 84                      |                        | 84                        | 10       |
| 759                        |                         | 29,127                  |                        | 29,127                    | 11       |
| 2,500                      |                         | 133,456                 |                        | 133,456                   | 12       |
| 202                        |                         | 11,166                  |                        | 11,166                    | 13       |
| 186                        |                         | 5,549                   |                        | 5,549                     | 14       |
|                            |                         |                         |                        |                           |          |
| 391,464                    | 11,063,246              | 27,445,394              | 0                      | 38,508,640                |          |
| 3,720,497                  | 33,816,849              | 147,460,799             | -485,996               | 180,791,652               |          |
| 4,111,961                  | 44,880,095              | 174,906,193             | -485,996               | 219,300,292               |          |



|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**SALES FOR RESALE (Account 447) (Continued)**

- OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.
- AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.
4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)
5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.
6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.
8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.
9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.
10. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Sold<br>(g) | REVENUE                 |                         |                        | Total (\$) (h+i+j)<br>(k) | Line No. |
|----------------------------|-------------------------|-------------------------|------------------------|---------------------------|----------|
|                            | Demand Charges (\$) (h) | Energy Charges (\$) (i) | Other Charges (\$) (j) |                           |          |
|                            |                         |                         |                        |                           | 1        |
| 2,699                      |                         | 153,997                 |                        | 153,997                   | 2        |
| 4,054                      |                         | 178,711                 |                        | 178,711                   | 3        |
| 1,553                      |                         | 113,821                 | 5,781                  | 119,602                   | 4        |
|                            |                         |                         | 41,118                 | 41,118                    | 5        |
| 2,439,916                  | 334,759                 | 109,739,785             | -618,122               | 109,456,422               | 6        |
| 782                        |                         | 41,992                  |                        | 41,992                    | 7        |
| 5,980                      |                         | 315,260                 |                        | 315,260                   | 8        |
| 33                         |                         | 1,562                   |                        | 1,562                     | 9        |
| 1,567                      |                         | 84,781                  |                        | 84,781                    | 10       |
| 1                          |                         | 62                      |                        | 62                        | 11       |
|                            |                         |                         | 770                    | 770                       | 12       |
| 328                        |                         | 21,838                  |                        | 21,838                    | 13       |
|                            |                         |                         |                        |                           | 14       |
| 391,464                    | 11,063,246              | 27,445,394              | 0                      | 38,508,640                |          |
| 3,720,497                  | 33,816,849              | 147,460,799             | -485,996               | 180,791,652               |          |
| 4,111,961                  | 44,880,095              | 174,906,193             | -485,996               | 219,300,292               |          |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 310 Line No.: 1 Column: c**

Market-based sales of capacity and/or energy under Southern Company's Market Based Rate Power Sales Tariff, FERC Electric Tariff, Second Revised Volume No. 4.

**Schedule Page: 310 Line No.: 2 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 3 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 4 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 5 Column: c**

Market-based sales of capacity and/or energy under the EEI Master Market Based Rate Power Sales Tariff.

**Schedule Page: 310 Line No.: 6 Column: c**

Market-based sales of capacity and/or energy under Western System Power Pool's Market Based Rate Power Sales Tariff, FERC Electric Tariff, Volume No. 6.

**Schedule Page: 310 Line No.: 7 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310 Line No.: 8 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310 Line No.: 9 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310 Line No.: 10 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 11 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 12 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310 Line No.: 13 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 14 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.1 Line No.: 1 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.1 Line No.: 2 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 3 Column: c**

See footnote Page 310 Line 6 Column c.

**Schedule Page: 310.1 Line No.: 4 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.1 Line No.: 5 Column: c**

See footnote Page 310 Line No. 5 Column c.

**Schedule Page: 310.1 Line No.: 6 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.1 Line No.: 7 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 8 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.1 Line No.: 9 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 10 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 11 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 13 Column: c**

|  |   |                                       |                                  |
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| FOOTNOTE DATA                            |   |                                       |                                  |

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 14 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 2 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 4 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.2 Line No.: 5 Column: c**

See footnote Page 310 Line No. 5 Column c.

**Schedule Page: 310.2 Line No.: 6 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 7 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.2 Line No.: 8 Column: c**

See footnote Page 310 Line No. 5 Column c.

**Schedule Page: 310.2 Line No.: 9 Column: c**

See footnote Page 310 Line No. 5 Column c.

**Schedule Page: 310.2 Line No.: 10 Column: c**

See footnote Page 310 Line No. 5 Column c.

**Schedule Page: 310.2 Line No.: 11 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.2 Line No.: 12 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 13 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 14 Column: c**

Market-based sales of capacity and/or energy under Operating Agreement between PJM and Southern Company.

**Schedule Page: 310.3 Line No.: 1 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 2 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 3 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 4 Column: c**

See footnote Page 310 Line No. 5 Column c.

**Schedule Page: 310.3 Line No.: 5 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 6 Column: a**

Gulf Power Company is an operating company of The Southern Company.

**Schedule Page: 310.3 Line No.: 6 Column: j**

Financial transactions recorded in Account 447 per EITF 03-11.

**Schedule Page: 310.3 Line No.: 7 Column: c**

See footnote Page 310 Line No. 5 Column c.

**Schedule Page: 310.3 Line No.: 8 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.3 Line No.: 9 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.3 Line No.: 10 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.3 Line No.: 11 Column: c**

See footnote Page 310 Line No. 6 Column c.

**Schedule Page: 310.3 Line No.: 12 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 13 Column: c**

| Name of Respondent | This Report is:  | Date of Report      | Year/Period of Report |
|--------------------|--|---------------------|-----------------------|
| Gulf Power Company | (1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | (Mo, Da, Yr)<br>/ / | 2010/Q4               |
| FOOTNOTE DATA      |  |                     |                       |

See footnote Page 310 Line No. 6 Column c.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**ELECTRIC OPERATION AND MAINTENANCE EXPENSES**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

| Line No. | Account (a)   | Amount for Current Year (b) | Amount for Previous Year (c) |
|----------|---|-----------------------------|------------------------------|
| 1        | <b>1. POWER PRODUCTION EXPENSES</b>   |                             |                              |
| 2        | <b>A. Steam Power Generation</b>  |                             |                              |
| 3        | Operation   |                             |                              |
| 4        | (500) Operation Supervision and Engineering                                       | 8,659,364                   | 7,031,847                    |
| 5        | (501) Fuel  | 529,208,117                 | 363,252,867                  |
| 6        | (502) Steam Expenses  | 16,126,448                  | 7,014,025                    |
| 7        | (503) Steam from Other Sources  |                             |                              |
| 8        | (Less) (504) Steam Transferred-Cr.  |                             |                              |
| 9        | (505) Electric Expenses   | 3,771,584                   | 3,380,538                    |
| 10       | (506) Miscellaneous Steam Power Expenses  | 22,861,303                  | 17,213,750                   |
| 11       | (507) Rents   |                             |                              |
| 12       | (509) Allowances  | 11,386,197                  | 18,902,955                   |
| 13       | <b>TOTAL Operation (Enter Total of Lines 4 thru 12)</b>                           | <b>592,013,013</b>          | <b>416,795,982</b>           |
| 14       | Maintenance   |                             |                              |
| 15       | (510) Maintenance Supervision and Engineering                                     | 7,014,147                   | 6,764,107                    |
| 16       | (511) Maintenance of Structures   | 5,650,001                   | 3,791,208                    |
| 17       | (512) Maintenance of Boiler Plant   | 26,300,878                  | 24,856,045                   |
| 18       | (513) Maintenance of Electric Plant   | 6,092,785                   | 6,356,845                    |
| 19       | (514) Maintenance of Miscellaneous Steam Plant                                    | 3,176,325                   | 3,186,553                    |
| 20       | <b>TOTAL Maintenance (Enter Total of Lines 15 thru 19)</b>                        | <b>48,234,136</b>           | <b>44,954,758</b>            |
| 21       | <b>TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 &amp; 20)</b>   | <b>640,247,149</b>          | <b>461,750,740</b>           |
| 22       | <b>B. Nuclear Power Generation</b>  |                             |                              |
| 23       | Operation   |                             |                              |
| 24       | (517) Operation Supervision and Engineering                                       |                             |                              |
| 25       | (518) Fuel  |                             |                              |
| 26       | (519) Coolants and Water  |                             |                              |
| 27       | (520) Steam Expenses  |                             |                              |
| 28       | (521) Steam from Other Sources  |                             |                              |
| 29       | (Less) (522) Steam Transferred-Cr.  |                             |                              |
| 30       | (523) Electric Expenses   |                             |                              |
| 31       | (524) Miscellaneous Nuclear Power Expenses  |                             |                              |
| 32       | (525) Rents   |                             |                              |
| 33       | <b>TOTAL Operation (Enter Total of lines 24 thru 32)</b>                          |                             |                              |
| 34       | Maintenance   |                             |                              |
| 35       | (528) Maintenance Supervision and Engineering                                     |                             |                              |
| 36       | (529) Maintenance of Structures   |                             |                              |
| 37       | (530) Maintenance of Reactor Plant Equipment                                      |                             |                              |
| 38       | (531) Maintenance of Electric Plant   |                             |                              |
| 39       | (532) Maintenance of Miscellaneous Nuclear Plant                                  |                             |                              |
| 40       | <b>TOTAL Maintenance (Enter Total of lines 35 thru 39)</b>                        |                             |                              |
| 41       | <b>TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 &amp; 40)</b>    |                             |                              |
| 42       | <b>C. Hydraulic Power Generation</b>  |                             |                              |
| 43       | Operation   |                             |                              |
| 44       | (535) Operation Supervision and Engineering                                       |                             |                              |
| 45       | (536) Water for Power   |                             |                              |
| 46       | (537) Hydraulic Expenses  |                             |                              |
| 47       | (538) Electric Expenses   |                             |                              |
| 48       | (539) Miscellaneous Hydraulic Power Generation Expenses                           |                             |                              |
| 49       | (540) Rents   |                             |                              |
| 50       | <b>TOTAL Operation (Enter Total of Lines 44 thru 49)</b>                          |                             |                              |
| 51       | <b>C. Hydraulic Power Generation (Continued)</b>                                  |                             |                              |
| 52       | Maintenance   |                             |                              |
| 53       | (541) Maintenance Supervision and Engineering                                     |                             |                              |
| 54       | (542) Maintenance of Structures   |                             |                              |
| 55       | (543) Maintenance of Reservoirs, Dams, and Waterways                              |                             |                              |
| 56       | (544) Maintenance of Electric Plant   |                             |                              |
| 57       | (545) Maintenance of Miscellaneous Hydraulic Plant                                |                             |                              |
| 58       | <b>TOTAL Maintenance (Enter Total of lines 53 thru 57)</b>                        |                             |                              |
| 59       | <b>TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 &amp; 58)</b> |                             |                              |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

| Line No. | Account (a)  | Amount for Current Year (b) | Amount for Previous Year (c) |
|----------|--|-----------------------------|------------------------------|
| 60       | D. Other Power Generation  |                             |                              |
| 61       | Operation  |                             |                              |
| 62       | (546) Operation Supervision and Engineering                          | 860,608                     | 582,088                      |
| 63       | (547) Fuel   | 201,331,435                 | 190,964,107                  |
| 64       | (548) Generation Expenses  | 859,477                     | 977,174                      |
| 65       | (549) Miscellaneous Other Power Generation Expenses                  | 302,341                     | 146,363                      |
| 66       | (550) Rents  |                             |                              |
| 67       | TOTAL Operation (Enter Total of lines 62 thru 66)                    | 203,353,861                 | 192,669,732                  |
| 68       | Maintenance  |                             |                              |
| 69       | (551) Maintenance Supervision and Engineering                        | 134,039                     | 151,796                      |
| 70       | (552) Maintenance of Structures                                      | 412,766                     | 332,992                      |
| 71       | (553) Maintenance of Generating and Electric Plant                   | 7,311,083                   | 2,691,516                    |
| 72       | (554) Maintenance of Miscellaneous Other Power Generation Plant      | 123,790                     | 113,065                      |
| 73       | TOTAL Maintenance (Enter Total of lines 69 thru 72)                  | 7,981,678                   | 3,289,369                    |
| 74       | TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)   | 211,335,539                 | 195,959,101                  |
| 75       | E. Other Power Supply Expenses                                       |                             |                              |
| 76       | (555) Purchased Power  | 97,226,552                  | 91,981,920                   |
| 77       | (556) System Control and Load Dispatching                            | 1,619,623                   | 1,398,983                    |
| 78       | (557) Other Expenses   | 2,326,555                   | 2,884,304                    |
| 79       | TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)       | 101,172,730                 | 96,265,207                   |
| 80       | TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79) | 952,755,418                 | 753,975,048                  |
| 81       | 2. TRANSMISSION EXPENSES   |                             |                              |
| 82       | Operation  |                             |                              |
| 83       | (560) Operation Supervision and Engineering                          | 975,123                     | 921,547                      |
| 84       | (561) Load Dispatching   |                             |                              |
| 85       | (561.1) Load Dispatch-Reliability                                    | 104,725                     | 114,185                      |
| 86       | (561.2) Load Dispatch-Monitor and Operate Transmission System        | 2,246,496                   | 2,141,907                    |
| 87       | (561.3) Load Dispatch-Transmission Service and Scheduling            | 135,997                     | 152,759                      |
| 88       | (561.4) Scheduling, System Control and Dispatch Services             | 118,194                     | 103,289                      |
| 89       | (561.5) Reliability, Planning and Standards Development              | 267,556                     | 265,499                      |
| 90       | (561.6) Transmission Service Studies                                 | 25,055                      | 23,951                       |
| 91       | (561.7) Generation Interconnection Studies                           | 21,187                      | 17,807                       |
| 92       | (561.8) Reliability, Planning and Standards Development Services     |                             |                              |
| 93       | (562) Station Expenses   | 47,851                      | 69,265                       |
| 94       | (563) Overhead Lines Expenses  | 140,546                     | -54,680                      |
| 95       | (564) Underground Lines Expenses                                     |                             |                              |
| 96       | (565) Transmission of Electricity by Others                          | 150,159                     | 147,470                      |
| 97       | (566) Miscellaneous Transmission Expenses                            | 978,767                     | 885,071                      |
| 98       | (567) Rents  | 2,530,883                   | 1,486,521                    |
| 99       | TOTAL Operation (Enter Total of lines 83 thru 98)                    | 7,742,539                   | 6,274,591                    |
| 100      | Maintenance  |                             |                              |
| 101      | (568) Maintenance Supervision and Engineering                        | 621,474                     | 492,858                      |
| 102      | (569) Maintenance of Structures                                      | 6,173                       | 3,356                        |
| 103      | (569.1) Maintenance of Computer Hardware                             | 45,549                      | 22,423                       |
| 104      | (569.2) Maintenance of Computer Software                             | 336,471                     | 218,359                      |
| 105      | (569.3) Maintenance of Communication Equipment                       | 390                         | 7,429                        |
| 106      | (569.4) Maintenance of Miscellaneous Regional Transmission Plant     |                             |                              |
| 107      | (570) Maintenance of Station Equipment                               | 995,640                     | 616,245                      |
| 108      | (571) Maintenance of Overhead Lines                                  | 2,395,730                   | 1,582,954                    |
| 109      | (572) Maintenance of Underground Lines                               | 238                         |                              |
| 110      | (573) Maintenance of Miscellaneous Transmission Plant                | 105,182                     | 137,063                      |
| 111      | TOTAL Maintenance (Total of lines 101 thru 110)                      | 4,506,847                   | 3,080,687                    |
| 112      | TOTAL Transmission Expenses (Total of lines 99 and 111)              | 12,249,386                  | 9,355,278                    |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

| Line No. | Account<br>(a)  | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|---|--------------------------------|---------------------------------|
| 113      | <b>3. REGIONAL MARKET EXPENSES</b>                                  |                                |                                 |
| 114      | Operation   |                                |                                 |
| 115      | (575.1) Operation Supervision                                       |                                |                                 |
| 116      | (575.2) Day-Ahead and Real-Time Market Facilitation                 |                                |                                 |
| 117      | (575.3) Transmission Rights Market Facilitation                     |                                |                                 |
| 118      | (575.4) Capacity Market Facilitation                                |                                |                                 |
| 119      | (575.5) Ancillary Services Market Facilitation                      |                                |                                 |
| 120      | (575.6) Market Monitoring and Compliance                            |                                |                                 |
| 121      | (575.7) Market Facilitation, Monitoring and Compliance Services     |                                |                                 |
| 122      | (575.8) Rents   |                                |                                 |
| 123      | Total Operation (Lines 115 thru 122)                                |                                |                                 |
| 124      | Maintenance   |                                |                                 |
| 125      | (576.1) Maintenance of Structures and Improvements                  |                                |                                 |
| 126      | (576.2) Maintenance of Computer Hardware                            |                                |                                 |
| 127      | (576.3) Maintenance of Computer Software                            |                                |                                 |
| 128      | (576.4) Maintenance of Communication Equipment                      |                                |                                 |
| 129      | (576.5) Maintenance of Miscellaneous Market Operation Plant         |                                |                                 |
| 130      | Total Maintenance (Lines 125 thru 129)                              |                                |                                 |
| 131      | TOTAL Regional Transmission and Market Op Expns (Total 123 and 130) |                                |                                 |
| 132      | <b>4. DISTRIBUTION EXPENSES</b>                                     |                                |                                 |
| 133      | Operation   |                                |                                 |
| 134      | (580) Operation Supervision and Engineering                         | 5,294,753                      | 4,928,810                       |
| 135      | (581) Load Dispatching  | 616,935                        | 595,853                         |
| 136      | (582) Station Expenses  | 255,716                        | 197,007                         |
| 137      | (583) Overhead Line Expenses  | 2,657,764                      | 2,912,939                       |
| 138      | (584) Underground Line Expenses                                     | 906,260                        | 847,926                         |
| 139      | (585) Street Lighting and Signal System Expenses                    | 639,565                        | 709,654                         |
| 140      | (586) Meter Expenses  | 3,295,246                      | 3,112,529                       |
| 141      | (587) Customer Installations Expenses                               | 820,714                        | 758,018                         |
| 142      | (588) Miscellaneous Expenses  | 3,221,956                      | 2,876,175                       |
| 143      | (589) Rents   |                                |                                 |
| 144      | TOTAL Operation (Enter Total of lines 134 thru 143)                 | 17,708,909                     | 16,938,911                      |
| 145      | Maintenance   |                                |                                 |
| 146      | (590) Maintenance Supervision and Engineering                       | 2,974,186                      | 2,698,828                       |
| 147      | (591) Maintenance of Structures                                     | 1,843,905                      | 1,816,512                       |
| 148      | (592) Maintenance of Station Equipment                              | 1,179,790                      | 1,120,311                       |
| 149      | (593) Maintenance of Overhead Lines                                 | 11,887,598                     | 10,448,605                      |
| 150      | (594) Maintenance of Underground Lines                              | 2,370,872                      | 2,189,108                       |
| 151      | (595) Maintenance of Line Transformers                              | 802,453                        | 790,557                         |
| 152      | (596) Maintenance of Street Lighting and Signal Systems             | 446,228                        | 488,690                         |
| 153      | (597) Maintenance of Meters   | 176,956                        | 154,877                         |
| 154      | (598) Maintenance of Miscellaneous Distribution Plant               | 425,748                        | 457,279                         |
| 155      | TOTAL Maintenance (Total of lines 146 thru 154)                     | 22,107,736                     | 20,164,767                      |
| 156      | TOTAL Distribution Expenses (Total of lines 144 and 155)            | 39,816,645                     | 37,103,678                      |
| 157      | <b>5. CUSTOMER ACCOUNTS EXPENSES</b>                                |                                |                                 |
| 158      | Operation   |                                |                                 |
| 159      | (901) Supervision   | 442,588                        | 494,159                         |
| 160      | (902) Meter Reading Expenses  | 2,640,932                      | 2,567,383                       |
| 161      | (903) Customer Records and Collection Expenses                      | 13,539,094                     | 13,327,432                      |
| 162      | (904) Uncollectible Accounts  | 3,907,368                      | 3,753,387                       |
| 163      | (905) Miscellaneous Customer Accounts Expenses                      | 1,190,819                      | 1,100,823                       |
| 164      | TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)      | 21,720,801                     | 21,243,184                      |

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**ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)**

If the amount for previous year is not derived from previously reported figures, explain in footnote.

| Line No. | Account<br>(a)   | Amount for Current Year<br>(b) | Amount for Previous Year<br>(c) |
|----------|--|--------------------------------|---------------------------------|
| 165      | <b>6. CUSTOMER SERVICE AND INFORMATIONAL EXPENSES</b>                |                                |                                 |
| 166      | Operation  |                                |                                 |
| 167      | (907) Supervision  | 2,086,069                      | 2,120,921                       |
| 168      | (908) Customer Assistance Expenses                                   | 17,912,360                     | 25,631,589                      |
| 169      | (909) Informational and Instructional Expenses                       | 1,224,560                      | 1,955,141                       |
| 170      | (910) Miscellaneous Customer Service and Informational Expenses      | 65,319                         | 65,247                          |
| 171      | TOTAL Customer Service and Information Expenses (Total 167 thru 170) | 21,288,308                     | 29,772,898                      |
| 172      | <b>7. SALES EXPENSES</b>   |                                |                                 |
| 173      | Operation  |                                |                                 |
| 174      | (911) Supervision  |                                |                                 |
| 175      | (912) Demonstrating and Selling Expenses                             | 1,061,191                      | 877,756                         |
| 176      | (913) Advertising Expenses   |                                |                                 |
| 177      | (916) Miscellaneous Sales Expenses                                   |                                |                                 |
| 178      | TOTAL Sales Expenses (Enter Total of lines 174 thru 177)             | 1,061,191                      | 877,756                         |
| 179      | <b>8. ADMINISTRATIVE AND GENERAL EXPENSES</b>                        |                                |                                 |
| 180      | Operation  |                                |                                 |
| 181      | (920) Administrative and General Salaries                            | 13,737,532                     | 11,383,403                      |
| 182      | (921) Office Supplies and Expenses                                   | 3,728,240                      | 2,822,676                       |
| 183      | (Less) (922) Administrative Expenses Transferred-Credit              | 331,851                        | 337,918                         |
| 184      | (923) Outside Services Employed                                      | 18,816,389                     | 15,488,405                      |
| 185      | (924) Property Insurance   | 7,318,924                      | 17,867,956                      |
| 186      | (925) Injuries and Damages   | 2,899,387                      | 2,765,565                       |
| 187      | (926) Employee Pensions and Benefits                                 | 16,613,280                     | 16,556,270                      |
| 188      | (927) Franchise Requirements   |                                |                                 |
| 189      | (928) Regulatory Commission Expenses                                 | 1,389,057                      | 1,230,657                       |
| 190      | (929) (Less) Duplicate Charges-Cr.                                   | 1,310,881                      | 2,121,604                       |
| 191      | (930.1) General Advertising Expenses                                 | 29,496                         | 73,139                          |
| 192      | (930.2) Miscellaneous General Expenses                               | 7,653,237                      | 6,667,550                       |
| 193      | (931) Rents  | 313,958                        | 582,081                         |
| 194      | TOTAL Operation (Enter Total of lines 181 thru 193)                  | 70,856,768                     | 72,978,180                      |
| 195      | Maintenance  |                                |                                 |
| 196      | (935) Maintenance of General Plant                                   | 544,002                        | 562,120                         |
| 197      | TOTAL Administrative & General Expenses (Total of lines 194 and 196) | 71,400,770                     | 73,540,300                      |
| 198      | TOTAL Elec Op and Maint Expns (Total 80,112,131,156,164,171,178,197) | 1,120,292,519                  | 925,868,142                     |

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**PURCHASED POWER (Account 555)  
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

| Line No. | Name of Company or Public Authority<br>(Footnote Affiliations)<br>(a) | Statistical Classification<br>(b) | FERC Rate Schedule or<br>Tariff Number<br>(c) | Average Monthly Billing Demand (MW)<br>(d) | Actual Demand (MW)                |                                  |
|----------|---|-----------------------------------|---|--|-----------------------------------|----------------------------------|
|          |   |                                   |   |  | Average Monthly NCP Demand<br>(e) | Average Monthly CP Demand<br>(f) |
| 1        | Associated Utilities:   |                                   |   |  |                                   |                                  |
| 2        | Southern Company Power Pool   | OS                                | SCS 138                                       | N/A  | N/A                               | N/A                              |
| 3        | Non-Associated Utilities:   |                                   |   |  |                                   |                                  |
| 4        | Alabama Electric Cooperative, Inc.                                    | OS                                | N/A   | N/A  | N/A                               | N/A                              |
| 5        | American Electric Power Service Corp.                                 | OS                                | N/A   | N/A  | N/A                               | N/A                              |
| 6        | Big Rivers Electric Cooperative                                       | OS                                | N/A   | N/A  | N/A                               | N/A                              |
| 7        | Carolina Power & Light Company  | OS                                | N/A   | N/A  | N/A                               | N/A                              |
| 8        | City of Tallahassee   | OS                                | N/A   | N/A  | N/A                               | N/A                              |
| 9        | Cobb Electric Membership Corporation                                  | OS                                | N/A   | N/A  | N/A                               | N/A                              |
| 10       | Duke Power Company  | OS                                | SCS 77  | N/A  | N/A                               | N/A                              |
| 11       | Entergy Services, Inc.  | OS                                | N/A   | N/A  | N/A                               | N/A                              |
| 12       | Florida Power Corp. (Progress Energy)                                 | OS                                | SCS 70  | N/A  | N/A                               | N/A                              |
| 13       | Florida Power & Light Company   | OS                                | SCS 47  | N/A  | N/A                               | N/A                              |
| 14       | Kansas City Power & Light   | OS                                | N/A   | N/A  | N/A                               | N/A                              |
|          | <b>Total</b>  |                                   |   |  |                                   |                                  |

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**PURCHASED POWER (Account 555) (Continued)**  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Purchased (g) | POWER EXCHANGES             |                              | COST/SETTLEMENT OF POWER |                        |                       |                                     | Line No. |
|------------------------------|-----------------------------|------------------------------|--------------------------|------------------------|-----------------------|-------------------------------------|----------|
|                              | MegaWatt Hours Received (h) | MegaWatt Hours Delivered (i) | Demand Charges (\$)(j)   | Energy Charges (\$)(k) | Other Charges (\$)(l) | Total (j+k+l) of Settlement (\$)(m) |          |
|                              |                             |                              |                          |                        |                       |                                     | 1        |
| 805,425                      |                             |                              | 6,779,376                | 37,013,693             | -618,122              | 43,174,947                          | 2        |
|                              |                             |                              |                          |                        |                       |                                     | 3        |
| 27,484                       |                             |                              |                          | 26,499                 |                       | 26,499                              | 4        |
| 1,758                        |                             |                              |                          | 81,139                 |                       | 81,139                              | 5        |
| 776                          |                             |                              |                          | 30,788                 |                       | 30,788                              | 6        |
| 62                           |                             |                              |                          | 7,507                  |                       | 7,507                               | 7        |
| 30                           |                             |                              |                          | 933                    |                       | 933                                 | 8        |
| 1,155                        |                             |                              |                          | 171,661                |                       | 171,661                             | 9        |
| 3,778                        |                             |                              |                          | 324,301                |                       | 324,301                             | 10       |
| 3,400                        |                             |                              |                          | 108,164                |                       | 108,164                             | 11       |
| 8                            |                             |                              |                          | 163                    |                       | 163                                 | 12       |
| 116                          |                             |                              |                          | 4,454                  |                       | 4,454                               | 13       |
| 2,535                        |                             |                              |                          | 65,029                 |                       | 65,029                              | 14       |
| 875,024                      |                             |                              | 6,779,376                | 52,179,744             | 38,267,432            | 97,226,552                          |          |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**PURCHASED POWER (Account 555)  
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

**RQ** - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

**LF** - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

**IF** - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

**SF** - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

**LU** - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

**IU** - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

**EX** - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

**OS** - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

| Line No. | Name of Company or Public Authority<br>(Footnote Affiliations)<br>(a) | Statistical Classification<br>(b) | FERC Rate Schedule or Tariff Number<br>(c) | Average Monthly Billing Demand (MW)<br>(d) | Actual Demand (MW)                |                                  |
|----------|---|-----------------------------------|--|--|-----------------------------------|----------------------------------|
|          |   |                                   |  |  | Average Monthly NCP Demand<br>(e) | Average Monthly CP Demand<br>(f) |
| 1        | North Carolina Elect. Membership Corp.                                | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 2        | North Carolina Municipal Power Agy. #1                                | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 3        | Oglethorpe Power Corporation  | OS                                | GPCo 828                                   | N/A  | N/A                               | N/A                              |
| 4        | Orlando Utilities Commission  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 5        | PJM Interconnection   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 6        | Seminole Electric Cooperative   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 7        | South Carolina Electric & Gas Company                                 | OS                                | SCS 30                                     | N/A  | N/A                               | N/A                              |
| 8        | South Carolina Public Service Auth.                                   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 9        | South Mississippi Electric Power Assn.                                | OS                                | SCS 108                                    | N/A  | N/A                               | N/A                              |
| 10       | Tampa Electric Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 11       | Tennessee Valley Authority  | OS                                | SCS 33                                     | N/A  | N/A                               | N/A                              |
| 12       | Non-Associated Companies:   |                                   |  |  |                                   |                                  |
| 13       | Engen, LLC (ex-Montenay Bay)  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 14       | International Paper (ex Champion)                                     | OS                                | N/A  | N/A  | N/A                               | N/A                              |
|          | <b>Total</b>  |                                   |  |  |                                   |                                  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**PURCHASED POWER (Account 555) (Continued)**  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Purchased (g) | POWER EXCHANGES             |                              | COST/SETTLEMENT OF POWER |                        |                       |                                     | Line No. |
|------------------------------|-----------------------------|------------------------------|--------------------------|------------------------|-----------------------|-------------------------------------|----------|
|                              | MegaWatt Hours Received (h) | MegaWatt Hours Delivered (i) | Demand Charges (\$)(j)   | Energy Charges (\$)(k) | Other Charges (\$)(l) | Total (j+k+l) of Settlement (\$)(m) |          |
| 85                           |                             |                              |                          | 2,418                  |                       | 2,418                               | 1        |
| 802                          |                             |                              |                          | 52,147                 |                       | 52,147                              | 2        |
| 713                          |                             |                              |                          | 56,248                 |                       | 56,248                              | 3        |
| 106                          |                             |                              |                          | 9,240                  |                       | 9,240                               | 4        |
| 41                           |                             |                              |                          | 2,695                  |                       | 2,695                               | 5        |
| 45                           |                             |                              |                          | 979                    |                       | 979                                 | 6        |
| 260                          |                             |                              |                          | 13,780                 |                       | 13,780                              | 7        |
|                              |                             |                              |                          |                        | 16,675                | 16,675                              | 8        |
|                              |                             |                              |                          |                        | 1,091                 | 1,091                               | 9        |
| 27                           |                             |                              |                          | 1,286                  |                       | 1,286                               | 10       |
| 2,555                        |                             |                              |                          | 119,211                |                       | 119,211                             | 11       |
|                              |                             |                              |                          |                        |                       |                                     | 12       |
| 56,587                       |                             |                              |                          | 4,176,371              |                       | 4,176,371                           | 13       |
| 2,282                        |                             |                              |                          | 93,543                 |                       | 93,543                              | 14       |
| 875,024                      |                             |                              | 6,779,376                | 52,179,744             | 38,267,432            | 97,226,552                          |          |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**PURCHASED POWER (Account 555)  
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

| Line No. | Name of Company or Public Authority<br>(Footnote Affiliations)<br>(a) | Statistical Classification<br>(b) | FERC Rate Schedule or Tariff Number<br>(c) | Average Monthly Billing Demand (MW)<br>(d) | Actual Demand (MW)                |                                  |
|----------|---|-----------------------------------|--|--|-----------------------------------|----------------------------------|
|          |   |                                   |  |  | Average Monthly NCP Demand<br>(e) | Average Monthly CP Demand<br>(f) |
| 1        | Solutia, Inc.   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 2        | Power Marketers:  |                                   |  |  |                                   |                                  |
| 3        | Associated Electric Cooperative, Inc.                                 | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 4        | Ameren Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 5        | ArcLight Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 6        | BP Energy Trading Company   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 7        | BNP Paribas Energy Trading  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 8        | Calpine Energy Services Company                                       | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 9        | Cargill Power Markets, LLC  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 10       | Citigroup Energy Inc.   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 11       | Cleco Marketing & Trading, LLC  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 12       | Conoco Phillips Company   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 13       | Constellation Power Source, Inc.                                      | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 14       | Coral Power, LLC  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
|          | Total   |                                   |  |  |                                   |                                  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**PURCHASED POWER (Account 555) (Continued)**  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Purchased<br>(g) | POWER EXCHANGES                |                                 | COST/SETTLEMENT OF POWER      |                               |                              |  | Line No. |
|---------------------------------|--------------------------------|---------------------------------|-------------------------------|-------------------------------|------------------------------|--|----------|
|                                 | MegaWatt Hours Received<br>(h) | MegaWatt Hours Delivered<br>(i) | Demand Charges<br>(\$)<br>(j) | Energy Charges<br>(\$)<br>(k) | Other Charges<br>(\$)<br>(l) | Total (j+k+l)<br>of Settlement (\$)<br>(m) |          |
| 52,835                          |                                |                                 |                               | 2,010,905                     |                              | 2,010,905                                  | 1        |
|                                 |                                |                                 |                               |                               |                              |  | 2        |
| 10,456                          |                                |                                 |                               | 395,204                       |                              | 395,204                                    | 3        |
| 1,964                           |                                |                                 |                               | 105,309                       |                              | 105,309                                    | 4        |
| 1,589                           |                                |                                 |                               | 78,807                        |                              | 78,807                                     | 5        |
| 502                             |                                |                                 |                               | 24,030                        |                              | 24,030                                     | 6        |
| 1,875                           |                                |                                 |                               | 65,197                        |                              | 65,197                                     | 7        |
| 9,340                           |                                |                                 |                               | 364,358                       |                              | 364,358                                    | 8        |
| 33,199                          |                                |                                 |                               | 1,931,985                     |                              | 1,931,985                                  | 9        |
| 845                             |                                |                                 |                               | 38,651                        |                              | 38,651                                     | 10       |
| 15                              |                                |                                 |                               | 446                           |                              | 446  | 11       |
| 48                              |                                |                                 |                               | 21,739                        |                              | 21,739                                     | 12       |
| 24,703                          |                                |                                 |                               | 1,043,237                     |                              | 1,043,237                                  | 13       |
|                                 |                                |                                 |                               |                               | 10,713,268                   | 10,713,268                                 | 14       |
| 875,024                         |                                |                                 | 6,779,376                     | 52,179,744                    | 38,267,432                   | 97,226,552                                 |          |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**PURCHASED POWER (Account 555)  
(Including power exchanges)**

- Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
- Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

| Line No. | Name of Company or Public Authority<br>(Footnote Affiliations)<br>(a) | Statistical Classification<br>(b) | FERC Rate Schedule or Tariff Number<br>(c) | Average Monthly Billing Demand (MW)<br>(d) | Actual Demand (MW)                |                                  |
|----------|---|-----------------------------------|--|--|-----------------------------------|----------------------------------|
|          |   |                                   |  |  | Average Monthly NCP Demand<br>(e) | Average Monthly CP Demand<br>(f) |
| 1        | DTE Energy Trading, Inc.  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 2        | Eagle Energy Marketing  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 3        | Endure Energy, LLC  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 4        | Exelon Generation Company, LLC  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 5        | Florida Power & Light Energy Pwr Mktg                                 | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 6        | Fortis Energy Marketing & Trading GP                                  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 7        | J Aron & Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 8        | JP Morgan Ventures Energy Corp.                                       | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 9        | KGen Entities   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 10       | Morgan Stanley Capital Group, Inc.                                    | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 11       | NRG Energy, Inc.  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 12       | Progress Ventures, Inc.   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 13       | Rainbow Energy Marketing Corporation                                  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 14       | Shell Energy North America (US), LP                                   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
|          | Total   |                                   |  |  |                                   |                                  |

PURCHASED POWER (Account 555) (Continued)  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Purchased<br>(g) | POWER EXCHANGES                |                                 | COST/SETTLEMENT OF POWER      |                               |                              |  | Line No. |
|---------------------------------|--------------------------------|---------------------------------|-------------------------------|-------------------------------|------------------------------|--|----------|
|                                 | MegaWatt Hours Received<br>(h) | MegaWatt Hours Delivered<br>(i) | Demand Charges<br>(\$)<br>(j) | Energy Charges<br>(\$)<br>(k) | Other Charges<br>(\$)<br>(l) | Total (j+k+l)<br>of Settlement (\$)<br>(m) |          |
| 4                               |                                |                                 |                               | 137                           |                              | 137  | 1        |
| 1,554                           |                                |                                 |                               | 79,064                        |                              | 79,064                                     | 2        |
| 2,464                           |                                |                                 |                               | 112,743                       |                              | 112,743                                    | 3        |
| 569                             |                                |                                 |                               | 55,493                        |                              | 55,493                                     | 4        |
| 84                              |                                |                                 |                               | 3,825                         |                              | 3,825                                      | 5        |
| 5,465                           |                                |                                 |                               | 251,906                       |                              | 251,906                                    | 6        |
|                                 |                                |                                 |                               |                               | 168                          | 168  | 7        |
| 2,022                           |                                |                                 |                               | 106,644                       |                              | 106,644                                    | 8        |
|                                 |                                |                                 |                               |                               | 18,827                       | 18,827                                     | 9        |
| 11,902                          |                                |                                 |                               | 972,575                       |                              | 972,575                                    | 10       |
| 4,150                           |                                |                                 |                               | 155,194                       |                              | 155,194                                    | 11       |
|                                 |                                |                                 |                               |                               | 303                          | 303  | 12       |
| 271                             |                                |                                 |                               | 18,375                        |                              | 18,375                                     | 13       |
| 54                              |                                |                                 |                               | 2,245                         | 14,235,730                   | 14,237,975                                 | 14       |
| 875,024                         |                                |                                 | 6,779,376                     | 52,179,744                    | 38,267,432                   | 97,226,552                                 |          |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**PURCHASED POWER (Account 555)  
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

| Line No. | Name of Company or Public Authority<br>(Footnote Affiliations)<br>(a) | Statistical Classification<br>(b) | FERC Rate Schedule or Tariff Number<br>(c) | Average Monthly Billing Demand (MW)<br>(d) | Actual Demand (MW)                |                                  |
|----------|---|-----------------------------------|--|--|-----------------------------------|----------------------------------|
|          |   |                                   |  |  | Average Monthly NCP Demand<br>(e) | Average Monthly CP Demand<br>(f) |
| 1        | Southern Power Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 2        | The Electric Authority  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 3        | Tractebel Energy Marketing, Inc.                                      | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 4        | Tenaska Power Services Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 5        | Union Electric Company  | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 6        | Union Power Partners, L. P.   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 7        | Westar Energy, Inc.   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 8        | West Georgia Generating Company                                       | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 9        |   |                                   |  |  |                                   |                                  |
| 10       |   |                                   |  |  |                                   |                                  |
| 11       | Tie Line Adjustment   | OS                                | N/A  | N/A  | N/A                               | N/A                              |
| 12       | Loop Interchange  |                                   | N/A  | N/A  | N/A                               | N/A                              |
| 13       |   |                                   |  |  |                                   |                                  |
| 14       |   |                                   |  |  |                                   |                                  |
|          | <b>Total</b>  |                                   |  |  |                                   |                                  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

PURCHASED POWER (Account 555) (Continued)  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

| MegaWatt Hours Purchased<br>(g) | POWER EXCHANGES                |                                 | COST/SETTLEMENT OF POWER      |                               |                              |  | Line No. |
|---------------------------------|--------------------------------|---------------------------------|-------------------------------|-------------------------------|------------------------------|--|----------|
|                                 | MegaWatt Hours Received<br>(h) | MegaWatt Hours Delivered<br>(i) | Demand Charges<br>(\$)<br>(j) | Energy Charges<br>(\$)<br>(k) | Other Charges<br>(\$)<br>(l) | Total (j+k+l)<br>of Settlement (\$)<br>(m) |          |
|                                 |                                |                                 |                               |                               | 13,899,492                   | 13,899,492                                 | 1        |
| 8,132                           |                                |                                 |                               | 405,696                       |                              | 405,696                                    | 2        |
| 395                             |                                |                                 |                               | 16,036                        |                              | 16,036                                     | 3        |
| 1,722                           |                                |                                 |                               | 98,631                        |                              | 98,631                                     | 4        |
| 183                             |                                |                                 |                               | 7,676                         |                              | 7,676                                      | 5        |
| 4,026                           |                                |                                 |                               | 207,316                       |                              | 207,316                                    | 6        |
| 19,352                          |                                |                                 |                               | 1,244,071                     |                              | 1,244,071                                  | 7        |
|                                 |                                |                                 |                               |                               |                              |  | 8        |
|                                 |                                |                                 |                               |                               |                              |  | 9        |
|                                 |                                |                                 |                               |                               |                              |  | 10       |
| -138,321                        |                                |                                 |                               |                               |                              |  | 11       |
| -96,405                         |                                |                                 |                               |                               |                              |  | 12       |
|                                 |                                |                                 |                               |                               |                              |  | 13       |
|                                 |                                |                                 |                               |                               |                              |  | 14       |
| 875,024                         |                                |                                 | 6,779,376                     | 52,179,744                    | 38,267,432                   | 97,226,552                                 |          |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 326 Line No.: 2 Column: a**

Gulf Power Company is affiliated with The Southern Company as one of its operating companies.

**Schedule Page: 326 Line No.: 2 Column: d**

Demand charges are not directly determined using company CP or NCP demands. Megawatt billing amounts result from a reserve sharing methodology that is on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326 Line No.: 2 Column: l**

Financial transactions recorded in Account 555 per EITF 03-11.

**Schedule Page: 326 Line No.: 4 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326 Line No.: 5 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326 Line No.: 6 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326 Line No.: 7 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326 Line No.: 8 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326 Line No.: 9 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326 Line No.: 11 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326 Line No.: 14 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326.1 Line No.: 1 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326.1 Line No.: 2 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326.1 Line No.: 4 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326.1 Line No.: 5 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326.1 Line No.: 6 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326.1 Line No.: 8 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326.1 Line No.: 10 Column: c**

See footnote Page 326 Line No. 4 Column c.

**Schedule Page: 326.1 Line No.: 13 Column: a**

Formerly Montenay Bay, LLC

**Schedule Page: 326.1 Line No.: 13 Column: c**

Gulf Power Company purchases non-firm energy from this customer in accordance with Florida Public Service Commission approved purchased energy contract between Engen, LLC and Gulf Power Company.

**Schedule Page: 326.1 Line No.: 14 Column: c**

Gulf Power Company purchases as-available energy from this customer in accordance with Florida Public Service Commission Rule No. 25-17.0825.

**Schedule Page: 326.2 Line No.: 1 Column: c**

See footnote Page 326.1 Line No. 14 Column c.

**Schedule Page: 326.2 Line No.: 2 Column: a**

Unless indicated by FERC Rate Schedule Number, these are market-based purchases of non-firm energy from power marketing companies that have applications on file with the

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

Federal Energy Regulatory Commission.

**Schedule Page: 326.4 Line No.: 12 Column: a**

Inadvertent or loop interchange amounts are settled "in-kind" as agreed upon by affected parties.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1)**  
(Including transactions referred to as 'wheeling')

1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.
2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).
3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)
4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.

| Line No. | Payment By<br>(Company of Public Authority)<br>(Footnote Affiliation)<br>(a) | Energy Received From<br>(Company of Public Authority)<br>(Footnote Affiliation)<br>(b) | Energy Delivered To<br>(Company of Public Authority)<br>(Footnote Affiliation)<br>(c) | Statistical Classification<br>(d) |
|----------|--|--|---|-----------------------------------|
| 1        | Southeastern Power Administration  | Southeastern Power Administration  | SE Power Admin. Pref. Customers   | FNO                               |
| 2        | Tennessee Valley Authority   | Tennessee Valley Authority   | Distributors of Tenn. Valley Auth   | FNO                               |
| 3        | PowerSouth Energy Cooperative  | PowerSouth Energy Cooperative  | PowerSouth Energy Cooperative   | FNO                               |
| 4        | Alabama Municipal Electric Authority   | Alabama Municipal Electric Auth.   | Alabama Municipal Elect. Auth.  | FNO                               |
| 5        | Georgia Transmission Corporation   | Georgia Transmission Corporation   | Georgia Transmission Corp.  | FNO                               |
| 6        | Florida Public Utilities   | Florida Public Utilities   | Florida Public Utilities  | FNO                               |
| 7        | City of Blountstown  | City of Blountstown  | City of Blountstown   | FNO                               |
| 8        | Seneca Light and Water Power   | Seneca Light and Water Power   | Seneca Light and Water Power  | FNO                               |
| 9        | J.P. Morgan Ventures Energy Corporation                                      | J.P. Morgan Ventures Energy Corp   | Georgia Transmission Corp.  | LFP                               |
| 10       | Constellation Energy Commodities Group Inc                                   | Constellation Energy Commodities   | Georgia Transmission Corp.  | LFP                               |
| 11       | Morgan Stanley Capital Group Inc.  | Morgan Stanley Capital Group Inc   | Duke  | LFP                               |
| 12       | Morgan Stanley Capital Group Inc.  | Morgan Stanley Capital Group Inc   | Duke  | LFP                               |
| 13       | Florida Power Corporation  | Florida Power Corporation  | Florida Power Corporation   | LFP                               |
| 14       | Florida Power Corporation  | Florida Power Corporation  | Florida Power Corporation   | LFP                               |
| 15       | Florida Power & Light Company  | Florida Power & Light Company  | Florida Power & Light Company   | LFP                               |
| 16       | Florida Power & Light Company  | Florida Power & Light Company  | Florida Power & Light Company   | LFP                               |
| 17       | Florida Power & Light Company  | N/A  | N/A   | OS                                |
| 18       | Jacksonville Electric Authority  | Jacksonville Electric Authority  | Jacksonville Electric Authority   | LFP                               |
| 19       | Jacksonville Electric Authority  | Jacksonville Electric Authority  | Jacksonville Electric Authority   | LFP                               |
| 20       | Jacksonville Electric Authority  | N/A  | N/A   | OS                                |
| 21       | VARIOUS Short Term Firm Customers  | VARIOUS  | VARIOUS   | SFP                               |
| 22       | VARIOUS Non Firm Customers   | VARIOUS  | VARIOUS   | NF                                |
| 23       | VARIOUS Tariff Customers   | VARIOUS  | VARIOUS   | OS                                |
| 24       |  |  |   |                                   |
| 25       |  |  |   |                                   |
| 26       |  |  |   |                                   |
| 27       |  |  |   |                                   |
| 28       |  |  |   |                                   |
| 29       |  |  |   |                                   |
| 30       |  |  |   |                                   |
| 31       |  |  |   |                                   |
| 32       |  |  |   |                                   |
| 33       |  |  |   |                                   |
|          | <b>TOTAL</b>   |  |   |                                   |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued)**  
(Including transactions referred to as 'wheeling')

5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.
6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.
7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.
8. Report in column (i) and (j) the total megawatthours received and delivered.

| FERC Rate Schedule of Tariff Number (e) | Point of Receipt (Substation or Other Designation) (f) | Point of Delivery (Substation or Other Designation) (g) | Billing Demand (MW) (h) | TRANSFER OF ENERGY          |                              | Line No. |
|---|--|---|-------------------------|-----------------------------|------------------------------|----------|
|   |  |   |                         | MegaWatt Hours Received (i) | MegaWatt Hours Delivered (j) |          |
| 415                                     | N/A  | N/A   | 359                     | 651,761                     | 637,422                      | 1        |
| 160                                     | N/A  | N/A   | 143                     | 1,064,266                   | 1,040,852                    | 2        |
| 225                                     | N/A  | N/A   | 696                     | 4,128,932                   | 4,038,095                    | 3        |
| 474                                     | N/A  | N/A   | 486                     | 3,525,767                   | 3,448,201                    | 4        |
| 473                                     | N/A  | N/A   | 435                     | 2,579,094                   | 2,522,354                    | 5        |
| 483                                     | N/A  | N/A   | 63                      | 357,311                     | 349,450                      | 6        |
| 484                                     | N/A  | N/A   | 7                       | 42,960                      | 42,014                       | 7        |
| 495                                     | N/A  | N/A   | 26                      | 104,619                     | 102,317                      | 8        |
| TSA                                     | Lindsay Hill   | Georgia Trans. Corp.                                    | 300                     | 1,058,131                   | 1,031,949                    | 9        |
| TSA                                     | Hillabee   | Georgia Trans. Corp.                                    | 700                     | 2,766,431                   | 2,704,660                    | 10       |
| TSA                                     | Entergy  | Duke Power Co.  | 100                     | 681,153                     | 669,216                      | 11       |
| TSA                                     | Entergy  | Duke Power Co.  | 100                     | 609,438                     | 598,381                      | 12       |
| TSA                                     | Miller   | Florida Power Corp                                      | 350                     | 897,913                     | 878,147                      | 13       |
| TSA                                     | Scherer  | Florida Power Corp                                      | 74                      | 149,749                     | 146,465                      | 14       |
| TSA                                     | Miller   | FI Power & Light  | 720                     | 1,178,833                   | 1,152,821                    | 15       |
| TSA                                     | Scherer  | FI Power & Light  | 210                     | 414,481                     | 405,006                      | 16       |
| G826                                    | N/A  | N/A   |                         |                             |                              | 17       |
| TSA                                     | Miller   | Jacksonville EI Auth                                    | 164                     | 308,716                     | 301,838                      | 18       |
| TSA                                     | Scherer  | Jacksonville EI Auth                                    | 42                      | 62,754                      | 61,371                       | 19       |
| G825                                    | N/A  | N/A   |                         |                             |                              | 20       |
| TSA                                     | VARIOUS  | VARIOUS   |                         | 1,736,698                   | 1,711,662                    | 21       |
| TSA                                     | VARIOUS  | VARIOUS   |                         | 862,050                     | 848,606                      | 22       |
| TSA                                     | VARIOUS  | VARIOUS   |                         |                             |                              | 23       |
|   |  |   |                         |                             |                              | 24       |
|   |  |   |                         |                             |                              | 25       |
|   |  |   |                         |                             |                              | 26       |
|   |  |   |                         |                             |                              | 27       |
|   |  |   |                         |                             |                              | 28       |
|   |  |   |                         |                             |                              | 29       |
|   |  |   |                         |                             |                              | 30       |
|   |  |   |                         |                             |                              | 31       |
|   |  |   |                         |                             |                              | 32       |
|   |  |   |                         |                             |                              | 33       |
|   |  |   | 4,975                   | 23,181,057                  | 22,690,827                   |          |

**TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued)**  
(Including transactions referred to as 'wheeling')

9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.
11. Footnote entries and provide explanations following all required data.

**REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS**

| Demand Charges<br>(\$)<br>(k) | Energy Charges<br>(\$)<br>(l) | (Other Charges)<br>(\$)<br>(m) | Total Revenues (\$)<br>(k+l+m)<br>(n) | Line<br>No. |
|-------------------------------|-------------------------------|--------------------------------|---------------------------------------|-------------|
| 816,917                       | 10,849                        | 2,592                          | 830,358                               | 1           |
| 10,156                        |                               | 1,005                          | 11,161                                | 2           |
| 1,815,724                     |                               | 25,348                         | 1,841,072                             | 3           |
| 28,531                        |                               | 3,271                          | 31,802                                | 4           |
| 49,948                        |                               | 2,640                          | 52,588                                | 5           |
| 2,701,504                     |                               | 19,495                         | 2,720,999                             | 6           |
| 241,901                       |                               | 2,341                          | 244,242                               | 7           |
| 2,975                         |                               | 124                            | 3,099                                 | 8           |
| 104,376                       |                               | 2,035                          | 106,411                               | 9           |
| 160,605                       |                               | 5,373                          | 165,978                               | 10          |
| 124,630                       |                               | 2,157                          | 126,787                               | 11          |
| 136,739                       |                               | 2,363                          | 139,102                               | 12          |
| 105,532                       |                               | 2,406                          | 107,938                               | 13          |
| 23,528                        |                               | 446                            | 23,974                                | 14          |
| 213,594                       |                               | 3,517                          | 217,111                               | 15          |
| 48,716                        |                               | 1,113                          | 49,829                                | 16          |
|                               |                               | 38,880                         | 38,880                                | 17          |
| 50,258                        |                               | 913                            | 51,171                                | 18          |
| 9,283                         |                               | 168                            | 9,451                                 | 19          |
|                               |                               | 12,036                         | 12,036                                | 20          |
| 399,442                       |                               | 4,673                          | 404,115                               | 21          |
| 228,932                       |                               | 3,029                          | 231,961                               | 22          |
|                               |                               | -68,168                        | -68,168                               | 23          |
|                               |                               |                                |                                       | 24          |
|                               |                               |                                |                                       | 25          |
|                               |                               |                                |                                       | 26          |
|                               |                               |                                |                                       | 27          |
|                               |                               |                                |                                       | 28          |
|                               |                               |                                |                                       | 29          |
|                               |                               |                                |                                       | 30          |
|                               |                               |                                |                                       | 31          |
|                               |                               |                                |                                       | 32          |
|                               |                               |                                |                                       | 33          |
| <b>7,273,291</b>              | <b>10,849</b>                 | <b>67,757</b>                  | <b>7,351,897</b>                      |             |

|                    |   |                                       |                                  |
|--------------------|---|---------------------------------------|----------------------------------|
| Name of Respondent | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| Gulf Power Company |   |                                       |                                  |
| FOOTNOTE DATA      |   |                                       |                                  |

**Schedule Page: 328 Line No.: 1 Column: e**

FERC Rate Schedule 415, Agreement for Network Integration Transmission Service and Complementary Services. The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Tariff and operate their transmission facilities as a single integrated system.

**Schedule Page: 328 Line No.: 1 Column: i**

Total MWH received by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 1 Column: j**

Total MWH delivered by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 1 Column: m**

Southern Companies's Charge for Recovery of the FERC Annual Charge that is allocated to the respondent.

**Schedule Page: 328 Line No.: 1 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 2 Column: e**

FERC Electric Tariff Fourth Revised Volume No. 5, the Southern Companies Open Access Transmission Tariff ("Tariff"). The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Tariff and operate their transmission facilities as a single integrated system.

**Schedule Page: 328 Line No.: 2 Column: h**

The billing demand is based on a rolling 12 month average of the Transmission Customer's load under the Tariff coincident with the Transmission Provider's monthly transmission peak load. The demand reported in Column h is the most recent 12 month average load for the quarter.

**Schedule Page: 328 Line No.: 2 Column: i**

See footnote Page 328 Line No. 1 Column i.

**Schedule Page: 328 Line No.: 2 Column: j**

See footnote Page 328 Line No.1 Column j.

**Schedule Page: 328 Line No.: 2 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 2 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 3 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 3 Column: h**

See footnote Page 328 Line No.2 Column h.

**Schedule Page: 328 Line No.: 3 Column: i**

See footnote Page 328 Line No.1 Column i.

**Schedule Page: 328 Line No.: 3 Column: j**

See footnote Page 328 Line No.1 Column j.

**Schedule Page: 328 Line No.: 3 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 3 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 4 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 4 Column: h**

See footnote Page 328 Line No.2 Column h.

**Schedule Page: 328 Line No.: 4 Column: i**

See footnote Page 328 Line No.1 Column i.

**Schedule Page: 328 Line No.: 4 Column: j**

See footnote Page 328 Line No.1 Column j.

**Schedule Page: 328 Line No.: 4 Column: m**

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 4 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 5 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 5 Column: h**

See footnote Page 328 Line No.2 Column h.

**Schedule Page: 328 Line No.: 5 Column: i**

See footnote Page 328 Line No.1 Column i.

**Schedule Page: 328 Line No.: 5 Column: j**

See footnote Page 328 Line No.1 Column j.

**Schedule Page: 328 Line No.: 5 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 5 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 6 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 6 Column: h**

See footnote Page 328 Line No.2 Column h.

**Schedule Page: 328 Line No.: 6 Column: i**

See footnote Page 328 Line No.1 Column i.

**Schedule Page: 328 Line No.: 6 Column: j**

See footnote Page 328 Line No.1 Column j.

**Schedule Page: 328 Line No.: 6 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 6 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 7 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 7 Column: h**

See footnote Page 328 Line No.2 Column h.

**Schedule Page: 328 Line No.: 7 Column: i**

See footnote Page 328 Line No.1 Column i.

**Schedule Page: 328 Line No.: 7 Column: j**

See footnote Page 328 Line No.1 Column j.

**Schedule Page: 328 Line No.: 7 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 7 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 8 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 8 Column: h**

See footnote Page 328 Line No.2 Column h.

**Schedule Page: 328 Line No.: 8 Column: i**

See footnote Page 328 Line No.1 Column i.

**Schedule Page: 328 Line No.: 8 Column: j**

See footnote Page 328 Line No.1 Column j.

**Schedule Page: 328 Line No.: 8 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 8 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 9 Column: d**

Termination Date: May 1, 2012.

**Schedule Page: 328 Line No.: 9 Column: e**

See footnote Page 328 Line No.2 Column e.

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 328 Line No.: 9 Column: i**

Total MWH received by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 9 Column: j**

Total MWH delivered by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 9 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 9 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 10 Column: d**

Termination Date: June 1, 2015

**Schedule Page: 328 Line No.: 10 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 10 Column: i**

See footnote Page 328 Line No.9 Column i.

**Schedule Page: 328 Line No.: 10 Column: j**

See footnote Page 328 Line No.9 Column j.

**Schedule Page: 328 Line No.: 10 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 10 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 11 Column: d**

Termination Date: January 1, 2011.

**Schedule Page: 328 Line No.: 11 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 11 Column: i**

See footnote Page 328 Line No.9 Column i.

**Schedule Page: 328 Line No.: 11 Column: j**

See footnote Page 328 Line No.9 Column j.

**Schedule Page: 328 Line No.: 11 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 11 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 12 Column: d**

Termination Date: July 1, 2011.

**Schedule Page: 328 Line No.: 12 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 12 Column: i**

See footnote Page 328 Line No.9 Column i.

**Schedule Page: 328 Line No.: 12 Column: j**

See footnote Page 328 Line No.9 Column j.

**Schedule Page: 328 Line No.: 12 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 12 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 13 Column: d**

Termination Date: June 1, 2015.

**Schedule Page: 328 Line No.: 13 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 13 Column: i**

See footnote Page 328 Line No.9 Column i.

**Schedule Page: 328 Line No.: 13 Column: j**

See footnote Page 328 Line No.9 Column j.

**Schedule Page: 328 Line No.: 13 Column: m**

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
|--|---|---------------------------------------|----------------------------------|

FOOTNOTE DATA

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 13 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 14 Column: d**

Termination Date: June 1, 2015.

**Schedule Page: 328 Line No.: 14 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 14 Column: i**

See footnote Page 328 Line No.9 Column i.

**Schedule Page: 328 Line No.: 14 Column: j**

See footnote Page 328 Line No.9 Column j.

**Schedule Page: 328 Line No.: 14 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 14 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 15 Column: d**

Termination Date: June 1, 2016.

**Schedule Page: 328 Line No.: 15 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 15 Column: i**

See footnote Page 328 Line No.9 Column i.

**Schedule Page: 328 Line No.: 15 Column: j**

See footnote Page 328 Line No.9 Column j.

**Schedule Page: 328 Line No.: 15 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 15 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 16 Column: d**

Termination Date: June 1, 2016.

**Schedule Page: 328 Line No.: 16 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 16 Column: i**

See footnote Page 328 Line No.9 Column i.

**Schedule Page: 328 Line No.: 16 Column: j**

See footnote Page 328 Line No.9 Column j.

**Schedule Page: 328 Line No.: 16 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 16 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 17 Column: e**

Reactive Service Charges under Scherer 4 Transmission Service Agreement between Georgia Power Company and Florida Power & Light.

**Schedule Page: 328 Line No.: 17 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 18 Column: d**

Termination Date: June 1, 2015.

**Schedule Page: 328 Line No.: 18 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 18 Column: i**

See footnote Page 328 Line No.9 Column i.

**Schedule Page: 328 Line No.: 18 Column: j**

See footnote Page 328 Line No.9 Column j.

**Schedule Page: 328 Line No.: 18 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 18 Column: n**

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
|--|---|---------------------------------------|----------------------------------|

FOOTNOTE DATA

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 19 Column: d**

Termination date: June 1, 2015.

**Schedule Page: 328 Line No.: 19 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 19 Column: i**

See footnote Page 328 Line No.9 Column i.

**Schedule Page: 328 Line No.: 19 Column: j**

See footnote Page 328 Line No.9 Column j.

**Schedule Page: 328 Line No.: 19 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 19 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 20 Column: e**

Reactive Service Charges under Scherer 4 Transmission Service Agreement between Georgia Power Company and Jacksonville Electric Authority.

**Schedule Page: 328 Line No.: 20 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 21 Column: a**

Various Short Term Firm Point to Point Transmission Service customers under the Southern Companies' Open Access Transmission Tariff.

**Schedule Page: 328 Line No.: 21 Column: b**

Various entities pursuant to the terms and conditions of Southern Companies' Open Access Transmission Tariff.

**Schedule Page: 328 Line No.: 21 Column: c**

See footnote Page 328 Line No.21 Column b.

**Schedule Page: 328 Line No.: 21 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 21 Column: f**

Various points of receipt.

**Schedule Page: 328 Line No.: 21 Column: g**

Various points of delivery.

**Schedule Page: 328 Line No.: 21 Column: i**

Total MWH received by Southern Companies for Short-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 21 Column: j**

Total MWH delivered by Southern Companies for Short-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 21 Column: m**

See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 21 Column: n**

See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 22 Column: a**

Various Non-Firm Point-to-Point Transmission Service customers under the Southern Companies' Open Access Tariff.

**Schedule Page: 328 Line No.: 22 Column: b**

See footnote Page 328 Line No.21 Column b.

**Schedule Page: 328 Line No.: 22 Column: c**

See footnote Page 328 Line No.21 Column b.

**Schedule Page: 328 Line No.: 22 Column: e**

See footnote Page 328 Line No.2 Column e.

**Schedule Page: 328 Line No.: 22 Column: f**

See footnote Page 328 Line No.21 Column f.

**Schedule Page: 328 Line No.: 22 Column: g**

See footnote Page 328 Line No.21 Column g.

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 328 Line No.: 22 Column: i**  
Total MWH received by Southern Companies for Non-Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 22 Column: j**  
Total MWH delivered by Southern Companies for Non-Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 22 Column: m**  
See footnote Page 328 Line No.1 Column m.

**Schedule Page: 328 Line No.: 22 Column: n**  
See footnote Page 328 Line No.1 Column n.

**Schedule Page: 328 Line No.: 23 Column: m**  
Various Long-Term Firm, Conditional Long-Term Firm and Network Integration Transmission Service Customers that purchased service during January 2008 through December 2008 and January 2009 through December 2009, and received OATT Tariff True-up Refunds, and 2009 Penalty Distribution.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565)**  
(Including transactions referred to as "wheeling")

1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.
2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.
3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.
4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.
5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.
6. Enter "TOTAL" in column (a) as the last line.
7. Footnote entries and provide explanations following all required data.

| Line No. | Name of Company or Public Authority (Footnote Affiliations) (a) | Statistical Classification (b) | TRANSFER OF ENERGY          |                              | EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS |                         |                        |                                     |
|----------|---|--------------------------------|-----------------------------|------------------------------|--|-------------------------|------------------------|-------------------------------------|
|          |   |                                | Magawatt-hours Received (c) | Magawatt-hours Delivered (d) | Demand Charges (\$) (e)                            | Energy Charges (\$) (f) | Other Charges (\$) (g) | Total Cost of Transmission (\$) (h) |
| 1        | Carroll EMC   | OS                             |                             |                              |  |                         | 12,078                 | 12,078                              |
| 2        | Coweta-Fayette EMC  | OS                             |                             |                              |  |                         | 21,337                 | 21,337                              |
| 3        | Duke Power Company  | OS                             |                             |                              |  |                         | 1,331                  | 1,331                               |
| 4        | Flint Energies EMC  | OS                             |                             |                              |  |                         | 19,788                 | 19,788                              |
| 5        | Florida Power & Light   | OS                             |                             |                              |  |                         | 56                     | 56                                  |
| 6        | Georgia Transmission  | OS                             |                             |                              |  |                         | 10,029                 | 10,029                              |
| 7        | Inwin EMC   | OS                             |                             |                              |  |                         | 2,838                  | 2,838                               |
| 8        | Middle Georgia EMC  | OS                             |                             |                              |  |                         | 1,839                  | 1,839                               |
| 9        | Ocmulgee EMC  | OS                             |                             |                              |  |                         | 2,300                  | 2,300                               |
| 10       | Oconee EMC  | OS                             |                             |                              |  |                         | 3,145                  | 3,145                               |
| 11       | Okefenoke EMC   | OS                             |                             |                              |  |                         | 6,982                  | 6,982                               |
| 12       | Sawnee EMC  | OS                             |                             |                              |  |                         | 43,105                 | 43,105                              |
| 13       | Southern Rivers EMC   | OS                             |                             |                              |  |                         | 4,245                  | 4,245                               |
| 14       | Southern Co Transmisson   | OS                             |                             |                              |  |                         | 262,775                | 262,775                             |
| 15       | Tri-County EMC  | OS                             |                             |                              |  |                         | 4,818                  | 4,818                               |
| 16       | Tennessee Valley Auth.  | OS                             |                             |                              |  |                         | 160                    | 160                                 |
|          | <b>TOTAL</b>  |                                |                             |                              |  |                         | <b>396,826</b>         | <b>396,826</b>                      |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 332 Line No.: 1 Column: c**

Gulf Power Company, as an operating company of the Southern Company, receives transmission service from other entities for energy deliveries (purchases) reported in FERC Account 555.

**Schedule Page: 332 Line No.: 1 Column: d**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 1 Column: g**

Transmission charges for energy delivery services provided by parties listed in Column a.

**Schedule Page: 332 Line No.: 2 Column: c**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 2 Column: d**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 2 Column: g**

See footnote Page 332 Line No. 1 Column g.

**Schedule Page: 332 Line No.: 3 Column: c**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 3 Column: d**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 3 Column: g**

See footnote Page 332 Line No. 1 Column g.

**Schedule Page: 332 Line No.: 4 Column: c**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 4 Column: d**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 4 Column: g**

See footnote Page 332 Line No. 1 Column g.

**Schedule Page: 332 Line No.: 5 Column: c**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 5 Column: d**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 5 Column: g**

See footnote Page 332 Line No. 1 Column g.

**Schedule Page: 332 Line No.: 6 Column: c**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 6 Column: d**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 6 Column: g**

See footnote Page 332 Line No. 1 Column g.

**Schedule Page: 332 Line No.: 7 Column: c**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 7 Column: d**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 7 Column: g**

See footnote Page 332 Line No. 1 Column g.

**Schedule Page: 332 Line No.: 8 Column: c**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 8 Column: d**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 8 Column: g**

See footnote Page 332 Line No. 1 Column g.

**Schedule Page: 332 Line No.: 9 Column: c**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 9 Column: d**

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 9 Column: g**

See footnote Page 332 Line No. 1 Column g.

**Schedule Page: 332 Line No.: 10 Column: c**

See footnote Page 332 Line No. 1 Column c.

**Schedule Page: 332 Line No.: 10 Column: d**

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**Schedule Page: 332 Line No.: 10 Column: g**

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**Schedule Page: 332 Line No.: 11 Column: c**

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**Schedule Page: 332 Line No.: 11 Column: d**

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**Schedule Page: 332 Line No.: 11 Column: g**

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**Schedule Page: 332 Line No.: 12 Column: c**

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**Schedule Page: 332 Line No.: 12 Column: d**

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**Schedule Page: 332 Line No.: 13 Column: c**

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**Schedule Page: 332 Line No.: 14 Column: c**

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**Schedule Page: 332 Line No.: 15 Column: c**

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**Schedule Page: 332 Line No.: 15 Column: g**

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**Schedule Page: 332 Line No.: 16 Column: c**

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**Schedule Page: 332 Line No.: 16 Column: g**

See footnote Page 332 Line No. 1 Column g.

MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)

| Line No. | Description (a)  | Amount (b) |
|----------|--|------------|
| 1        | Industry Association Dues  | 588,421    |
| 2        | Nuclear Power Research Expenses                                      |            |
| 3        | Other Experimental and General Research Expenses                     | 91,498     |
| 4        | Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities  | 120,985    |
| 5        | Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000 |            |
| 6        |  |            |
| 7        | Administrative and General Expenses for Joint Owners                 |            |
| 8        | Respondent's 50% Ownership of Plant Daniel                           | 4,077,636  |
| 9        | (Escatawpa, MS)  |            |
| 10       | Respondent's 25% Ownership of Plant Scherer                          | 1,068,279  |
| 11       | (Julietta, GA)   |            |
| 12       |  |            |
| 13       | Director's Fees and Expenses   | 657,865    |
| 14       | Commitment Fees  | 841,299    |
| 15       | Bank Service Charges   | 99,642     |
| 16       | Southern Company Services-Customer Accounting Proj                   | 652        |
| 17       |  |            |
| 18       | Other Miscellaneous General Expenses                                 |            |
| 19       | Meals & Entertainment-Travel   | 19,402     |
| 20       | Professional Dues  | 15,910     |
| 21       | Legal Fees-Non-Retainer  | 37,285     |
| 22       | Other Products & Services  | 16,667     |
| 23       | EXP-Dues-Other   | 8,039      |
| 24       | All Other Misc. Expenses   | 9,657      |
| 25       | (16 items-Each less than \$5,000)                                    |            |
| 26       |  |            |
| 27       |  |            |
| 28       |  |            |
| 29       |  |            |
| 30       |  |            |
| 31       |  |            |
| 32       |  |            |
| 33       |  |            |
| 34       |  |            |
| 35       |  |            |
| 36       |  |            |
| 37       |  |            |
| 38       |  |            |
| 39       |  |            |
| 40       |  |            |
| 41       |  |            |
| 42       |  |            |
| 43       |  |            |
| 44       |  |            |
| 45       |  |            |
| 46       | TOTAL  | 7,653,237  |

|  |   |                                       |   |
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**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405)**  
(Except amortization of acquisition adjustments)

- Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403); (c) Depreciation Expense for Asset Retirement Costs (Account 403.1); (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).
- Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.
- Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.  
Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.  
In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.  
For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.
- If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.

**A. Summary of Depreciation and Amortization Charges**

| Line No. | Functional Classification<br>(a)           | Depreciation Expense<br>(Account 403)<br>(b) | Depreciation Expense for Asset Retirement Costs<br>(Account 403.1)<br>(c) | Amortization of Limited Term Electric Plant<br>(Account 404)<br>(d) | Amortization of Other Electric Plant (Acc 405)<br>(e) | Total<br>(f) |
|----------|--|--|---|---|---|--------------|
| 1        | Intangible Plant                           |  |   |   |   |              |
| 2        | Steam Production Plant                     | 67,055,444                                   | 114,722   | 833,340   |   | 68,003,506   |
| 3        | Nuclear Production Plant                   |  |   |   |   |              |
| 4        | Hydraulic Production Plant-Conventional    |  |   |   |   |              |
| 5        | Hydraulic Production Plant-Pumped Storage  |  |   |   |   |              |
| 6        | Other Production Plant                     | 6,775,867                                    | 19,860  |   |   | 6,795,727    |
| 7        | Transmission Plant                         | 8,424,433                                    | 143   |   |   | 8,424,576    |
| 8        | Distribution Plant                         | 33,388,843                                   | 1,005   |   |   | 33,389,848   |
| 9        | Regional Transmission and Market Operation |  |   |   |   |              |
| 10       | General Plant                              | 2,702,699                                    | 4,053   | 2,992,642   |   | 5,699,394    |
| 11       | Common Plant-Electric                      |  |   |   |   |              |
| 12       | TOTAL                                      | 118,347,286                                  | 139,783   | 3,825,982   |   | 122,313,051  |

**B. Basis for Amortization Charges**

|   |  |                              |
|---|--|------------------------------|
| 1 | Five and seven year life amortization of Production Plant      | \$ 833,340                   |
| 2 | Five and seven year life amortization of General Plant Account | 2,992,642                    |
|   | <b>Total</b>   | <b>\$ 3,825,982</b><br>===== |

**DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)**

**C. Factors Used in Estimating Depreciation Charges**

| Line No. | Account No.<br>(a)   | Depreciable Plant Base<br>(In Thousands)<br>(b) | Estimated Avg. Service Life<br>(c) | Net Salvage (Percent)<br>(d) | Applied Depr. rates (Percent)<br>(e) | Mortality Curve Type<br>(f) | Average Remaining Life<br>(g) |
|----------|----------------------|---|------------------------------------|------------------------------|--------------------------------------|-----------------------------|-------------------------------|
| 12       | Steam Production:    |   |                                    |                              |                                      |                             |                               |
| 13       | Daniel               | 244,782   | 41.00                              | -10.00                       | 2.80                                 | Forecast                    | 22.00                         |
| 14       | Crist                | 1,136,128                                       | 30.00                              | -4.00                        | 3.50                                 | Forecast                    | 23.70                         |
| 15       | Scholz               | 31,079  | 19.00                              | -3.00                        | 4.10                                 | Forecast                    | 4.50                          |
| 16       | Smith                | 170,730   | 32.00                              | -5.00                        | 3.30                                 | Forecast                    | 19.40                         |
| 17       | Scherer              | 279,768   | 47.00                              | -6.00                        | 2.00                                 | Forecast                    | 33.00                         |
| 18       | Easmt. - Daniel      | 78  | 69.00                              |                              | 1.40                                 | Forecast                    | 37.00                         |
| 19       | Rail Tracks - Daniel | 2,742   | 67.00                              |                              | 1.50                                 | Forecast                    | 37.00                         |
| 20       | SUBTOTAL             | 1,865,307                                       |                                    |                              |                                      |                             |                               |
| 21       |                      |   |                                    |                              |                                      |                             |                               |
| 22       | Smith                |   |                                    |                              |                                      |                             |                               |
| 23       | Other Production:    |   |                                    |                              |                                      |                             |                               |
| 24       | 341                  | 793   | 28.00                              |                              | 3.60                                 | Forecast                    | 7.50                          |
| 25       | 342                  | 513   | 28.00                              |                              | 3.60                                 | Forecast                    | 7.50                          |
| 26       | 343                  | 83  | 28.00                              |                              | 3.60                                 | Forecast                    | 7.50                          |
| 27       | 344                  | 3,439   | 28.00                              |                              | 3.60                                 | Forecast                    | 7.50                          |
| 28       | 345                  | 126   | 28.00                              |                              | 3.60                                 | Forecast                    | 7.50                          |
| 29       | 346                  | 9   | 28.00                              |                              | 3.60                                 | Forecast                    | 7.50                          |
| 30       | SUBTOTAL             | 4,963   |                                    |                              |                                      |                             |                               |
| 31       |                      |   |                                    |                              |                                      |                             |                               |
| 32       | Pace                 |   |                                    |                              |                                      |                             |                               |
| 33       | Other Production:    |   |                                    |                              |                                      |                             |                               |
| 34       | 343                  | 6,791   | 20.00                              |                              | 5.30                                 | Forecast                    | 8.50                          |
| 35       | 344                  | 3,107   | 20.00                              |                              | 5.30                                 | Forecast                    | 8.50                          |
| 36       | 345                  | 584   | 20.00                              |                              | 5.30                                 | Forecast                    | 8.50                          |
| 37       | 346                  |   | 20.00                              |                              | 5.30                                 | Forecast                    | 8.50                          |
| 38       | SUBTOTAL             | 10,482  |                                    |                              |                                      |                             |                               |
| 39       |                      |   |                                    |                              |                                      |                             |                               |
| 40       | Perdido Landfill     |   |                                    |                              |                                      |                             |                               |
| 41       | Other Production:    |   |                                    |                              |                                      |                             |                               |
| 42       | 346                  | 2,551   | 20.00                              |                              | 5.00                                 |                             | 20.00                         |
| 43       | SUBTOTAL             | 2,551   |                                    |                              |                                      |                             |                               |
| 44       |                      |   |                                    |                              |                                      |                             |                               |
| 45       | Smith #3             |   |                                    |                              |                                      |                             |                               |
| 46       | Combined Cycle:      |   |                                    |                              |                                      |                             |                               |
| 47       | 341                  | 11,920  | 37.00                              |                              | 2.80                                 | Forecast                    | 32.00                         |
| 48       | 342                  | 2,960   | 37.00                              |                              | 2.80                                 | Forecast                    | 32.00                         |
| 49       | 343                  | 104,095   | 37.00                              |                              | 2.80                                 | Forecast                    | 32.00                         |
| 50       | 344                  | 67,035  | 37.00                              |                              | 2.80                                 | Forecast                    | 32.00                         |

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

| Line No. | Account No.<br>(a)  | Depreciable Plant Base<br>(In Thousands)<br>(b) | Estimated Avg. Service Life<br>(c) | Net Salvage (Percent)<br>(d) | Applied Depr. rates (Percent)<br>(e) | Mortality Curve Type<br>(f) | Average Remaining Life<br>(g) |
|----------|---------------------|---|------------------------------------|------------------------------|--------------------------------------|-----------------------------|-------------------------------|
| 12       | 345                 | 11,037  | 37.00                              |                              | 2.80                                 | Forecast                    | 32.00                         |
| 13       | 346                 | 898   | 37.00                              |                              | 2.80                                 | Forecast                    | 32.00                         |
| 14       | SUBTOTAL            | 197,945   |                                    |                              |                                      |                             |                               |
| 15       |                     |   |                                    |                              |                                      |                             |                               |
| 16       | Transmission Plant: |   |                                    |                              |                                      |                             |                               |
| 17       | 352                 | 8,859   | 50.00                              | -5.00                        | 2.00                                 | R4                          | 36.00                         |
| 18       | 353                 | 104,862   | 45.00                              | -5.00                        | 2.30                                 | S0                          | 35.00                         |
| 19       | 354                 | 40,078  | 50.00                              | -20.00                       | 2.30                                 | R5                          | 27.00                         |
| 20       | 355                 | 78,819  | 38.00                              | -40.00                       | 3.60                                 | S0                          | 30.00                         |
| 21       | 356                 | 65,426  | 50.00                              | -30.00                       | 2.50                                 | R2                          | 37.00                         |
| 22       | 358                 | 14,095  | 45.00                              |                              | 2.10                                 | R3                          | 26.00                         |
| 23       | 359                 | 61  | 50.00                              |                              | 2.00                                 | SQ                          | 27.00                         |
| 24       | Easements           | 12,487  | 60.00                              |                              | 1.60                                 | SQ                          | 34.00                         |
| 25       | SUBTOTAL            | 324,687   |                                    |                              |                                      |                             |                               |
| 26       |                     |   |                                    |                              |                                      |                             |                               |
| 27       | Distribution Plant: |   |                                    |                              |                                      |                             |                               |
| 28       | 361                 | 17,504  | 48.00                              | -5.00                        | 2.20                                 | R3                          | 32.00                         |
| 29       | 362                 | 161,693   | 45.00                              | -5.00                        | 2.20                                 | R1.5                        | 33.00                         |
| 30       | 364                 | 122,657   | 34.00                              | -75.00                       | 5.00                                 | R1                          | 24.00                         |
| 31       | 365                 | 120,236   | 38.00                              | -20.00                       | 3.10                                 | R1                          | 27.00                         |
| 32       | 366                 | 1,217   | 60.00                              |                              | 1.30                                 | R3                          | 27.00                         |
| 33       | 367                 | 114,862   | 32.00                              | -8.00                        | 3.30                                 | S3                          | 23.00                         |
| 34       | 368                 | 214,289   | 30.00                              | -20.00                       | 4.00                                 | S0                          | 21.00                         |
| 35       | 369.1               | 49,907  | 35.00                              | -45.00                       | 3.80                                 | R1                          | 24.00                         |
| 36       | 369.2               | 41,858  | 40.00                              | -10.00                       | 2.60                                 | R1.5                        | 31.00                         |
| 37       | 370                 | 54,408  | 33.00                              | 10.00                        | 2.70                                 | R1                          | 25.00                         |
| 38       | 373                 | 57,839  | 20.00                              | -10.00                       | 4.90                                 | L1                          | 13.80                         |
| 39       | Easements           | 204   | 50.00                              |                              | 1.80                                 | SQ                          | 52.00                         |
| 40       | SUBTOTAL            | 956,674   |                                    |                              |                                      |                             |                               |
| 41       |                     |   |                                    |                              |                                      |                             |                               |
| 42       | General Plant:      |   |                                    |                              |                                      |                             |                               |
| 43       | 390                 | 65,625  | 45.00                              | -5.00                        | 2.30                                 | S1.5                        | 30.00                         |
| 44       | 392.2               | 6,468   | 10.00                              | 12.00                        | 9.30                                 | L3                          | 4.50                          |
| 45       | 392.3               | 19,496  | 11.00                              | 15.00                        | 7.90                                 | L4                          | 5.10                          |
| 46       | 392.4               | 1,076   | 18.00                              | 12.00                        | 4.80                                 | S1.5                        | 6.80                          |
| 47       | 396                 | 594   | 15.00                              | 20.00                        | 4.70                                 | R5                          | 3.70                          |
| 48       | 397                 | 18,797  | 16.00                              |                              | 6.30                                 | S1                          | 9.00                          |
| 49       | SUBTOTAL            | 112,056   |                                    |                              |                                      |                             |                               |
| 50       |                     |   |                                    |                              |                                      |                             |                               |

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)

C. Factors Used in Estimating Depreciation Charges

| Line No. | Account No.<br>(a) | Depreciable Plant Base<br>(In Thousands)<br>(b) | Estimated Avg. Service Life<br>(c) | Net Salvage (Percent)<br>(d) | Applied Depr. rates (Percent)<br>(e) | Mortality Curve Type<br>(f) | Average Remaining Life<br>(g) |
|----------|--------------------|---|------------------------------------|------------------------------|--------------------------------------|-----------------------------|-------------------------------|
| 12       |                    |   |                                    |                              |                                      |                             |                               |
| 13       | TOTAL              | 3,474,665                                       |                                    |                              |                                      |                             |                               |
| 14       | See footnote       |   |                                    |                              |                                      |                             |                               |
| 15       |                    |   |                                    |                              |                                      |                             |                               |
| 16       |                    |   |                                    |                              |                                      |                             |                               |
| 17       |                    |   |                                    |                              |                                      |                             |                               |
| 18       |                    |   |                                    |                              |                                      |                             |                               |
| 19       |                    |   |                                    |                              |                                      |                             |                               |
| 20       |                    |   |                                    |                              |                                      |                             |                               |
| 21       |                    |   |                                    |                              |                                      |                             |                               |
| 22       |                    |   |                                    |                              |                                      |                             |                               |
| 23       |                    |   |                                    |                              |                                      |                             |                               |
| 24       |                    |   |                                    |                              |                                      |                             |                               |
| 25       |                    |   |                                    |                              |                                      |                             |                               |
| 26       |                    |   |                                    |                              |                                      |                             |                               |
| 27       |                    |   |                                    |                              |                                      |                             |                               |
| 28       |                    |   |                                    |                              |                                      |                             |                               |
| 29       |                    |   |                                    |                              |                                      |                             |                               |
| 30       |                    |   |                                    |                              |                                      |                             |                               |
| 31       |                    |   |                                    |                              |                                      |                             |                               |
| 32       |                    |   |                                    |                              |                                      |                             |                               |
| 33       |                    |   |                                    |                              |                                      |                             |                               |
| 34       |                    |   |                                    |                              |                                      |                             |                               |
| 35       |                    |   |                                    |                              |                                      |                             |                               |
| 36       |                    |   |                                    |                              |                                      |                             |                               |
| 37       |                    |   |                                    |                              |                                      |                             |                               |
| 38       |                    |   |                                    |                              |                                      |                             |                               |
| 39       |                    |   |                                    |                              |                                      |                             |                               |
| 40       |                    |   |                                    |                              |                                      |                             |                               |
| 41       |                    |   |                                    |                              |                                      |                             |                               |
| 42       |                    |   |                                    |                              |                                      |                             |                               |
| 43       |                    |   |                                    |                              |                                      |                             |                               |
| 44       |                    |   |                                    |                              |                                      |                             |                               |
| 45       |                    |   |                                    |                              |                                      |                             |                               |
| 46       |                    |   |                                    |                              |                                      |                             |                               |
| 47       |                    |   |                                    |                              |                                      |                             |                               |
| 48       |                    |   |                                    |                              |                                      |                             |                               |
| 49       |                    |   |                                    |                              |                                      |                             |                               |
| 50       |                    |   |                                    |                              |                                      |                             |                               |

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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 336.2 Line No.: 14 Column: a**

Instruction 4 Expenses Not Accrued in Rates

| ACCOUNT     | ACCOUNT DESCRIPTION                   | EXPENSES           |
|-------------|---------------------------------------|--------------------|
| 316         | Amortization-5 & 7 Year Property      | \$ 833,340         |
| 310-316     | Amortization-Daniel Cooling Lake      | 0                  |
| 391,393-398 | Amortization-5 & 7 Year Property      | 2,992,642          |
| 392         | Amortization-5 Year Marine Equipment* | 11,752             |
|             | Total                                 | <u>\$3,837,734</u> |

\*392 5 year property amortization expense is not booked in FERC 404. It is booked in FERC 740.

|       |  |                   |
|-------|--|-------------------|
| 317   | Asset Retirement Obligation-Steam Production | \$ 114,722        |
| 347   | Asset Retirement Obligation-Other Production | 19,860            |
| 359.1 | Asset Retirement Obligation-Transmission     | 143               |
| 374   | Asset Retirement Obligation-Distribution     | 1,005             |
| 399.1 | Asset Retirement Obligation-General          | 4,053             |
|       | Total  | <u>\$ 139,783</u> |

(1) Page 337 & 337.1 Column (b) balances based on average 2010 beginning and ending year depreciable balance.

(2) Page 337 & 337.1 Column (c) through (e) based on FL PSC approved depreciation rates.

|         |                                |                     |
|---------|--------------------------------|---------------------|
| 310-316 | Dismantlement-Steam Production | \$8,576,570         |
| 341-346 | Dismantlement-Other Production | 281,340             |
|         | Total                          | <u>\$8,857,910*</u> |

\*Note: This amount is included in Section A, Column (b), Line 2 and 6.

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|--|---|---------------------------------------|---|

**REGULATORY COMMISSION EXPENSES**

- Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.
- Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.

| Line No. | Description<br>(Furnish name of regulatory commission or body the docket or case number and a description of the case)<br>(a) | Assessed by<br>Regulatory<br>Commission<br>(b) | Expenses<br>of<br>Utility<br>(c) | Total<br>Expense for<br>Current Year<br>(b) + (c)<br>(d) | Deferred<br>in Account<br>182.3 at<br>Beginning of Year<br>(e) |
|----------|---|--|----------------------------------|--|--|
| 1        | FLORIDA PUBLIC SERVICE COMMISSION   |  |                                  |  |  |
| 2        |   |  |                                  |  |  |
| 3        | Docket No. 100001 - Fuel & Purchased Power  |  |                                  |  |  |
| 4        | Cost Recovery Clause with Generating  |  |                                  |  |  |
| 5        | Performance Incentive Factor  |  | 145,440                          | 145,440  |  |
| 6        |   |  |                                  |  |  |
| 7        | Docket No. 090319-Depreciation and  |  |                                  |  |  |
| 8        | Dismantlement Study at December 31, 2009,   |  |                                  |  |  |
| 9        | by Gulf Power Company   |  | 49,408                           | 49,408   |  |
| 10       |   |  |                                  |  |  |
| 11       | Docket No. 100007-Environmental Cost Recovery   |  |                                  |  |  |
| 12       | Clause  |  | 112,897                          | 112,897  |  |
| 13       |   |  |                                  |  |  |
| 14       | Docket No. 100154-Petition for approval of  |  |                                  |  |  |
| 15       | Demand-side Management Plan   |  | 80,676                           | 80,676   |  |
| 16       |   |  |                                  |  |  |
| 17       | Docket No. 100265-Review of 2010 Electric   |  |                                  |  |  |
| 18       | Infrastructure Storm Hardening Plan   |  |                                  |  |  |
| 19       | filed pursuant to Rule 25-6.0342, FAC   |  | 28,600                           | 28,600   |  |
| 20       |   |  |                                  |  |  |
| 21       | Docket No. 100304-Petition to resolve   |  |                                  |  |  |
| 22       | territorial dispute with Gulf Power Co.   |  |                                  |  |  |
| 23       | in Okaloosa County by Choctawhatchee  |  |                                  |  |  |
| 24       | Electric Cooperative, Inc.  |  | 39,740                           | 39,740   |  |
| 25       |   |  |                                  |  |  |
| 26       | Docket No. 080410-Commission Review of  |  |                                  |  |  |
| 27       | Numeric Energy Conservation Goals   |  | 39,007                           | 39,007   |  |
| 28       |   |  |                                  |  |  |
| 29       | SCS Work Orders-46AF11, 46AF12, 46CO, 46DB,   |  |                                  |  |  |
| 30       | 4608, 4772XB, 46C8  |  | 18,249                           | 18,249   |  |
| 31       |   |  |                                  |  |  |
| 32       | Docketed Items (16 Items, each less than  |  |                                  |  |  |
| 33       | \$25,000)   |  | 86,642                           | 86,642   |  |
| 34       |   |  |                                  |  |  |
| 35       | Undocketed Items (various items, each less  |  |                                  |  |  |
| 36       | than \$25,000)  |  | 440,338                          | 440,338  |  |
| 37       |   |  |                                  |  |  |
| 38       | FEDERAL ENERGY REGULATORY COMMISSION  |  |                                  |  |  |
| 39       |   |  |                                  |  |  |
| 40       | FERC Statements of Annual Charges   |  |                                  |  |  |
| 41       | 18 CFR, Part 382  | 277,566  |                                  | 277,566  |  |
| 42       |   |  |                                  |  |  |
| 43       | Undocketed Items (various Items, each less tha  |  |                                  |  |  |
| 44       | \$25,000)   |  | 20,074                           | 20,074   |  |
| 45       |   |  |                                  |  |  |
| 46       | TOTAL   | 277,566  | 1,061,071                        | 1,338,637  |  |

REGULATORY COMMISSION EXPENSES (Continued)

3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.
5. Minor items (less than \$25,000) may be grouped.

| EXPENSES INCURRED DURING YEAR |                       |               | AMORTIZED DURING YEAR               |                          |               |  |             |
|-------------------------------|-----------------------|---------------|-------------------------------------|--------------------------|---------------|--|-------------|
| CURRENTLY CHARGED TO          |                       |               | Deferred to<br>Account 182.3<br>(i) | Contra<br>Account<br>(j) | Amount<br>(k) | Deferred in<br>Account 182.3<br>End of Year<br>(l) | Line<br>No. |
| Department<br>(f)             | Account<br>No.<br>(g) | Amount<br>(h) |                                     |                          |               |  |             |
|                               |                       |               |                                     |                          |               |  | 1           |
|                               |                       |               |                                     |                          |               |  | 2           |
|                               |                       |               |                                     |                          |               |  | 3           |
|                               |                       |               |                                     |                          |               |  | 4           |
| Electric                      | 928                   | 145,440       |                                     |                          |               |  | 5           |
|                               |                       |               |                                     |                          |               |  | 6           |
|                               |                       |               |                                     |                          |               |  | 7           |
|                               |                       |               |                                     |                          |               |  | 8           |
| Electric                      | 928                   | 49,408        |                                     |                          |               |  | 9           |
|                               |                       |               |                                     |                          |               |  | 10          |
|                               |                       |               |                                     |                          |               |  | 11          |
| Electric                      | 928                   | 112,897       |                                     |                          |               |  | 12          |
|                               |                       |               |                                     |                          |               |  | 13          |
|                               |                       |               |                                     |                          |               |  | 14          |
| Electric                      | 928                   | 80,676        |                                     |                          |               |  | 15          |
|                               |                       |               |                                     |                          |               |  | 16          |
|                               |                       |               |                                     |                          |               |  | 17          |
|                               |                       |               |                                     |                          |               |  | 18          |
| Electric                      | 928                   | 28,600        |                                     |                          |               |  | 19          |
|                               |                       |               |                                     |                          |               |  | 20          |
|                               |                       |               |                                     |                          |               |  | 21          |
|                               |                       |               |                                     |                          |               |  | 22          |
|                               |                       |               |                                     |                          |               |  | 23          |
| Electric                      | 928                   | 39,740        |                                     |                          |               |  | 24          |
|                               |                       |               |                                     |                          |               |  | 25          |
|                               |                       |               |                                     |                          |               |  | 26          |
| Electric                      | 928                   | 39,007        |                                     |                          |               |  | 27          |
|                               |                       |               |                                     |                          |               |  | 28          |
|                               |                       |               |                                     |                          |               |  | 29          |
| Electric                      | 928                   | 18,249        |                                     |                          |               |  | 30          |
|                               |                       |               |                                     |                          |               |  | 31          |
|                               |                       |               |                                     |                          |               |  | 32          |
| Electric                      | 928                   | 86,642        |                                     |                          |               |  | 33          |
|                               |                       |               |                                     |                          |               |  | 34          |
|                               |                       |               |                                     |                          |               |  | 35          |
| Electric                      | 928                   | 440,338       |                                     |                          |               |  | 36          |
|                               |                       |               |                                     |                          |               |  | 37          |
|                               |                       |               |                                     |                          |               |  | 38          |
|                               |                       |               |                                     |                          |               |  | 39          |
|                               |                       |               |                                     |                          |               |  | 40          |
| Electric                      | 928                   | 277,566       |                                     |                          |               |  | 41          |
|                               |                       |               |                                     |                          |               |  | 42          |
|                               |                       |               |                                     |                          |               |  | 43          |
| Electric                      | 928                   | 20,074        |                                     |                          |               |  | 44          |
|                               |                       |               |                                     |                          |               |  | 45          |
|                               |                       | 1,338,637     |                                     |                          |               |  | 46          |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES**

1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts).

2. Indicate in column (a) the applicable classification, as shown below:

Classifications:

A. Electric R, D & D Performed Internally:

a. Overhead

b. Underground

(1) Generation

(3) Distribution

a. hydroelectric

(4) Regional Transmission and Market Operation

i. Recreation fish and wildlife

(5) Environment (other than equipment)

ii Other hydroelectric

(6) Other (Classify and include items in excess of \$50,000.)

b. Fossil-fuel steam

(7) Total Cost Incurred

c. Internal combustion or gas turbine

B. Electric, R, D & D Performed Externally:

d. Nuclear

(1) Research Support to the electrical Research Council or the Electric Power Research Institute

e. Unconventional generation

f. Siting and heat rejection

(2) Transmission

| Line No. | Classification (a)                    | Description (b)   |
|----------|---------------------------------------|---|
| 1        | A. Electric Research Development and  | (1) Generation  |
| 2        | Demonstration Activities - Internally | b. Fossil Fuel Steam                                      |
| 3        |                                       | Combustion & Fuel Effects (4358)                          |
| 4        |                                       | Plant Daniel Related Expenses                             |
| 5        |                                       | 25 MW CCS Demo ACCP                                       |
| 6        |                                       | (2) Transmission  |
| 7        |                                       | Power Delivery Research-Overhead Transmission (4270)      |
| 8        |                                       | Power Delivery Research-Grid Operation (4271)             |
| 9        |                                       | Power Delivery Research-Transmission/Substation (4272)    |
| 10       |                                       | (3) Distribution  |
| 11       |                                       | Power Delivery Research-Distribution (4273)               |
| 12       |                                       | (5) Environment   |
| 13       |                                       | Air Quality Studies (4356)                                |
| 14       |                                       | Flue Gas Treatment (4365)                                 |
| 15       |                                       | Advanced Energy Systems (4455)                            |
| 16       |                                       | Thermal & Fluid Sciences (4456)                           |
| 17       |                                       | (6) Other   |
| 18       |                                       | End-Use Research Project (4268)                           |
| 19       |                                       | Research Administration (4362)                            |
| 20       |                                       | Advanced End-Use Technology (4387)                        |
| 21       |                                       | R&EA Technical & Economic Assessments (4457)              |
| 22       |                                       |   |
| 23       | B. Electric Research Development and  | (1) Electric Power Research Institute Research Commitment |
| 24       | Demonstration Activities - Externally |   |
| 25       |                                       |   |
| 26       |                                       |   |
| 27       |                                       |   |
| 28       |                                       | (4) Research Support to Others                            |
| 29       |                                       | UF-PURC   |
| 30       |                                       | Dept of Energy-Power Syst Development                     |
| 31       |                                       |   |
| 32       | TOTAL                                 |   |
| 33       |                                       |   |
| 34       |                                       |   |
| 35       |                                       |   |
| 36       |                                       |   |
| 37       |                                       |   |

**RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)**

- (2) Research Support to Edison Electric Institute
- (3) Research Support to Nuclear Power Groups
- (4) Research Support to Others (Classify)
- (5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$50,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$50,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

| Costs Incurred Internally<br>Current Year<br>(c) | Costs Incurred Externally<br>Current Year<br>(d) | AMOUNTS CHARGED IN CURRENT YEAR |               | Unamortized<br>Accumulation<br>(g) | Line<br>No. |
|--|--|---------------------------------|---------------|------------------------------------|-------------|
|  |  | Account<br>(e)                  | Amount<br>(f) |                                    |             |
|  |  |                                 |               |                                    | 1           |
|  |  |                                 |               |                                    | 2           |
| 67,141   |  | 506                             | 67,141        |                                    | 3           |
| -314,330   |  | 506                             | -314,330      |                                    | 4           |
| 2,228,921  |  | 506                             | 2,228,921     |                                    | 5           |
|  |  |                                 |               |                                    | 6           |
| 56,739   |  | 566                             | 56,739        |                                    | 7           |
| 17,687   |  | 566                             | 17,687        |                                    | 8           |
| 50,025   |  | 566                             | 50,025        |                                    | 9           |
|  |  |                                 |               |                                    | 10          |
| 56,640   |  | 588                             | 56,640        |                                    | 11          |
|  |  |                                 |               |                                    | 12          |
| 19,010   |  | 506                             | 19,010        |                                    | 13          |
| 298,049  |  | 506                             | 298,049       |                                    | 14          |
| 311,173  |  | 506                             | 311,173       |                                    | 15          |
| 76,596   |  | 506                             | 76,596        |                                    | 16          |
|  |  |                                 |               |                                    | 17          |
| 96,448   |  | 908                             | 96,448        |                                    | 18          |
| 58,766   |  | 930                             | 58,766        |                                    | 19          |
| 166,309  |  | 908                             | 166,309       |                                    | 20          |
| 673  |  | 930                             | 673           |                                    | 21          |
|  |  |                                 |               |                                    | 22          |
|  | 529,442  | 506                             | 529,442       |                                    | 23          |
|  | 62,454   | 549                             | 62,454        |                                    | 24          |
|  | 153,499  | 566                             | 153,499       |                                    | 25          |
|  | 62,151   | 588                             | 62,151        |                                    | 26          |
|  | 65,319   | 910                             | 65,319        |                                    | 27          |
|  |  |                                 |               |                                    | 28          |
|  | 32,059   | 930                             | 32,059        |                                    | 29          |
|  | -6,054   | 570                             | -6,054        |                                    | 30          |
|  |  |                                 |               |                                    | 31          |
| 3,189,847  | 898,870  |                                 | 4,088,717     |                                    | 32          |
|  |  |                                 |               |                                    | 33          |
|  |  |                                 |               |                                    | 34          |
|  |  |                                 |               |                                    | 35          |
|  |  |                                 |               |                                    | 36          |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**DISTRIBUTION OF SALARIES AND WAGES**

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

| Line No. | Classification<br>(a)  | Direct Payroll Distribution<br>(b) | Allocation of Payroll charged for Clearing Accounts<br>(c) | Total<br>(d) |
|----------|--|------------------------------------|--|--------------|
| 1        | Electric   |                                    |  |              |
| 2        | Operation  |                                    |  |              |
| 3        | Production   | 16,526,706                         |  |              |
| 4        | Transmission   | 1,868,007                          |  |              |
| 5        | Regional Market  |                                    |  |              |
| 6        | Distribution   | 8,353,929                          |  |              |
| 7        | Customer Accounts  | 8,779,162                          |  |              |
| 8        | Customer Service and Informational                             | 8,729,464                          |  |              |
| 9        | Sales  | 298,924                            |  |              |
| 10       | Administrative and General                                     | 13,473,603                         |  |              |
| 11       | TOTAL Operation (Enter Total of lines 3 thru 10)               | 58,029,795                         |  |              |
| 12       | Maintenance  |                                    |  |              |
| 13       | Production   | 12,587,994                         |  |              |
| 14       | Transmission   | 1,021,901                          |  |              |
| 15       | Regional Market  |                                    |  |              |
| 16       | Distribution   | 6,837,081                          |  |              |
| 17       | Administrative and General                                     | 50,901                             |  |              |
| 18       | TOTAL Maintenance (Total of lines 13 thru 17)                  | 20,497,877                         |  |              |
| 19       | Total Operation and Maintenance                                |                                    |  |              |
| 20       | Production (Enter Total of lines 3 and 13)                     | 29,114,700                         |  |              |
| 21       | Transmission (Enter Total of lines 4 and 14)                   | 2,889,908                          |  |              |
| 22       | Regional Market (Enter Total of Lines 5 and 15)                |                                    |  |              |
| 23       | Distribution (Enter Total of lines 6 and 16)                   | 15,191,010                         |  |              |
| 24       | Customer Accounts (Transcribe from line 7)                     | 8,779,162                          |  |              |
| 25       | Customer Service and Informational (Transcribe from line 8)    | 8,729,464                          |  |              |
| 26       | Sales (Transcribe from line 9)                                 | 298,924                            |  |              |
| 27       | Administrative and General (Enter Total of lines 10 and 17)    | 13,524,504                         |  |              |
| 28       | TOTAL Oper. and Maint. (Total of lines 20 thru 27)             | 78,527,672                         | 6,979,283  | 85,506,955   |
| 29       | Gas  |                                    |  |              |
| 30       | Operation  |                                    |  |              |
| 31       | Production-Manufactured Gas                                    |                                    |  |              |
| 32       | Production-Nat. Gas (Including Expl. and Dev.)                 |                                    |  |              |
| 33       | Other Gas Supply   |                                    |  |              |
| 34       | Storage, LNG Terminaling and Processing                        |                                    |  |              |
| 35       | Transmission   |                                    |  |              |
| 36       | Distribution   |                                    |  |              |
| 37       | Customer Accounts  |                                    |  |              |
| 38       | Customer Service and Informational                             |                                    |  |              |
| 39       | Sales  |                                    |  |              |
| 40       | Administrative and General                                     |                                    |  |              |
| 41       | TOTAL Operation (Enter Total of lines 31 thru 40)              |                                    |  |              |
| 42       | Maintenance  |                                    |  |              |
| 43       | Production-Manufactured Gas                                    |                                    |  |              |
| 44       | Production-Natural Gas (Including Exploration and Development) |                                    |  |              |
| 45       | Other Gas Supply   |                                    |  |              |
| 46       | Storage, LNG Terminaling and Processing                        |                                    |  |              |
| 47       | Transmission   |                                    |  |              |

