

Susan D. Ritenour
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September 13, 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 July 2013.

Sincerely,

Susan D. Ritenour

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

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DIVISION OF
ACCOUNTING & FINANCE

July 2013

Earnings Surveillance
Report
(Rate of Return)



GULF POWER COMPANY
Earnings Surveillance Report Summary
July, 2013

	(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	163,186,453	(70,050,124)	93,136,330	0	93,136,330
Average Rate Base	2,918,352,154	(1,096,111,754)	1,822,240,401	0	1,822,240,401
Average Rate of Return	5.59%		5.11%		5.11%
II. Year End Rate of Return					
(Jurisdictional)					
	(a)	(b)			
Net Operating Income	163,188,465	(69,873,216)	93,315,250	0	93,315,250
Year End Rate Base	3,008,460,358	(1,104,687,310)	1,903,773,048	0	1,903,773,048
Year End Rate of Return	5.42%		4.90%		4.90%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

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

Low	5.45%
Midpoint	5.81%
High	6.18%

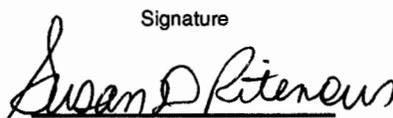
IV. Financial Integrity Indicators

A. Tie With AFUDC	4.42	x (System per Books Basis)
B. Tie Without AFUDC	4.29	x (System per Books Basis)
C. AFUDC To Net Income	5.44%	(System per Books Basis)
D. Internally Generated Funds	66.01%	(System per Books Basis)
E. LTD To Total Investor Funds	46.88%	(FPSC Adjusted Basis)
F. STD To Total Investor Funds	3.26%	(FPSC Adjusted Basis)
G. Return on Common Equity	8.33%	(FPSC Adjusted Basis)
H. Return on Common Equity	8.33%	(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


Date
9/13/13

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
July, 2013

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	4,208,825,184	1,386,646,890	2,822,178,294	18,455,978	185,230,632	0	3,025,864,904	237,427,569	3,263,292,473
JURISDICTIONAL PER BOOKS	3,739,279,803	1,250,277,875	2,489,001,928	17,841,450	172,187,335	0	2,679,030,713	239,321,441	2,918,352,154
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,014,563,999)	(103,619,751)	(910,944,248)		(584,199)		(911,528,447)	(8,270,213)	(919,798,660)
INT BEARING CWIP					(129,582,839)		(129,582,839)	0	(129,582,839)
ENERGY CONSERVATION CLAUSE	(10,617,769)	4,325,794	(14,943,563)		(0)		(14,943,563)	(2,736,067)	(17,679,630)
LOANS TO EMPLOYEES / RETIREES								(31,556)	(31,556)
INTEREST AND DIVIDENDS RECEIVABLE								0	0
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,587,859)			(12,587,859)	(4,791,657)	(17,379,516)
FUEL RELATED DEFERRED DEBITS								(10,109,199)	(10,109,199)
ACCRUED PROVISION FOR REFUND								1,080,257	1,080,257
UNAMORTIZED RATE CASE EXPENSES								(2,610,611)	(2,610,611)
TOTAL FPSC ADJUSTMENTS	(1,025,181,768)	(99,293,957)	(925,887,811)	(12,587,859)	(130,167,038)	0	(1,068,642,708)	(27,469,045)	(1,096,111,754)
FPSC ADJUSTED	2,714,098,035	1,150,983,918	1,563,114,117	5,253,591	42,020,297	0	1,610,388,005	211,852,396	1,822,240,401
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	2,714,098,035	1,150,983,918	1,563,114,117	5,253,591	42,020,297	0	1,610,388,005	211,852,396	1,822,240,401

