

Susan D. Ritenour
Corporate Secretary, Treasurer &
Corporate Planning Manager

One Energy Place
Pensacola, Florida 32520-0786

Tel 850.444.6231
Fax 850.444.6026
SDRITENO@southernco.com



October 14, 2013

Mr. Andrew Maurey
Chief of Surveillance & Rate Filings
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Monthly Rate of Return Report

Dear Mr. Maurey:

Enclosed is Gulf Power Company's Jurisdictional Rate of Return Report for the month of August 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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ACCOUNTING & FINANCE

August 2013

Earnings Surveillance
Report
(Rate of Return)



GULF POWER COMPANY
Earnings Surveillance Report Summary
August, 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	164,193,714	(70,190,062)	94,003,652	0	94,003,652
Average Rate Base	2,935,934,477	(1,099,335,066)	1,836,599,410	0	1,836,599,410
Average Rate of Return	5.59%		5.12%		5.12%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	164,188,771	(70,362,831)	93,825,940	0	93,825,940
Year End Rate Base	3,025,805,886	(1,113,892,987)	1,911,912,898	0	1,911,912,898
Year End Rate of Return	5.43%		4.91%		4.91%

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

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

Low	5.44%
Midpoint	5.80%
High	6.17%

IV. Financial Integrity Indicators

A. Tie With AFUDC	4.44 x (System per Books Basis)
B. Tie Without AFUDC	4.31 x (System per Books Basis)
C. AFUDC To Net Income	5.85% (System per Books Basis)
D. Internally Generated Funds	75.75% (System per Books Basis)
E. LTD To Total Investor Funds	46.83% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	3.05% (FPSC Adjusted Basis)
G. Return on Common Equity	8.38% (FPSC Adjusted Basis)
H. Return on Common Equity	8.38% (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

10-11-13

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

	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	4,222,898,720	1,389,414,364	2,833,484,356	18,455,978	189,219,687	0	3,041,160,021	237,140,927	3,278,300,948
JURISDICTIONAL PER BOOKS	3,755,563,802	1,252,486,124	2,503,077,678	17,841,450	175,556,078	0	2,696,475,206	239,459,271	2,935,934,477
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,014,829,985)	(106,222,257)	(908,607,728)		(596,993)		(909,204,721)	(8,206,822)	(917,411,543)
INT BEARING CWIP					(133,003,591)		(133,003,591)	0	(133,003,591)
ENERGY CONSERVATION CLAUSE	(10,663,234)	4,518,909	(15,182,143)		(0)		(15,182,143)	(2,731,946)	(17,914,089)
LOANS TO EMPLOYEES / RETIREES								(30,479)	(30,479)
INTEREST AND DIVIDENDS RECEIVABLE								0	0
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,587,859)			(12,587,859)	(4,767,275)	(17,355,134)
FUEL RELATED DEFERRED DEBITS								(11,883,425)	(11,883,425)
ACCRUED PROVISION FOR REFUND								992,646	992,646
UNAMORTIZED RATE CASE EXPENSES								(2,729,451)	(2,729,451)
TOTAL FPSC ADJUSTMENTS	(1,025,493,219)	(101,703,348)	(923,789,871)	(12,587,859)	(133,600,584)	0	(1,069,978,314)	(29,356,752)	(1,099,335,066)
FPSC ADJUSTED	2,730,070,583	1,150,782,776	1,579,287,807	5,253,591	41,955,494	0	1,626,496,892	210,102,518	1,836,599,410
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	2,730,070,583	1,150,782,776	1,579,287,807	5,253,591	41,955,494	0	1,626,496,892	210,102,518	1,836,599,410

