

Terry A. Davis
Assistant Secretary and
Assistant Treasurer

One Energy Place
Pensacola, Florida 32520-0786

Tel 850.444.6664
Fax 850.444.6026
TADAVIS@southernco.com



February 14, 2013

Mr. John Slemkewicz
Division of Accounting and Finance
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Monthly Rate of Return Report

Dear Mr. Slemkewicz:

Enclosed is Gulf Power Company's Jurisdictional Rate of Return Report for the month of December 2012.

Sincerely,

A handwritten signature in cursive script that reads "Terry A. Davis".

wb

enclosure

cc/enc.: Office of the Public Counsel
c/o Florida Legislature
111 W. Madison, Rm. 801
Tallahassee FL 32399-1400

GOV 2-1-5-3

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
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DIVISION OF
ACCOUNTING & FINANCE

December 2012

Earnings Surveillance
Report
(Rate of Return)



GULF POWER COMPANY
Earnings Surveillance Report Summary
December, 2012

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. Average Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	163,558,317	(70,370,151)	93,188,166	0	93,188,166
Average Rate Base	2,779,151,496	(1,068,195,806)	1,710,955,690	0	1,710,955,690
Average Rate of Return	5.89%		5.45%		5.45%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	163,567,792	(70,711,781)	92,856,011	0	92,856,011
Year End Rate Base	2,868,671,213	(1,055,704,819)	1,812,966,395	0	1,812,966,395
Year End Rate of Return	5.70%		5.12%		5.12%

(a) Includes AFUDC Earnings
(b) Includes Reversal of AFUDC Earnings

**III. Required Rates of Return
Average Capital Structure
(FPSC Adjusted Basis)**

Low	5.68%
Midpoint	6.05%
High	6.42%

IV. Financial Integrity Indicators

A. Tie With AFUDC	4.37 x (System per Books Basis)
B. Tie Without AFUDC	4.25 x (System per Books Basis)
C. AFUDC To Net Income	5.36% (System per Books Basis)
D. Internally Generated Funds	80.52% (System per Books Basis)
E. LTD To Total Investor Funds	47.84% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	2.75% (FPSC Adjusted Basis)
G. Return on Common Equity	8.63% (FPSC Adjusted Basis)
H. Return on Common Equity	8.63% (Proforma Basis)

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.

Name and Title
Susan D. Ritenour
Corporate Planning Manager, Corporate Treasurer & Secretary

Signature
Susan D Ritenour

Date
2/12/13

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
December, 2012

SCHEDULE 2
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	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	4,051,248,523	1,368,987,096	2,682,261,427	15,451,032	214,726,412	0	2,912,438,871	202,327,701	3,114,766,572
JURISDICTIONAL PER BOOKS	3,591,274,124	1,237,055,525	2,354,218,599	14,936,560	205,186,226	0	2,574,341,385	204,810,111	2,779,151,496
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(954,130,353)	(88,462,696)	(865,667,657)		(4,088,997)		(869,756,654)	(8,754,018)	(878,510,672)
INT BEARING CWIP					(152,032,239)		(152,032,239)	0	(152,032,239)
ENERGY CONSERVATION CLAUSE	(10,438,748)	2,987,011	(13,425,759)		(0)		(13,425,759)	(2,332,453)	(15,758,212)
LOANS TO EMPLOYEES / RETIREES								(38,707)	(38,707)
INTEREST AND DIVIDENDS RECEIVABLE								(16,789)	(16,789)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV				(9,682,969)			(9,682,969)	(8,140,012)	(17,822,981)
FUEL RELATED DEFERRED DEBITS								(2,262,526)	(2,262,526)
ACCRUED PROVISION FOR REFUND								746,317	746,317
UNAMORTIZED RATE CASE EXPENSES								(2,499,997)	(2,499,997)
TOTAL FPSC ADJUSTMENTS	(964,569,101)	(85,475,685)	(879,093,416)	(9,682,969)	(156,121,236)	0	(1,044,897,621)	(23,298,185)	(1,068,195,806)
FPSC ADJUSTED	2,626,705,023	1,151,579,840	1,475,125,183	5,253,591	49,064,990	0	1,529,443,764	181,511,926	1,710,955,690
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUST	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	2,626,705,023	1,151,579,840	1,475,125,183	5,253,591	49,064,990	0	1,529,443,764	181,511,926	1,710,955,690