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
July, 2013

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	1,428,508,082	608,092,873	313,548,027	148,418,579	95,794,866	(43,332,214)	123,080,830	(1,352,395)	0	1,244,250,566	184,257,516 (a)
JURISDICTIONAL PER BOOKS	1,221,335,230	471,185,282	297,807,755	137,552,413	93,972,846	(18,356,123)	82,494,508	(999,894)	0	1,065,656,787	155,678,442 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(147,617,656)		(25,242,354)	(39,525,203)	(1,094,596)	(31,537,185)				(97,399,338)	(50,218,318)
GROSS RECEIPTS TAX REVENUE	(27,085,833)					(10,448,360)				(10,448,360)	(16,637,473)
MARKETING SUPPORT ACTIVITIES			(150,689)			58,128				(92,561)	92,561
GAINLOSS ON DISPOSITION										0	0
MGMT FINANCIAL PLANNING SERVICES			(29,945)			11,551				(18,394)	18,394
DIRECTORS' & OFFICERS' INSURANCE			(41,487)			16,004				(25,483)	25,483
FRANCHISE FEE REVENUES	(36,862,126)					(14,142,415)				(14,142,415)	(22,519,711)
RETAIL FUEL REVENUES	(436,058,102)					(168,209,413)				(168,209,413)	(267,848,689)
ECCR and PPCC REVENUES	(70,207,669)					(27,082,608)				(27,082,608)	(43,125,061)
ECON DEV EXPENSE TOTAL			(939,884)			362,560				(577,324)	577,324
ECON DEV EXPENSE ALLOWED			892,889			(344,432)				548,457	(548,457)
LIAISON EXPENSES			(325,893)		(15,930)	131,858				(209,965)	209,965
CORP ADV & WHOLESALE EXPENSES		(164,580)	(132,238)			114,498				(182,320)	182,320
INDUSTRY ASSOCIATION DUES			(500)			193				(307)	307
RETAIL FUEL EXPENSES		(435,742,881)				168,087,816				(267,655,065)	267,655,065
ECCR AND PPCC EXPENSES		(35,277,821)	(24,272,505)	(307,327)	(404,101)	23,245,972				(37,015,783)	37,015,783
FRANCHISE FEE					(35,885,514)	13,842,837				(22,042,677)	22,042,677
GRT, FPSC FEES ON CLAUSES & FEES					(1,270,002)	489,903				(780,099)	780,099
GROSS RECEIPTS TAX ADJUST					(26,741,865)	10,315,674				(16,426,191)	16,426,191
INTEREST SYNCHRONIZATION						6,670,572				6,670,572	(6,670,572)
TOTAL FPSC ADJUSTMENTS	(717,631,385)	(471,185,282)	(50,242,605)	(39,832,530)	(65,412,008)	(28,416,847)	0	0	0	(655,089,272)	(62,542,113)
FPSC ADJUSTED	503,703,845	0	247,565,150	97,719,883	28,560,838	(44,772,970)	82,494,508	(999,894)	0	410,567,515	93,136,330
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	503,703,845	0	247,565,150	97,719,883	28,560,838	(44,772,970)	82,494,508	(999,894)	0	410,567,515	93,136,330
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				7,716,047			7,508,011				
CURRENT MO. SYSTEM PER BOOKS	129,906,285	50,790,493	26,197,009	12,518,635	9,400,380	11,992,338	(1,871,381)	(112,700)	0	108,914,775	20,991,511
CURRENT MO. JURIS PER BOOKS	109,580,527	37,678,011	23,516,112	11,619,843	9,236,716	10,542,405	(1,556,260)	(83,349)	0	90,953,477	18,627,050