DISTRIBUTION OF SALARIES AND WAGES (Continued)

| Line No. | Classification<br>(a)  | Direct Payroll Distribution<br>(b) | Allocation of Payroll charged for Clearing Accounts<br>(c) | Total<br>(d) |
|----------|--|------------------------------------|--|--------------|
| 48       | Distribution   |                                    |  |              |
| 49       | Administrative and General   |                                    |  |              |
| 50       | TOTAL Maint. (Enter Total of lines 43 thru 49)                     |                                    |  |              |
| 51       | Total Operation and Maintenance                                    |                                    |  |              |
| 52       | Production-Manufactured Gas (Enter Total of lines 31 and 43)       |                                    |  |              |
| 53       | Production-Natural Gas (Including Expl. and Dev.) (Total lines 32, |                                    |  |              |
| 54       | Other Gas Supply (Enter Total of lines 33 and 45)                  |                                    |  |              |
| 55       | Storage, LNG Terminaling and Processing (Total of lines 31 thru    |                                    |  |              |
| 56       | Transmission (Lines 35 and 47)                                     |                                    |  |              |
| 57       | Distribution (Lines 36 and 48)                                     |                                    |  |              |
| 58       | Customer Accounts (Line 37)  |                                    |  |              |
| 59       | Customer Service and Informational (Line 38)                       |                                    |  |              |
| 60       | Sales (Line 39)  |                                    |  |              |
| 61       | Administrative and General (Lines 40 and 49)                       |                                    |  |              |
| 62       | TOTAL Operation and Maint. (Total of lines 52 thru 61)             |                                    |  |              |
| 63       | Other Utility Departments  |                                    |  |              |
| 64       | Operation and Maintenance  |                                    |  |              |
| 65       | TOTAL All Utility Dept. (Total of lines 28, 62, and 64)            | 78,527,672                         | 6,979,283  | 85,506,955   |
| 66       | Utility Plant  |                                    |  |              |
| 67       | Construction (By Utility Departments)                              |                                    |  |              |
| 68       | Electric Plant   | 19,159,194                         | 1,702,807  | 20,862,001   |
| 69       | Gas Plant  |                                    |  |              |
| 70       | Other (provide details in footnote):                               |                                    |  |              |
| 71       | TOTAL Construction (Total of lines 68 thru 70)                     | 19,159,194                         | 1,702,807  | 20,862,001   |
| 72       | Plant Removal (By Utility Departments)                             |                                    |  |              |
| 73       | Electric Plant   | 1,183,881                          | 105,219  | 1,289,100    |
| 74       | Gas Plant  |                                    |  |              |
| 75       | Other (provide details in footnote):                               |                                    |  |              |
| 76       | TOTAL Plant Removal (Total of lines 73 thru 75)                    | 1,183,881                          | 105,219  | 1,289,100    |
| 77       | Other Accounts (Specify, provide details in footnote):             |                                    |  |              |
| 78       | Non-utility Operating Expenses                                     | 74,761                             |  | 74,761       |
| 79       | Other General Accounts   | 2,039,198                          | 187,882  | 2,227,080    |
| 80       |  |                                    |  |              |
| 81       |  |                                    |  |              |
| 82       |  |                                    |  |              |
| 83       |  |                                    |  |              |
| 84       |  |                                    |  |              |
| 85       |  |                                    |  |              |
| 86       |  |                                    |  |              |
| 87       |  |                                    |  |              |
| 88       |  |                                    |  |              |
| 89       |  |                                    |  |              |
| 90       |  |                                    |  |              |
| 91       |  |                                    |  |              |
| 92       |  |                                    |  |              |
| 93       |  |                                    |  |              |
| 94       |  |                                    |  |              |
| 95       | TOTAL Other Accounts   | 2,113,959                          | 187,882  | 2,301,841    |
| 96       | TOTAL SALARIES AND WAGES   | 100,984,706                        | 8,975,191  | 109,959,897  |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**PURCHASES AND SALES OF ANCILLARY SERVICES**

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

(1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.

(2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.

(3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.

(4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.

(5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.

(6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

| Line No. | Type of Ancillary Service (a)           | Amount Purchased for the Year |                     |             | Amount Sold for the Year            |                     |             |
|----------|---|-------------------------------|---------------------|-------------|-------------------------------------|---------------------|-------------|
|          |   | Number of Units (b)           | Unit of Measure (c) | Dollars (d) | Usage - Related Billing Determinant |                     |             |
|          |   |                               |                     |             | Number of Units (e)                 | Unit of Measure (f) | Dollars (g) |
| 1        | Scheduling, System Control and Dispatch |                               |                     |             | 75,846                              | MW-Months           | 6,113,210   |
| 2        | Reactive Supply and Voltage             | 9,116                         | MWhs                | 1,002,800   | 52,214                              | MW-Months           | 5,662,989   |
| 3        | Regulation and Frequency Response       |                               |                     |             | 14,470                              | MW-Months           | 698,884     |
| 4        | Energy Imbalance                        | 4,156                         | MWhs                | 64,389      | 3,726                               | MWhs                | 194,656     |
| 5        | Operating Reserve - Spinning            |                               |                     |             | 13,906                              | MW-Months           | 1,168,108   |
| 6        | Operating Reserve - Supplement          |                               |                     |             | 13,906                              | MW-Months           | 1,168,108   |
| 7        | Other                                   | 26,812                        | MWhs                | 987,314     | 19,961                              | MWhs                | 1,533,848   |
| 8        | Total (Lines 1 thru 7)                  | 40,084                        |                     | 2,054,503   | 194,029                             |                     | 16,539,803  |

|                    |   |                                       |                                  |
|--------------------|---|---------------------------------------|----------------------------------|
| Name of Respondent | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| Gulf Power Company |   |                                       |                                  |
| FOOTNOTE DATA      |   |                                       |                                  |

**Schedule Page: 398 Line No.: 1 Column: g**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 2 Column: d**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 2 Column: g**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 3 Column: g**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 4 Column: d**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 4 Column: g**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 5 Column: g**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 6 Column: g**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 7 Column: b**

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

Generator Imbalance Service (Schedule 10) offered under Southern Companies Tariff.

**Schedule Page: 398 Line No.: 7 Column: d**

Generator Imbalance Service (Schedule 10) offered under Southern Companies Tariff.

**Schedule Page: 398 Line No.: 7 Column: e**

Generator Imbalance Service (Schedule 10) offered under Southern Companies Tariff.

**Schedule Page: 398 Line No.: 7 Column: g**

Generator Imbalance Service (Schedule 10) offered under Southern Companies Tariff.

|  |   |                                       |   |
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| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
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**MONTHLY TRANSMISSION SYSTEM PEAK LOAD**

- (1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.  
(2) Report on Column (b) by month the transmission system's peak load.  
(3) Report on Columns (c ) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).  
(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.

**NAME OF SYSTEM:**

| Line No. | Month<br>(a)            | Monthly Peak MW - Total<br>(b) | Day of Monthly Peak<br>(c) | Hour of Monthly Peak<br>(d) | Firm Network Service for Self<br>(e) | Firm Network Service for Others<br>(f) | Long-Term Firm Point-to-point Reservations<br>(g) | Other Long-Term Firm Service<br>(h) | Short-Term Firm Point-to-point Reservation<br>(i) | Other Service<br>(j) |
|----------|-------------------------|--------------------------------|----------------------------|-----------------------------|--------------------------------------|--|---|-------------------------------------|---|----------------------|
| 1        | January                 | 36,884                         | 11                         | 700                         | 302                                  | 2,765                                  | 975   | 2,393                               | 29  | 30,420               |
| 2        | February                | 32,504                         | 10                         | 700                         | 242                                  | 2,323                                  | 975   | 2,388                               |   | 26,576               |
| 3        | March                   | 30,849                         | 4                          | 700                         | 242                                  | 2,099                                  | 975   | 2,388                               |   | 25,145               |
| 4        | Total for Quarter 1     | 100,237                        |                            |                             | 786                                  | 7,187                                  | 2,925   | 7,169                               | 29  | 82,141               |
| 5        | April                   | 26,107                         | 6                          | 1700                        | 106                                  | 1,591                                  | 975   | 2,382                               |   | 21,053               |
| 6        | May                     | 32,234                         | 24                         | 1600                        | 200                                  | 2,182                                  | 975   | 2,382                               |   | 26,496               |
| 7        | June                    | 37,268                         | 14                         | 1500                        | 200                                  | 2,514                                  | 2,885   | 850                                 |   | 30,819               |
| 8        | Total for Quarter 2     | 95,609                         |                            |                             | 506                                  | 6,287                                  | 4,835   | 5,614                               |   | 78,368               |
| 9        | July                    | 38,308                         | 30                         | 1600                        | 218                                  | 2,647                                  | 2,885   | 850                                 | 520   | 31,188               |
| 10       | August                  | 37,569                         | 4                          | 1500                        | 212                                  | 2,475                                  | 2,885   | 850                                 | 386   | 30,761               |
| 11       | September               | 35,156                         | 20                         | 1600                        | 212                                  | 2,353                                  | 2,885   | 850                                 | 109   | 28,747               |
| 12       | Total for Quarter 3     | 111,033                        |                            |                             | 642                                  | 7,475                                  | 8,655   | 2,550                               | 1,015   | 90,696               |
| 13       | October                 | 28,076                         | 26                         | 1600                        | 146                                  | 1,665                                  | 2,885   | 850                                 |   | 22,530               |
| 14       | November                | 26,371                         | 8                          | 700                         | 169                                  | 1,635                                  | 2,885   | 850                                 |   | 20,832               |
| 15       | December                | 37,352                         | 14                         | 700                         | 270                                  | 2,544                                  | 2,885   | 850                                 | 869   | 29,934               |
| 16       | Total for Quarter 4     | 91,799                         |                            |                             | 585                                  | 5,844                                  | 8,655   | 2,550                               | 869   | 73,296               |
| 17       | Total Year to Date/Year | 398,678                        |                            |                             | 2,519                                | 26,793                                 | 25,070  | 17,883                              | 1,913   | 324,501              |

|  |   |                                       |                                  |
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FOOTNOTE DATA

**Schedule Page: 400 Line No.: 1 Column: b**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. Values shown correspond to the total transmission system peak loads on Southern Companies' transmission system.

**Schedule Page: 400 Line No.: 1 Column: c**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 1 Column: d**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 2 Column: b**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 2 Column: c**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 2 Column: d**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 3 Column: b**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 3 Column: c**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 3 Column: d**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 3 Column: e**

Values shown are estimated load values. The estimated loads are based on the customer's peak load for previous month.

**Schedule Page: 400 Line No.: 3 Column: f**

See footnote for Page 400 Line No. 3 Column e.

**Schedule Page: 400 Line No.: 5 Column: b**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 5 Column: c**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 5 Column: d**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 6 Column: b**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 6 Column: c**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 6 Column: d**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 7 Column: b**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 7 Column: c**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 7 Column: d**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 7 Column: e**

See footnote for Page 400 Line No. 3 Column e.

**Schedule Page: 400 Line No.: 7 Column: f**

See footnote for Page 400 Line No. 3 Column e.

**Schedule Page: 400 Line No.: 9 Column: b**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 9 Column: c**

See footnote for page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 9 Column: d**

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| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

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| <b>Schedule Page: 400 Line No.: 10 Column: c</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 10 Column: d</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 11 Column: b</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 11 Column: c</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 11 Column: d</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 11 Column: e</b><br>See footnote for Page 400 Line No. 3 Column e. |
| <b>Schedule Page: 400 Line No.: 11 Column: f</b><br>See footnote for Page 400 Line No. 3 Column e. |
| <b>Schedule Page: 400 Line No.: 13 Column: b</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 13 Column: c</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 13 Column: d</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 14 Column: b</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 14 Column: c</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 14 Column: d</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 15 Column: b</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 15 Column: c</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 15 Column: d</b><br>See footnote for page 400 Line No. 1 Column b. |
| <b>Schedule Page: 400 Line No.: 15 Column: e</b><br>See footnote for Page 400 Line No. 3 Column e. |
| <b>Schedule Page: 400 Line No.: 15 Column: f</b><br>See footnote for Page 400 Line No. 3 Column e. |

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| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**ELECTRIC ENERGY ACCOUNT**

Report below the information called for concerning the disposition of electric energy generated, purchased, exchanged and wheeled during the year.

| Line No. | Item<br>(a)  | MegaWatt Hours<br>(b) | Line No. | Item<br>(a)  | MegaWatt Hours<br>(b) |
|----------|--|-----------------------|----------|--|-----------------------|
| 1        | SOURCES OF ENERGY                                  |                       | 21       | DISPOSITION OF ENERGY  |                       |
| 2        | Generation (Excluding Station Use):                |                       | 22       | Sales to Ultimate Consumers (Including Interdepartmental Sales)        | 11,359,196            |
| 3        | Steam  | 10,531,071            | 23       | Requirements Sales for Resale (See instruction 4, page 311.)           | 391,464               |
| 4        | Nuclear  |                       | 24       | Non-Requirements Sales for Resale (See instruction 4, page 311.)       | 3,720,497             |
| 5        | Hydro-Conventional                                 |                       | 25       | Energy Furnished Without Charge  | 17,311                |
| 6        | Hydro-Pumped Storage                               |                       | 26       | Energy Used by the Company (Electric Dept Only, Excluding Station Use) | 21,234                |
| 7        | Other  | 4,811,145             | 27       | Total Energy Losses  | 729,251               |
| 8        | Less Energy for Pumping                            |                       | 28       | TOTAL (Enter Total of Lines 22 Through 27) (MUST EQUAL LINE 20)        | 16,238,953            |
| 9        | Net Generation (Enter Total of lines 3 through 8)  | 15,342,216            |          |  |                       |
| 10       | Purchases  | 875,024               |          |  |                       |
| 11       | Power Exchanges:                                   |                       |          |  |                       |
| 12       | Received   |                       |          |  |                       |
| 13       | Delivered  |                       |          |  |                       |
| 14       | Net Exchanges (Line 12 minus line 13)              |                       |          |  |                       |
| 15       | Transmission For Other (Wheeling)                  |                       |          |  |                       |
| 16       | Received   | 1,107,288             |          |  |                       |
| 17       | Delivered  | 1,085,576             |          |  |                       |
| 18       | Net Transmission for Other (Line 16 minus line 17) | 21,712                |          |  |                       |
| 19       | Transmission By Others Losses                      |                       |          |  |                       |
| 20       | TOTAL (Enter Total of lines 9, 10, 14, 18 and 19)  | 16,238,952            |          |  |                       |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**MONTHLY PEAKS AND OUTPUT**

1. Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.
2. Report in column (b) by month the system's output in Megawatt hours for each month.
3. Report in column (c) by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.
4. Report in column (d) by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.
5. Report in column (e) and (f) the specified information for each monthly peak load reported in column (d).

NAME OF SYSTEM:

| Line No. | Month (a) | Total Monthly Energy (b) | Monthly Non-Requirements Sales for Resale & Associated Losses (c) | MONTHLY PEAK                 |                  |          |
|----------|-----------|--------------------------|---|------------------------------|------------------|----------|
|          |           |                          |   | Megawatts (See Instr. 4) (d) | Day of Month (e) | Hour (f) |
| 29       | January   | 1,355,102                | 249,418   | 2,553                        | 11               | 700      |
| 30       | February  | 1,098,934                | 143,851   | 2,144                        | 17               | 700      |
| 31       | March     | 1,019,856                | 168,583   | 1,934                        | 4                | 700      |
| 32       | April     | 1,114,964                | 312,178   | 1,488                        | 25               | 1700     |
| 33       | May       | 1,617,447                | 547,820   | 2,219                        | 24               | 1700     |
| 34       | June      | 1,750,987                | 506,820   | 2,419                        | 14               | 1400     |
| 35       | July      | 1,526,381                | 201,089   | 2,525                        | 30               | 1700     |
| 36       | August    | 1,917,860                | 636,177   | 2,458                        | 1                | 1600     |
| 37       | September | 1,391,776                | 252,669   | 2,300                        | 12               | 1700     |
| 38       | October   | 1,073,275                | 182,286   | 1,881                        | 27               | 1500     |
| 39       | November  | 1,046,557                | 250,575   | 1,574                        | 1                | 1900     |
| 40       | December  | 1,325,813                | 269,031   | 2,314                        | 14               | 700      |
| 41       | TOTAL     | 16,238,952               | 3,720,497   |                              |                  |          |

|  |   |                                       |                                  |
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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 401 Line No.: 16 Column: b**

Gulf Power Company, as an operating company of the Southern Company, uses peak period load ratio to determine received or delivered MWH.

**Schedule Page: 401 Line No.: 17 Column: b**

Gulf Power Company, as an operating company of the Southern Company, uses peak period load ratio to determine received or delivered MWH.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)**

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

| Line No. | Item<br>(a)   | Plant Name: <i>Crist</i> |        |        | Plant Name: <i>Smith</i> |         |       |
|----------|---|--------------------------|--------|--------|--------------------------|---------|-------|
|          |   | (b)                      |        |        | (c)                      |         |       |
| 1        | Kind of Plant (Internal Comb, Gas Turb, Nuclear)        | Steam                    |        |        | Steam                    |         |       |
| 2        | Type of Constr (Conventional, Outdoor, Boiler, etc)     | Conventional             |        |        | Conventional             |         |       |
| 3        | Year Originally Constructed                             | 1945                     |        |        | 1965                     |         |       |
| 4        | Year Last Unit was Installed                            | 1973                     |        |        | 1967                     |         |       |
| 5        | Total Installed Cap (Max Gen Name Plate Ratings-MW)     | 1135.25                  |        |        | 340.00                   |         |       |
| 6        | Net Peak Demand on Plant - MW (60 minutes)              | 926                      |        |        | 351                      |         |       |
| 7        | Plant Hours Connected to Load                           | 0                        |        |        | 0                        |         |       |
| 8        | Net Continuous Plant Capability (Megawatts)             | 0                        |        |        | 0                        |         |       |
| 9        | When Not Limited by Condenser Water                     | 0                        |        |        | 0                        |         |       |
| 10       | When Limited by Condenser Water                         | 0                        |        |        | 0                        |         |       |
| 11       | Average Number of Employees                             | 220                      |        |        | 104                      |         |       |
| 12       | Net Generation, Exclusive of Plant Use - KWh            | 4840544000               |        |        | 1818083000               |         |       |
| 13       | Cost of Plant: Land and Land Rights                     | 6032573                  |        |        | 1363924                  |         |       |
| 14       | Structures and Improvements                             | 123790656                |        |        | 34127383                 |         |       |
| 15       | Equipment Costs   | 1043838203               |        |        | 137981143                |         |       |
| 16       | Asset Retirement Costs                                  | 1373417                  |        |        | 471972                   |         |       |
| 17       | Total Cost  | 1175034849               |        |        | 173944422                |         |       |
| 18       | Cost per KW of Installed Capacity (line 17/5) Including | 1035.0450                |        |        | 511.6012                 |         |       |
| 19       | Production Expenses: Oper, Supv, & Engr                 | 2974336                  |        |        | 1408368                  |         |       |
| 20       | Fuel  | 288156359                |        |        | 103317870                |         |       |
| 21       | Coolants and Water (Nuclear Plants Only)                | 0                        |        |        | 0                        |         |       |
| 22       | Steam Expenses  | 11459290                 |        |        | 3247579                  |         |       |
| 23       | Steam From Other Sources                                | 0                        |        |        | 0                        |         |       |
| 24       | Steam Transferred (Cr)                                  | 0                        |        |        | 0                        |         |       |
| 25       | Electric Expenses                                       | 2118302                  |        |        | 254523                   |         |       |
| 26       | Misc Steam (or Nuclear) Power Expenses                  | 11558941                 |        |        | 4068957                  |         |       |
| 27       | Rents   | 0                        |        |        | 0                        |         |       |
| 28       | Allowances  | 5099786                  |        |        | 2721583                  |         |       |
| 29       | Maintenance Supervision and Engineering                 | 2788647                  |        |        | 1459328                  |         |       |
| 30       | Maintenance of Structures                               | 3085710                  |        |        | 998666                   |         |       |
| 31       | Maintenance of Boiler (or reactor) Plant                | 13022346                 |        |        | 4659504                  |         |       |
| 32       | Maintenance of Electric Plant                           | 2185747                  |        |        | 654820                   |         |       |
| 33       | Maintenance of Misc Steam (or Nuclear) Plant            | 1649977                  |        |        | 590372                   |         |       |
| 34       | Total Production Expenses                               | 344099441                |        |        | 123381570                |         |       |
| 35       | Expenses per Net KWh                                    | 0.0711                   |        |        | 0.0679                   |         |       |
| 36       | Fuel: Kind (Coal, Gas, Oil, or Nuclear)                 | Coal                     | Gas    | Oil    | Coal                     | Oil     |       |
| 37       | Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)    | Tons                     | MCF    | BBL    | Tons                     | BBL     |       |
| 38       | Quantity (Units) of Fuel Burned                         | 2283311                  | 484723 | 6890   | 827944                   | 5094    | 0     |
| 39       | Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)   | 11494                    | 1018   | 138060 | 11661                    | 138782  | 0     |
| 40       | Avg Cost of Fuel/unit, as Delvd f.o.b. during year      | 127.922                  | 4.802  | 93.576 | 126.949                  | 103.299 | 0.000 |
| 41       | Average Cost of Fuel per Unit Burned                    | 123.848                  | 4.717  | 88.309 | 123.233                  | 96.159  | 0.000 |
| 42       | Average Cost of Fuel Burned per Million BTU             | 5.388                    | 4.717  | 0.000  | 5.284                    | 0.000   | 0.000 |
| 43       | Average Cost of Fuel Burned per KWh Net Gen             | 5.842                    | 0.000  | 0.000  | 5.612                    | 0.000   | 0.000 |
| 44       | Average BTU per KWh Net Generation                      | 10953.000                | 0.000  | 0.000  | 10637.000                | 0.000   | 0.000 |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)**

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

| Plant Name: <i>Scholz</i> (d) |              |       | Plant Name: <i>Daniel</i> (e) |              |       | Plant Name: <i>Scherer</i> (f) |              |       | Line No. |
|-------------------------------|--------------|-------|-------------------------------|--------------|-------|--------------------------------|--------------|-------|----------|
|                               |              |       |                               |              |       |                                |              |       |          |
|                               | Steam        |       |                               | Steam        |       |                                | Steam        |       | 1        |
|                               | Conventional |       |                               | Conventional |       |                                | Conventional |       | 2        |
|                               | 1953         |       |                               | 1977         |       |                                | 1981         |       | 3        |
|                               | 1953         |       |                               | 1981         |       |                                | 1989         |       | 4        |
|                               | 98.00        |       |                               | 548.25       |       |                                | 222.75       |       | 5        |
|                               | 94           |       |                               | 517          |       |                                | 216          |       | 6        |
|                               | 0            |       |                               | 0            |       |                                | 0            |       | 7        |
|                               | 0            |       |                               | 0            |       |                                | 0            |       | 8        |
|                               | 0            |       |                               | 0            |       |                                | 0            |       | 9        |
|                               | 0            |       |                               | 0            |       |                                | 0            |       | 10       |
|                               | 27           |       |                               | 193          |       |                                | 452          |       | 11       |
|                               | 90355000     |       |                               | 2553276000   |       |                                | 1228813000   |       | 12       |
|                               | 44579        |       |                               | 3666354      |       |                                | 861987       |       | 13       |
|                               | 6206378      |       |                               | 45816713     |       |                                | 31587754     |       | 14       |
|                               | 25127681     |       |                               | 212615273    |       |                                | 294329529    |       | 15       |
|                               | 347535       |       |                               | 989614       |       |                                | 122717       |       | 16       |
|                               | 31726173     |       |                               | 263087954    |       |                                | 326901987    |       | 17       |
|                               | 323.7365     |       |                               | 479.8686     |       |                                | 1467.5735    |       | 18       |
|                               | 553500       |       |                               | 982519       |       |                                | 281646       |       | 19       |
|                               | 6925679      |       |                               | 101120910    |       |                                | 29057735     |       | 20       |
|                               | 0            |       |                               | 0            |       |                                | 0            |       | 21       |
|                               | 489574       |       |                               | 558731       |       |                                | 290046       |       | 22       |
|                               | 0            |       |                               | 0            |       |                                | 0            |       | 23       |
|                               | 0            |       |                               | 0            |       |                                | 0            |       | 24       |
|                               | 474047       |       |                               | 702057       |       |                                | 187342       |       | 25       |
|                               | 1181254      |       |                               | 2192559      |       |                                | 889462       |       | 26       |
|                               | 0            |       |                               | 0            |       |                                | 0            |       | 27       |
|                               | 331316       |       |                               | 2816168      |       |                                | 122022       |       | 28       |
|                               | 84478        |       |                               | 1346924      |       |                                | 583510       |       | 29       |
|                               | 278555       |       |                               | 859621       |       |                                | 373568       |       | 30       |
|                               | 600826       |       |                               | 3931653      |       |                                | 3873450      |       | 31       |
|                               | 143618       |       |                               | 2427032      |       |                                | 646137       |       | 32       |
|                               | 327795       |       |                               | 389716       |       |                                | 176722       |       | 33       |
|                               | 11390642     |       |                               | 117327890    |       |                                | 36481640     |       | 34       |
|                               | 0.1261       |       |                               | 0.0460       |       |                                | 0.0297       |       | 35       |
| Coal                          | Oil          |       | Coal                          | Oil          |       | Coal                           | Oil          |       | 36       |
| Tons                          | BBL          |       | Tons                          | BBL          |       | Tons                           | BBL          |       | 37       |
| 51847                         | 264          | 0     | 1272369                       | 4232         | 0     | 12786515                       | 910          | 0     | 38       |
| 11406                         | 132001       | 0     | 10362                         | 138340       | 0     | 11949                          | 140150       | 0     | 39       |
| 130.727                       | 98.340       | 0.000 | 78.558                        | 94.028       | 0.000 | 2.379                          | 98.632       | 0.000 | 40       |
| 130.610                       | 100.063      | 0.000 | 78.032                        | 87.309       | 0.000 | 2.240                          | 94.386       | 0.000 | 41       |
| 5.726                         | 0.000        | 0.000 | 3.765                         | 0.000        | 0.000 | 2.279                          | 0.000        | 0.000 | 42       |
| 7.495                         | 0.000        | 0.000 | 3.889                         | 0.000        | 0.000 | 2.330                          | 0.000        | 0.000 | 43       |
| 13103.000                     | 0.000        | 0.000 | 10337.000                     | 0.000        | 0.000 | 10230.000                      | 0.000        | 0.000 | 44       |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

| Line No. | Item<br>(a)   | Plant Name: <i>Smith Unit 3</i><br>(b) |       | Plant Name: <i>Smith CT</i><br>(c) |       |       |
|----------|---|--|-------|------------------------------------|-------|-------|
|          |   |  |       |                                    |       |       |
| 1        | Kind of Plant (Internal Comb, Gas Turb, Nuclear)        | Combined Cycle                         |       | Combustion Turbine                 |       |       |
| 2        | Type of Constr (Conventional, Outdoor, Boiler, etc)     | Conventional                           |       | Conventional                       |       |       |
| 3        | Year Originally Constructed                             | 2002                                   |       | 1971                               |       |       |
| 4        | Year Last Unit was Installed                            | 2002                                   |       | 1971                               |       |       |
| 5        | Total Installed Cap (Max Gen Name Plate Ratings-MW)     | 619.65                                 |       | 41.85                              |       |       |
| 6        | Net Peak Demand on Plant - MW (60 minutes)              | 605                                    |       | 43                                 |       |       |
| 7        | Plant Hours Connected to Load                           | 0                                      |       | 0                                  |       |       |
| 8        | Net Continuous Plant Capability (Megawatts)             | 0                                      |       | 0                                  |       |       |
| 9        | When Not Limited by Condenser Water                     | 0                                      |       | 0                                  |       |       |
| 10       | When Limited by Condenser Water                         | 0                                      |       | 0                                  |       |       |
| 11       | Average Number of Employees                             | 0                                      |       | 0                                  |       |       |
| 12       | Net Generation, Exclusive of Plant Use - KWh            | 2847102000                             |       | 159000                             |       |       |
| 13       | Cost of Plant: Land and Land Rights                     | 0                                      |       | 0                                  |       |       |
| 14       | Structures and Improvements                             | 12127157                               |       | 793362                             |       |       |
| 15       | Equipment Costs   | 196292885                              |       | 4170119                            |       |       |
| 16       | Asset Retirement Costs                                  | 0                                      |       | 0                                  |       |       |
| 17       | Total Cost  | 208420042                              |       | 4963481                            |       |       |
| 18       | Cost per KW of Installed Capacity (line 17/5) Including | 336.3512                               |       | 118.6017                           |       |       |
| 19       | Production Expenses: Oper, Supv, & Engr                 | 607553                                 |       | 7985                               |       |       |
| 20       | Fuel  | 128203271                              |       | 117338                             |       |       |
| 21       | Coolants and Water (Nuclear Plants Only)                | 0                                      |       | 0                                  |       |       |
| 22       | Steam Expenses  | 828824                                 |       | 0                                  |       |       |
| 23       | Steam From Other Sources                                | 0                                      |       | 0                                  |       |       |
| 24       | Steam Transferred (Cr)                                  | 0                                      |       | 0                                  |       |       |
| 25       | Electric Expenses                                       | 0                                      |       | 0                                  |       |       |
| 26       | Misc Steam (or Nuclear) Power Expenses                  | 86089                                  |       | 0                                  |       |       |
| 27       | Rents   | 0                                      |       | 0                                  |       |       |
| 28       | Allowances  | 0                                      |       | 0                                  |       |       |
| 29       | Maintenance Supervision and Engineering                 | 95780                                  |       | 859                                |       |       |
| 30       | Maintenance of Structures                               | 398427                                 |       | 0                                  |       |       |
| 31       | Maintenance of Boiler (or reactor) Plant                | 0                                      |       | 0                                  |       |       |
| 32       | Maintenance of Electric Plant                           | 6683196                                |       | 23440                              |       |       |
| 33       | Maintenance of Misc Steam (or Nuclear) Plant            | 120547                                 |       | 3082                               |       |       |
| 34       | Total Production Expenses                               | 137023687                              |       | 152704                             |       |       |
| 35       | Expenses per Net KWh                                    | 0.0481                                 |       | 0.9604                             |       |       |
| 36       | Fuel: Kind (Coal, Gas, Oil, or Nuclear)                 | Gas                                    |       | Oil                                |       |       |
| 37       | Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)    | MCF                                    |       | BBL                                |       |       |
| 38       | Quantity (Units) of Fuel Burned                         | 17346140                               | 0     | 1407                               | 0     | 0     |
| 39       | Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)   | 1018                                   | 0     | 138134                             | 0     | 0     |
| 40       | Avg Cost of Fuel/unit, as Delvd f.o.b. during year      | 4.796                                  | 0.000 | 88.027                             | 0.000 | 0.000 |
| 41       | Average Cost of Fuel per Unit Burned                    | 5.373                                  | 0.000 | 83.381                             | 0.000 | 0.000 |
| 42       | Average Cost of Fuel Burned per Million BTU             | 6.142                                  | 0.000 | 14.372                             | 0.000 | 0.000 |
| 43       | Average Cost of Fuel Burned per KWh Net Gen             | 3.810                                  | 0.000 | 73.798                             | 0.000 | 0.000 |
| 44       | Average BTU per KWh Net Generation                      | 6203.000                               | 0.000 | 51348.000                          | 0.000 | 0.000 |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)

9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.

| Plant Name: <i>Pea Ridge</i><br>(d) | Plant Name:<br>(e) | Plant Name:<br>(f) | Line No. |
|-------------------------------------|--------------------|--------------------|----------|
| Combustion Turbine                  |                    |                    | 1        |
| Conventional                        |                    |                    | 2        |
| 1998                                |                    |                    | 3        |
| 1998                                |                    |                    | 4        |
| 14.25                               | 0.00               | 0.00               | 5        |
| 16                                  | 0                  | 0                  | 6        |
| 0                                   | 0                  | 0                  | 7        |
| 0                                   | 0                  | 0                  | 8        |
| 0                                   | 0                  | 0                  | 9        |
| 0                                   | 0                  | 0                  | 10       |
| 0                                   | 0                  | 0                  | 11       |
| 55797000                            | 0                  | 0                  | 12       |
| 0                                   | 0                  | 0                  | 13       |
| 0                                   | 0                  | 0                  | 14       |
| 10481919                            | 0                  | 0                  | 15       |
| 397194                              | 0                  | 0                  | 16       |
| 10879113                            | 0                  | 0                  | 17       |
| 763.4465                            | 0.0000             | 0.0000             | 18       |
| 0                                   | 0                  | 0                  | 19       |
| 2616306                             | 0                  | 0                  | 20       |
| 0                                   | 0                  | 0                  | 21       |
| 0                                   | 0                  | 0                  | 22       |
| 0                                   | 0                  | 0                  | 23       |
| 0                                   | 0                  | 0                  | 24       |
| 0                                   | 0                  | 0                  | 25       |
| 6060                                | 0                  | 0                  | 26       |
| 0                                   | 0                  | 0                  | 27       |
| 0                                   | 0                  | 0                  | 28       |
| 0                                   | 0                  | 0                  | 29       |
| 0                                   | 0                  | 0                  | 30       |
| 0                                   | 0                  | 0                  | 31       |
| 450000                              | 0                  | 0                  | 32       |
| 0                                   | 0                  | 0                  | 33       |
| 3072366                             | 0                  | 0                  | 34       |
| 0.0551                              | 0.0000             | 0.0000             | 35       |
| Gas                                 |                    |                    | 36       |
| MCF                                 |                    |                    | 37       |
| 0                                   | 0                  | 0                  | 38       |
| 0                                   | 0                  | 0                  | 39       |
| 0.000                               | 0.000              | 0.000              | 40       |
| 0.000                               | 0.000              | 0.000              | 41       |
| 0.000                               | 0.000              | 0.000              | 42       |
| 4.689                               | 0.000              | 0.000              | 43       |
| 0.000                               | 0.000              | 0.000              | 44       |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 402 Line No.: 1 Column: e**  
Gulf Power Company and Mississippi Power Company jointly owns Plant Daniel.