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
December, 2012

SCHEDULE 2
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	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME	
SYSTEM PER BOOKS	1,439,895,554	618,044,321	315,305,468	142,390,262	97,313,402	(94,779,445)	174,321,295	(1,352,388)	0	1,251,242,915	188,652,639	(a)
JURISDICTIONAL PER BOOKS	1,216,643,491	468,690,948	301,826,247	131,690,769	95,067,829	(49,694,820)	114,016,582	(1,000,017)	0	1,060,597,538	156,045,953	(a)
LESS FPSC ADJUSTMENTS:												
ENVIRONMENTAL RECOVERY CLAUSE	(147,490,428)		(24,442,275)	(37,218,447)	(971,869)	(32,733,910)				(95,366,501)	(52,123,927)	
GROSS RECEIPTS TAX REVENUE	(28,253,930)					(10,898,954)				(10,898,954)	(17,354,976)	
MARKETING SUPPORT ACTIVITIES			(168,106)			64,847				(103,259)	103,259	
GAIN/LOSS ON DISPOSITION						69			(180)	(111)	111	
MGMT FINANCIAL PLANNING SERVICES			(35,791)			13,806				(21,985)	21,985	
DIRECTORS' & OFFICERS' INSURANCE			(41,461)			15,994				(25,467)	25,467	
FRANCHISE FEE REVENUES	(37,762,117)					(14,566,737)				(14,566,737)	(23,195,380)	
RETAIL FUEL REVENUES	(430,129,150)					(165,922,319)				(165,922,319)	(264,206,831)	
ECCR and PPCC REVENUES	(66,448,163)					(25,632,379)				(25,632,379)	(40,815,784)	
ECON DEV EXPENSE TOTAL			(824,877)			318,196				(506,681)	506,681	
ECON DEV EXPENSE ALLOWED			783,633			(302,286)				481,347	(481,347)	
LIAISON EXPENSES			(416,779)		(20,609)	168,722				(268,666)	268,666	
CORP ADV & WHOLESALE EXPENSES		(132,637)	(5,229)			53,182				(84,684)	84,684	
INDUSTRY ASSOCIATION DUES			(404)			156				(248)	248	
RETAIL FUEL EXPENSES		(429,813,851)				165,800,693				(264,013,158)	264,013,158	
ECCR AND PPCC EXPENSES		(38,744,461)	(20,910,050)	(294,360)	(136,642)	23,177,987				(36,907,526)	36,907,526	
FRANCHISE FEE					(36,924,848)	14,243,760				(22,681,088)	22,681,088	
GRT, FPSC FEES ON CLAUSES & FEES					(1,329,627)	512,904				(816,723)	816,723	
GROSS RECEIPTS TAX ADJUST					(27,914,009)	10,767,829				(17,146,180)	17,146,180	
INTEREST SYNCHRONIZATION						7,255,318				7,255,318	(7,255,318)	
TOTAL FPSC ADJUSTMENTS	(710,083,788)	(468,690,948)	(46,061,340)	(37,512,807)	(67,297,604)	(27,663,122)	0	0	(180)	(647,226,001)	(62,857,787)	
FPSC ADJUSTED	506,559,703	0	255,764,907	94,177,962	27,770,225	(77,357,942)	114,016,582	(1,000,017)	(180)	413,371,537	93,188,166	
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS												
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	
PRO FORMA ADJUSTED	506,559,703	0	255,764,907	94,177,962	27,770,225	(77,357,942)	114,016,582	(1,000,017)	(180)	413,371,537	93,188,166	
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				7,720,520			AND THE JURISDICTIONAL NOI BY	7,512,364				
CURRENT MO. SYSTEM PER BOOKS	111,827,250	46,202,627	31,938,096	12,308,904	7,320,829	(4,463,932)	8,227,325	(112,699)	0	101,421,151	10,406,100	
CURRENT MO. JURIS PER BOOKS	93,171,282	33,475,893	29,941,171	11,402,516	7,140,658	2,746,653	151,368	(83,354)	0	84,774,905	8,396,377	