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

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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	1,423,575,932	604,007,728	311,915,984	148,824,226	96,042,935	(32,235,852)	112,174,733	(1,352,396)	0	1,239,377,358	184,198,574 (a)
JURISDICTIONAL PER BOOKS	1,222,693,824	472,095,424	296,650,338	137,946,940	94,220,763	(9,037,309)	75,668,668	(999,900)	0	1,066,544,923	156,148,900 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(146,959,274)		(25,288,659)	(39,540,705)	(1,102,471)	(31,256,334)				(97,188,169)	(49,771,105)
GROSS RECEIPTS TAX REVENUE	(27,109,602)					(10,457,529)				(10,457,529)	(16,652,073)
MARKETING SUPPORT ACTIVITIES			(148,394)			57,243				(91,151)	91,151
GAIN/LOSS ON DISPOSITION										0	0
MGMT FINANCIAL PLANNING SERVICES			(35,816)			13,816				(22,000)	22,000
DIRECTORS' & OFFICERS' INSURANCE			(42,028)			16,212				(25,816)	25,816
FRANCHISE FEE REVENUES	(36,727,559)					(14,167,656)				(14,167,656)	(22,559,903)
RETAIL FUEL REVENUES	(437,345,036)					(168,705,848)				(168,705,848)	(268,639,188)
ECCR and PPCC REVENUES	(70,595,960)					(27,232,392)				(27,232,392)	(43,363,568)
ECON DEV EXPENSE TOTAL			(975,550)			376,318				(599,232)	599,232
ECON DEV EXPENSE ALLOWED			926,772			(357,502)				569,270	(569,270)
LIAISON EXPENSES			(318,843)		(15,600)	129,011				(205,432)	205,432
CORP ADV & WHOLESALE EXPENSES		(179,279)	(139,444)			122,947				(195,776)	195,776
INDUSTRY ASSOCIATION DUES			(259)			100				(159)	159
RETAIL FUEL EXPENSES		(437,027,938)				168,583,527				(268,444,411)	268,444,411
ECCR AND PPCC EXPENSES		(34,888,207)	(24,794,140)	(300,481)	(405,571)	23,294,825				(37,093,574)	37,093,574
FRANCHISE FEE					(35,949,271)	13,867,431				(22,081,840)	22,081,840
GRT, FPSC FEES ON CLAUSES & FEES					(1,274,009)	491,449				(782,560)	782,560
GROSS RECEIPTS TAX ADJUST					(26,766,095)	10,325,021				(16,441,074)	16,441,074
INTEREST SYNCHRONIZATION						6,573,166				6,573,166	(6,573,166)
TOTAL FPSC ADJUSTMENTS	(718,737,431)	(472,095,424)	(50,816,361)	(39,841,186)	(65,513,017)	(28,326,195)	0	0	0	(656,592,182)	(62,145,248)
FPSC ADJUSTED	503,956,393	0	245,833,977	98,105,754	28,707,746	(37,363,504)	75,668,668	(999,900)	0	409,952,741	94,003,652
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	503,956,393	0	245,833,977	98,105,754	28,707,746	(37,363,504)	75,668,668	(999,900)	0	409,952,741	94,003,652
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				8,267,723			8,044,814				
CURRENT MO. SYSTEM PER BOOKS	142,463,190	64,313,797	26,549,909	12,570,779	9,393,153	3,784,256	5,949,864	(112,700)	0	122,449,057	20,014,133
CURRENT MO. JURIS PER BOOKS	127,343,783	54,616,019	24,498,860	11,663,428	9,227,283	4,030,750	5,014,086	(83,322)	0	108,967,103	18,376,680