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
July, 2013

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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	(36,662,126)	(14,142,415)
INVESTMENT	(374,069,629)	IIC FUEL REVENUES	(97,020,305)	(37,425,583)
ACCUMULATED DEPRECIATION	117,656,139	FUEL REVENUES	(468,898,275)	(180,877,510)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(224,072)	(86,436)
INVESTMENT	(10,617,769)	ECCR, PPCC, AND ECRC REVENUES	(218,190,129)	(84,166,842)
ACCUMULATED DEPRECIATION	(4,325,794)	GROSS RECEIPTS TAX REVENUES	(27,085,833)	(10,448,360)
ENVIRONMENTAL RECOVERY CLAUSE		COMP SALES REV\TRANS REV\G/L SALE GAS\PROV RATE REF	98,258	37,903
INVESTMENT	(1,044,866,218)	CORP ADVERTISING & WHOLESALE EXPENSES	(305,114)	117,698
ACCUMULATED DEPRECIATION	106,746,313	INDUSTRY ASSOCIATION DUES	(511)	197
PHFU - NORTH ESCAMBIA	(13,021,433)	FUEL AND PPCC EXPENSES	(607,994,530)	234,533,890
INTEREST BEARING CWIP	(133,173,374)	GAIN/LOSS ON DISPOSITION OF PROPERTY	0	0
SCHERER CWIP	(8,271,001)	ECON DEVELOP EXPENSE- TOTAL	(939,884)	362,560
ECRC CWIP	(601,643)	ECON DEV EXPENSE - ALLOWED	892,889	(344,432)
ECCR CWIP	(0)	CONSERVATION EXPENSES - O & M	(24,272,505)	9,363,119
FAS 143 NET PLANT	(17,505,826)	CONSERVATION EXPENSES - OTHER TAXES	(280,598)	108,241
		MARKETING SUPPORT ACTIVITIES	(150,689)	58,128
		MGMT FINANCIAL PLANNING SERVICES	(30,601)	11,804
WORKING CAPITAL:		DIRECTORS' & OFFICERS' INSURANCE	(42,395)	16,354
ECRC WORKING CAPITAL	(8,515,215)	FRANCHISE FEE	(35,885,514)	13,842,837
LOANS TO EMPLOYEES AND RETIREES	(33,068)	GROSS RECEIPTS TAX EXPENSE	(26,741,865)	10,315,674
CONSERVATION/AEM INVENTORY	(2,736,067)	LIAISON EXPENSE	(349,355)	134,764
INTEREST & DIVIDENDS RECEIVABLE	0	ECRC/ECCR EXPENSES	(68,189,139)	26,303,960
PLANT SCHERER	(12,473,166)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,270,002)	489,903
TEMPORARY CASH INVESTMENTS	0	INTEREST SYNCHRONIZATION	7,016,079	7,016,079
FUNDED PROPERTY INSURANCE RESERVE - NET	0			
NORTH ESCAMBIA SITE	(5,021,252)			
UNAMORTIZED RATE CASE EXPENSES	(2,735,700)			
FUEL RELATED DEFERRED DEBITS	(10,109,199)			
ACCUM. PROV. FOR RATE REFUNDS - WHOLESALE	1,132,018			
FAS 143 WORKING CAPITAL	23,056,074			
FAS 158 REGULATORY ASSETS	(132,001,141)			
FAS 158 REGULATORY LIABILITIES	132,001,141			
PPA REGULATORY ASSETS	(147,194,666)			
PPA REGULATORY LIABILITIES	147,194,666			
FAS 133 REGULATORY ASSETS	(31,744,550)			
FAS 133 REGULATORY LIABILITIES	31,744,550			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
July, 2013

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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	4,292,178,892	1,403,362,327	2,888,816,565	18,455,978	211,295,681	0	3,118,568,224	237,427,569	3,355,995,793
JURISDICTIONAL PER BOOKS	3,818,575,454	1,263,244,205	2,555,331,249	17,841,451	194,554,013	0	2,767,726,713	240,733,645	3,008,460,358
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE INT BEARING CWIP	(1,015,990,480)	(119,184,115)	(896,806,365)		(392,495)		(897,198,860)	(8,270,213)	(905,469,073)
ENERGY CONSERVATION CLAUSE LOANS TO EMPLOYEES AND RETIREES	(10,909,342)	5,442,308	(16,351,650)		(151,079,896)		(151,079,896)	0	(151,079,896)
INTEREST AND DIVIDENDS RECEIVABLE							(16,351,650)	(2,736,067)	(19,087,717)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,587,859)			(12,587,859)	(4,791,657)	(17,379,516)
FUEL RELATED DEFERRED DEBITS								(10,109,199)	(10,109,199)
ACCRUED PROVISION FOR REFUND								1,080,257	1,080,257
UNAMORTIZED RATE CASE EXPENSES								(2,610,611)	(2,610,611)
TOTAL FPSC ADJUSTMENTS	(1,026,899,822)	(113,741,807)	(913,158,015)	(12,587,859)	(151,472,391)	0	(1,077,218,265)	(27,469,046)	(1,104,687,310)
FPSC ADJUSTED	2,791,675,632	1,149,502,398	1,642,173,234	5,253,592	43,081,622	0	1,690,508,448	213,264,600	1,903,773,048
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	2,791,675,632	1,149,502,398	1,642,173,234	5,253,592	43,081,622	0	1,690,508,448	213,264,600	1,903,773,048