**Schedule Page: 402 Line No.: 1 Column: f**  
Gulf Power Company and Georgia Power Company jointly owns Plant Scherer Unit 3.

**Schedule Page: 402 Line No.: 7 Column: b**  
Multi-unit plant availability statistics not maintained on a total plant basis.

**Schedule Page: 402 Line No.: 7 Column: c**  
Multi-unit plant availability statistics not maintained on a total plant basis.

**Schedule Page: 402 Line No.: 7 Column: d**  
Multi-unit plant availability statistics not maintained on a total plant basis.

**Schedule Page: 402 Line No.: 7 Column: e**  
Multi-unit plant availability statistics not maintained on a total plant basis.

**Schedule Page: 402 Line No.: 7 Column: f**  
Multi-unit plant availability statistics not maintained on a total plant basis.

**Schedule Page: 402.1 Line No.: 22 Column: c**  
Smith Unit A is a oil-fired combustion turbine plant. The data reported on this line is not steam related.

**Schedule Page: 402 Line No.: 42 Column: b3**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 42 Column: c2**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 42 Column: d2**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 42 Column: e2**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 42 Column: f2**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 43 Column: b3**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 43 Column: c2**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 43 Column: d2**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 43 Column: e2**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 43 Column: f2**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 44 Column: b2**  
Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 44 Column: b3**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 44 Column: c2**  
Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

|  |   |                                       |                                  |
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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 402 Line No.: 44 Column: d2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 44 Column: e2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 44 Column: f2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**TRANSMISSION LINE STATISTICS**

- Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
- Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
- Report data by individual lines for all voltages if so required by a State commission.
- Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
- Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
- Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

| Line No. | DESIGNATION               |                    | VOLTAGE (KV)<br>(Indicate where other than 60 cycle, 3 phase) |              | Type of Supporting Structure (e) | LENGTH (Pole miles)<br>(In the case of underground lines report circuit miles) |                                   | Number Of Circuits (h) |
|----------|---------------------------|--------------------|---|--------------|----------------------------------|--|-----------------------------------|------------------------|
|          | From (a)                  | To (b)             | Operating (c)   | Designed (d) |                                  | On Structure of Line Designated (f)  | On Structures of Another Line (g) |                        |
| 1        | Alligator Swamp           | Santa Rosa Energy  | 230.00  | 230.00       | Concret S Pole                   | 7.40   |                                   | 1                      |
| 2        | Bellview                  | Silverhill         | 230.00  | 230.00       | Steel H-Frame                    | 11.15  |                                   | 1                      |
| 3        | Brentwood                 | Silverhill         | 230.00  | 230.00       | Steel H-Frame                    | 13.24  | 1.24                              | 1                      |
| 4        | Callaway                  | Port St. Joe       | 230.00  | 230.00       | Steel H-Frame                    | 2.37   |                                   | 1                      |
| 5        | Crist                     | Barry              | 230.00  | 230.00       | Alum Tower                       | 31.69  |                                   | 1                      |
| 6        | Crist                     | Bellview           | 230.00  | 230.00       | Steel H-Frame                    | 8.86   |                                   | 1                      |
| 7        | Crist                     | Brentwood          | 230.00  | 230.00       | Steel Tower                      | 7.64   | 7.31                              | 1                      |
| 8        | Crist                     | Shoal River        | 230.00  | 230.00       | Alum Tower                       | 44.58  |                                   | 1                      |
| 9        | Crist                     | Crist Scrubber #1  | 230.00  | 230.00       | Concret S Pole                   | 0.24   |                                   | 1                      |
| 10       | Crist                     | Crist Scrubber #2  | 230.00  | 230.00       | Concret S Pole                   | 0.11   |                                   | 1                      |
| 11       | Crist                     | Wright             | 230.00  | 230.00       | Steel H-Frame                    | 49.68  |                                   | 1                      |
| 12       | Farley                    | Sinai Cemetery     | 230.00  | 230.00       | Concret S Pole                   | 28.32  |                                   | 1                      |
| 13       | Shaky Joe Swamp Tap       | Hinsons Crossroads | 230.00  | 230.00       | Steel S Pole                     | 5.50   |                                   | 1                      |
| 14       | Shoal River               | Pinckard           | 230.00  | 230.00       | Steel H-Frame                    | 37.55  |                                   | 1                      |
| 15       | Shoal River               | Wright             | 230.00  | 230.00       | Alum Tower                       | 24.00  |                                   | 1                      |
| 16       | Smith                     | Callaway           | 230.00  | 230.00       | Steel H-Frame                    | 17.27  |                                   | 1                      |
| 17       | Smith                     | Laguna             | 230.00  | 230.00       | Steel H-Frame                    | 14.18  |                                   | 1                      |
| 18       | Smith                     | Shoal River        | 230.00  | 230.00       | Alum Tower                       | 72.76  |                                   | 1                      |
| 19       | Smith                     | Thomasville        | 230.00  | 230.00       | Alum Tower                       | 66.93  |                                   | 1                      |
| 20       | Smith Unit 3 CC           | Smith Unit 3 CC    | 230.00  | 230.00       | Steel H-Frame                    | 0.10   |                                   | 1                      |
| 21       |                           |                    |   |              |                                  |  |                                   |                        |
| 22       | 115KV                     |                    |   |              |                                  | 1,059.85   | 18.97                             |                        |
| 23       |                           |                    |   |              |                                  |  |                                   |                        |
| 24       | 46KV                      |                    |   |              |                                  | 113.59   | 0.46                              |                        |
| 25       |                           |                    |   |              |                                  |  |                                   |                        |
| 26       | General Overhead Expenses |                    |   |              |                                  |  |                                   |                        |
| 27       |                           |                    |   |              |                                  |  |                                   |                        |
| 28       |                           |                    |   |              |                                  |  |                                   |                        |
| 29       |                           |                    |   |              |                                  |  |                                   |                        |
| 30       |                           |                    |   |              |                                  |  |                                   |                        |
| 31       |                           |                    |   |              |                                  |  |                                   |                        |
| 32       |                           |                    |   |              |                                  |  |                                   |                        |
| 33       |                           |                    |   |              |                                  |  |                                   |                        |
| 34       |                           |                    |   |              |                                  |  |                                   |                        |
| 35       |                           |                    |   |              |                                  |  |                                   |                        |
| 36       |                           |                    |   |              | TOTAL                            | 1,617.01   | 27.98                             | 20                     |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

TRANSMISSION LINE STATISTICS (Continued)

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

| Size of Conductor and Material (i) | COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way) |                                  |                | EXPENSES, EXCEPT DEPRECIATION AND TAXES |                          |           |                    | Line No. |
|------------------------------------|---|----------------------------------|----------------|---|--------------------------|-----------|--------------------|----------|
|                                    | Land (j)  | Construction and Other Costs (k) | Total Cost (l) | Operation Expenses (m)                  | Maintenance Expenses (n) | Rents (o) | Total Expenses (p) |          |
| 1351.5 ACSR                        |   | 2,020                            | 2,020          | 636                                     | 1,274,459                | 174,336   | 1,449,431          | 1        |
| 1351.5 SSAC                        | 432,138   | 1,257,448                        | 1,689,586      |   |                          |           |                    | 2        |
| 1351.5 SSAC                        | 69,323  | 4,022,099                        | 4,091,422      |   |                          |           |                    | 3        |
| 795 ACSR                           | 115,793   | 338,441                          | 454,234        |   |                          |           |                    | 4        |
| 1351.5 ACSR                        | 1,533,081   | 2,665,388                        | 4,198,469      |   |                          |           |                    | 5        |
| 1351.5 ACSR                        | 386,144   | 1,161,673                        | 1,547,817      |   |                          |           |                    | 6        |
| 1033.5 ACSR                        | 11,646  | 430,302                          | 441,948        |   |                          |           |                    | 7        |
| 1351.5 ACSR                        | 193,710   | 2,933,338                        | 3,127,048      |   |                          |           |                    | 8        |
| 1033.5 ACSR                        |   | 554,970                          | 554,970        |   |                          |           |                    | 9        |
| 1033.5 ACSR                        |   | 241,624                          | 241,624        |   |                          |           |                    | 10       |
| 1351.5 ACSR                        | 410,464   | 5,062,321                        | 5,472,785      |   |                          |           |                    | 11       |
| 1351.5 SSAC                        |   | 5,945,951                        | 5,945,951      |   |                          |           |                    | 12       |
| 1033.5 ACSR                        | 389,028   | 3,522,941                        | 3,911,969      |   |                          |           |                    | 13       |
| 795 ACSR                           | 245,868   | 3,878,738                        | 4,124,606      |   |                          |           |                    | 14       |
| 1351.5 ACSR                        | 56,134  | 1,242,952                        | 1,299,086      |   |                          |           |                    | 15       |
| 1351.5 ACSR                        | 394,077   | 1,639,510                        | 2,033,587      |   |                          |           |                    | 16       |
| 795 ACSR                           | 177,688   | 2,568,251                        | 2,745,939      |   |                          |           |                    | 17       |
| 1033.5 ACSR                        | 390,086   | 3,170,971                        | 3,561,057      |   |                          |           |                    | 18       |
| 1033.5 ACSR                        | 306,095   | 3,842,982                        | 4,149,077      |   |                          |           |                    | 19       |
| 1351.5 ACSR                        |   | 212,010                          | 212,010        |   |                          |           |                    | 20       |
|                                    |   |                                  |                |   |                          |           |                    | 21       |
|                                    | 8,417,537   | 148,323,887                      | 156,741,424    | 124,324                                 | 987,101                  |           | 1,111,425          | 22       |
|                                    |   |                                  |                |   |                          |           |                    | 23       |
|                                    | 540,788   | 10,937,478                       | 11,478,266     | 1,222                                   | 91,943                   |           | 93,165             | 24       |
|                                    |   |                                  |                |   |                          |           |                    | 25       |
|                                    |   |                                  |                | 14,364                                  | 42,226                   |           | 56,590             | 26       |
|                                    |   |                                  |                |   |                          |           |                    | 27       |
|                                    |   |                                  |                |   |                          |           |                    | 28       |
|                                    |   |                                  |                |   |                          |           |                    | 29       |
|                                    |   |                                  |                |   |                          |           |                    | 30       |
|                                    |   |                                  |                |   |                          |           |                    | 31       |
|                                    |   |                                  |                |   |                          |           |                    | 32       |
|                                    |   |                                  |                |   |                          |           |                    | 33       |
|                                    |   |                                  |                |   |                          |           |                    | 34       |
|                                    |   |                                  |                |   |                          |           |                    | 35       |
|                                    | 14,069,600  | 203,955,295                      | 218,024,895    | 140,546                                 | 2,395,729                | 174,336   | 2,710,611          | 36       |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**TRANSMISSION LINES ADDED DURING YEAR**

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (f) to (g), it is permissible to report in these columns the

| Line No. | LINE DESIGNATION |              | Line Length in Miles (c) | SUPPORTING STRUCTURE |                              | CIRCUITS PER STRUCTURE |              |
|----------|------------------|--------------|--------------------------|----------------------|------------------------------|------------------------|--------------|
|          | From (a)         | To (b)       |                          | Type (d)             | Average Number per Miles (e) | Present (f)            | Ultimate (g) |
| 1        | FLOMATON         | BRENTWOOD    | 5.70                     | Concrete S Pol       | 10.00                        | 1                      | 1            |
| 2        | BRENTWOOD        | FAIRFIELD #2 | 1.70                     | Concrete S Pol       | 15.00                        | 1                      | 1            |
| 3        |                  |              |                          |                      |                              |                        |              |
| 4        |                  |              |                          |                      |                              |                        |              |
| 5        |                  |              |                          |                      |                              |                        |              |
| 6        |                  |              |                          |                      |                              |                        |              |
| 7        |                  |              |                          |                      |                              |                        |              |
| 8        |                  |              |                          |                      |                              |                        |              |
| 9        |                  |              |                          |                      |                              |                        |              |
| 10       |                  |              |                          |                      |                              |                        |              |
| 11       |                  |              |                          |                      |                              |                        |              |
| 12       |                  |              |                          |                      |                              |                        |              |
| 13       |                  |              |                          |                      |                              |                        |              |
| 14       |                  |              |                          |                      |                              |                        |              |
| 15       |                  |              |                          |                      |                              |                        |              |
| 16       |                  |              |                          |                      |                              |                        |              |
| 17       |                  |              |                          |                      |                              |                        |              |
| 18       |                  |              |                          |                      |                              |                        |              |
| 19       |                  |              |                          |                      |                              |                        |              |
| 20       |                  |              |                          |                      |                              |                        |              |
| 21       |                  |              |                          |                      |                              |                        |              |
| 22       |                  |              |                          |                      |                              |                        |              |
| 23       |                  |              |                          |                      |                              |                        |              |
| 24       |                  |              |                          |                      |                              |                        |              |
| 25       |                  |              |                          |                      |                              |                        |              |
| 26       |                  |              |                          |                      |                              |                        |              |
| 27       |                  |              |                          |                      |                              |                        |              |
| 28       |                  |              |                          |                      |                              |                        |              |
| 29       |                  |              |                          |                      |                              |                        |              |
| 30       |                  |              |                          |                      |                              |                        |              |
| 31       |                  |              |                          |                      |                              |                        |              |
| 32       |                  |              |                          |                      |                              |                        |              |
| 33       |                  |              |                          |                      |                              |                        |              |
| 34       |                  |              |                          |                      |                              |                        |              |
| 35       |                  |              |                          |                      |                              |                        |              |
| 36       |                  |              |                          |                      |                              |                        |              |
| 37       |                  |              |                          |                      |                              |                        |              |
| 38       |                  |              |                          |                      |                              |                        |              |
| 39       |                  |              |                          |                      |                              |                        |              |
| 40       |                  |              |                          |                      |                              |                        |              |
| 41       |                  |              |                          |                      |                              |                        |              |
| 42       |                  |              |                          |                      |                              |                        |              |
| 43       |                  |              |                          |                      |                              |                        |              |
| 44       | TOTAL            |              | 7.40                     |                      | 25.00                        | 2                      | 2            |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

TRANSMISSION LINES ADDED DURING YEAR (Continued)

costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).

3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.

| CONDUCTORS  |                      |                                     | Voltage<br>KV<br>(Operating)<br>(k) | LINE COST                      |                                      |                                  |                               | Line<br>No. |
|-------------|----------------------|-------------------------------------|-------------------------------------|--------------------------------|--------------------------------------|----------------------------------|-------------------------------|-------------|
| Size<br>(h) | Specification<br>(i) | Configuration<br>and Spacing<br>(j) |                                     | Land and<br>Land Rights<br>(l) | Poles, Towers<br>and Fixtures<br>(m) | Conductors<br>and Devices<br>(n) | Asset<br>Retire. Costs<br>(o) |             |
| 1033.5      | 3 Phase              | Vertical 9'                         | 115                                 | 46,271                         | 4,013,196                            | 4,342,951                        | 8,402,418                     | 1           |
| 1033.5      | 3 Phase              | Vertical 9'                         | 115                                 |                                | 268,184                              | 278,852                          | 547,036                       | 2           |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 3           |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 4           |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 5           |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 6           |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 7           |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 8           |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 9           |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 10          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 11          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 12          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 13          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 14          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 15          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 16          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 17          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 18          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 19          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 20          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 21          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 22          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 23          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 24          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 25          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 26          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 27          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 28          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 29          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 30          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 31          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 32          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 33          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 34          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 35          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 36          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 37          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 38          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 39          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 40          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 41          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 42          |
|             |                      |                                     |                                     |                                |                                      |                                  |                               | 43          |
|             |                      |                                     |                                     | 46,271                         | 4,281,380                            | 4,621,803                        | 8,949,454                     | 44          |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
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| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 424 Line No.: 1 Column: l**

Includes \$12,282 in Rights-of-Way clearing costs and \$0 in roads and trails costs.

**Schedule Page: 424 Line No.: 1 Column: n**

Column n represents only overhead costs.

**Schedule Page: 424 Line No.: 2 Column: n**

Column n represents only overhead costs.

|  |   |                                       |   |
|--|---|---------------------------------------|---|
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|--|---|---------------------------------------|---|

**SUBSTATIONS**

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

| Line No. | Name and Location of Substation<br>(a) | Character of Substation<br>(b) | VOLTAGE (In MVa) |                  |                 |
|----------|--|--------------------------------|------------------|------------------|-----------------|
|          |  |                                | Primary<br>(c)   | Secondary<br>(d) | Tertiary<br>(e) |
| 1        | Airport, Crestview                     | Dist. - Unattended             | 46.00            | 12.00            |                 |
| 2        | Altha, Altha                           | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 3        | Avalon                                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 4        | Bay County, Panama City                | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 5        | Bayou Chico, Pensacola                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 6        | Bayou Marcus, Pensacola                | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 7        | Beach Haven, Pensacola                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 8        | Beaver Creek                           | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 9        | Bellview, Pensacola                    | Dist. - Unattended             | 230.00           | 115.00           | 12.00           |
| 10       | Beulah, Beulah                         | Dist. - Unattended             | 230.00           | 12.00            |                 |
| 11       | Blackwater, Milton                     | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 12       | Blountstown, Blountstown               | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 13       | Bonifay, Bonifay                       | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 14       | Brentwood, Pensacola                   | Trans. - Unattended            | 230.00           | 115.00           | 12.00           |
| 15       | Brentwood, Pensacola                   | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 16       | Brynville, Brynville                   | Trans. - Unattended            | 115.00           | 46.00            |                 |
| 17       | Callaway, Panama City                  | Trans. - Unattended            | 230.00           | 115.00           | 12.00           |
| 18       | Cantonment, Pensacola                  | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 19       | Caverns Road, Marianna                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 20       | Chipley, Chipley                       | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 21       | Chipola, Marianna                      | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 22       | Cordova, Pensacola                     | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 23       | Crist Steam Plant, Pensacola           | Trans. - Unattended            | 115.00           | 12.00            |                 |
| 24       |  | Generating Plant               | 115.00           | 25.00            |                 |
| 25       |  |                                | 230.00           | 25.00            |                 |
| 26       |  |                                | 115.00           | 4.00             |                 |
| 27       |  |                                | 12.00            | 2.00             |                 |
| 28       |  |                                | 25.00            | 4.00             |                 |
| 29       |  |                                | 230.00           | 115.00           | 12.00           |
| 30       | Crooked Creek, Pace                    | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 31       | Crystal Beach, Crystal Beach           | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 32       | Daniel Steam Plant, Jackson, Cnty Ms   | Transmission at                | 230.00           | 17.00            |                 |
| 33       | (Co-owned with MPC 50%)                | Generating Plant               | 230.00           | 4.00             |                 |
| 34       |  |                                | 18.00            | 4.00             |                 |
| 35       | Destin, Destin                         | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 36       | Devilliers, Pensacola                  | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 37       | Duke, Crestview                        | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 38       | East Bay, Pensacola                    | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 39       | East Crestview                         | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 40       | Eastgate, Pensacola                    | Dist. - Unattended             | 115.00           | 12.00            |                 |

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

| Capacity of Substation<br>(In Service) (In MVA)<br>(f) | Number of<br>Transformers<br>In Service<br>(g) | Number of<br>Spare<br>Transformers<br>(h) | CONVERSION APPARATUS AND SPECIAL EQUIPMENT |                        |                                   | Line<br>No. |
|--|--|---|--|------------------------|-----------------------------------|-------------|
|  |  |   | Type of Equipment<br>(i)                   | Number of Units<br>(j) | Total Capacity<br>(In MVA)<br>(k) |             |
| 11   | 3  | 1   |  |                        |                                   | 1           |
| 21   | 1  | 1   |  |                        |                                   | 2           |
| 28   | 1  |   |  |                        |                                   | 3           |
| 34   | 4  |   |  |                        |                                   | 4           |
| 81   | 3  |   |  |                        |                                   | 5           |
| 84   | 3  |   |  |                        |                                   | 6           |
| 96   | 3  |   |  |                        |                                   | 7           |
| 28   | 1  |   |  |                        |                                   | 8           |
| 392  | 1  |   |  |                        |                                   | 9           |
| 28   | 1  | 1   |  |                        |                                   | 10          |
| 28   | 1  |   |  |                        |                                   | 11          |
| 28   | 1  |   |  |                        |                                   | 12          |
| 28   | 1  |   |  |                        |                                   | 13          |
| 792  | 2  | 1   |  |                        |                                   | 14          |
| 65   | 3  | 2   |  |                        |                                   | 15          |
| 45   | 1  | 1   |  |                        |                                   | 16          |
| 224  | 1  |   |  |                        |                                   | 17          |
| 56   | 2  |   |  |                        |                                   | 18          |
| 28   | 1  |   |  |                        |                                   | 19          |
| 28   | 1  |   |  |                        |                                   | 20          |
| 40   | 1  |   |  |                        |                                   | 21          |
| 28   | 1  |   |  |                        |                                   | 22          |
| 314  | 5  |   |  |                        |                                   | 23          |
| 459  | 1  |   |  |                        |                                   | 24          |
| 620  | 1  |   |  |                        |                                   | 25          |
| 60   | 3  | 1   |  |                        |                                   | 26          |
| 31   | 6  |   |  |                        |                                   | 27          |
| 76   | 4  |   |  |                        |                                   | 28          |
| 400  | 1  |   |  |                        |                                   | 29          |
| 40   | 1  |   |  |                        |                                   | 30          |
| 66   | 2  |   |  |                        |                                   | 31          |
| 595  | 1  |   |  |                        |                                   | 32          |
| 40   | 1  |   |  |                        |                                   | 33          |
| 4  | 2  |   |  |                        |                                   | 34          |
| 84   | 3  |   |  |                        |                                   | 35          |
| 40   | 2  |   |  |                        |                                   | 36          |
| 28   | 1  |   |  |                        |                                   | 37          |
| 84   | 3  |   |  |                        |                                   | 38          |
| 30   | 1  |   |  |                        |                                   | 39          |
| 83   | 3  |   |  |                        |                                   | 40          |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**SUBSTATIONS**

1. Report below the information called for concerning substations of the respondent as of the end of the year.
2. Substations which serve only one industrial or street railway customer should not be listed below.
3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

| Line No. | Name and Location of Substation<br>(a) | Character of Substation<br>(b) | VOLTAGE (In MVA) |                  |                 |
|----------|--|--------------------------------|------------------|------------------|-----------------|
|          |  |                                | Primary<br>(c)   | Secondary<br>(d) | Tertiary<br>(e) |
| 1        | ECUA, Pensacola                        | Dist. - Unattended             | 230.00           | 12.00            |                 |
| 2        | Ellyson, Pensacola                     | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 3        | Fairfield, Pensacola                   | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 4        | Fort Walton, Fort Walton               | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 5        | Glendale Road, Defuniak                | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 6        | Glendale Road, Defuniak                | Trans. - Unattended            | 115.00           | 46.00            |                 |
| 7        | Goulding, Pensacola                    | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 8        | Graceville, Graceville                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 9        | Grand Ridge, Grand Ridge               | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 10       | Greenwood, Panama City                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 11       | Gulf Breeze, Gulf Breeze               | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 12       | Hathaway, Panama City                  | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 13       | Highland City, Panama City             | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 14       | Hinsons Crossroads                     | Dist. - Unattended             | 230.00           | 12.00            |                 |
| 15       | Holmes Creek, Graceville               | Trans. - Unattended            | 115.00           | 46.00            |                 |
| 16       | Honeysuckle, Pensacola                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 17       | Hurlburt, Mary Esther                  | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 18       | Innerarity, Pensacola                  | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 19       | International Paper Co., Panama City   | Dist. - Unattended             | 46.00            | 12.00            |                 |
| 20       | Jay Road, Milton                       | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 21       | Laguna Beach, Panama City              | Trans. - Unattended            | 230.00           | 115.00           | 12.00           |
| 22       | Live Oak, Gulf Breeze                  | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 23       | Long Beach, Panama City                | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 24       | Lullwater, Panama City                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 25       | Marianna, Marianna                     | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 26       | Miller Bayou                           | Trans. - Unattended            | 230.00           | 115.00           | 12.00           |
| 27       | Miramar, Miramar                       | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 28       | Mobile Unit #1, Pensacola              | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 29       | Mobile Unit #2, Panama City            | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 30       | Mobile Unit #3 Panama City             | Dist. - Unattended             | 46.00            | 12.00            |                 |
| 31       | Molino, Molino                         | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 32       | Navarre, Pensacola,                    | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 33       | Niceville, Niceville                   | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 34       | Northside, Panama City                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 35       | Oakfield, Panama City                  | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 36       | Ocean City, Fort Walton                | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 37       | Pace, Pace                             | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 38       | Panama City Airport, Panama City       | Dist. - Unattended             | 230.00           | 12.00            |                 |
| 39       | Parker, Panama City                    | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 40       | Phillips Inlet, Panama City            | Dist. - Unattended             | 115.00           | 12.00            |                 |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

| Capacity of Substation<br>(In Service) (In MVa)<br>(f) | Number of<br>Transformers<br>In Service<br>(g) | Number of<br>Spare<br>Transformers<br>(h) | CONVERSION APPARATUS AND SPECIAL EQUIPMENT |                        |                                   | Line<br>No. |
|--|--|---|--|------------------------|-----------------------------------|-------------|
|  |  |   | Type of Equipment<br>(i)                   | Number of Units<br>(j) | Total Capacity<br>(In MVa)<br>(k) |             |
| 28   | 1  | 1   |  |                        |                                   | 1           |
| 56   | 2  |   |  |                        |                                   | 2           |
| 28   | 1  |   |  |                        |                                   | 3           |
| 73   | 3  |   |  |                        |                                   | 4           |
| 28   | 1  |   |  |                        |                                   | 5           |
| 40   | 1  | 1   |  |                        |                                   | 6           |
| 88   | 3  |   |  |                        |                                   | 7           |
| 28   | 1  |   |  |                        |                                   | 8           |
| 13   | 1  |   |  |                        |                                   | 9           |
| 95   | 3  |   |  |                        |                                   | 10          |
| 68   | 2  |   |  |                        |                                   | 11          |
| 56   | 2  |   |  |                        |                                   | 12          |
| 56   | 2  | 1   |  |                        |                                   | 13          |
| 33   | 1  | 1   |  |                        |                                   | 14          |
| 10   | 1  | 4   |  |                        |                                   | 15          |
| 56   | 2  |   |  |                        |                                   | 16          |
| 28   | 1  |   |  |                        |                                   | 17          |
| 56   | 2  |   |  |                        |                                   | 18          |
| 14   | 3  | 1   |  |                        |                                   | 19          |
| 68   | 2  |   |  |                        |                                   | 20          |
| 392  | 1  |   |  |                        |                                   | 21          |
| 56   | 2  |   |  |                        |                                   | 22          |
| 80   | 2  |   |  |                        |                                   | 23          |
| 80   | 2  |   |  |                        |                                   | 24          |
| 35   | 2  |   |  |                        |                                   | 25          |
| 400  | 1  |   |  |                        |                                   | 26          |
| 56   | 2  |   |  |                        |                                   | 27          |
| 25   | 1  |   |  |                        |                                   | 28          |
| 28   | 1  |   |  |                        |                                   | 29          |
| 20   | 1  |   |  |                        |                                   | 30          |
| 20   | 1  |   |  |                        |                                   | 31          |
| 28   | 1  |   |  |                        |                                   | 32          |
| 28   | 1  |   |  |                        |                                   | 33          |
| 56   | 2  |   |  |                        |                                   | 34          |
| 28   | 1  |   |  |                        |                                   | 35          |
| 73   | 3  |   |  |                        |                                   | 36          |
| 56   | 2  |   |  |                        |                                   | 37          |
| 28   | 1  | 1   |  |                        |                                   | 38          |
| 56   | 2  |   |  |                        |                                   | 39          |
| 28   | 1  |   |  |                        |                                   | 40          |

|  |   |                                       |   |
|--|---|---------------------------------------|---|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of 2010/Q4 |
|--|---|---------------------------------------|---|

**SUBSTATIONS**

- Report below the information called for concerning substations of the respondent as of the end of the year.
- Substations which serve only one industrial or street railway customer should not be listed below.
- Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
- Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

| Line No. | Name and Location of Substation<br>(a) | Character of Substation<br>(b) | VOLTAGE (In MVA) |                  |                 |
|----------|--|--------------------------------|------------------|------------------|-----------------|
|          |  |                                | Primary<br>(c)   | Secondary<br>(d) | Tertiary<br>(e) |
| 1        | Pine Barran                            | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 2        | Pine Forest, Pensacola                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 3        | Powell Lake, Panama City               | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 4        | Redwood, Panama City                   | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 5        | Romana, Pensacola                      | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 6        | Sandestin, Sandestin                   | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 7        | Scenic Hills, Pensacola                | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 8        | Scholz Steam Plant, Sneads             | Trans. - Unattended            | 13.00            | 1.40             |                 |
| 9        |  | Generating Plant               | 115.00           | 13.00            |                 |
| 10       | Shalimar, Fort Walton                  | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 11       | Shipyard, Panama City                  | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 12       | Shoal River, South Crestview           | Trans. - Unattended            | 230.00           | 118.00           | 12.00           |
| 13       | Sinai                                  | Trans. - Unattended            | 230.00           | 115.00           | 12.00           |
| 14       | Smith Steam Plant, Panama City         | Trans. - Unattended            | 25.00            | 4.00             |                 |
| 15       |  | Generating Plant               | 115.00           | 12.00            |                 |
| 16       |  |                                | 230.00           | 25.00            |                 |
| 17       |  |                                | 115.00           | 4.00             |                 |
| 18       |  |                                | 230.00           | 115.00           | 12.00           |
| 19       | South Crestview, Crestview             | Trans. - Unattended            | 115.00           | 46.00            |                 |
| 20       |  |                                | 115.00           | 12.00            |                 |
| 21       | Sullivan Street, Fort Walton           | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 22       | Sunny Hills, Panama City               | Dist. - Unattended             | 115.00           | 25.00            |                 |
| 23       | Turner, Fort Walton                    | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 24       | Valparaiso, Valparaiso                 | Dist. - Unattended             | 115.00           | 12.00            |                 |
| 25       | Vernon, Vernon                         | Dist. - Unattended             | 115.00           | 25.00            |                 |
| 26       | Wewa Road, Panama City                 | Trans. - Unattended            | 115.00           | 46.00            |                 |
| 27       | Wright, Fort Walton                    | Trans. - Unattended            | 230.00           | 115.00           | 12.00           |
| 28       |  |                                |                  |                  |                 |
| 29       |  |                                |                  |                  |                 |
| 30       | SEE FOOTNOTE FOR ADDITIONAL DATA       |                                |                  |                  |                 |
| 31       |  |                                |                  |                  |                 |
| 32       |  |                                |                  |                  |                 |
| 33       |  |                                |                  |                  |                 |
| 34       |  |                                |                  |                  |                 |
| 35       |  |                                |                  |                  |                 |
| 36       |  |                                |                  |                  |                 |
| 37       |  |                                |                  |                  |                 |
| 38       |  |                                |                  |                  |                 |
| 39       |  |                                |                  |                  |                 |
| 40       |  |                                |                  |                  |                 |

|  |   |                                       |  |
|--|---|---------------------------------------|--|
| Name of Respondent<br>Gulf Power Company | This Report Is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>End of <u>2010/Q4</u> |
|--|---|---------------------------------------|--|

SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

| Capacity of Substation<br>(In Service) (In MVA)<br>(f) | Number of Transformers<br>In Service<br>(g) | Number of Spare<br>Transformers<br>(h) | CONVERSION APPARATUS AND SPECIAL EQUIPMENT |                        |                                   | Line<br>No. |
|--|---|--|--|------------------------|-----------------------------------|-------------|
|  |   |  | Type of Equipment<br>(l)                   | Number of Units<br>(j) | Total Capacity<br>(In MVA)<br>(k) |             |
| 28   | 1   |  |  |                        |                                   | 1           |
| 58   | 2   |  |  |                        |                                   | 2           |
| 28   | 1   |  |  |                        |                                   | 3           |
| 60   | 2   |  |  |                        |                                   | 4           |
| 28   | 1   |  |  |                        |                                   | 5           |
| 40   | 1   | 1                                      |  |                        |                                   | 6           |
| 84   | 3   |  |  |                        |                                   | 7           |
| 14   | 3   |  |  |                        |                                   | 8           |
| 120  | 2   |  |  |                        |                                   | 9           |
| 28   | 1   |  |  |                        |                                   | 10          |
| 28   | 1   |  |  |                        |                                   | 11          |
| 224  | 1   |  |  |                        |                                   | 12          |
| 400  | 1   |  |  |                        |                                   | 13          |
| 51   | 4   |  |  |                        |                                   | 14          |
| 175  | 1   |  |  |                        |                                   | 15          |
| 235  | 1   |  |  |                        |                                   | 16          |
| 16   | 1   |  |  |                        |                                   | 17          |
| 400  | 1   | 1                                      |  |                        |                                   | 18          |
| 20   | 2   |  |  |                        |                                   | 19          |
| 40   | 1   |  |  |                        |                                   | 20          |
| 56   | 2   |  |  |                        |                                   | 21          |
| 10   | 1   |  |  |                        |                                   | 22          |
| 40   | 1   |  |  |                        |                                   | 23          |
| 40   | 1   | 3                                      |  |                        |                                   | 24          |
| 11   | 1   |  |  |                        |                                   | 25          |
| 72   | 2   |  |  |                        |                                   | 26          |
| 560  | 2   |  |  |                        |                                   | 27          |
|  |   |  |  |                        |                                   | 28          |
|  |   |  |  |                        |                                   | 29          |
|  |   |  |  |                        |                                   | 30          |
|  |   |  |  |                        |                                   | 31          |
|  |   |  |  |                        |                                   | 32          |
|  |   |  |  |                        |                                   | 33          |
|  |   |  |  |                        |                                   | 34          |
|  |   |  |  |                        |                                   | 35          |
|  |   |  |  |                        |                                   | 36          |
|  |   |  |  |                        |                                   | 37          |
|  |   |  |  |                        |                                   | 38          |
|  |   |  |  |                        |                                   | 39          |
|  |   |  |  |                        |                                   | 40          |

|  |   |                                       |                                  |
|--|---|---------------------------------------|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input checked="" type="checkbox"/> An Original<br>(2) <input type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>/ / | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |                                       |                                  |

**Schedule Page: 426.2 Line No.: 30 Column: a**

Gulf Power Company, as an operating company of the integrated Southern electric system, provides and receives transmission service to and from other entities. The energy from these transmission service transactions that is received and delivered is embedded in net receipts of energy reported on FERC pages 326-327.

|  |   |  |   |
|--|---|--|---|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input type="checkbox"/> An Original<br>(2) <input checked="" type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>06/27/2013 | Year/Period of Report<br>End of 2010/Q4 |
|--|---|--|---|

**TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES**

- Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
- The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
- Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

| Line No. | Description of the Non-Power Good or Service (a)          | Name of Associated/Affiliated Company (b) | Account Charged or Credited (c) | Amount Charged or Credited (d) |
|----------|---|---|---------------------------------|--------------------------------|
| 1        | <b>Non-power Goods or Services Provided by Affiliated</b> |   |                                 |                                |
| 2        |   |   |                                 |                                |
| 3        | Mail Payment Processing                                   | Alabama Power Company                     | 903                             | 312,432                        |
| 4        | Material Sales  | Alabama Power Company                     | 154,343                         | 327,643                        |
| 5        | Rail Usage  | Alabama Power Company                     | 151                             | 324,484                        |
| 6        | Purchase of Compressor & Blades                           | Georgia Power Company                     | 343-70210                       | 3,872,654                      |
| 7        | Scherer-Capital   | Georgia Power Company                     | 307-399                         | 41,416,942                     |
| 8        | Plant Scherer-Generation/Transmission                     | Georgia Power Company                     | 500-514,570                     | 7,646,825                      |
| 9        | Plant Scherer-A&G   | Georgia Power Company                     | 408,930                         | 1,206,596                      |
| 10       | Plant Scherer-Fuel Services                               | Georgia Power Company                     | 501                             | 28,164,998                     |
| 11       | Plant Daniel-Generation/Transmission                      | Mississippi Power Company                 | 500-514,570                     | 13,394,894                     |
| 12       | Plant Daniel-Construction                                 | Mississippi Power Company                 | 307-399                         | 10,570,028                     |
| 13       | Plant Daniel-A&G  | Mississippi Power Company                 | 408,930                         | 4,538,888                      |
| 14       | Plant Daniel-Fuel Services                                | Mississippi Power Company                 | 501                             | 93,172,388                     |
| 15       | Rail Usage  | Mississippi Power Company                 | 151                             | 581,244                        |
| 16       | Prelim Survey   | Mississippi Power Company                 | 183                             | 5,317,720                      |
| 17       | Plant Materials/Supplies                                  | Mississippi Power Company                 | 154                             | 5,055,046                      |
| 18       | Deferred Debits-Daniel                                    | Mississippi Power Company                 | 186                             | -4,997,860                     |
| 19       | Administrative & General Services                         | Southern Company Services                 | See Footnote                    | 26,168,678                     |
| 20       | <b>Non-power Goods or Services Provided for Affiliate</b> |   |                                 |                                |
| 21       | Rail Usage  | Alabama Power Company                     | 151                             | 503,115                        |
| 22       | Sale of Compressor & Blades                               | Georgia Power Company                     | 154, 343                        | 3,872,654                      |
| 23       | Sale of Turbine Rotor & Blades                            | Mississippi Power Company                 | 154, 343                        | 6,200,000                      |
| 24       | Information Services                                      | Southern Company Services                 | 408,182,186,926,929             | 1,507,472                      |
| 25       | Occupancy   | Southern Company Services                 | 929                             | 595,132                        |
| 26       | Enterprise Solutions (GLSCAPE & MAXIMO)                   | Southern Company Services                 | 408,186,926,929                 | 284,618                        |
| 27       | Sale of Distance Piece                                    | Southern Power                            | 154,343                         | 610,000                        |
| 28       |   |   |                                 |                                |
| 29       |   |   |                                 |                                |
| 30       |   |   |                                 |                                |
| 31       |   |   |                                 |                                |
| 32       |   |   |                                 |                                |
| 33       |   |   |                                 |                                |
| 34       |   |   |                                 |                                |
| 35       |   |   |                                 |                                |
| 36       |   |   |                                 |                                |
| 37       |   |   |                                 |                                |
| 38       |   |   |                                 |                                |
| 39       |   |   |                                 |                                |
| 40       |   |   |                                 |                                |
| 41       |   |   |                                 |                                |
| 42       |   |   |                                 |                                |

|  |   |  |   |
|--|---|--|---|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input type="checkbox"/> An Original<br>(2) <input checked="" type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>06/27/2013 | Year/Period of Report<br>End of 2010/Q4 |
|--|---|--|---|

**TRANSACTIONS WITH ASSOCIATED (AFFILIATED) COMPANIES**

- Report below the information called for concerning all non-power goods or services received from or provided to associated (affiliated) companies.
- The reporting threshold for reporting purposes is \$250,000. The threshold applies to the annual amount billed to the respondent or billed to an associated/affiliated company for non-power goods and services. The good or service must be specific in nature. Respondents should not attempt to include or aggregate amounts in a nonspecific category such as "general".
- Where amounts billed to or received from the associated (affiliated) company are based on an allocation process, explain in a footnote.

| Line No.  | Description of the Non-Power Good or Service (a)          | Name of Associated/Affiliated Company (b) | Account Charged or Credited (c) | Amount Charged or Credited (d) |
|-----------|---|---|---------------------------------|--------------------------------|
| <b>1</b>  | <b>Non-power Goods or Services Provided by Affiliated</b> |   |                                 |                                |
| 2         | Accounting, Finance and Treasury                          | Southern Company Services                 | See Footnote                    | 10,837,890                     |
| 3         | Information Services                                      | Southern Company Services                 | See Footnote                    | 16,781,634                     |
| 4         | Linc  | Southern Company Services                 | See Footnote                    | 2,910,000                      |
| 5         | Power Deliver Support Services                            | Southern Company Services                 | See Footnote                    | 42,069,317                     |
| 6         | Site Services   | Southern Nuclear                          | 182                             | 811,985                        |
| 7         | Purchase of Unbucketed Turbine Rotor                      | Southern Power                            | 343-70210                       | 6,265,358                      |
| 8         |   |   |                                 |                                |
| 9         |   |   |                                 |                                |
| 10        |   |   |                                 |                                |
| 11        |   |   |                                 |                                |
| 12        |   |   |                                 |                                |
| 13        |   |   |                                 |                                |
| 14        |   |   |                                 |                                |
| 15        |   |   |                                 |                                |
| 16        |   |   |                                 |                                |
| 17        |   |   |                                 |                                |
| 18        |   |   |                                 |                                |
| 19        |   |   |                                 |                                |
| <b>20</b> | <b>Non-power Goods or Services Provided for Affiliate</b> |   |                                 |                                |
| 21        |   |   |                                 |                                |
| 22        |   |   |                                 |                                |
| 23        |   |   |                                 |                                |
| 24        |   |   |                                 |                                |
| 25        |   |   |                                 |                                |
| 26        |   |   |                                 |                                |
| 27        |   |   |                                 |                                |
| 28        |   |   |                                 |                                |
| 29        |   |   |                                 |                                |
| 30        |   |   |                                 |                                |
| 31        |   |   |                                 |                                |
| 32        |   |   |                                 |                                |
| 33        |   |   |                                 |                                |
| 34        |   |   |                                 |                                |
| 35        |   |   |                                 |                                |
| 36        |   |   |                                 |                                |
| 37        |   |   |                                 |                                |
| 38        |   |   |                                 |                                |
| 39        |   |   |                                 |                                |
| 40        |   |   |                                 |                                |
| 41        |   |   |                                 |                                |
| 42        |   |   |                                 |                                |

|                    |  |                            |                       |
|--------------------|--|----------------------------|-----------------------|
| Name of Respondent | This Report is:  | Date of Report             | Year/Period of Report |
| Gulf Power Company | (1) <input type="checkbox"/> An Original<br>(2) <input checked="" type="checkbox"/> A Resubmission | (Mo, Da, Yr)<br>06/27/2013 | 2010/Q4               |
| FOOTNOTE DATA      |  |                            |                       |

**Schedule Page: 429 Line No.: 7 Column: d**

GPC Plant Scherer - Joint Ownership cost billed by Georgia Power Company are allocated per the contract based on the ownership percentage.

**Schedule Page: 429 Line No.: 8 Column: d**

GPC Plant Scherer - Joint Ownership cost billed by Georgia Power Company are allocated per the contract based on the ownership percentage.

**Schedule Page: 429 Line No.: 9 Column: d**

GPC Plant Scherer - Joint Ownership cost billed by Georgia Power Company are allocated per the contract based on the ownership percentage.

**Schedule Page: 429 Line No.: 10 Column: d**

GPC Plant Scherer - Joint Ownership cost billed by Georgia Power Company are allocated per the contract based on the ownership percentage.

**Schedule Page: 429 Line No.: 11 Column: d**

There is a timing difference between Mississippi Power and Gulf Power Company for Plant Daniel - Generation and Trans. for 2010 of \$57,488 for a billing adjustment Mississippi Power Recorded in December 2010. Gulf recorded this adjustment in 2011.

MPC Plant Daniel - Joint Ownership cost billed by Mississippi Power Company are allocated per the contract based on the ownership percentage.

**Schedule Page: 429 Line No.: 12 Column: d**

MPC Plant Daniel - Joint Ownership cost billed by Mississippi Power Company are allocated per the contract based on the ownership percentage.

**Schedule Page: 429 Line No.: 13 Column: d**

MPC Plant Daniel - Joint Ownership cost billed by Mississippi Power Company are allocated per the contract based on the ownership percentage.

**Schedule Page: 429 Line No.: 14 Column: d**

MPC Plant Daniel - Joint Ownership cost billed by Mississippi Power Company are allocated per the contract based on the ownership percentage.

**Schedule Page: 429 Line No.: 15 Column: d**

MPC Plant Daniel - Joint Ownership cost billed by Mississippi Power Company are allocated per the contract based on the ownership percentage.

Due to the implementation of Comtrac, there is a timing difference Gulf Power recorded \$81,925 which Mississippi Power Reported in 2011.

**Schedule Page: 429 Line No.: 19 Column: c**

107, 165, 182, 186, 416-426, 500-599, 902-931

**Schedule Page: 429 Line No.: 19 Column: d**

Southern Company Services, Inc. uses multiple allocation methodologies to allocate costs. These methodologies are designed to properly allocate costs on a causative basis and to prevent cross-subsidization among affiliated and non-affiliated companies. See Southern Company Services, Inc. FERC Form 60 Schedule XXI for additional information.

**Schedule Page: 429.1 Line No.: 2 Column: c**

107, 165, 186, 416-426, 500-599, 902-931

**Schedule Page: 429.1 Line No.: 2 Column: d**

Southern Company Services, Inc. uses multiple allocation methodologies to allocate costs. These methodologies are designed to properly allocate costs on a causative basis and to prevent cross-subsidization among affiliated and non-affiliated companies. See Southern Company Services, Inc. FERC Form 60 Schedule XXI for additional information.

|  |   |  |                                  |
|--|---|--|----------------------------------|
| Name of Respondent<br>Gulf Power Company | This Report is:<br>(1) <input type="checkbox"/> An Original<br>(2) <input checked="" type="checkbox"/> A Resubmission | Date of Report<br>(Mo, Da, Yr)<br>06/27/2013 | Year/Period of Report<br>2010/Q4 |
| FOOTNOTE DATA                            |   |  |                                  |

**Schedule Page: 429.1 Line No.: 3 Column: c**

107, 182, 186, 454, 500-599, 902-931

**Schedule Page: 429.1 Line No.: 3 Column: d**

Southern Company Services, Inc. uses multiple allocation methodologies to allocate costs. These methodologies are designed to properly allocate costs on a causative basis and to prevent cross-subsidization among affiliated and non-affiliated companies. See Southern Company Services, Inc. FERC Form 60 Schedule XXI for additional information.

**Schedule Page: 429.1 Line No.: 4 Column: c**

107, 186, 454, 500-599, 902-931

**Schedule Page: 429.1 Line No.: 4 Column: d**

Southern Company Services, Inc. uses multiple allocation methodologies to allocate costs. These methodologies are designed to properly allocate costs on a causative basis and to prevent cross-subsidization among affiliated and non-affiliated companies. See Southern Company Services, Inc. FERC Form 60 Schedule XXI for additional information.

**Schedule Page: 429.1 Line No.: 5 Column: c**

107, 165, 182, 186, 188, 500-599, 902-905, 920-931

## Affiliation of Officers and Directors

**Company: Gulf Power Company**

**For the Year Ended December 31, 2010**

For each of the officials named in Part I of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part I of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

| Name                           | Principal Occupation or Business Affiliation | Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership |   |
|--------------------------------|--|---|---|
|                                |  | Affiliation or Connection   | Name and Address  |
| Officers:<br>P. Bernard Jacob  |  | Director  | Baptist Health Care<br>Pensacola, Florida   |
|                                |  | Director  | Andrews Research & Education Institute<br>Pensacola, Florida                        |
| Susan N. Story                 |  | Director  | Raymond James Financial, Inc.<br>St. Petersburg, Florida                            |
| Bentina C. Terry               |  | Director  | SunTrust<br>Pensacola, Florida  |
| Directors:<br>C. LeDon Anchors | Attorney                                     | Attorney/Senior Partner/President/Director  | Anchors, Smith, & Grimsley<br>Ft. Walton Beach, Florida                             |
| Allan G. Bense                 | Chairman/CEO                                 | Chairman/CEO  | Bense Enterprises, Inc.<br>Panama City, Florida                                     |
|                                |  | Director  | Bense Family Foundation, Inc.<br>Panama City, Florida                               |
|                                |  | Director  | Roussos Refrigeration, Heating, &<br>Air Conditioning, Inc.<br>Panama City, Florida |
|                                |  | Director  | Bense Farms, Inc.<br>Panama City, Florida   |
|                                |  | Director  | Brown Insurance Services LLC<br>Panama City, Florida                                |
|                                |  | Director  | Bay West Developers, Inc.<br>Panama City, Florida                                   |
|                                |  | Director  | Gulf Coast Medical Center<br>Panama City, Florida                                   |
|                                |  | Officer   | GAC Contractors, Inc.<br>Panama City, Florida                                       |
|                                |  | Officer   | TDW, Inc.<br>Panama City, Florida   |
|                                |  | President & CEO   | Holiday Golf & Racquet Club<br>Panama City, Florida                                 |

## Affiliation of Officers and Directors

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2010**

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

| Name                   | Principal Occupation or Business Affiliation | Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership |   |
|------------------------|--|---|---|
|                        |  | Affiliation or Connection   | Name and Address  |
| William C. Cramer, Jr. | Automobile Dealer                            | President/<br>Owner   | Bill Cramer Chevrolet Cadillac<br>Buick GMC, Inc.<br>Panama City, Florida |
|                        |  | President/<br>Owner   | Bill Cramer Motors, Inc<br>Donalsonville, Georgia                         |
|                        |  | President/<br>Owner   | Outlet Rental Car Sales of Dothan, Inc.<br>Dothan, Alabama                |
|                        |  | President/<br>Owner   | Cramer Properties, Inc<br>Panama City, Florida                            |
|                        |  | President/<br>Owner   | Cramer Properties of Alabama, Inc.<br>Dothan, Alabama                     |
|                        |  | President/<br>Owner   | Cramer Investments, Inc.<br>Panama City, Florida                          |
|                        |  | President/<br>Partner   | Cramer Investments, LLC<br>Panama City, Florida                           |
|                        |  | President/<br>Partner   | Cramer Brothers Investments, LLC<br>Dothan, Alabama                       |
|                        |  | Director  | Ceres Technologies, Inc.<br>Panama City, Florida                          |
|                        |  | Trustee   | The Cramer Family Limited Partnership<br>Panama City, Florida             |
| Fred C. Donovan, Sr.   | Chairman/CEO                                 | President & Partner   | Outlet Enterprises, LLC<br>Enterprise, Alabama                            |
|                        |  | Chairman/CEO  | Baskerville-Donovan, Inc.<br>Pensacola, Florida                           |
|                        |  | Board Chairman  | Baptist-Health Care, Inc.<br>Pensacola, Florida                           |

### Affiliation of Officers and Directors

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2010**

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| Name                    | Principal Occupation or Business Affiliation | Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership |  |
|-------------------------|--|---|--|
|                         |  | Affiliation or Connection   | Name and Address   |
| J. Mort O'Sullivan, III | Managing Partner                             | Managing Partner  | O'Sullivan Creel LLP<br>Pensacola, Florida                       |
|                         |  | Director  | SCI Solutions, Inc.<br>Pensacola, Florida                        |
|                         |  | Director  | KaMedData Inc,<br>Pensacola, Florida                             |
|                         |  | Director  | Arca Tech Systems LLC<br>Mebane, North Carolina                  |
|                         |  | Director  | Agri-Source Fuels<br>Dade City, Florida                          |
|                         |  | Director  | Bio Fuel Investors LLC<br>Pensacola, Florida                     |
| William A. Pullum       | Realtor/Developer                            | President/Director  | Bill Pullum Realty, Inc.<br>Navarre, Florida                     |
|                         |  | President/<br>Director  | Belleville Properties, Inc.<br>Navarre, Florida                  |
|                         |  | Trustee   | Betty J. Pullum Irrevocable Insurance Trust<br>Navarre, Florida  |
|                         |  | President/<br>Director  | Bill & Martha Pullum Family Foundation, Inc.<br>Navarre, Florida |
|                         |  | President/<br>Director  | BPP, Inc.<br>Navarre, Florida                                    |
|                         |  | Sole Member   | BPP, LLC<br>Navarre, Florida                                     |

## Affiliation of Officers and Directors

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2010**

For each of the officials named in Part I of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part I of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

| Name               | Principal Occupation or Business Affiliation | Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership |  |
|--------------------|--|---|--|
|                    |  | Affiliation or Connection   | Name and Address   |
| Pullum (continued) |  | President/<br>Director  | Bridgewater Properties, Inc.<br>Pensacola, Florida         |
|                    |  | Partner   | Centurion Properties<br>Pensacola, Florida                 |
|                    |  | Managing Member   | CHH Enterprise, LLC.<br>Pensacola, Florida                 |
|                    |  | President/<br>Director  | Cowboy's Steakhouse, Inc.<br>Navarre, Florida              |
|                    |  | President/<br>Director  | Crescent Shores Properties, Inc.<br>Navarre, Florida       |
|                    |  | Trustee   | E. H. Pullum Trust<br>Navarre, Florida                     |
|                    |  | Partner   | Gentry Farms<br>Navarre, Florida                           |
|                    |  | President/<br>Director  | Helicopters of Northwest Florida, Inc.<br>Navarre, Florida |
|                    |  | Sole Member   | Navarre Ventures, LLC<br>Navarre, Florida                  |
|                    |  | President/<br>Director  | Northwood Properties, Inc.<br>Pensacola, Florida           |
|                    |  | President/<br>Director  | Our Town Properties, Inc.<br>Navarre, Florida              |

## Affiliation of Officers and Directors

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2010**

| For each of the officials named in Part I of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part I of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions. |   |   |   |
|---|---|---|---|
| Name  | Principal Occupation or Business Affiliation                    | Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership |   |
|   |   | Affiliation or Connection   | Name and Address  |
| Pullum (continued)  |   | Manager/Member  | OTP, LLC<br>Navarre, Florida  |
|   |   | President/<br>Director  | Paco Properties, Inc.<br>Navarre, Florida                             |
|   |   | President/<br>Director  | Persimmon Properties, Inc.<br>Navarre, Florida                        |
|   |   | Trustee   | Pullum Family Irrevocable Insurance Trust<br>Navarre, Florida         |
|   |   | President/<br>Director  | Pullum Properties, Inc.<br>Navarre, Florida                           |
|   |   | President/<br>Director  | Rotary Properties, Inc.<br>Navarre, Florida                           |
|   |   | Director  | Santa Rosa Properties, Inc.<br>Selma, Alabama                         |
|   |   | Sole Member   | Snowsnake Aviation, LLC<br>Navarre, Florida                           |
|   |   | Director  | The Animal Park, Inc.<br>Gulf Breeze, Florida                         |
|   |   | Partner   | Turkey Creek Developers<br>Pensacola, Florida                         |
|   |   | Sole Member   | Whiteoak Timber, LLC<br>Navarre, Florida                              |
|   |   | President/<br>Director  | White Oak Properties, Inc.<br>Navarre, Florida                        |
|   |   | President   | Navarre 33, Inc.<br>Navarre, Florida                                  |
| Winston E. Scott  | Dean, College of Aeronautics<br>Florida Institute of Technology | Director  | C and C International Computers and Consultants<br>Hollywood, Florida |
|   |   | Director  | Environmental Tectonics Corporation<br>Southampton, Pennsylvania      |

***Business Contracts with Officers, Directors and Affiliates***

***Company: Gulf Power Company***

***For the Year Ended December 31, 2010***

List all contracts, agreements, or other business arrangements\* entered into during the calendar year (other than compensation-related to position with respondent) between the respondent and each officer and director listed in Part 1 of the Executive Summary. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

Note \* Business agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years.

| <b>Name of Officer or Director</b> | <b>Name and Address of Affiliated Entity</b>                                   | <b>Amount</b> | <b>Identification of Product or Service</b> |
|------------------------------------|--|---------------|---|
| Fred C. Donovan, Sr.               | Baskerville Donovan Engineers, Inc<br>449 West Main St.<br>Pensacola, FL 32502 | 17,195.00     | Engineering & Design Services               |
| J. Mort O'Sullivan, III            | O'Sullivan Creel LLP<br>316 S. Baylen St., Suite 300<br>Pensacola, FL 32502    | 850.00        | Accounting Services                         |

*Reconciliation of Gross Operating Revenues  
Annual Report versus Regulatory Assessment Fee Return*

Company: *Gulf Power Company*

*For the Year Ended December 31, 2010*

For the current year, reconcile the gross operating revenues as reported on Page 300 of this report with the gross operating revenues as reported on the utility's regulatory assessment fee return. Explain and justify any differences between the reported gross operating revenues in column (h).

| (a)      | (b)  | (c)                                   | (d)   | (e)  | (f)                                     | (g)   | (h)  |                      |
|----------|--|---------------------------------------|---|--|---|---|--|----------------------|
| Line No. | Description                                      | Gross Operating Revenues per Page 300 | Interstate and Sales for Resale Adjustments | Adjusted Intrastate Gross Operating Revenues | Gross Operating Revenues per RAF Return | Interstate and Sales for Resale Adjustments | Adjusted Intrastate Gross Operating Revenues | Difference (d) - (g) |
| 1        | Total Sales to Ultimate Customers (440-446, 448) | \$1,295,892,278.79                    | \$0.00                                      | \$1,295,892,278.79                           | \$1,295,892,278.79                      | \$0.00                                      | \$1,295,892,278.79                           | \$0.00               |
| 2        | Sales for Resale (447)                           | 219,300,291.68                        | 180,791,650.82                              | 38,508,640.86                                | 219,300,291.68                          | 180,791,650.82                              | 38,508,640.86                                |                      |
| 3        | Total Sales of Electricity                       | 1,515,192,570.47                      | 180,791,650.82                              | 1,334,400,919.65                             | 1,515,192,570.47                        | 180,791,650.82                              | 1,334,400,919.65                             |                      |
| 4        | Provision for Rate Refunds (449.1)               | 14,018.30                             |   | 14,018.30                                    | 14,018.30                               |   | 14,018.30                                    |                      |
| 5        | Total Net Sales of Electricity                   | 1,515,178,552.17                      | 180,791,650.82                              | 1,334,386,901.35                             | 1,515,178,552.17                        | 180,791,650.82                              | 1,334,386,901.35                             |                      |
| 6        | Total Other Operating Revenues (450-456)         | 75,190,134.94                         |   | 75,190,134.94                                | 75,190,134.94                           | 0.00  | 75,190,134.94                                | 0.00                 |
| 7        | Other (Specify)                                  |                                       |   |  |   |   |  |                      |
| 8        |  |                                       |   |  |   |   |  |                      |
| 9        |  |                                       |   |  |   |   |  |                      |
| 10       | Total Gross Operating Revenues                   | \$1,590,368,687.11                    | \$180,791,650.82                            | \$1,409,577,036.29                           | \$1,590,368,687.11                      | \$180,791,650.82                            | \$1,409,577,036.29                           | 0.00                 |

Notes:

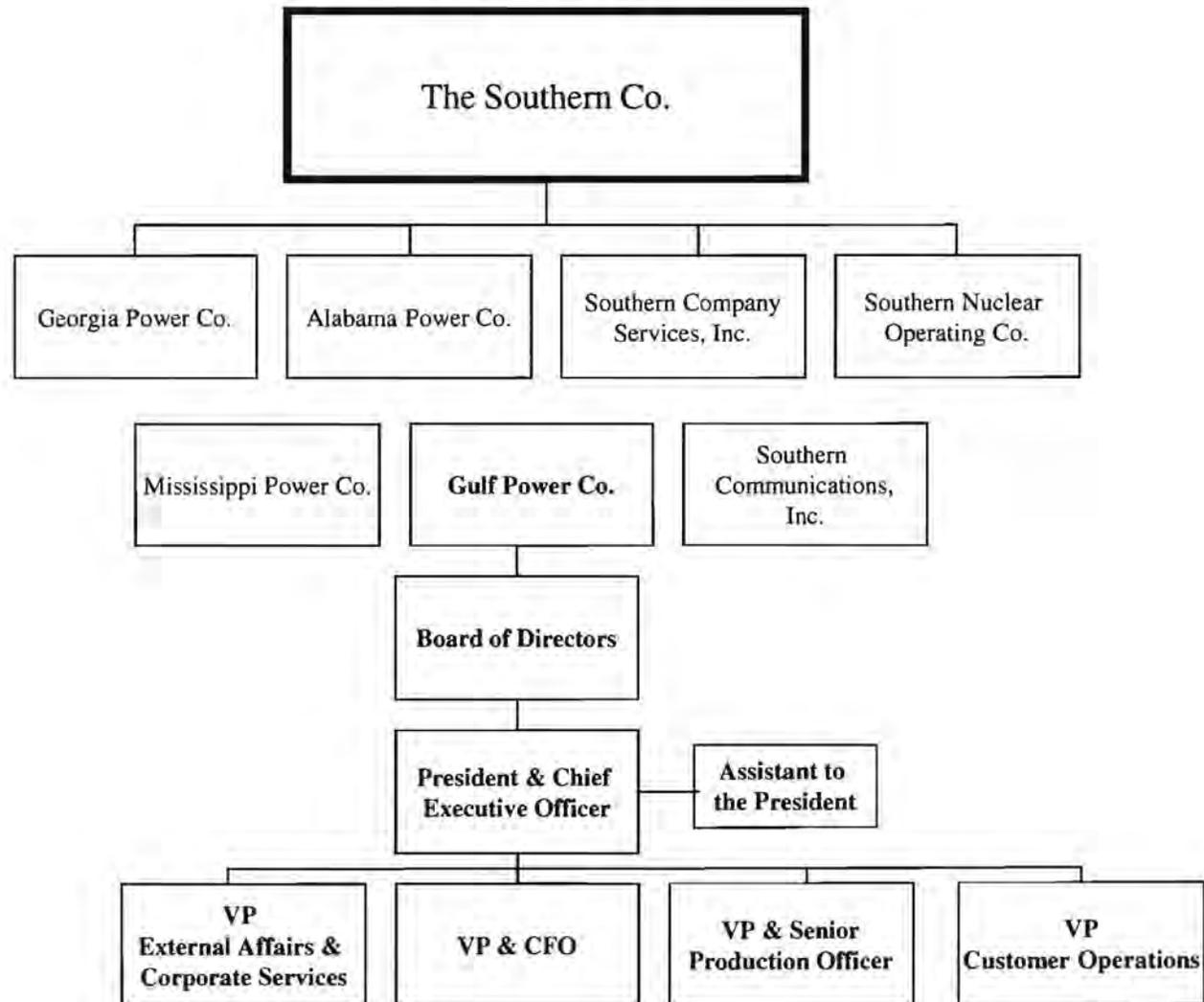
***Analysis of Diversification Activity***  
***Changes in Corporate Structure***

***Company: Gulf Power Company***

***For the Year Ended December 31, 2010***

| <p>Provide any changes in corporate structure including partnerships, minority interest, and joint ventures and an updated organizational chart, including all affiliates.</p> |  |
|--|--|
| Effective Date<br>(a)  | Description of Change<br>(b)                                   |
|  | <p>No changes happened to the corporate structure in 2010.</p> |

**The Southern Company  
Parent & Affiliates  
December, 2010**



***Analysis of Diversification Activity***  
***New or Amended Contracts with Affiliated Companies***

***Company: Gulf Power Company***

***For the Year Ended December 31, 2010***

| <p>Provide a synopsis of each new or amended contract, agreement, or arrangement with affiliated companies for the purchase, lease, or sale of land, goods, or services (excluding tariffed items). The synopsis shall include, at a minimum, the terms, price, quantity, amount, and duration of the contracts.</p> |                             |
|--|-----------------------------|
| Name of Affiliated Company<br>(a)  | Synopsis of Contract<br>(b) |
| <p>No new or amended contract, agreement, or arrangement has transpired with affiliated companies during 2010.</p>   |                             |

**Analysis of Diversification Activity**  
**Individual Affiliated Transactions in Excess of \$500,000**

**Company: Gulf Power Company**

**For the Year Ended December 31, 2010**

| Provide information regarding individual affiliated transactions in excess of \$500,000. Recurring monthly affiliated transactions which exceed \$500,000 per month should be reported annually in the aggregate. However, each land or property sales transaction even though similar sales recur, should be reported as a "non-recurring" item for the period in which it occurs. |  |                      |
|---|--|----------------------|
| Name of Affiliate<br>(a)  | Description of Transaction<br>(b)  | Dollar Amount<br>(c) |
| Georgia Power Company   | Plant Scherer Unit No. 3 - Capital Cost, Fuel Purchases, O&M Expenses and Labor Benefits and Taxes | 78,032,809           |
|   | Compressor Rotor and Blades  | 3,872,654            |
|   | Telecom Materials  | 1,162,541            |
|   | Sales to GPC<br>Compressor Rotor & Blades  | 3,872,654            |
| Mississippi Power Company   | Plant Daniel - Capital Cost, Fuel Purchases, O&M Expenses, and Labor Benefits and Taxes            | 129,529,775          |
|   | Sales to MPC<br>Turbine Rotor & Blades   | 6,200,000            |
| Southern Company Services, Inc.   | Common Stock Dividends Paid  | 104,300,000          |
|   | Professional Services  | 101,022,239          |
|   | Other Payments to SCS  |                      |
|   | Income Taxes   | 7,147,527            |
|   | Payroll Related  | 47,027,222           |
|   | Interchange  | 5,711,998            |
|   | Fuel Stock - Gas   | 200,219,557          |
|   | Pensions and Benefits  | 19,956,231           |
|   | Sales to SCS   |                      |
|   | Interchange  | 88,940,352           |
|   | Wholesale Contracts Billed by SCS  | 45,231,755           |
|   | Transmission Service   | 5,378,614            |
|   | Common Stock Sales   | 50,000,000           |
|   | Customer Bill Collection Remittance  | 50,407,922           |
| Information Services  | 1,507,472  |                      |
| Occupancy   | 595,132  |                      |
| SGIG(Smart Grid Investment Grant)   | 3,333,327  |                      |
| Misc. Business Transactions   | 5,314,023  |                      |
| Southern Nuclear Operating Company, Inc.  | Future Generation Project  | 811,985              |
| Southern Power Company  | Turbine Rotor  | 6,265,358            |
|   | Purchased Power  | 14,726,230           |
|   | Sales to SPC<br>Distance Piece   | 610,000              |