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
December, 2012

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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
PLANT SCHERER		FRANCHISE FEE REVENUES	(37,762,117)	(14,566,737)
INVESTMENT	(369,401,328)	IIC FUEL REVENUES	(113,304,258)	(43,707,117)
ACCUMULATED DEPRECIATION	113,614,382	FUEL REVENUES	(462,003,513)	(178,217,855)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(519,587)	(200,431)
INVESTMENT	(10,438,748)	ECCR, PPCC, AND ECRC REVENUES	(214,337,948)	(82,680,864)
ACCUMULATED DEPRECIATION	(2,987,011)	GROSS RECEIPTS TAX REVENUES	(28,253,930)	(10,898,954)
ENVIRONMENTAL RECOVERY CLAUSE		COMP SALES REV\TRANS REV\G/L SALE GAS\PROV RATE REFUND	32,544	12,554
INVESTMENT	(983,998,919)	CORP ADVERTISING & WHOLESALE EXPENSES	(142,481)	54,962
ACCUMULATED DEPRECIATION	91,256,054	INDUSTRY ASSOCIATION DUES	(412)	159
PHFU - NORTH ESCAMBIA	(10,016,487)	FUEL AND PPCC EXPENSES	(618,011,777)	238,398,043
INTEREST BEARING CWIP	(156,244,811)	GAINLOSS ON DISPOSITION OF PROPERTY	(184)	71
SCHERER CWIP	(3,840,163)	ECON DEVELOP EXPENSE- TOTAL	(824,877)	318,196
ECRC CWIP	(4,216,933)	ECON DEV EXPENSE - ALLOWED	783,633	(302,287)
ECCR CWIP	(0)	CONSERVATION EXPENSES - O & M	(20,910,050)	8,066,052
FAS 143 NET PLANT	(15,016,645)	CONSERVATION EXPENSES - OTHER TAXES	(23,194)	8,947
		MGMT FINANCIAL PLANNING SERVICES	(36,575)	14,109
WORKING CAPITAL:		DIRECTORS' & OFFICERS' INSURANCE	(42,369)	16,344
ECRC WORKING CAPITAL	(9,026,219)	FRANCHISE FEE	(36,924,848)	14,243,760
LOANS TO EMPLOYEES AND RETIREES	(40,562)	GROSS RECEIPTS TAX EXPENSE	(27,914,009)	10,767,829
CONSERVATION/AEM INVENTORY	(2,332,453)	LIAISON EXPENSE	(447,027)	172,441
INTEREST & DIVIDENDS RECEIVABLE	(17,594)	ECRC/ECCR EXPENSES	(64,904,960)	25,037,089
PLANT SCHERER	(11,554,606)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,329,626)	512,903
TEMPORARY CASH INVESTMENTS	(98,616)	INTEREST SYNCHRONIZATION	7,559,691	7,559,691
FUNDED PROPERTY INSURANCE RESERVE - NET	0			
NORTH ESCAMBIA SITE	(8,431,431)			
UNAMORTIZED RATE CASE EXPENSES	(2,619,786)			
FUEL RELATED DEFERRED DEBITS	(2,262,526)			
ACCUM. PROV. FOR RATE REFUNDS - WHOLESALE	782,077			
FAS 143 WORKING CAPITAL	20,132,526			
FAS 158 REGULATORY ASSETS	(120,433,811)			
FAS 158 REGULATORY LIABILITIES	120,433,811			
PPA REGULATORY ASSETS	(122,460,595)			
PPA REGULATORY LIABILITIES	122,460,595			
FAS 133 REGULATORY ASSETS	(41,927,023)			
FAS 133 REGULATORY LIABILITIES	41,927,023			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
December, 2012