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
August, 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	(36,727,559)	(14,167,656)
INVESTMENT	(374,671,718)	IIC FUEL REVENUES	(90,568,894)	(34,936,951)
ACCUMULATED DEPRECIATION	118,234,851	FUEL REVENUES	(470,818,014)	(181,618,049)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(215,144)	(82,992)
INVESTMENT	(10,663,234)	ECCR, PPCC, AND ECRC REVENUES	(217,923,832)	(84,064,118)
ACCUMULATED DEPRECIATION	(4,518,909)	GROSS RECEIPTS TAX REVENUES	(27,109,602)	(10,457,529)
ENVIRONMENTAL RECOVERY CLAUSE		COMP SALES REVTRANS REV\G/L SALE GAS\PROV RATE REF	104,358	40,256
INVESTMENT	(1,045,115,686)	CORP ADVERTISING & WHOLESALE EXPENSES	(327,665)	126,397
ACCUMULATED DEPRECIATION	109,424,199	INDUSTRY ASSOCIATION DUES	(265)	102
PHFU - NORTH ESCAMBIA	(13,021,433)	FUEL AND PPCC EXPENSES	(603,903,285)	232,955,692
INTEREST BEARING CWIP	(136,688,909)	GAINLOSS ON DISPOSITION OF PROPERTY	0	0
SCHERER CWIP	(8,797,962)	ECON DEVELOP EXPENSE- TOTAL	(975,550)	376,318
ECRC CWIP	(614,800)	ECON DEV EXPENSE - ALLOWED	926,772	(357,502)
ECCR CWIP	(0)	CONSERVATION EXPENSES - O & M	(24,794,140)	9,564,340
FAS 143 NET PLANT	(14,452,059)	CONSERVATION EXPENSES - OTHER TAXES	(280,632)	108,254
		MARKETING SUPPORT ACTIVITIES	(148,394)	57,243
		MGMT FINANCIAL PLANNING SERVICES	(36,601)	14,119
WORKING CAPITAL:		DIRECTORS' & OFFICERS' INSURANCE	(42,948)	16,567
ECRC WORKING CAPITAL	(8,449,739)	FRANCHISE FEE	(35,949,271)	13,867,431
LOANS TO EMPLOYEES AND RETIREES	(31,940)	GROSS RECEIPTS TAX EXPENSE	(26,766,095)	10,325,021
CONSERVATION/AEM INVENTORY	(2,731,946)	LIAISON EXPENSE	(341,813)	131,854
INTEREST & DIVIDENDS RECEIVABLE	0	ECRC/ECCR EXPENSES	(68,252,943)	26,328,573
PLANT SCHERER	(12,500,309)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,274,009)	491,449
TEMPORARY CASH INVESTMENTS	0	INTEREST SYNCHRONIZATION	6,918,477	6,918,477
FUNDED PROPERTY INSURANCE RESERVE - NET	0			
NORTH ESCAMBIA SITE	(4,995,702)			
UNAMORTIZED RATE CASE EXPENSES	(2,860,235)			
FUEL RELATED DEFERRED DEBITS	(11,883,425)			
ACCUM. PROV. FOR RATE REFUNDS - WHOLESALE	1,040,209			
FAS 143 WORKING CAPITAL	23,481,648			
FAS 158 REGULATORY ASSETS	(133,423,481)			
FAS 158 REGULATORY LIABILITIES	133,423,481			
PPA REGULATORY ASSETS	(150,982,513)			
PPA REGULATORY LIABILITIES	150,982,513			
FAS 133 REGULATORY ASSETS	(31,013,548)			
FAS 133 REGULATORY LIABILITIES	31,013,548			

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

	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	4,300,721,278	1,411,386,424	2,889,334,854	18,455,978	225,169,977	0	3,132,960,809	237,140,927	3,370,101,736
JURISDICTIONAL PER BOOKS	3,830,555,795	1,270,548,092	2,560,007,703	17,841,451	207,862,579	0	2,785,711,733	240,094,153	3,025,805,886
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE INT BEARING CWIP	(1,015,506,439)	(122,407,187)	(893,099,252)		(415,154)		(893,514,406)	(8,206,822)	(901,721,228)
ENERGY CONSERVATION CLAUSE	(10,958,346)	5,606,133	(16,564,479)		(161,869,491)		(161,869,491)	0	(161,869,491)
LOANS TO EMPLOYEES AND RETIREES							(16,564,479)	(2,731,946)	(19,296,425)
INTEREST AND DIVIDENDS RECEIVABLE								(30,479)	(30,479)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,587,859)			(12,587,859)	0	0
FUEL RELATED DEFERRED DEBITS								(4,767,275)	(17,355,134)
ACCRUED PROVISION FOR REFUND								(11,883,425)	(11,883,425)
UNAMORTIZED RATE CASE EXPENSES								992,646	992,646
								(2,729,451)	(2,729,451)
TOTAL FPSC ADJUSTMENTS	(1,026,464,785)	(116,801,054)	(909,663,731)	(12,587,859)	(162,284,645)	0	(1,084,536,235)	(29,356,752)	(1,113,892,987)
FPSC ADJUSTED	2,804,091,010	1,153,747,038	1,650,343,972	5,253,592	45,577,934	0	1,701,175,498	210,737,400	1,911,912,898
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	2,804,091,010	1,153,747,038	1,650,343,972	5,253,592	45,577,934	0	1,701,175,498	210,737,400	1,911,912,898