**Analysis of Diversification Activity**  
**Summary of Affiliated Transfers and Cost Allocations**

**Company: Gulf Power Company**

**For the Year Ended December 31, 2010**

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

- (a) Enter name of affiliate.  
 (b) Give description of type of service, or name the product involved.  
 (c) Enter contract or agreement effective dates.  
 (d) Enter the letter "p" if the service or product is purchased by the Respondent; "s" if the service or product is sold by the Respondent.  
 (e) Enter utility account number in which charges are recorded.  
 (f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

| Name of Affiliate<br>(a)                 | Type of Service and/or Name of Product<br>(b) | Relevant Contract or Agreement and Effective Date<br>(c) | Total Charge for Year |                       |                      |
|--|---|--|-----------------------|-----------------------|----------------------|
|  |   |  | "p" or "s"<br>(d)     | Account Number<br>(e) | Dollar Amount<br>(f) |
| Alabama Power Company                    | Capital Construction                          | None   | P                     | 307, 309              | 437,537              |
|  | Fuel & Fuel Testing                           | None   | P                     | 151, 501, 506         | 409,469              |
|  | Transmission Expense                          | None   | P                     | 566, 570              | 48,591               |
|  | Generation Maintenance                        | None   | P                     | 510-514               | 141,652              |
|  | Distribution Maintenance                      | None   | P                     | 588, 592, 594         | 52,122               |
|  | Customer Expenses                             | None   | P                     | 903                   | 356,909              |
|  | Materials                                     | None   | P                     | Various               | 648,407              |
|  | Misc. Business Transaction                    | None   | P                     | Various               | 88,287               |
|  | Railcar Lease Agreement                       | None   | S                     | 146                   | 503,115              |
|  | Materials                                     | None   | S                     | 146                   | 22,373               |
|  | Misc. Bus. Trans.                             | None   | S                     | 146                   | 103,186              |
| Georgia Power Company                    | Plant Scherer Unit No. 3                      | Cost of Ownership  | P                     | Various               | 78,032,809           |
|  | Transmission Expense                          | None   | P                     | 561, 566, 569         | 25,816               |
|  | Materials                                     | None   | P                     | Various               | 1,290,411            |
|  | Distribution Expense                          | None   | P                     | 586, 588, 592-593     | 96,410               |
|  | Storm Expense                                 | None   | P                     | 820                   | 121,364              |
|  | Capital Construction                          | None   | P                     | 300, 307              | 405,583              |
|  | Misc. Bus. Trans.                             | None   | P                     | Various               | 103,390              |
|  | Compressor Rotor & Blades                     | None   | P                     | 234                   | 3,872,654            |
|  | Materials                                     | None   | S                     | 146                   | 40,851               |
|  | Compressor Rotor & Blades                     | None   | S                     | 146                   | 3,872,654            |
| Misc. Bus. Trans.                        | None  | S  | 146                   | 50,682                |                      |
| Mississippi Power Company                | Trans. Facilities Services                    | April 20, 1981   | P                     | 567                   | 167,487              |
|  | Plant Daniel                                  | Cost of Ownership  | P                     | Various               | 129,529,775          |
|  | Generation Maintenance                        | None   | P                     | 510-513               | 26,593               |
|  | Materials                                     | None   | P                     | Various               | 39,800               |
|  | Misc. Bus. Trans.                             | None   | P                     | Various               | 14,968               |
|  | Railcar Lease Agreement                       | None   | S                     | 146                   | 174,316              |
|  | Storm   | None   | S                     | 146                   | 3,424                |
|  | Turbine Rotor & Blades                        | None   | S                     | 146                   | 6,200,000            |
|  | Materials                                     | None   | S                     | 146                   | 28,647               |
| Misc. Bus. Trans.                        | None  | S  | 146                   | 62,328                |                      |
| Southern Management Development, Inc.    | Collection Remittance                         | None   | P                     | 234                   | 289,671              |
| Southern Nuclear Operating Company, Inc. | Future Generation Project                     | April 8, 2008  | P                     | 234                   | 811,985              |
|  | Misc. Bus. Trans.                             | None   | S                     | 146                   | 12,647               |

**Analysis of Diversification Activity**  
**Summary of Affiliated Transfers and Cost Allocations**

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2010**

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

- (a) Enter name of affiliate.
- (b) Give description of type of service, or name the product involved.
- (c) Enter contract or agreement effective dates.
- (d) Enter the letter "p" if the service or product is purchased by the Respondent; "s" if the service or product is sold by the Respondent.
- (e) Enter utility account number in which charges are recorded.
- (f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

| Name of Affiliate<br>(a)        | Type of Service and/or Name of Product<br>(b) | Relevant Contract or Agreement and Effective Date<br>(c) | Total Charge for Year |                       |                      |
|---------------------------------|---|--|-----------------------|-----------------------|----------------------|
|                                 |   |  | "p" or "s"<br>(d)     | Account Number<br>(e) | Dollar Amount<br>(f) |
| Southern Company Services, Inc. | Common Stock Dividends Paid                   | None   | P                     | 238                   | 104,300,000          |
|                                 | Service Agreement                             | January 1, 1984<br>Amended<br>September 6, 1985          | P                     | Various               | 377,309,875          |
|                                 | Interchange                                   | February 17, 2000  | P                     | Various               | 5,711,998            |
|                                 | Interchange                                   | February 17, 2000  | S                     | 146                   | 88,940,352           |
|                                 | Wholesale Contracts Billed by SCS             | Various  | S                     | 143, 146              | 45,231,755           |
|                                 | Transmission Service                          | Various  | S                     | 146                   | 5,378,614            |
|                                 | Common Stock Sales                            | Various  | S                     | Various               | 50,000,000           |
|                                 | Customer Bill Collection Remittance           | Various  | S                     | Various               | 50,407,922           |
|                                 | Information Services                          | Various  | S                     | 146                   | 1,507,472            |
|                                 | Occupancy                                     | Various  | S                     | 146                   | 595,132              |
|                                 | Enterprise Solutions (GLSCAPE & MAXIMO)       | Various  | S                     | 146                   | 284,618              |
|                                 | SGIG(Smart Grid Investment Grant)             | Various  | S                     | 146                   | 3,333,327            |
| Misc. Business Transactions     | None  | S  | 146                   | 5,314,023             |                      |
| Southern Power                  | Turbine Rotor                                 | None   | P                     | 343                   | 6,285,358            |
|                                 | Purchased Power                               | None   | P                     | 234                   | 14,728,230           |
|                                 | Misc. Bus. Trans.                             | None   | S                     | 146                   | 49,551               |
|                                 | Distance Piece                                | None   | S                     | 146                   | 610,000              |
| Southern Linc                   | Materials                                     | October 1, 1995  | P                     | Various               | 24,764               |
|                                 | Misc. Business Transaction                    | October 1, 1995  | P                     | Various               | 148,491              |
|                                 | Misc. Business Transaction                    | October 1, 1995  | S                     | 146                   | 1,433                |

**Analysis of Diversification Activity**  
**Assets or Rights Purchased from or Sold to Affiliates**

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2010**

Provide a summary of affiliated transactions involving asset transfers or the right to use assets.

| Name of Affiliate                 | Description of Asset or Right | Cost/Orig. Cost | Accumulated Depreciation | Net Book Value | Fair Market Value | Purchase Price   | Title Passed Yes/No |
|-----------------------------------|-------------------------------|-----------------|--------------------------|----------------|-------------------|------------------|---------------------|
| <b>Purchases from Affiliates:</b> |                               | \$              | \$                       | \$             | \$                | \$               |                     |
| Georgia Power Company             | Compressor Rotor and Blades   | 3,872,655       |                          | 3,872,655      |                   | 3,872,655        | Yes                 |
| Southern Power Company            | Unbucketed Turbine Rotor      | 6,265,358       |                          | 6,265,358      | 6,265,358         | 6,265,358        | Yes                 |
| Alabama Power Company             | Misc. Materials               | 648,407         |                          | 648,407        |                   | 648,407          | Yes                 |
| Georgia Power Company             | Misc. Materials               | 1,290,411       |                          | 1,290,411      |                   | 1,290,411        | Yes                 |
| Mississippi Power Company         | Misc. Materials               | 39,800          |                          | 39,800         |                   | 39,800           | Yes                 |
| Southern Linc                     | Misc. Materials               | 24,764          |                          | 24,764         |                   | 24,764           |                     |
| <b>Total</b>                      |                               |                 |                          |                |                   | \$<br>12,141,395 |                     |
| <b>Sales to Affiliates:</b>       |                               | \$              | \$                       | \$             | \$                | Sales Price      |                     |
| Georgia Power Company             | Compressor Rotor and Blades   | 3,872,654       |                          | 3,872,654      | 3,872,654         | 3,872,654        | Yes                 |
| Mississippi Power Company         | Turbine Rotor and Blades      | 6,200,000       |                          | 6,200,000      | 6,200,000         | 6,200,000        | Yes                 |
| Alabama Power Company             | Misc. Materials               | 22,373          |                          | 22,373         | 22,281            | 22,373           | Yes                 |
| Georgia Power Company             | Misc. Materials               | 40,851          |                          | 40,851         | 43,748            | 40,851           | Yes                 |
| Mississippi Power Company         | Misc. Materials               | 28,647          |                          | 28,647         | 28,249            | 28,647           | Yes                 |
| Southern Power Company            | Distance Piece                | 408,999         |                          | 408,999        | 610,000           | 610,000          | Yes                 |
| <b>Total</b>                      |                               |                 |                          |                |                   | \$<br>10,774,525 |                     |

***Analysis of Diversification Activity***  
***Employee Transfers***

***Company: Gulf Power Company***  
***For the Year Ended December 31, 2010***

List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company.

| Company Transferred From | Company Transferred To | Old Job Assignment            | New Job Assignment             | Transfer Permanent or Temporary and Duration |
|--------------------------|------------------------|-------------------------------|--------------------------------|--|
| Gulf Power Co.           | Georgia Power Co.      | Utilityperson(Plant)          | Aux Equipment Operator         | Permanent                                    |
| Gulf Power Co.           | Georgia Power Co.      | Operator I                    | Aux Equipment Operator         | Permanent                                    |
| Georgia Power Co.        | Gulf Power Co.         | COOP-Technical                | COOP-Technical                 | Permanent                                    |
| Gulf Power Co.           | Southern Co Svcs       | Accounting Assistant Sr.      | Secretary Sr.                  | Permanent                                    |
| Gulf Power Co.           | Southern Co Svcs       | Intern                        | Marketing Analyst II           | Permanent                                    |
| Southern Co Svcs         | Gulf Power Co.         | COOP-Technical                | Intern                         | Permanent                                    |
| Southern Co Svcs         | Gulf Power Co.         | Administrative Asst SR (East) | Administrative Asst SR         | Permanent                                    |
| Gulf Power Co.           | Southern Co Svcs       | Independent Contractor        | Accounting Analyst II          | Permanent                                    |
| Southern Co Svcs         | Gulf Power Co.         | Financial Analyst II          | Financial Analyst II           | Permanent                                    |
| Gulf Power Co.           | Southern Co Svcs       | Forecast Specialist II        | Business Analyst I             | Permanent                                    |
| Alabama Power Co.        | Gulf Power Co.         | Engineer III                  | Engineer III                   | Permanent                                    |
| Gulf Power Co.           | Southern Co Svcs       | Accountant I                  | Field Office Specialist I      | Permanent                                    |
| Alabama Power Co.        | Gulf Power Co.         | Engineer II                   | Engineer II                    | Permanent                                    |
| Gulf Power Co.           | Georgia Power Co.      | Chemical & Results Technician | Laboratory Technician I (SDMS) | Permanent                                    |
| Gulf Power Co.           | Alabama Power Co.      | I & C Technician IV           | Team Leader Maintenance        | Permanent                                    |
| Gulf Power Co.           | Georgia Power Co.      | Operator IV                   | Power System Coordinator II    | Permanent                                    |
| Alabama Power Co.        | Gulf Power Co.         | Utility Fleet Tech I          | Mechanic-Garage                | Permanent                                    |
| Alabama Power Co.        | Gulf Power Co.         | Plant Control Opr             | Team Leader-Operations         | Permanent                                    |
| Gulf Power Co.           | Southern Co Svcs       | Regulatory Analyst SR         | Business Analyst SR            | Permanent                                    |
| Gulf Power Co.           | Alabama Power Co.      | Accountant I                  | Accountant I                   | Permanent                                    |

**Analysis of Diversification Activity**  
**Employee Transfers**

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2010**

| List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company. |                        |                                  |                                     |  |
|--|------------------------|----------------------------------|-------------------------------------|--|
| Company Transferred From   | Company Transferred To | Old Job Assignment               | New Job Assignment                  | Transfer Permanent or Temporary and Duration |
| Alabama Power Co.  | Gulf Power Co.         | Engineer I                       | Team Leader Maintenance             | Permanent                                    |
| Alabama Power Co.  | Gulf Power Co.         | Engineer I                       | Engineer I                          | Permanent                                    |
| Gulf Power Co.   | Southern Co Svcs       | Accountant SR                    | Field Office Specialist SR          | Permanent                                    |
| Southern Co Svcs   | Gulf Power Co.         | Project Lead                     | Accountant SR                       | Permanent                                    |
| Georgia Power Co.  | Gulf Power Co.         | Engineer I                       | Engineer I                          | Permanent                                    |
| Gulf Power Co.   | Georgia Power Co.      | Engineer I                       | Reliability Engineer I              | Permanent                                    |
| Gulf Power Co.   | Georgia Power Co.      | Independent Contractor           | Reliability Engineer I              | Permanent                                    |
| Mississippi Power Co.  | Gulf Power Co.         | Team Leader-Support              | Market Specialist SR                | Permanent                                    |
| Gulf Power Co.   | Georgia Power Co.      | Health/Safety/ERT Specialist SR  | Safety and Health Coord.            | Permanent                                    |
| Gulf Power Co.   | Alabama Power Co.      | Team Leader-Maintenance          | Team Leader-Operations              | Permanent                                    |
| Gulf Power Co.   | Southern Co Svcs       | Engineer SR                      | Engineer, Principal                 | Permanent                                    |
| Gulf Power Co.   | Southern Nuclear Co.   | Engineer SR                      | Contract Compliance Coord.          | Permanent                                    |
| Gulf Power Co.   | Mississippi Power Co.  | Team Leader-Operations           | Engineering Manager                 | Permanent                                    |
| Georgia Power Co.  | Gulf Power Co.         | Methods & Training Specialist SR | Planning & Construction Team Leader | Permanent                                    |
| Gulf Power Co.   | Alabama Power Co.      | Engineer SR                      | Team Leader-Maintenance (DEV)       | Permanent                                    |
| Georgia Power Co.  | Gulf Power Co.         | Team Leader-Operations           | Compliance & Support Manager        | Permanent                                    |
| Gulf Power Co.   | Southern Co Svcs       | Team Leader-Operations           | Monitoring & Diagnostic Analyst SR  | Permanent                                    |
| Gulf Power Co.   | Georgia Power Co.      | Team Leader-Planning             | Operations Manager                  | Permanent                                    |
| Gulf Power Co.   | Alabama Power Co.      | Compliance Specialist-Financial  | Team Leader-Financial Compliance    | Permanent                                    |
| Gulf Power Co.   | Alabama Power Co.      | Team Leader-Planning             | O&M Manager                         | Permanent                                    |

**Analysis of Diversification Activity**  
**Employee Transfers**

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2010**

| List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company. |                        |                                   |   |  |
|--|------------------------|-----------------------------------|---|--|
| Company Transferred From   | Company Transferred To | Old Job Assignment                | New Job Assignment                      | Transfer Permanent or Temporary and Duration |
| Alabama Power Co.  | Gulf Power Co.         | Operations Assistant Manager      | Operations Manager                      | Permanent                                    |
| Southern Co Svcs   | Gulf Power Co.         | Engineer SR                       | P&C Test Engineer SR                    | Permanent                                    |
| Gulf Power Co.   | Alabama Power Co.      | Supervisor Substation Maintenance | Protection & Control Fld Svc Supervisor | Permanent                                    |
| Gulf Power Co.   | Mississippi Power Co.  | District Construction Supervisor  | Safety & Skills Training Manager        | Permanent                                    |
| Georgia Power Co.  | Gulf Power Co.         | TMC Maintenance & Support Manager | Transmission Manager                    | Permanent                                    |
| Gulf Power Co.   | Georgia Power Co.      | Systems Operations Manager        | Transmission Maintenance Center Manager | Permanent                                    |
| Alabama Power Co.  | Gulf Power Co.         | Operations & Maintenance Manager  | Plant Manager                           | Permanent                                    |
| Gulf Power Co.   | Alabama Power Co.      | Plant Manager                     | Plant Manager                           | Permanent                                    |
| Southern Co Svcs   | Gulf Power Co.         | VP & CFO Operations               | VP & CFO Operations                     | Permanent                                    |
| Gulf Power Co.   | Alabama Power Co.      | Vice President & CFO              | Vice President & CFO                    | Permanent                                    |
| Alabama Power Co.  | Gulf Power Co.         | Executive VP                      | Executive VP                            | Permanent                                    |
| Gulf Power Co.   | Southern Co Svcs       | President & CEO                   | President & CEO                         | Permanent                                    |
|  |                        |                                   |   |  |
|  |                        |                                   |   |  |
|  |                        |                                   |   |  |
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|  |                        |                                   |   |  |
|  |                        |                                   |   |  |
|  |                        |                                   |   |  |
|  |                        |                                   |   |  |

***Analysis of Diversification Activity***  
***Non-Tariffed Services and Products Provided by the Utility***

***Company: Gulf Power Company***

***For the Year Ended December 31, 2010***

| Provide the following information regarding all non-tariffed services and products provided by the utility. |                    |                                      |
|---|--------------------|--------------------------------------|
| Description of<br>Product or Service<br>(a)   | Account No.<br>(b) | Regulated or<br>non-regulated<br>(c) |
| Billing Services  | Various            | Regulated                            |
| Building Space/Office Furniture   | Various            | Regulated                            |
| Use of Equipment  | Various            | Regulated                            |
| Professional Services   | Various            | Regulated                            |
| Material Transfers  | Various            | Regulated                            |
| Safety, Health and Wellness   | Various            | Regulated                            |

## Nonutility Property (Account 121)

**Company: Gulf Power Company**

**For the Year Ended December 31, 2010**

1. Give a brief description and state the location of Nonutility property included in Account 121.
2. Designate with a double asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.
3. Furnish particulars (details) concerning sales, purchases, or transfers of nonutility property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.
5. Minor items (5% of the balance at the end of the year), for Account 121 or \$100,000, whichever is less) may be-grouped by (1) previously devoted to public service, or (2) other property nonutility property.

| Description and Location   | Balance at beginning of year | Purchases, Sales, Transfers, etc. | Balance at end of year |
|--|------------------------------|-----------------------------------|------------------------|
| Previously Devoted to Public Service:<br>38 parcels of minor items previously devoted to Public Service. | 276,337                      | 165,973                           | 442,310                |
| Other Non-Utility Property:  |                              |                                   |                        |
| Blackwater Substation Site - December 1984   | 181,083                      | 0                                 | 181,083                |
| Highway 29 Land  | 11,111,568                   | 0                                 | 11,111,568             |
| Surge Protection Equipment   | 3,356,930                    | 196,070                           | 3,553,000              |
| 3 parcels of minor items devoted to Other Nonutility Property.   | 19,699                       | 0                                 | 19,699                 |
| <b>Totals</b>  | <b>14,945,617</b>            | <b>362,043</b>                    | <b>15,307,660</b>      |

***Number of Electric Department Employees***

***Company: Gulf Power Company***

***For the Year Ended December 31, 2010***

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.
3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.

|  |            |
|--|------------|
| 1. Payroll Period Ended (Date)             | 12/31/2010 |
| 2. Total Regular Full-Time Employees       | 1,312      |
| 3. Total Part-Time and Temporary Employees | 18         |
| 4. Total Employees                         | 1,330      |

Details

Total Employees do not include SCS Employees On-Site.

**Particulars Concerning Certain Income Deductions and Interest Charges Accounts**

**Company: Gulf Power Company**

**For the Year Ended December 31, 2010**

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425) -- Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

| Item   | Amount           |
|--|------------------|
| Miscellaneous Amortization of Utility (Account 425)  |                  |
| Plant Acquisition Adjustment-Plant Scherer Common Facilities (Contra Acct 114<br>Amortized over a period of 34 years.) | 255,312          |
| <b>Subtotal - 425</b>  | <b>255,312</b>   |
| Miscellaneous Income Deductions (Account 426)  |                  |
| Account 426.1 Donations  |                  |
| Religious  | 4,400            |
| Charitable   | 75,514           |
| Scientific   | 1,500            |
| Health & Human Services  | 56,151           |
| Community  | 22,582           |
| Civic  | 49,314           |
| Education  | 811,015          |
| Miscellaneous Donations  | 524,530          |
| Donations made indirectly through SCS  | 1,855            |
| <b>Subtotal - 426.1</b>  | <b>1,546,861</b> |
| <b>Account 426.3 - Penalties</b>   | <b>126,153</b>   |
| Account 426.4 Expenditures for Certain Civic, Political & Related Activities   |                  |
| Salaries and Wages   | 412,792          |
| Employee Expenses  | 45,947           |
| Office and Related Expenses  | 103,722          |
| Organizations & Dues   | 90,194           |
| Outside Services Employed/Consultants  | 851,486          |
| PAC Expenses   | 19,482           |
| <b>Subtotal - 426.4</b>  | <b>1,523,623</b> |
| Account 426.5 Other Deductions   |                  |
| Miscellaneous Non-operating Expenses   | 366,861          |
| Employee Fees & Dues in Civic & Social Clubs   | 77,221           |
| Competitive Trade Losses   | (253)            |
| Good Cents National Sales  | 60,572           |
| <b>Subtotal - 426.5</b>  | <b>504,401</b>   |

**Particulars Concerning Certain Income Deductions and Interest Charges Accounts**

**Company: Gulf Power Company**

**For the Year Ended December 31, 2010**

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425) – Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) – Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

| Item   | Amount           |
|--|------------------|
| Account 431 Other Interest Expense                           |                  |
| Other Interest Expense                                       | 24,883           |
| Other Interest Expense-UPS                                   | 63,715           |
| Other Interest Expense-Customer Deposits                     | 2,147,256        |
| Other Interest Expense-Note Payable                          | 37,231           |
| Other Interest Expense-Commercial Paper Program              | 107,992          |
| Other Interests Expense-FIN 48-Federal                       | 86,206           |
| Other Interest Expense-FIN 48-State                          | 34,072           |
| Other Interest Expense-Environmental Over Recovery           | 32,050           |
| Other Interest Expense-Conservation Over Recovery            | 5,996            |
| Other Interest Expense-Purchase Power Capacity Over Recovery | 14,991           |
| Other Interest Expense-Wholesale-Blountstown-Fuel            | 40               |
| Other Interest Expense-Wholesale-Blountstown-Environmental   | 41               |
| Other Interest Expense-Wholesale-FPU-Environmental           | 532              |
| <b>Subtotal - 431</b>  | <b>2,555,005</b> |
| <br>   |                  |
| <b>Total</b>   | <b>6,511,355</b> |

GULF POWER COMPANY  
ELECTRIC PLANT IN SERVICE  
ACTUAL: DECEMBER, 2010

Sheet 1 of 3

|                                |     | Balance<br>First of Year | Additions             | Retirements            | Adjustments           | Transfers    | Balance<br>End of Year  |
|--------------------------------|-----|--------------------------|-----------------------|------------------------|-----------------------|--------------|-------------------------|
| <b>INTANGIBLE:</b>             |     |                          |                       |                        |                       |              |                         |
| Organization                   | 301 | 194,814.59               | 0.00                  | 0.00                   | 0.00                  | (187,397.14) | 7,417.45                |
| Franchises and Consents        | 302 | 594.15                   | 0.00                  | 0.00                   | 0.00                  | 0.00         | 594.15                  |
| Intangible Software            | 303 |                          | 12,661,465.65         | 0.00                   | 0.00                  | 187,397.14   | 12,848,862.79           |
| <b>TOTAL INTANGIBLE:</b>       |     | <u>195,408.74</u>        | <u>12,661,465.65</u>  | <u>0.00</u>            | <u>0.00</u>           | <u>0.00</u>  | <u>12,856,874.39</u>    |
| <b>STEAM PRODUCTION:</b>       |     |                          |                       |                        |                       |              |                         |
| <b>DANIEL PLANT:</b>           |     |                          |                       |                        |                       |              |                         |
| Plant                          |     | 240,203,220.24           | 9,341,278.07          | (186,166.46)           | (263.68)              | 0.00         | 249,358,068.17          |
| Land                           |     | 3,884,047.43             | 145.29                | 0.00                   | (2,916,891.78)        | 0.00         | 967,300.94              |
| Easements                      |     | 77,160.27                | 0.00                  | 0.00                   | 0.00                  | 0.00         | 77,160.27               |
| Cooling Lake, 23 Year          |     | 8,954,191.92             | 0.00                  | 0.00                   | 0.00                  | 0.00         | 8,954,191.92            |
| Rail Track System              |     | 2,741,618.37             | 0.00                  | 0.00                   | 0.00                  | 0.00         | 2,741,618.37            |
| Asset Retirement Obligation    |     | 2,020,605.65             | 0.00                  | (1,030,991.23)         | 0.00                  | 0.00         | 989,614.42              |
| <b>TOTAL DANIEL PLANT:</b>     |     | <u>257,880,843.88</u>    | <u>9,341,423.36</u>   | <u>(1,217,157.69)</u>  | <u>(2,917,155.46)</u> | <u>0.00</u>  | <u>263,087,954.09</u>   |
| <b>CRIST PLANT:</b>            |     |                          |                       |                        |                       |              |                         |
| Units 1 Through 3 Assets       |     | 10,692,669.35            | 0.00                  | 0.00                   | 0.00                  | 0.00         | 10,692,669.35           |
| Plant-Units 4 Through 7        |     | 1,109,816,350.93         | 64,028,034.63         | (11,406,048.54)        | 0.00                  | 0.00         | 1,162,438,337.02        |
| Land                           |     | 6,027,469.93             | 0.00                  | 0.00                   | 0.00                  | 0.00         | 6,027,469.93            |
| Easements                      |     | 5,102.76                 | 0.00                  | 0.00                   | 0.00                  | 0.00         | 5,102.76                |
| Base Coal, 5 Year              |     | 141,840.00               | 0.00                  | 0.00                   | 0.00                  | 0.00         | 141,840.00              |
| - 5 Year                       |     | 74,905.40                | 57,279.58             | (853.32)               | 0.00                  | 0.00         | 131,331.66              |
| - 7 Year                       |     | 4,488,860.04             | 895,247.45            | (466,756.53)           | 0.00                  | 0.00         | 4,917,350.96            |
| Asset Retirement Obligation    |     | 1,373,416.73             | 0.00                  | 0.00                   | 0.00                  | 0.00         | 1,373,416.73            |
| <b>TOTAL CRIST PLANT:</b>      |     | <u>1,132,620,615.14</u>  | <u>64,980,561.66</u>  | <u>(11,873,658.39)</u> | <u>0.00</u>           | <u>0.00</u>  | <u>1,185,727,518.41</u> |
| <b>SCHOLZ PLANT:</b>           |     |                          |                       |                        |                       |              |                         |
| Plant                          |     | 31,074,394.70            | 21,660.62             | (13,508.15)            | 0.00                  | 0.00         | 31,082,547.17           |
| Land                           |     | 44,578.61                | 0.00                  | 0.00                   | 0.00                  | 0.00         | 44,578.61               |
| Base Coal, 5 Year              |     | 71,300.00                | 0.00                  | 0.00                   | 0.00                  | 0.00         | 71,300.00               |
| - 5 Year                       |     | 0.00                     | 5,716.93              | 0.00                   | 0.00                  | 0.00         | 5,716.93                |
| - 7 Year                       |     | 174,495.18               | 0.00                  | 0.00                   | 0.00                  | 0.00         | 174,495.18              |
| Asset Retirement Obligation    |     | 347,535.02               | 0.00                  | 0.00                   | 0.00                  | 0.00         | 347,535.02              |
| <b>TOTAL SCHOLZ PLANT:</b>     |     | <u>31,712,303.51</u>     | <u>27,377.55</u>      | <u>(13,508.15)</u>     | <u>0.00</u>           | <u>0.00</u>  | <u>31,726,172.91</u>    |
| <b>SMITH PLANT:</b>            |     |                          |                       |                        |                       |              |                         |
| Plant                          |     | 170,587,641.72           | 385,167.67            | (100,646.65)           | 0.00                  | 0.00         | 170,872,162.74          |
| Land                           |     | 1,363,923.52             | 0.00                  | 0.00                   | 0.00                  | 0.00         | 1,363,923.52            |
| Base Coal, 5 Year              |     | 108,300.00               | 0.00                  | 0.00                   | 0.00                  | 0.00         | 108,300.00              |
| - 5 Year                       |     | 7,532.11                 | 0.00                  | 0.00                   | 0.00                  | 0.00         | 7,532.11                |
| - 7 Year                       |     | 1,029,933.39             | 90,597.80             | 0.00                   | 0.00                  | 0.00         | 1,120,531.19            |
| Asset Retirement Obligation    |     | 471,972.16               | 0.00                  | 0.00                   | 0.00                  | 0.00         | 471,972.16              |
| <b>TOTAL SMITH PLANT:</b>      |     | <u>173,569,302.90</u>    | <u>475,765.47</u>     | <u>(100,646.65)</u>    | <u>0.00</u>           | <u>0.00</u>  | <u>173,944,421.72</u>   |
| <b>SCHERER PLANT:</b>          |     |                          |                       |                        |                       |              |                         |
| Plant                          |     | 233,800,883.21           | 92,231,082.36         | (298,346.19)           | 0.00                  | 0.00         | 325,733,619.38          |
| Land                           |     | 846,760.74               | 16,747.79             | 0.00                   | (1,521.51)            | 0.00         | 861,987.02              |
| - 7 Year                       |     | 186,462.75               | 389.69                | (3,189.08)             | 0.00                  | 0.00         | 183,663.36              |
| Asset Retirement Obligation    |     | 122,717.22               | 0.00                  | 0.00                   | 0.00                  | 0.00         | 122,717.22              |
| <b>TOTAL SCHERER PLANT:</b>    |     | <u>234,956,823.92</u>    | <u>92,248,219.84</u>  | <u>(301,535.27)</u>    | <u>(1,521.51)</u>     | <u>0.00</u>  | <u>326,901,986.98</u>   |
| <b>TOTAL STEAM PRODUCTION:</b> |     | <u>1,830,739,889.35</u>  | <u>167,073,347.88</u> | <u>(13,506,506.15)</u> | <u>(2,918,676.97)</u> | <u>0.00</u>  | <u>1,981,388,054.11</u> |

GULF POWER COMPANY  
ELECTRIC PLANT IN SERVICE  
ACTUAL: DECEMBER, 2010

Sheet 2 of 3

|   |       | Balance<br>First of Year | Additions             | Retirements            | Adjustments           | Transfers        | Balance<br>End of Year  |
|---|-------|--------------------------|-----------------------|------------------------|-----------------------|------------------|-------------------------|
| <b>OTHER PRODUCTION:</b>                        |       |                          |                       |                        |                       |                  |                         |
| <b>LAND - NON-DEPRECIABLE:</b>                  |       |                          |                       |                        |                       |                  |                         |
| Land - Non-Depreciable                          | 340   | 337,695.94               | 0.00                  | 0.00                   | 0.00                  | 0.00             | 337,695.94              |
| <b>TOTAL LAND - NON-DEPRECIABLE:</b>            |       | <b>337,695.94</b>        | <b>0.00</b>           | <b>0.00</b>            | <b>0.00</b>           | <b>0.00</b>      | <b>337,695.94</b>       |
| <b>SMITH PLANT CT:</b>                          |       |                          |                       |                        |                       |                  |                         |
| Structures and Improvements                     | 341   | 793,362.37               | 0.00                  | 0.00                   | 0.00                  | 0.00             | 793,362.37              |
| Fuel Holders and Accessories                    | 342   | 513,015.22               | 0.00                  | 0.00                   | 0.00                  | 0.00             | 513,015.22              |
| Prime Movers                                    | 343   | 83,106.40                | 0.00                  | 0.00                   | 0.00                  | 0.00             | 83,106.40               |
| Generators                                      | 344   | 3,438,921.35             | 0.00                  | 0.00                   | 0.00                  | 0.00             | 3,438,921.35            |
| Accessory Electric Equipment                    | 345   | 126,272.91               | 0.00                  | 0.00                   | 0.00                  | 0.00             | 126,272.91              |
| Miscellaneous Equipment                         | 346   | 8,802.52                 | 0.00                  | 0.00                   | 0.00                  | 0.00             | 8,802.52                |
| <b>TOTAL SMITH PLANT CT:</b>                    |       | <b>4,963,480.77</b>      | <b>0.00</b>           | <b>0.00</b>            | <b>0.00</b>           | <b>0.00</b>      | <b>4,963,480.77</b>     |
| <b>SMITH PLANT UNIT 3 COMBINED CYCLE:</b>       |       |                          |                       |                        |                       |                  |                         |
| Structures and Improvements                     | 341   | 11,712,849.09            | 1,083,851.99          | (669,544.14)           | 0.00                  | 0.00             | 12,127,156.94           |
| Fuel Holders and Accessories                    | 342   | 2,942,463.35             | 78,713.24             | (43,146.79)            | 0.00                  | 0.00             | 2,978,029.80            |
| Prime Movers                                    | 343   | 94,060,649.65            | 38,811,613.47         | (18,742,394.36)        | 0.00                  | 0.00             | 114,129,868.76          |
| Generators                                      | 344   | 67,041,343.12            | 35,969.56             | (47,896.48)            | 0.00                  | 0.00             | 67,029,416.20           |
| Accessory Electric Equipment                    | 345   | 11,003,159.25            | 1,032,499.27          | (964,851.87)           | 0.00                  | 0.00             | 11,070,806.65           |
| Miscellaneous Equipment                         | 346   | 710,804.30               | 561,233.48            | (187,274.44)           | 0.00                  | 0.00             | 1,084,763.34            |
| <b>TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:</b> |       | <b>187,471,268.76</b>    | <b>41,603,881.01</b>  | <b>(20,655,108.08)</b> | <b>0.00</b>           | <b>0.00</b>      | <b>208,420,041.69</b>   |
| <b>PACE PLANT:</b>                              |       |                          |                       |                        |                       |                  |                         |
| Prime Movers                                    | 343   | 6,790,595.44             | 0.00                  | 0.00                   | 0.00                  | 0.00             | 6,790,595.44            |
| Generators                                      | 344   | 3,107,233.23             | 0.00                  | 0.00                   | 0.00                  | 0.00             | 3,107,233.23            |
| Accessory Electric Equipment                    | 345   | 584,090.42               | 0.00                  | 0.00                   | 0.00                  | 0.00             | 584,090.42              |
| Miscellaneous Equipment                         | 346   | 0.00                     | 0.00                  | 0.00                   | 0.00                  | 0.00             | 0.00                    |
| Asset Retirement Obligation                     | 347   | 397,194.35               | 0.00                  | 0.00                   | 0.00                  | 0.00             | 397,194.35              |
| <b>TOTAL PACE PLANT:</b>                        |       | <b>10,879,113.44</b>     | <b>0.00</b>           | <b>0.00</b>            | <b>0.00</b>           | <b>0.00</b>      | <b>10,879,113.44</b>    |
| <b>PERDIDO LANDFILL PLANT:</b>                  |       |                          |                       |                        |                       |                  |                         |
| Miscellaneous Equipment                         | 346   | 0.00                     | 5,101,729.05          | 0.00                   | 0.00                  | 0.00             | 5,101,729.05            |
| <b>TOTAL PERDIDO LANDFILL PLANT:</b>            |       | <b>0.00</b>              | <b>5,101,729.05</b>   | <b>0.00</b>            | <b>0.00</b>           | <b>0.00</b>      | <b>5,101,729.05</b>     |
| <b>TOTAL OTHER PRODUCTION:</b>                  |       | <b>203,651,558.91</b>    | <b>46,705,610.06</b>  | <b>(20,655,108.08)</b> | <b>0.00</b>           | <b>0.00</b>      | <b>229,702,060.89</b>   |
| <b>TOTAL PRODUCTION:</b>                        |       | <b>2,034,391,448.26</b>  | <b>213,778,957.94</b> | <b>(34,161,614.23)</b> | <b>(2,918,676.97)</b> | <b>0.00</b>      | <b>2,211,090,115.00</b> |
| <b>TRANSMISSION:</b>                            |       |                          |                       |                        |                       |                  |                         |
| Land  | 350.0 | 2,265,485.14             | 294,003.96            | 0.00                   | (148,729.33)          | 286,489.38       | 2,697,249.15            |
| Easements                                       | 350.2 | 12,707,116.53            | (153,722.50)          | 0.00                   | 0.00                  | (286,489.38)     | 12,266,904.65           |
| Structures and Improvements                     | 352   | 8,426,310.38             | 851,722.94            | 0.00                   | 0.00                  | 12,892.28        | 9,290,925.60            |
| Station Equipment                               | 353   | 100,888,004.42           | 8,369,268.42          | (451,275.92)           | 0.00                  | 30,468.13        | 108,836,465.05          |
| Towers and Fixtures                             | 354   | 38,868,885.80            | 2,407,903.52          | (19,252.68)            | 0.00                  | 30,476.56        | 41,288,013.20           |
| Poles and Fixtures                              | 355   | 76,122,945.32            | 5,838,331.34          | (420,643.63)           | 0.00                  | (26,520.70)      | 81,514,112.33           |
| Overhead Conductors & Devices                   | 356   | 63,854,915.95            | 3,322,047.73          | (179,743.55)           | 0.00                  | 0.00             | 66,997,220.13           |
| Underground Conductors & Devices                | 358   | 14,094,502.43            | 0.00                  | 0.00                   | 0.00                  | 0.00             | 14,094,502.43           |
| Roads and Trails                                | 359   | 61,446.61                | 0.00                  | 0.00                   | 0.00                  | 0.00             | 61,446.61               |
| Asset Retirement Obligation                     | 359.1 | 7,860.77                 | 0.00                  | 0.00                   | 0.00                  | 0.00             | 7,860.77                |
| <b>TOTAL TRANSMISSION:</b>                      |       | <b>317,297,473.35</b>    | <b>20,929,555.41</b>  | <b>(1,070,915.78)</b>  | <b>(148,729.33)</b>   | <b>47,316.27</b> | <b>337,054,699.92</b>   |