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	4,240,065,075	1,379,957,171	2,860,107,904	18,455,978	136,154,926	0	3,014,718,808	202,327,701	3,217,046,509
JURISDICTIONAL PER BOOKS	3,763,619,133	1,243,972,312	2,519,646,821	17,841,451	125,540,595	0	2,663,028,867	205,642,347	2,868,671,213
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,011,131,011)	(102,474,805)	(908,656,206)		(895,314)		(909,551,520)	(8,754,018)	(918,305,538)
INT BEARING CWIP					(95,501,090)		(95,501,090)	0	(95,501,090)
ENERGY CONSERVATION CLAUSE	(10,644,542)	4,121,623	(14,766,165)				(14,766,165)	(2,332,453)	(17,098,618)
LOANS TO EMPLOYEES AND RETIREES								(38,707)	(38,707)
INTEREST AND DIVIDENDS RECEIVABLE								(16,789)	(16,789)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,587,859)			(12,587,859)	(8,140,012)	(20,727,871)
FUEL RELATED DEFERRED DEBITS								(2,262,526)	(2,262,526)
ACCRUED PROVISION FOR REFUND								746,317	746,317
UNAMORTIZED RATE CASE EXPENSES								(2,499,997)	(2,499,997)
TOTAL FPSC ADJUSTMENTS	(1,021,775,553)	(98,353,182)	(923,422,371)	(12,587,859)	(96,396,404)	0	(1,032,406,634)	(23,298,185)	(1,055,704,819)
FPSC ADJUSTED	2,741,843,580	1,145,619,130	1,596,224,450	5,253,592	29,144,191	0	1,630,622,233	182,344,162	1,812,966,395
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	2,741,843,580	1,145,619,130	1,596,224,450	5,253,592	29,144,191	0	1,630,622,233	182,344,162	1,812,966,395