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

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	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INVESTMENT TAX INCOME TAXES (NET)	CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,423,575,932	604,007,728	311,915,984	148,824,226	96,042,935	(32,235,852)	112,174,733	(1,352,396)	0	1,239,377,358	184,198,574 (a)
JURISDICTIONAL PER BOOKS	1,222,693,824	472,095,424	296,650,338	137,946,940	94,220,763	(9,044,153)	75,680,455	(999,900)	0	1,066,549,866	156,143,957 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(146,959,274)		(25,288,659)	(39,540,705)	(1,102,471)	(31,256,334)			(97,188,169)		(49,771,105)
GROSS RECEIPTS TAX REVENUE	(27,109,602)					(10,457,529)			(10,457,529)		(16,652,073)
MARKETING SUPPORT ACTIVITIES			(148,394)			57,243			(91,151)		91,151
GAINLOSS ON DISPOSITION									0		0
MGMT FINANCIAL PLANNING SERVICES			(35,816)			13,816			(22,000)		22,000
DIRECTORS' & OFFICERS' INSURANCE			(42,028)			16,212			(25,816)		25,816
FRANCHISE FEE REVENUES	(36,727,559)					(14,167,656)			(14,167,656)		(22,559,903)
RETAIL FUEL REVENUES	(437,345,036)					(168,705,848)			(168,705,848)		(268,639,188)
ECCR & PPCC REVENUES	(70,595,960)					(27,232,392)			(27,232,392)		(43,363,568)
ECON DEV EXPENSE TOTAL			(975,550)			376,318			(599,232)		599,232
ECON DEV EXPENSE ALLOWED			926,772			(357,502)			569,270		(569,270)
LIAISON EXPENSES			(318,843)		(15,600)	129,011			(205,432)		205,432
CORP ADV & WHOLESALE EXPENSES		(179,279)	(139,444)			122,947			(195,776)		195,776
INDUSTRY ASSOCIATION DUES			(259)			100			(159)		159
RETAIL FUEL EXPENSES		(437,027,938)				168,583,527			(268,444,411)		268,444,411
ECCR AND PPCC EXPENSES		(34,888,207)	(24,794,140)	(300,481)	(405,571)	23,294,825			(37,093,574)		37,093,574
FRANCHISE FEE					(35,949,271)	13,867,431			(22,081,840)		22,081,840
GRT, FPSC FEES ON CLAUSES & FEES					(1,274,009)	491,449			(782,560)		782,560
GROSS RECEIPTS TAX ADJUST					(26,766,095)	10,325,021			(16,441,074)		16,441,074
INTEREST SYNCHRONIZATION						6,745,935			6,745,935		(6,745,935)
TOTAL FPSC ADJUSTMENTS	(718,737,431)	(472,095,424)	(50,816,361)	(39,841,186)	(65,513,017)	(28,153,426)	0	0	0	(656,419,413)	(62,318,017)
FPSC ADJUSTED	503,956,393	0	245,833,977	98,105,754	28,707,746	(37,197,579)	75,680,455	(999,900)	0	410,130,453	93,825,940
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	503,956,393	0	245,833,977	98,105,754	28,707,746	(37,197,579)	75,680,455	(999,900)	0	410,130,453	93,825,940
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				8,267,723	AND THE JURISDICTIONAL NOI BY	8,044,814					