GULF POWER COMPANY  
ELECTRIC PLANT IN SERVICE  
ACTUAL: DECEMBER, 2010

Sheet 3 of 3

|   |       | Balance<br>First of Year | Additions             | Retirements            | Adjustments           | Transfers          | Balance<br>End of Year  |
|---|-------|--------------------------|-----------------------|------------------------|-----------------------|--------------------|-------------------------|
| <b>DISTRIBUTION:</b>                    |       |                          |                       |                        |                       |                    |                         |
| Land                                    | 360.0 | 2,553,753.31             | 0.00                  | 0.00                   | (17,243.76)           | 0.00               | 2,536,509.55            |
| Easements                               | 360.2 | 204,175.64               | 0.00                  | 0.00                   | 0.00                  | 0.00               | 204,175.64              |
| Structures and Improvements             | 361   | 16,745,219.02            | 1,532,998.21          | (15,444.07)            | 0.00                  | 0.00               | 18,262,773.16           |
| Station Equipment                       | 362   | 159,050,636.40           | 5,914,197.76          | (603,627.05)           | 0.00                  | (26,275.41)        | 164,334,931.70          |
| Poles, Towers & Fixtures                | 364   | 119,993,791.91           | 6,391,270.93          | (1,065,124.49)         | 0.00                  | 0.00               | 125,319,938.35          |
| Overhead Conductors & Devices           | 365   | 118,489,613.03           | 6,453,610.19          | (2,151,102.39)         | 0.00                  | (810,590.11)       | 121,981,530.72          |
| Underground Conduit                     | 366   | 1,217,455.00             | 0.00                  | 0.00                   | 0.00                  | 0.00               | 1,217,455.00            |
| Underground Conductors & Devices        | 367   | 111,391,188.26           | 6,589,213.50          | (457,883.86)           | 0.00                  | 810,590.11         | 118,333,108.01          |
| Line Transformers                       | 368   | 208,399,324.18           | 14,433,299.80         | (2,633,803.20)         | 0.00                  | (21,040.86)        | 220,177,779.92          |
| Services:                               |       |                          |                       |                        |                       |                    |                         |
| - Overhead                              | 369.1 | 49,215,768.01            | 1,524,162.11          | (141,935.81)           | 0.00                  | 0.00               | 50,597,994.31           |
| - Underground                           | 369.2 | 41,248,654.37            | 1,358,685.73          | (139,069.37)           | 0.00                  | 0.00               | 42,468,270.73           |
| - House Power Panel                     | 369.3 | 1,666,101.83             | 0.00                  | (1,666,101.83)         | 0.00                  | 0.00               | (0.00)                  |
| Meters                                  | 370   | 51,269,485.76            | 8,327,690.55          | (1,945,379.94)         | 0.00                  | (21,673,391.83)    | 35,978,404.54           |
| Meters - FPSC Segregated                | 370   | 0.00                     | 0.00                  | (104,532.77)           | 0.00                  | 12,176,660.00      | 12,072,127.23           |
| Meters - Non FPSC Segregated            | 370   | 0.00                     | 0.00                  | 0.00                   | 0.00                  | 9,496,731.83       | 9,496,731.83            |
| Street Lighting & Signal Systems        | 373   | 56,904,425.93            | 2,278,903.88          | (410,413.86)           | 0.00                  | 0.00               | 58,772,915.95           |
| Asset Retirement Obligation             | 374   | 43,465.35                | 0.00                  | 0.00                   | 0.00                  | 0.00               | 43,465.35               |
| <b>TOTAL DISTRIBUTION:</b>              |       | <u>938,393,058.00</u>    | <u>54,804,032.66</u>  | <u>(11,334,418.64)</u> | <u>(17,243.76)</u>    | <u>(47,316.27)</u> | <u>981,798,111.99</u>   |
| <b>GENERAL PLANT:</b>                   |       |                          |                       |                        |                       |                    |                         |
| Land                                    | 389.0 | 6,858,328.52             | 0.00                  | 0.00                   | 0.00                  | 0.00               | 6,858,328.52            |
| Structures and Improvements             | 390   | 64,301,502.29            | 2,730,622.62          | (83,197.89)            | 0.00                  | 0.00               | 66,948,927.02           |
| Office Furniture & Equipment:           |       |                          |                       |                        |                       |                    |                         |
| - Computer, 5 Year                      | 391   | 3,968,039.76             | 830,605.16            | (340,152.01)           | 0.00                  | 0.00               | 4,458,492.91            |
| - Non-Computer, 7 Year                  | 391   | 2,595,115.32             | 28,322.12             | 0.00                   | 0.00                  | 0.00               | 2,623,437.44            |
| Transportation Equipment                |       |                          |                       |                        |                       |                    |                         |
| - Automobiles                           | 392.1 | 0.00                     | 0.00                  | 0.00                   | 0.00                  | 0.00               | 0.00                    |
| - Light Trucks                          | 392.2 | 5,939,851.23             | 1,084,600.55          | (29,037.39)            | 0.00                  | 0.00               | 6,995,414.39            |
| - Heavy Trucks                          | 392.3 | 19,768,862.58            | 775,775.94            | (1,322,078.31)         | 0.00                  | 0.00               | 19,222,560.21           |
| - Trailers                              | 392.4 | 1,069,871.46             | 12,993.44             | 0.00                   | 0.00                  | 0.00               | 1,082,864.90            |
| - Marine, 5 Year                        | 392   | 58,759.84                | 132,486.70            | 0.00                   | 0.00                  | 0.00               | 191,246.54              |
| Stores Equipment - 7 Year               | 393   | 796,334.54               | 209,684.28            | 0.00                   | 0.00                  | 0.00               | 1,006,018.82            |
| Tools, Shop & Garage Equip. - 7 Year    | 394   | 1,502,346.45             | 1,297,473.94          | 0.00                   | 0.00                  | 0.00               | 2,799,820.39            |
| Laboratory Equipment - 7 Year           | 395   | 3,364,133.41             | 628,194.12            | (1,580,610.10)         | 0.00                  | 0.00               | 2,411,717.43            |
| Power Operated Equipment                | 396   | 593,660.89               | 0.00                  | 0.00                   | 0.00                  | 0.00               | 593,660.89              |
| Communication Equipment:                |       |                          |                       |                        |                       |                    |                         |
| - Other                                 | 397   | 18,363,156.40            | 992,444.94            | (125,507.88)           | 0.00                  | 0.00               | 19,230,093.46           |
| - 7 Year                                | 397   | 3,010,141.47             | 677,446.45            | 0.00                   | 0.00                  | 0.00               | 3,687,587.92            |
| Miscellaneous Equipment - 7 Year        | 398   | 4,352,297.87             | 220,402.33            | (974,834.77)           | 0.00                  | 0.00               | 3,597,865.43            |
| Asset Retirement Obligation             | 399.1 | 196,570.68               | 0.00                  | 0.00                   | 0.00                  | 0.00               | 196,570.68              |
| <b>TOTAL GENERAL:</b>                   |       | <u>136,738,972.71</u>    | <u>9,621,052.59</u>   | <u>(4,455,418.35)</u>  | <u>0.00</u>           | <u>0.00</u>        | <u>141,904,606.95</u>   |
| <b>TOTAL ELECTRIC PLANT-IN-SERVICE:</b> |       | <u>3,427,016,361.06</u>  | <u>311,795,064.25</u> | <u>(51,022,367.00)</u> | <u>(3,084,650.06)</u> | <u>0.00</u>        | <u>3,684,704,408.25</u> |

\* CRIST PLANT UNIT #1 WAS RETIRED IN 2003 AND UNITS 2 AND 3 WERE RETIRED IN MAY, 2006, AS SPECIFIED BY THE OZONE REDUCTION AGREEMENT BETWEEN THE FDEP AND GULF POWER THAT WAS APPROVED BY THE COMMISSION IN ORDER PSC-02-1396-PAE-EI. THE UNITS ARE REFLECTED IN THESE REPORTS AS OF THE ORIGINAL RETIREMENT DATE, AS REQUIRED IN ORDER NO. PSC-02-1735-FOF-EI.

**GULF POWER COMPANY**  
**ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION**  
**ACTUAL: DECEMBER, 2010**

Sheet 1 of 3

|                                | Balance<br>First of Year | Provisions           | Retirements            | Cost of<br>Removal    | Salvage and<br>Other Credits | Transfers and<br>Adjustments | Balance<br>End of Year |
|--------------------------------|--------------------------|----------------------|------------------------|-----------------------|------------------------------|------------------------------|------------------------|
| <b>STEAM PRODUCTION:</b>       |                          |                      |                        |                       |                              |                              |                        |
| <b>DANIEL PLANT:</b>           |                          |                      |                        |                       |                              |                              |                        |
| Plant                          | 117,975,435.57           | 6,875,450.91         | (186,166.46)           | (235,894.04)          | 86.59                        | 0.00                         | 124,428,912.57         |
| Easements                      | 54,144.00                | 1,080.24             | 0.00                   | 0.00                  | 0.00                         | (16,953.00)                  | 38,271.24              |
| Cooling Lake, 23 Year          | 8,954,191.92             | 0.00                 | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 8,954,191.92           |
| Rail Track System              | 1,974,384.56             | 41,124.24            | 0.00                   | 0.00                  | 0.00                         | (754,365.00)                 | 1,261,143.80           |
| Dismantlement - Fixed          | 17,355,405.96            | 684,446.02           | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 18,039,851.98          |
| Asset Retirement Obligation    | 1,685,334.79             | 19,721.82            | (1,030,991.23)         | 0.00                  | 0.00                         | 0.00                         | 674,065.38             |
| <b>TOTAL DANIEL PLANT:</b>     | <b>147,998,896.80</b>    | <b>7,621,823.23</b>  | <b>(1,217,157.69)</b>  | <b>(235,894.04)</b>   | <b>86.59</b>                 | <b>(771,318.00)</b>          | <b>153,396,436.89</b>  |
| <b>CRIST PLANT:</b>            |                          |                      |                        |                       |                              |                              |                        |
| Units 1 Through 3 Assets       | 10,648,149.49            | 44,519.86            | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 10,692,669.35          |
| Plant-Units 4 Through 7        | 219,121,519.07           | 40,019,513.83        | (11,406,048.54)        | (1,355,423.55)        | 238,688.80                   | 0.00                         | 246,618,249.61         |
| Easements                      | 0.00                     | 173.52               | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 173.52                 |
| Base Coal, 5 Year              | 141,840.00               | 0.00                 | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 141,840.00             |
| - 5 Year                       | 10,229.04                | 14,981.04            | (853.32)               | 0.00                  | 0.00                         | 0.00                         | 24,356.76              |
| - 7 Year                       | 2,029,800.60             | 618,154.29           | (466,756.53)           | 0.00                  | 0.00                         | 0.00                         | 2,181,198.36           |
| Dismantlement - Fixed          | 54,088,393.85            | 6,458,948.02         | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 60,547,341.87          |
| Asset Retirement Obligation    | 808,013.55               | 79,277.81            | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 887,291.36             |
| <b>TOTAL CRIST PLANT:</b>      | <b>286,847,945.60</b>    | <b>47,235,568.37</b> | <b>(11,873,658.39)</b> | <b>(1,355,423.55)</b> | <b>238,688.80</b>            | <b>0.00</b>                  | <b>321,093,120.83</b>  |
| <b>SCHOLZ PLANT:</b>           |                          |                      |                        |                       |                              |                              |                        |
| Plant                          | 28,719,477.74            | 1,273,974.03         | (13,508.15)            | 5,020.00              | 0.00                         | (2,446,077.00)               | 27,538,886.62          |
| Base Coal, 5 Year              | 71,300.00                | 0.00                 | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 71,300.00              |
| - 5 Year                       | (6,020.13)               | 6,020.13             | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 0.00                   |
| - 7 Year                       | 83,008.05                | 18,907.71            | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 101,915.76             |
| Dismantlement - Fixed          | 11,134,617.23            | 799,767.00           | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 11,934,384.23          |
| Asset Retirement Obligation    | 329,261.00               | 9,136.98             | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 338,397.98             |
| <b>TOTAL SCHOLZ PLANT:</b>     | <b>40,331,643.89</b>     | <b>2,107,805.85</b>  | <b>(13,508.15)</b>     | <b>5,020.00</b>       | <b>0.00</b>                  | <b>(2,446,077.00)</b>        | <b>39,984,884.59</b>   |
| <b>SMITH PLANT:</b>            |                          |                      |                        |                       |                              |                              |                        |
| Plant                          | 68,777,166.67            | 5,632,643.65         | (100,646.65)           | (233,149.79)          | 0.00                         | 0.00                         | 74,076,013.88          |
| Base Coal, 5 Year              | 108,300.00               | 0.00                 | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 108,300.00             |
| - 5 Year                       | 893.04                   | 1,506.36             | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 2,399.40               |
| - 7 Year                       | 370,910.77               | 147,133.20           | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 518,043.97             |
| Dismantlement - Fixed          | 18,911,014.51            | 1,249,287.00         | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 20,160,301.51          |
| Asset Retirement Obligation    | 337,695.55               | 4,795.44             | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 342,490.99             |
| <b>TOTAL SMITH PLANT:</b>      | <b>88,505,980.54</b>     | <b>7,035,365.65</b>  | <b>(100,646.65)</b>    | <b>(233,149.79)</b>   | <b>0.00</b>                  | <b>0.00</b>                  | <b>95,207,549.75</b>   |
| <b>SCHERER PLANT:</b>          |                          |                      |                        |                       |                              |                              |                        |
| Plant                          | 92,987,673.73            | 4,676,037.58         | (298,346.19)           | (410,541.89)          | 60,909.47                    | 0.00                         | 97,015,732.70          |
| - 7 Year                       | 28,116.48                | 26,637.60            | (3,189.08)             | 0.00                  | 0.00                         | 0.00                         | 51,565.00              |
| Dismantlement - Fixed          | 4,943,236.21             | 98,877.98            | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 5,042,114.19           |
| Asset Retirement Obligation    | 55,105.38                | 1,790.28             | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 56,895.66              |
| <b>TOTAL SCHERER PLANT:</b>    | <b>98,014,131.80</b>     | <b>4,803,343.44</b>  | <b>(301,535.27)</b>    | <b>(410,541.89)</b>   | <b>60,909.47</b>             | <b>0.00</b>                  | <b>102,166,307.55</b>  |
| <b>TOTAL STEAM PRODUCTION:</b> | <b>661,698,598.63</b>    | <b>68,803,906.54</b> | <b>(13,506,506.15)</b> | <b>(2,229,989.27)</b> | <b>299,684.86</b>            | <b>(3,217,395.00)</b>        | <b>711,848,299.61</b>  |

GULF POWER COMPANY  
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION  
ACTUAL: DECEMBER, 2010

Sheet 2 of 3

|   |       | Balance<br>First of Year | Provisions           | Retirements            | Cost of<br>Removal    | Salvage and<br>Other Credits | Transfers and<br>Adjustments | Balance<br>End of Year |
|---|-------|--------------------------|----------------------|------------------------|-----------------------|------------------------------|------------------------------|------------------------|
| <b>OTHER PRODUCTION:</b>                        |       |                          |                      |                        |                       |                              |                              |                        |
| <b>SMITH PLANT CT:</b>                          |       |                          |                      |                        |                       |                              |                              |                        |
| Structures and Improvements                     | 341   | 635,029.73               | 28,561.08            | 0.00                   | (128,169.93)          | 0.00                         | 0.00                         | 535,420.88             |
| Fuel Holders and Accessories                    | 342   | 240,583.74               | 18,468.60            | 0.00                   | (17,747.30)           | 0.00                         | 0.00                         | 241,305.04             |
| Prime Movers                                    | 343   | 65,455.05                | 2,991.84             | 0.00                   | (60,823.76)           | 0.00                         | 0.00                         | 7,623.13               |
| Generators                                      | 344   | 2,716,282.09             | 123,801.12           | 0.00                   | 0.00                  | 0.00                         | (140,512.00)                 | 2,699,571.21           |
| Accessory Electric Equipment                    | 345   | 101,915.23               | 4,545.84             | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 106,461.07             |
| Miscellaneous Equipment                         | 346   | 4,587.35                 | 316.92               | 0.00                   | (14,602.46)           | 0.00                         | 0.00                         | (9,698.19)             |
| Dismantlement - Fixed                           |       | 163,747.57               | 3,258.00             | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 167,005.57             |
| <b>TOTAL SMITH PLANT CT:</b>                    |       | <b>3,927,600.76</b>      | <b>181,943.40</b>    | <b>0.00</b>            | <b>(221,343.45)</b>   | <b>0.00</b>                  | <b>(140,512.00)</b>          | <b>3,747,688.71</b>    |
| <b>SMITH PLANT UNIT 3 COMBINED CYCLE:</b>       |       |                          |                      |                        |                       |                              |                              |                        |
| Structures and Improvements                     | 341   | 3,100,564.62             | 337,466.45           | (669,544.14)           | (109,830.18)          | 0.00                         | 0.00                         | 2,658,656.75           |
| Fuel Holders and Accessories                    | 342   | 914,889.71               | 83,154.52            | (43,146.79)            | (40,542.14)           | 0.00                         | 0.00                         | 914,355.30             |
| Prime Movers                                    | 343   | (3,295,811.01)           | 3,082,194.77         | (18,742,394.36)        | (2,217,610.01)        | 4,589,654.64                 | 8,426,480.35                 | (8,157,485.62)         |
| Generators                                      | 344   | 14,205,539.00            | 1,877,050.80         | (47,896.48)            | (4,942.66)            | 0.00                         | 0.00                         | 16,029,750.66          |
| Accessory Electric Equipment                    | 345   | 2,977,728.29             | 311,143.28           | (964,851.87)           | (111,400.81)          | 0.00                         | 0.00                         | 2,212,618.89           |
| Miscellaneous Equipment                         | 346   | 147,724.52               | 26,950.20            | (187,274.44)           | (99.31)               | 990.00                       | 0.00                         | (11,709.03)            |
| Dismantlement - Fixed                           |       | 1,906,953.00             | 280,020.00           | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 2,186,973.00           |
| <b>TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:</b> |       | <b>19,957,588.13</b>     | <b>5,997,980.02</b>  | <b>(20,655,108.08)</b> | <b>(2,484,425.11)</b> | <b>4,590,644.64</b>          | <b>8,426,480.35</b>          | <b>15,833,159.95</b>   |
| <b>PACE PLANT:</b>                              |       |                          |                      |                        |                       |                              |                              |                        |
| Prime Movers                                    | 343   | 3,917,926.70             | 359,901.60           | 0.00                   | 0.00                  | 0.00                         | (20,094.00)                  | 4,257,734.30           |
| Generators                                      | 344   | 1,792,761.12             | 164,683.32           | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 1,957,444.44           |
| Accessory Electric Equipment                    | 345   | 336,510.28               | 30,956.76            | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 367,467.04             |
| Asset Retirement Obligation                     | 347   | 230,041.88               | 19,859.71            | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 249,901.59             |
| Dismantlement - Fixed                           | **    | 100,553.00               | 17,334.00            | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 117,887.00             |
| <b>TOTAL PACE PLANT:</b>                        |       | <b>6,377,792.98</b>      | <b>592,735.39</b>    | <b>0.00</b>            | <b>0.00</b>           | <b>0.00</b>                  | <b>(20,094.00)</b>           | <b>6,950,434.37</b>    |
| <b>PERDIDO LANDFILL PLANT:</b>                  |       |                          |                      |                        |                       |                              |                              |                        |
| Miscellaneous Equipment                         | 346   | 0.00                     | 42,339.98            | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 42,339.98              |
| <b>TOTAL PERDIDO LANDFILL PLANT:</b>            |       | <b>0.00</b>              | <b>42,339.98</b>     | <b>0.00</b>            | <b>0.00</b>           | <b>0.00</b>                  | <b>0.00</b>                  | <b>42,339.98</b>       |
| <b>TOTAL OTHER PRODUCTION:</b>                  |       | <b>30,262,981.87</b>     | <b>6,814,998.79</b>  | <b>(20,655,108.08)</b> | <b>(2,705,768.56)</b> | <b>4,590,644.64</b>          | <b>8,265,874.35</b>          | <b>26,573,623.01</b>   |
| <b>TOTAL PRODUCTION:</b>                        |       | <b>691,961,580.50</b>    | <b>75,618,905.33</b> | <b>(34,161,614.23)</b> | <b>(4,935,757.83)</b> | <b>4,890,329.50</b>          | <b>5,048,479.35</b>          | <b>738,421,922.62</b>  |
| <b>TRANSMISSION:</b>                            |       |                          |                      |                        |                       |                              |                              |                        |
| Land  | 350.0 | 0.00                     | (26,500.84)          | 0.00                   | 0.00                  | 0.00                         | 26,500.84                    | 0.00                   |
| Easements                                       | 350.2 | 5,925,899.89             | 197,593.85           | 0.00                   | 0.00                  | 0.00                         | (26,500.84)                  | 6,096,992.90           |
| Structures and Improvements                     | 352   | 2,772,524.82             | 177,881.97           | 0.00                   | 0.00                  | 0.00                         | 214.20                       | 2,950,620.99           |
| Station Equipment                               | 353   | 24,777,410.15            | 2,444,988.13         | (451,275.92)           | (61,436.44)           | 78,813.58                    | 14,374.91                    | 26,802,874.41          |
| Towers and Fixtures                             | 354   | 22,734,771.98            | 908,447.10           | (19,252.68)            | (140,774.89)          | 0.00                         | 4,642.90                     | 23,487,834.41          |
| Poles and Fixtures                              | 355   | 24,129,546.51            | 2,793,211.38         | (420,643.63)           | (2,324,197.09)        | 0.00                         | (4,093.57)                   | 24,173,823.60          |
| Overhead Conductors & Devices                   | 356   | 22,843,041.90            | 1,631,597.89         | (179,743.55)           | (107,482.26)          | 0.00                         | 0.00                         | 24,187,413.98          |
| Underground Conductors & Devices                | 358   | 6,349,054.65             | 295,984.56           | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 6,645,039.21           |
| Roads and Trails                                | 359   | 28,902.99                | 1,228.92             | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 30,131.91              |
| Asset Retirement Obligation                     | 359.1 | 4,126.20                 | 143.04               | 0.00                   | 0.00                  | 0.00                         | 0.00                         | 4,269.24               |
| <b>TOTAL TRANSMISSION:</b>                      |       | <b>109,565,279.09</b>    | <b>8,424,576.00</b>  | <b>(1,070,915.78)</b>  | <b>(2,633,890.68)</b> | <b>78,813.58</b>             | <b>15,138.44</b>             | <b>114,379,000.65</b>  |

**GULF POWER COMPANY**  
**ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION**  
**ACTUAL: DECEMBER, 2010**

Sheet 3 of 3

|   |       | Balance<br>First of Year | Provisions            | Retirements            | Cost of<br>Removal     | Salvage and<br>Other Credits | Transfers and<br>Adjustments | Balance<br>End of Year  |
|---|-------|--------------------------|-----------------------|------------------------|------------------------|------------------------------|------------------------------|-------------------------|
| <b>DISTRIBUTION:</b>                            |       |                          |                       |                        |                        |                              |                              |                         |
| Easements                                       | 360.2 | 12,657.54                | 3,675.12              | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 16,332.66               |
| Structures and Improvements                     | 361   | 5,963,267.42             | 388,736.56            | (15,444.07)            | (869.74)               | 0.00                         | 0.00                         | 6,335,690.17            |
| Station Equipment                               | 362   | 49,617,251.68            | 3,569,409.99          | (603,627.05)           | (130,772.80)           | 15,192.91                    | (6,809.67)                   | 52,460,645.06           |
| Poles, Towers & Fixtures                        | 364   | 65,326,472.25            | 6,125,228.65          | (1,065,124.49)         | (1,876,184.52)         | 60,795.17                    | 0.00                         | 68,571,187.06           |
| Overhead Conductors & Devices                   | 365   | 42,336,293.16            | 3,721,507.08          | (2,151,102.39)         | (1,064,144.51)         | 463,793.01                   | (618,622.33)                 | 42,687,724.02           |
| Underground Conduit                             | 366   | 787,726.54               | 15,826.92             | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 803,553.46              |
| Underground Conductors & Devices                | 367   | 36,274,834.06            | 3,802,853.09          | (457,883.86)           | (152,587.89)           | 29,198.10                    | 618,622.33                   | 40,115,035.83           |
| Line Transformers                               | 368   | 82,633,305.53            | 8,537,303.67          | (2,633,803.20)         | (1,483,759.75)         | 147,765.89                   | (7,617,877.77)               | 79,582,934.37           |
| Services:                                       |       |                          |                       |                        |                        |                              |                              |                         |
| - Overhead                                      | 369.1 | 26,438,494.32            | 1,893,418.29          | (141,935.81)           | (260,392.55)           | 16,973.03                    | 0.00                         | 27,946,557.28           |
| - Underground                                   | 369.2 | 12,429,710.70            | 1,086,641.76          | (139,069.37)           | (29,417.27)            | 0.00                         | 0.00                         | 13,347,865.82           |
| - House Power Panel                             | 369.3 | 1,431,512.19             | (0.36)                | (1,666,101.83)         | 0.00                   | 0.00                         | 234,590.00                   | (0.00)                  |
| Meters  | 370   | 14,679,118.93            | 1,350,920.91          | (2,049,912.71)         | (447,332.67)           | 1,042,559.64                 | 8,119,926.00                 | 22,695,280.10           |
| Street Lighting & Signal Systems                | 373   | 23,964,613.05            | 2,893,321.28          | (410,413.86)           | (161,836.98)           | 75,467.18                    | (744,967.00)                 | 25,616,183.67           |
| Asset Retirement Obligation                     | 374   | 22,356.66                | 1,005.18              | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 23,361.84               |
| <b>TOTAL DISTRIBUTION:</b>                      |       | <u>361,917,614.03</u>    | <u>33,389,848.14</u>  | <u>(11,334,418.64)</u> | <u>(5,607,298.68)</u>  | <u>1,851,744.93</u>          | <u>(15,139.44)</u>           | <u>380,202,351.34</u>   |
| <b>GENERAL PLANT:</b>                           |       |                          |                       |                        |                        |                              |                              |                         |
| Structures and Improvements                     | 390   | 22,312,293.85            | 1,511,141.61          | (83,197.89)            | (15,560.50)            | 0.00                         | 0.00                         | 23,724,677.07           |
| Office Furniture & Equipment:                   |       |                          |                       |                        |                        |                              |                              |                         |
| - Computer, 5 Year                              | 391   | 1,539,898.15             | 787,123.34            | (340,152.01)           | 0.00                   | 0.00                         | 0.00                         | 1,986,869.48            |
| - Non-Computer, 7 Year                          | 391   | 1,331,617.49             | 370,730.40            | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 1,702,347.89            |
| Transportation Equipment:                       |       |                          |                       |                        |                        |                              |                              |                         |
| - Automobiles                                   | 392.1 | 0.00                     | 0.00                  | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 0.00                    |
| - Light Trucks                                  | 392.2 | 2,742,329.27             | 592,516.60            | (29,037.39)            | 0.00                   | 0.00                         | 0.00                         | 3,305,808.48            |
| - Heavy Trucks                                  | 392.3 | 7,684,548.87             | 1,560,276.14          | (1,322,078.31)         | 0.00                   | 118,318.77                   | 1,143,333.00                 | 9,184,398.47            |
| - Trailers                                      | 392.4 | 591,811.81               | 51,628.09             | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 643,439.90              |
| - Marine, 5 Year                                | 392   | 37,436.45                | 11,751.96             | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 49,188.41               |
| Stores Equipment - 7 Year                       | 393   | 289,583.69               | 113,762.16            | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 403,345.85              |
| Tools, Shop & Garage Equip. - 7 Year            | 394   | 598,561.34               | 214,620.72            | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 813,202.06              |
| Laboratory Equipment - 7 Year                   | 395   | 1,935,231.81             | 461,773.26            | (1,580,610.10)         | 0.00                   | 0.00                         | 0.00                         | 816,394.97              |
| Power Operated Equipment                        | 396   | 371,969.19               | 27,902.04             | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 399,871.23              |
| Communication Equipment:                        |       |                          |                       |                        |                        |                              |                              |                         |
| - Other   | 397   | 9,094,580.49             | 1,163,655.95          | (125,507.88)           | (62,974.58)            | 78,680.89                    | (1,143,333.00)               | 9,005,101.87            |
| - 7 Year  | 397   | 1,130,266.11             | 430,019.76            | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 1,560,285.87            |
| Miscellaneous Equipment - 7 Year                | 398   | 1,776,419.88             | 614,612.29            | (974,834.77)           | 0.00                   | 0.00                         | 0.00                         | 1,416,197.40            |
| Asset Retirement Obligation                     | 399.1 | 107,418.31               | 4,052.52              | 0.00                   | 0.00                   | 0.00                         | 0.00                         | 111,470.83              |
| <b>TOTAL GENERAL:</b>                           |       | <u>51,543,986.71</u>     | <u>7,915,566.84</u>   | <u>(4,455,418.35)</u>  | <u>(78,535.08)</u>     | <u>196,999.66</u>            | <u>0.00</u>                  | <u>55,122,599.78</u>    |
| <b>TOTAL ALL DEPRECIATION AND AMORTIZATION:</b> |       | <u>1,214,988,460.33</u>  | <u>125,348,896.31</u> | <u>(51,022,367.00)</u> | <u>(13,255,482.27)</u> | <u>7,017,887.67</u>          | <u>5,048,479.35</u>          | <u>1,288,125,874.39</u> |

\* CRIST PLANT UNIT #1 WAS RETIRED IN 2003 AND UNITS 2 AND 3 WERE RETIRED IN MAY, 2006, AS SPECIFIED BY THE OZONE REDUCTION AGREEMENT BETWEEN THE FDEP AND GULF POWER THAT WAS APPROVED BY THE COMMISSION IN ORDER PSC-02-1396-PAA-EI. THE UNITS ARE REFLECTED IN THESE REPORTS AS OF THE ORIGINAL RETIREMENT DATE, AS REQUIRED IN ORDER NO. PSC-02-1735-FOF-EI.

\*\* DISMANTLEMENT COSTS INCLUDE AMOUNTS RECLASSIFIED TO REGULATORY ACCOUNTS RELATED TO FAS143 / FIN47.

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