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
December, 2012

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	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,439,895,554	618,044,321	315,305,468	142,390,262	97,313,402	(94,779,445)	174,321,295	(1,352,388)	0	1,251,242,915	188,652,639 (a)
JURISDICTIONAL PER BOOKS	1,216,643,491	468,690,948	301,826,247	131,690,769	95,067,829	(49,667,554)	113,979,841	(1,000,017)	0	1,060,588,063	156,055,428 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(147,490,428)		(24,442,275)	(37,218,447)	(971,869)	(32,733,910)				(95,366,501)	(52,123,927)
GROSS RECEIPTS TAX REVENUE	(28,253,930)					(10,898,954)				(10,898,954)	(17,354,976)
MARKETING SUPPORT ACTIVITIES			(168,106)			64,847				(103,259)	103,259
GAIN/LOSS ON DISPOSITION						69			(180)	(111)	111
MGMT FINANCIAL PLANNING SERVICES			(35,791)			13,806				(21,985)	21,985
DIRECTORS' & OFFICERS' INSURANCE			(41,461)			15,994				(25,467)	25,467
FRANCHISE FEE REVENUES	(37,762,117)					(14,566,737)				(14,566,737)	(23,195,380)
RETAIL FUEL REVENUES	(430,129,150)					(165,922,319)				(165,922,319)	(264,206,831)
ECCR & PPCC REVENUES	(66,448,163)					(25,632,379)				(25,632,379)	(40,815,784)
ECON DEV EXPENSE TOTAL			(824,877)			318,196				(506,681)	506,681
ECON DEV EXPENSE ALLOWED			783,633			(302,286)				481,347	(481,347)
LIAISON EXPENSES			(416,779)		(20,609)	168,722				(268,666)	268,666
CORP ADV & WHOLESAL EXPENSES		(132,637)	(5,229)			53,182				(84,684)	84,684
INDUSTRY ASSOCIATION DUES			(404)			156				(248)	248
RETAIL FUEL EXPENSES		(429,813,851)				165,800,693				(264,013,158)	264,013,158
ECCR AND PPCC EXPENSES		(38,744,461)	(20,910,050)	(294,360)	(136,642)	23,177,987				(36,907,526)	36,907,526
FRANCHISE FEE					(36,924,848)	14,243,760				(22,681,088)	22,681,088
GRT, FPSC FEES ON CLAUSES & FEES					(1,329,627)	512,904				(816,723)	816,723
GROSS RECEIPTS TAX ADJUST					(27,914,009)	10,767,829				(17,146,180)	17,146,180
INTEREST SYNCHRONIZATION						7,596,948				7,596,948	(7,596,948)
TOTAL FPSC ADJUSTMENTS	(710,083,788)	(468,690,948)	(46,061,340)	(37,512,807)	(67,297,604)	(27,321,492)	0	0	(180)	(646,884,371)	(63,199,417)
FPSC ADJUSTED	506,559,703	0	255,764,907	94,177,962	27,770,225	(76,989,046)	113,979,841	(1,000,017)	(180)	413,703,692	92,856,011
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	506,559,703	0	255,764,907	94,177,962	27,770,225	(76,989,046)	113,979,841	(1,000,017)	(180)	413,703,692	92,856,011
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				7,720,520			7,512,364				

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
December, 2012

SCHEDULE 3
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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
PLANT SCHERER		FRANCHISE FEE REVENUES	(37,762,117)	(14,566,737)
INVESTMENT	(375,464,794)	IIC FUEL REVENUES	(113,304,258)	(43,707,117)
ACCUMULATED DEPRECIATION	117,177,120	FUEL REVENUES	(462,003,513)	(178,217,855)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(519,587)	(200,431)
INVESTMENT	(10,644,542)	ECCR, PPCC, AND ECRC REVENUES	(214,337,948)	(82,680,864)
ACCUMULATED DEPRECIATION	(4,121,623)	GROSS RECEIPTS TAX REVENUES	(28,253,930)	(10,898,954)
ENVIRONMENTAL RECOVERY CLAUSE		COMP SALES REVTRANS REVGL SALEGASPROV RATE REFUND	32,544	12,554
INVESTMENT	(1,044,359,019)	CORP ADVERTISING & WHOLESAL EXPENSES	(142,481)	54,962
ACCUMULATED DEPRECIATION	105,856,955	INDUSTRY ASSOCIATION DUES	(412)	159
PHFU - NORTH ESCAMBIA	(13,021,433)	FUEL AND PPCC EXPENSES	(618,011,777)	238,398,043
INTEREST BEARING CWIP	(98,147,274)	GAINLOSS ON DISPOSITION OF PROPERTY	(184)	71
SCHERER CWIP	(7,131,286)	ECON DEVELOP EXPENSE- TOTAL	(824,877)	318,196
ECRC CWIP	(924,635)	ECON DEV EXPENSE - ALLOWED	783,633	(302,287)
ECCR CWIP	(0)	CONSERVATION EXPENSES - O & M	(20,910,050)	8,066,052
FAS 143 NET PLANT	(19,515,885)	CONSERVATION EXPENSES - OTHER TAXES	(23,194)	8,947
		MARKETING SUPPORT ACTIVITIES	(168,106)	64,847
WORKING CAPITAL:		MGMT FINANCIAL PLANNING SERVICES	(36,575)	14,109
ECRC WORKING CAPITAL	(9,026,219)	DIRECTORS' & OFFICERS' INSURANCE	(42,369)	16,344
LOANS TO EMPLOYEES AND RETIREES	(40,562)	FRANCHISE FEE	(36,924,848)	14,243,760
CONSERVATION/AEM INVENTORY	(2,332,453)	GROSS RECEIPTS TAX EXPENSE	(27,914,009)	10,767,829
INTEREST & DIVIDENDS RECEIVABLE	(17,594)	LIAISON EXPENSE	(447,027)	172,441
PLANT SCHERER	(11,456,969)	ECRC/ECCR EXPENSES	(64,904,960)	25,037,089
TEMPORARY CASH INVESTMENTS	(98,616)	COMPETITIVE SALES EXPENSES	0	0
FUNDED PROPERTY INSURANCE RESERVE - NET	0	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,329,626)	512,903
NORTH ESCAMBIA SITE	(8,431,431)	INTEREST SYNCHRONIZATION	8,034,553	8,034,553
UNAMORTIZED RATE CASE EXPENSES	(2,619,786)			
FUEL RELATED DEFERRED DEBITS	(2,262,526)			
ACCUM. PROV. FOR RATE REFUNDS - WHOLESAL	782,077			
FAS 143 WORKING CAPITAL	20,132,526			
FAS 158 REGULATORY ASSETS	(120,433,811)			
FAS 158 REGULATORY LIABILITIES	120,433,811			
PPA REGULATORY ASSETS	(122,460,595)			
PPA REGULATORY LIABILITIES	122,460,595			
FAS 133 REGULATORY ASSETS	(41,927,023)			
FAS 133 REGULATORY LIABILITIES	41,927,023			