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
August, 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	(36,727,559)	(14,167,656)
INVESTMENT	(377,580,897)	IIC FUEL REVENUES	(90,568,894)	(34,936,951)
ACCUMULATED DEPRECIATION	121,744,610	FUEL REVENUES	(470,818,014)	(181,618,049)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(215,144)	(82,992)
INVESTMENT	(10,958,346)	ECCR, PPCC, AND ECRG REVENUES	(217,923,832)	(84,064,118)
ACCUMULATED DEPRECIATION	(5,606,133)	GROSS RECEIPTS TAX REVENUES	(27,109,602)	(10,457,529)
ENVIRONMENTAL RECOVERY CLAUSE		COMP SALES REV\TRANS REV\G/L SALEGAS\PROV RATE REF	104,358	40,256
INVESTMENT	(1,043,862,334)	CORP ADVERTISING & WHOLESALE EXPENSES	(327,665)	126,397
ACCUMULATED DEPRECIATION	125,868,362	INDUSTRY ASSOCIATION DUES	(265)	102
PHFU - NORTH ESCAMBIA	(13,021,433)	FUEL AND PPCC EXPENSES	(603,903,285)	232,955,692
INTEREST BEARING CWIP	(166,354,638)	GAIN/LOSS ON DISPOSITION OF PROPERTY	0	0
SCHERER CWIP	(11,547,900)	ECON DEVELOP EXPENSE- TOTAL	(975,550)	376,318
ECRC CWIP	(426,610)	ECON DEVELOP EXPENSE - ALLOWED	926,772	(357,502)
ECCR CWIP	(0)	CONSERVATION EXPENSES - O & M	(24,794,140)	9,564,340
FAS 143 NET PLANT	(14,619,643)	CONSERVATION EXPENSES - OTHER TAXES	(280,632)	108,254
		MARKETING SUPPORT ACTIVITIES	(148,394)	57,243
		MGMT FINANCIAL PLANNING SERVICES	(36,601)	14,119
		DIRECTORS' & OFFICERS' INSURANCE	(42,948)	16,567
WORKING CAPITAL:		FRANCHISE FEE	(35,949,271)	13,867,431
ECRC WORKING CAPITAL	(8,449,739)	GROSS RECEIPTS TAX EXPENSE	(26,766,095)	10,325,021
LOANS TO EMPLOYEES AND RETIREES	(31,940)	LIAISON EXPENSE	(341,813)	131,854
CONSERVATION/AEM INVENTORY	(2,731,946)	ECRC/ECCR EXPENSES	(68,252,943)	26,328,573
INTEREST & DIVIDENDS RECEIVABLE	0	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,274,009)	491,449
PLANT SCHERER	(11,377,276)	INTEREST SYNCHRONIZATION	7,115,782	7,115,782
TEMPORARY CASH INVESTMENTS	0			
FUNDED PROPERTY INSURANCE RESERVE - NET	0			
NORTH ESCAMBIA SITE	(4,995,702)			
UNAMORTIZED RATE CASE EXPENSES	(2,860,235)			
FUEL RELATED DEFERRED DEBITS	(11,883,425)			
ACCUM. PROV. FOR RATE REFUNDS - WHOLESALE	1,040,209			
FAS 143 WORKING CAPITAL	23,481,648			
FAS 158 REGULATORY ASSETS	(133,423,481)			
FAS 158 REGULATORY LIABILITIES	133,423,481			
PPA REGULATORY ASSETS	(150,982,513)			
PPA REGULATORY LIABILITIES	150,982,513			
FAS 133 REGULATORY ASSETS	(31,013,548)			
FAS 133 REGULATORY LIABILITIES	31,013,548			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
August, 2013

SCHEDULE 4

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,223,507,506	1,095,639,932	(410,252,820)	0	685,387,112	37.32	4.80	1.79	4.80	1.79	4.80	1.79
SHORT TERM DEBT	92,700,097	71,349,617	(26,716,242)	0	44,633,375	2.43	0.47	0.01	0.47	0.01	0.47	0.01
PREFERENCE STOCK	109,200,668	97,809,053	(36,623,747)	0	61,185,306	3.33	6.27	0.21	6.27	0.21	6.27	0.21
CUSTOMER DEPOSITS	35,210,458	35,337,989	(13,232,002)	0	22,105,987	1.20	2.43	0.03	2.43	0.03	2.43	0.03
COMMON EQUITY	1,193,722,845	1,074,982,663	(402,517,885)	0	672,464,778	36.61	9.25	3.39	10.25	3.75	11.25	4.12
DEFERRED INCOME TAXES	653,477,796	594,376,630	(222,559,147)	0	371,817,483	20.24						
FASB 109 DEFERRED TAXES	(41,613,244)	(37,849,703)	14,172,492	0	(23,677,211)	(1.29)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	5,182,293	4,288,295	(1,605,715)	0	2,682,580	0.15	6.97	0.01	7.45	0.01	7.92	0.01
TOTAL	3,271,388,419	2,935,934,477	(1,099,335,066)	0	1,836,599,410	100.00 %		5.44 %		5.80 %		6.17 %