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
July, 2013

SCHEDULE 3
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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	1,428,508,082	608,092,873	313,548,027	148,418,579	95,794,866	(43,332,214)	123,080,830	(1,352,395)	0	1,244,250,566	184,257,516 (a)
JURISDICTIONAL PER BOOKS	1,221,335,230	471,185,282	297,807,755	137,552,413	93,972,846	(16,352,789)	82,489,162	(999,894)	0	1,065,654,775	155,680,454 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(147,617,656)		(25,242,354)	(39,525,203)	(1,094,596)	(31,537,185)				(97,399,338)	(50,218,318)
GROSS RECEIPTS TAX REVENUE	(27,085,833)					(10,448,360)				(10,448,360)	(16,637,473)
MARKETING SUPPORT ACTIVITIES			(150,689)			58,128				(92,561)	92,561
GAIN/LOSS ON DISPOSITION									0	0	0
MGMT FINANCIAL PLANNING SERVICES			(29,945)			11,551				(18,394)	18,394
DIRECTORS' & OFFICERS' INSURANCE			(41,487)			16,004				(25,483)	25,483
FRANCHISE FEE REVENUES	(36,662,126)					(14,142,415)				(14,142,415)	(22,519,711)
RETAIL FUEL REVENUES	(436,058,102)					(168,209,413)				(168,209,413)	(267,848,689)
ECCR & PPCC REVENUES	(70,207,669)					(27,082,608)				(27,082,608)	(43,125,061)
ECON DEV EXPENSE TOTAL			(939,884)			362,560				(577,324)	577,324
ECON DEV EXPENSE ALLOWED			892,889			(344,432)				548,457	(548,457)
LIAISON EXPENSES			(325,893)		(15,930)	131,858				(209,965)	209,965
CORP ADV & WHOLESALE EXPENSES		(164,580)	(132,238)			114,498				(182,320)	182,320
INDUSTRY ASSOCIATION DUES			(500)			193				(307)	307
RETAIL FUEL EXPENSES		(435,742,881)				168,087,816				(267,655,065)	267,655,065
ECCR AND PPCC EXPENSES		(35,277,821)	(24,272,505)	(307,327)	(404,101)	23,245,972				(37,015,783)	37,015,783
FRANCHISE FEE					(35,885,514)	13,842,837				(22,042,677)	22,042,677
GRT, FPSC FEES ON CLAUSES & FEES					(1,270,002)	489,903				(780,099)	780,099
GROSS RECEIPTS TAX ADJUST					(26,741,865)	10,315,674				(16,426,191)	16,426,191
INTEREST SYNCHRONIZATION						6,493,664				6,493,664	(6,493,664)
TOTAL FPSC ADJUSTMENTS	(717,631,385)	(471,185,282)	(50,242,605)	(39,832,530)	(65,412,008)	(28,593,755)	0	0	0	(655,266,180)	(62,365,205)
FPSC ADJUSTED	503,703,845	0	247,565,150	97,719,883	28,560,838	(44,946,544)	82,489,162	(999,894)	0	410,388,595	93,315,250
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	503,703,845	0	247,565,150	97,719,883	28,560,838	(44,946,544)	82,489,162	(999,894)	0	410,388,595	93,315,250

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 7,716,047 AND THE JURISDICTIONAL NOI BY 7,508,011