GULF POWER COMPANY
 CAPITAL STRUCTURE
 FPSC ADJUSTED BASIS
 December, 2012

SCHEDULE 4

AVERAGE	ADJUSTMENTS				ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC			COST RATE	WEIGHTED COST	COST RATE	WEIGHTED COST	COST RATE	WEIGHTED COST
LONG TERM DEBT	1,222,348,671	1,088,626,211	(418,424,816)	0	670,201,395	39.17	4.96	1.94	4.96	1.94	4.96	1.94
SHORT TERM DEBT	72,767,229	62,547,800	(24,040,898)	0	38,506,902	2.25	0.38	0.01	0.38	0.01	0.38	0.01
PREFERENCE STOCK	97,998,345	87,274,090	(33,544,705)	0	53,729,385	3.14	6.33	0.20	6.33	0.20	6.33	0.20
CUSTOMER DEPOSITS	35,821,522	35,796,462	(13,758,743)	0	22,037,719	1.29	4.75	0.06	4.75	0.06	4.75	0.06
COMMON EQUITY	1,160,163,362	1,037,323,292	(398,706,005)	0	638,617,287	37.33	9.25	3.45	10.25	3.83	11.25	4.20
DEFERRED INCOME TAXES	554,767,852	498,386,656	(191,560,099)	0	306,826,557	17.93						
FASB 109 DEFERRED TAXES	(39,782,480)	(35,739,379)	13,736,803	0	(22,002,576)	(1.29)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	6,084,197	4,936,364	(1,897,343)	0	3,039,021	0.18	7.03	0.01	7.49	0.01	7.96	0.01
TOTAL	3,110,168,698	2,779,151,496	(1,068,195,806)	0	1,710,955,690	100.00 %		5.68 %		6.05 %		6.42 %