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
July, 2013

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	(36,662,126)	(14,142,415)
INVESTMENT	(376,843,734)	IIC FUEL REVENUES	(97,020,305)	(37,425,583)
ACCUMULATED DEPRECIATION	121,123,159	FUEL REVENUES	(468,898,275)	(180,877,510)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(224,072)	(86,436)
INVESTMENT	(10,909,342)	ECCR, PPCC, AND ECRC REVENUES	(218,190,129)	(84,166,842)
ACCUMULATED DEPRECIATION	(5,442,308)	GROSS RECEIPTS TAX REVENUES	(27,085,833)	(10,448,360)
ENVIRONMENTAL RECOVERY CLAUSE		COMP SALES REV\TRANS REV\G/L SALEGAS\PROV RATE REF	98,258	37,903
INVESTMENT	(1,043,895,358)	CORP ADVERTISING & WHOLESALE EXPENSES	(305,114)	117,698
ACCUMULATED DEPRECIATION	122,503,537	INDUSTRY ASSOCIATION DUES	(511)	197
PHFU - NORTH ESCAMBIA	(13,021,433)	FUEL AND PPCC EXPENSES	(607,994,530)	234,533,890
INTEREST BEARING CWIP	(155,266,080)	GAIN/LOSS ON DISPOSITION OF PROPERTY	0	0
SCHERER CWIP	(11,351,114)	ECON DEVELOP EXPENSE- TOTAL	(939,884)	362,560
ECRC CWIP	(403,139)	ECON DEV EXPENSE - ALLOWED	892,889	(344,432)
ECCR CWIP	(0)	CONSERVATION EXPENSES - O & M	(24,272,505)	9,363,119
FAS 143 NET PLANT	(19,373,499)	CONSERVATION EXPENSES - OTHER TAXES	(280,598)	108,241
		MARKETING SUPPORT ACTIVITIES	(150,689)	58,128
		MGMT FINANCIAL PLANNING SERVICES	(30,601)	11,804
WORKING CAPITAL:		DIRECTORS' & OFFICERS' INSURANCE	(42,395)	16,354
ECRC WORKING CAPITAL	(8,515,215)	FRANCHISE FEE	(35,885,514)	13,842,837
LOANS TO EMPLOYEES AND RETIREES	(33,068)	GROSS RECEIPTS TAX EXPENSE	(26,741,865)	10,315,674
CONSERVATION/AEM INVENTORY	(2,736,067)	LIAISON EXPENSE	(349,355)	134,764
INTEREST & DIVIDENDS RECEIVABLE	0	ECRC/ECCR EXPENSES	(68,189,139)	26,303,960
PLANT SCHERER	(11,251,021)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,270,002)	489,903
TEMPORARY CASH INVESTMENTS	0	INTEREST SYNCHRONIZATION	6,807,218	6,807,218
FUNDED PROPERTY INSURANCE RESERVE - NET	0			
NORTH ESCAMBIA SITE	(5,021,252)			
UNAMORTIZED RATE CASE EXPENSES	(2,735,700)			
FUEL RELATED DEFERRED DEBITS	(10,109,199)			
ACCUM. PROV. FOR RATE REFUNDS - WHOLESALE	1,132,018			
FAS 143 WORKING CAPITAL	23,056,074			
FAS 158 REGULATORY ASSETS	(132,001,141)			
FAS 158 REGULATORY LIABILITIES	132,001,141			
PPA REGULATORY ASSETS	(147,194,666)			
PPA REGULATORY LIABILITIES	147,194,666			
FAS 133 REGULATORY ASSETS	(31,744,550)			
FAS 133 REGULATORY LIABILITIES	31,744,550			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
July, 2013

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	1,223,375,193	1,093,505,602	(410,712,717)	0	682,792,885	37.47	4.81	1.80	4.81	1.80	4.81	1.80
SHORT TERM DEBT	96,239,970	76,123,800	(28,591,543)	0	47,532,257	2.61	0.47	0.01	0.47	0.01	0.47	0.01
PREFERENCE STOCK	105,467,043	94,289,257	(35,414,356)	0	58,874,901	3.23	6.29	0.20	6.29	0.20	6.29	0.20
CUSTOMER DEPOSITS	35,307,335	35,372,669	(13,285,716)	0	22,086,953	1.21	2.48	0.03	2.48	0.03	2.48	0.03
COMMON EQUITY	1,188,633,263	1,068,596,712	(401,357,120)	0	667,239,592	36.62	9.25	3.39	10.25	3.75	11.25	4.12
DEFERRED INCOME TAXES	643,535,658	583,701,902	(219,234,171)	0	364,467,731	20.00						
FASB 109 DEFERRED TAXES	(41,456,514)	(37,602,026)	14,123,045	0	(23,478,981)	(1.29)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	5,294,993	4,364,239	(1,639,176)	0	2,725,063	0.15	6.98	0.01	7.45	0.01	7.92	0.01
TOTAL	3,256,396,941	2,918,352,154	(1,096,111,754)	0	1,822,240,401	100.00 %		5.45 %		5.81 %		6.18 %