YEAR-END	ADJUSTMENTS				ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC			COST RATE	WEIGHTED COST	COST RATE	WEIGHTED COST	COST RATE	WEIGHTED COST
LONG TERM DEBT	1,218,629,023	1,068,892,056	(393,364,875)	0	675,527,181	37.26	4.87	1.82	4.87	1.82	4.87	1.82
SHORT TERM DEBT	127,001,651	109,220,184	(40,194,315)	0	69,025,869	3.81	0.31	0.01	0.31	0.01	0.31	0.01
PREFERENCE STOCK	97,998,345	85,956,965	(31,633,176)	0	54,323,789	3.00	6.33	0.19	6.33	0.19	6.33	0.19
CUSTOMER DEPOSITS	34,749,273	34,142,570	(12,564,868)	0	21,577,702	1.19	2.12	0.03	2.12	0.03	2.12	0.03
COMMON EQUITY	1,182,323,113	1,025,501,223	(377,396,537)	0	648,104,686	35.75	9.25	3.31	10.25	3.66	11.25	4.02
DEFERRED INCOME TAXES	647,972,490	576,420,205	(212,129,431)	0	364,290,774	20.09						
FASB 109 DEFERRED TAXES	(40,273,188)	(35,826,026)	13,184,400	0	(22,641,626)	(1.25)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	5,407,694	4,364,037	(1,606,017)	0	2,758,020	0.15	6.99	0.01	7.46	0.01	7.93	0.01
TOTAL	3,273,808,401	2,868,671,213	(1,055,704,819)	0	1,812,966,395	100.00 %		5.36 %		5.72 %		6.08 %

GULF POWER COMPANY
Financial Integrity Indicators
December, 2012

A. Times Interest Earned with AFUDC

Earnings Before Interest	192,384,009
AFUDC - Debt	2,499,868
Income Taxes	79,211,226
	<hr/>
Total	274,095,103
Interest Charges (Before Deducting AFUDC - Debt)	62,749,392
	<hr/>
T.I.E. With AFUDC	4.37 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	192,384,009
AFUDC - Other	(5,220,652)
Income Taxes	79,211,226
	<hr/>
Total	266,374,583
Interest Charges (Before Deducting AFUDC - Debt)	62,749,392
	<hr/>
T.I.E. Without AFUDC	4.25 x

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	2,499,868
X (1 - Income Tax Rate)	0.61425
	<hr/>
Subtotal	1,535,544
AFUDC - Other	5,220,652
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Total	6,756,196
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Net Income Available for Common Stockholders	125,931,984
Percent AFUDC to Available Net Income	5.36%

D. Percent Internally Generated Funds

Net Income	132,134,484
Preference Dividends	(6,202,500)
Common Dividends	(115,800,000)
AFUDC (Debt & Other)	(7,720,520)
Depreciation & Amortization	150,957,951
Deferred Income Taxes	174,304,723
Investment Tax Credits	0
Other	(54,174,679)
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Total	273,499,459
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Construction Expenditures (Excluding AFUDC Other & Debt)	339,664,607
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Percent Internally Generated Funds	80.52%

E. Long Term Debt as Percent of Total Investor Capital
(See calculation in item F. below)F. Short Term Debt as Percent of Total Investor Capital
Reconciled Average Retail Amounts

Long Term Debt	670,201,395
Short Term Debt	38,506,902
Preference Stock	53,729,385
Common Equity	638,617,287
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Total	1,401,054,969
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% Long Term Debt To Total	47.84%
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% Short Term Debt To Total	2.75%
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G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.45%	5.45%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.94)	(1.94)
Short Term Debt	(0.01)	(0.01)
Preference Stock	(0.20)	(0.20)
Customer Deposits	(0.06)	(0.06)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.01)	(0.01)
	<hr/>	<hr/>
Subtotal	(2.22)	(2.22)
	<hr/>	<hr/>
Total	3.22	3.22
Divided by Common Equity Ratio	37.33	37.33
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Jurisdictional Return on Common Equity	8.63%	8.63%

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
December, 2012

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
January	2012	291,667
February	2012	291,667
March	2012	291,666
April	2012	291,667
May	2012	291,667
June	2012	291,666
July	2012	291,667
August	2012	291,667
September	2012	291,666
October	2012	291,667
November	2012	291,666
December	2012	291,667
12 - M-T-D		<u><u>3,500,000</u></u>

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GULF POWER COMPANY

DOCKET NO. 990315-EI

RTP QUARTERLY REPORT

Fifty-Third Quarterly Report

Report Period: Fourth Quarter, 2012

<u>Rate Class</u>	<u>Fourth Quarter Total Revenue</u>	<u>Fourth Quarter Total KWH Sales</u>	<u>Fourth Quarter ¢/KWH</u>	<u>12-Month Rolling Average ¢/KWH</u>
RTP	\$22,830,024.05	321,781,749	7.095	7.621
PX/PXT	-	-	-	-
LP/LPT	\$26,453,121.25	317,436,592	8.333	8.825

**Notes to Quarterly
Real Time Pricing Report**

1. There were no changes made to the "M" multipliers during this period.
2. RTP prices vary by hour and by season due to the "M" multipliers. The prices for the LP/LPT and PX/PXT rate classes do not have this variability in pricing. As a result, comparisons between RTP and the other rate classes are meaningful only on an annual basis or a 12-month rolling average basis.

SCHEDULE A

GULF POWER COMPANY
CALCULATION OF AFUDC RATE
 December, 2012

CLASS OF CAPITAL	JURISDICTIONAL CAPITAL STRUCTURE	RATIO	COST RATE	WEIGHTED COST RATE
LONG TERM DEBT	670,201,395	39.17%	4.87	1.91
SHORT-TERM DEBT	38,506,902	2.25%	0.38	0.01
PREFERENCE STOCK	53,729,385	3.14%	6.33	0.20
CUSTOMER DEPOSITS	22,037,719	1.29%	4.75	0.06
COMMON EQUITY	638,617,287	37.33%	10.25	3.83
ITC	3,039,021	0.18%		
FASB 109 DIT	(22,002,576)	-1.29%		
DEFERRED TAXES	306,826,557	17.93%		
TOTAL	1,710,955,690	100.00%		6.01 %

AFUDC Rate Currently Authorized per order: PSC-12-0482-PAA-EI

6.26 %

GULF POWER COMPANY
13 MONTH AVERAGE CAPITAL STRUCTURE
December, 2012

CLASS OF CAPITAL	PER BOOK BALANCES	NON UTILITY ADJUSTMENT	SCHERER ADJUSTMENT	DIVIDENDS DECLARED	RATE BASE ADJUSTMENTS	ADJUSTED CAPITAL STRUCTURE	JURISDICTIONAL FACTOR	JURISDICTIONAL CAPITAL STRUCTURE
LONG TERM DEBT	1,222,348,671	-	(109,061,592)	-	(428,382,966)	684,904,113	0.9785332	670,201,395
SHORT-TERM DEBT	72,767,229	-	(6,539,994)	-	(26,875,578)	39,351,657	0.9785332	38,506,902
PREFERENCE STOCK	97,998,345	-	(8,747,219)	-	(34,343,039)	54,908,087	0.9785332	53,729,385
CUSTOMER DEPOSITS	35,821,522	-	-	-	(13,783,803)	22,037,719	1.0000000	22,037,719
COMMON EQUITY	1,160,163,362	(13,217,512)	(103,939,249)	17,815,385	(408,194,865)	652,627,121	0.9785332	638,617,287
ITC - ZERO COST	-	-	-	-	-	-	0.9785332	-
ITC - WEIGHTED COST	6,084,197	-	(1,036,009)	-	(1,942,498)	3,105,690	0.9785332	3,039,021
FASB 109 DIT	(39,782,480)	-	3,233,492	-	14,063,725	(22,485,263)	0.9785332	(22,002,576)
DEFERRED TAXES	554,767,852	-	(45,091,143)	-	(196,119,064)	313,557,645	0.9785332	306,826,557
TOTAL	3,110,168,698	(13,217,512)	(271,181,714)	17,815,385	(1,095,578,088)	1,748,006,769		1,710,955,690