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	1,218,841,732	1,086,451,849	(398,938,137)	0	687,513,712	36.11	4.86	1.76	4.86	1.76	4.86	1.76
SHORT TERM DEBT	100,982,527	80,150,882	(29,430,889)	0	50,719,993	2.66	0.35	0.01	0.35	0.01	0.35	0.01
PREFERENCE STOCK	146,520,471	130,605,502	(47,957,501)	0	82,648,001	4.34	6.14	0.27	6.14	0.27	6.14	0.27
CUSTOMER DEPOSITS	35,042,352	34,934,075	(12,827,568)	0	22,106,507	1.16	2.35	0.03	2.35	0.03	2.35	0.03
COMMON EQUITY	1,207,021,676	1,090,151,371	(400,296,578)	0	689,854,793	36.24	9.25	3.35	10.25	3.71	11.25	4.08
DEFERRED INCOME TAXES	684,731,006	620,855,729	(227,974,233)	0	392,881,496	20.64						
FASB 109 DEFERRED TAXES	(42,498,104)	(38,533,659)	14,149,312	0	(24,384,347)	(1.28)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	4,618,794	3,844,609	(1,411,716)	0	2,432,893	0.13	7.01	0.01	7.48	0.01	7.95	0.01
TOTAL	3,355,260,453	3,008,460,358	(1,104,687,310)	0	1,903,773,048	100.00 %		5.42 %		5.78 %		6.15 %

GULF POWER COMPANY
Financial Integrity Indicators
July, 2013

A. Times Interest Earned with AFUDC

Earnings Before Interest	186,251,737
AFUDC - Debt	2,798,547
Income Taxes	<u>78,503,849</u>
 Total	 267,554,134
Interest Charges (Before Deducting AFUDC - Debt)	<u>60,548,230</u>
T.I.E. With AFUDC	<u>4.42</u> x

B. Times Interest Earned without AFUDC

Earnings Before Interest	186,251,737
AFUDC - Other	(4,917,499)
Income Taxes	<u>78,503,849</u>
 Total	 259,838,087
Interest Charges (Before Deducting AFUDC - Debt)	<u>60,548,230</u>
T.I.E. Without AFUDC	<u>4.29</u> x

C. Percent AFUDC To Net Income Available
for Common Stockholders

AFUDC - Debt	2,798,547
X (1 - Income Tax Rate)	0.61425
 Subtotal	 1,719,008
AFUDC - Other	<u>4,917,499</u>
 Total	 <u>6,636,507</u>
 Net Income Available for Common Stockholders	 <u>121,965,111</u>
Percent AFUDC to Available Net Income	<u>5.44%</u>

D. Percent Internally Generated Funds

Net Income	128,502,055
Preference Dividends	(6,536,944)
Common Dividends	(115,600,000)
AFUDC (Debt & Other)	(7,716,047)
Depreciation & Amortization	156,867,864
Deferred Income Taxes	123,060,747
Investment Tax Credits	0
Other	<u>(80,546,079)</u>
 Total	 198,031,596
 Construction Expenditures (Excluding AFUDC Other & Debt)	 <u>300,011,356</u>
 Percent Internally Generated Funds	 <u>66.01%</u>

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	682,792,885
Short Term Debt	47,532,257
Preference Stock	58,874,901
Common Equity	<u>667,239,592</u>
 Total	 <u>1,456,439,635</u>
 % Long Term Debt To Total	 <u>46.88%</u>
 % Short Term Debt To Total	 <u>3.26%</u>

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.11%	5.11%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.80)	(1.80)
Short Term Debt	(0.01)	(0.01)
Preference Stock	(0.20)	(0.20)
Customer Deposits	(0.03)	(0.03)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	<u>(0.01)</u>	<u>(0.01)</u>
 Subtotal	 <u>(2.06)</u>	 <u>(2.06)</u>
 Total	 3.05	 3.05
Divided by Common Equity Ratio	<u>36.62</u>	<u>36.62</u>
 Jurisdictional Return on Common Equity	 <u>8.33%</u>	 <u>8.33%</u>

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
July, 2013

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
August	2012	291,667
September	2012	291,667
October	2012	291,667
November	2012	291,667
December	2012	291,667
January	2013	291,663
February	2013	291,667
March	2013	291,667
April	2013	291,667
May	2013	291,667
June	2013	291,667
July	2013	291,667
12 - M-T-D		<u>3,500,000</u>