YEAR-END	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,219,113,850	1,103,675,844	(406,297,307)	0	697,378,537	36.48	4.68	1.71	4.68	1.71	4.68	1.71
SHORT TERM DEBT	47,393,487	31,114,708	(11,454,289)	0	19,660,419	1.03	0.37	0.00	0.37	0.00	0.37	0.00
PREFERENCE STOCK	146,535,471	132,660,013	(48,836,265)	0	83,823,748	4.38	6.14	0.27	6.14	0.27	6.14	0.27
CUSTOMER DEPOSITS	34,781,311	35,276,278	(12,986,292)	0	22,289,986	1.17	2.33	0.03	2.33	0.03	2.33	0.03
COMMON EQUITY	1,222,878,727	1,121,555,914	(412,879,515)	0	708,676,399	37.07	9.25	3.43	10.25	3.80	11.25	4.17
DEFERRED INCOME TAXES	690,997,091	637,178,940	(234,565,329)	0	402,613,611	21.04						
FASB 109 DEFERRED TAXES	(42,815,973)	(39,481,262)	14,534,277	0	(24,946,985)	(1.30)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	4,506,094	3,825,450	(1,408,267)	0	2,417,183	0.13	6.93	0.01	7.41	0.01	7.89	0.01
TOTAL	3,323,390,057	3,025,805,886	(1,113,892,987)	0	1,911,912,898	100.00 %		5.44 %		5.81 %		6.19 %

GULF POWER COMPANY
Financial Integrity Indicators
August, 2013

A. Times Interest Earned with AFUDC

Earnings Before Interest	186,565,795
AFUDC - Debt	2,866,108
Income Taxes	<u>78,625,568</u>
 Total	 268,057,471
Interest Charges (Before Deducting AFUDC - Debt)	<u>60,328,903</u>
T.I.E. With AFUDC	<u>4.44 x</u>

B. Times Interest Earned without AFUDC

Earnings Before Interest	186,565,795
AFUDC - Other	(5,401,615)
Income Taxes	<u>78,625,568</u>
 Total	 259,789,748
Interest Charges (Before Deducting AFUDC - Debt)	<u>60,328,903</u>
T.I.E. Without AFUDC	<u>4.31 x</u>

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	2,866,108
X (1 - Income Tax Rate)	0.61425
 Subtotal	 1,760,507
AFUDC - Other	<u>5,401,615</u>
 Total	 <u>7,162,122</u>
 Net Income Available for Common Stockholders	 <u>122,332,722</u>
Percent AFUDC to Available Net Income	<u>5.85%</u>

D. Percent Internally Generated Funds

Net Income	129,102,999
Preference Dividends	(6,770,278)
Common Dividends	(115,600,000)
AFUDC (Debt & Other)	(8,267,723)
Depreciation & Amortization	157,243,314
Deferred Income Taxes	112,154,064
Investment Tax Credits	0
Other	<u>(39,401,965)</u>
 Total	 228,460,411
 Construction Expenditures (Excluding AFUDC Other & Debt)	 <u>301,613,663</u>
 Percent Internally Generated Funds	 <u>75.75%</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	685,387,112
Short Term Debt	44,633,375
Preference Stock	61,185,306
Common Equity	<u>672,464,778</u>
 Total	 <u>1,463,670,571</u>
 % Long Term Debt To Total	 <u>46.83%</u>
 % Short Term Debt To Total	 <u>3.05%</u>

G. FPSC Adjusted Average Jurisdictional Return On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.12%	5.12%
 Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.79)	(1.79)
Short Term Debt	(0.01)	(0.01)
Preference Stock	(0.21)	(0.21)
Customer Deposits	(0.03)	(0.03)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	<u>(0.01)</u>	<u>(0.01)</u>
 Subtotal	 <u>(2.05)</u>	 <u>(2.05)</u>
 Total	 3.07	 3.07
Divided by Common Equity Ratio	<u>36.61</u>	<u>36.61</u>
 Jurisdictional Return on Common Equity	 <u>8.38%</u>	 <u>8.38%</u>

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

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
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
August	2013	291,667
12 - M-T-D		<u><u>3,500,000</u></u>

GULF POWER COMPANY
SUPPLEMENTAL SURVEILLANCE REPORT INFORMATION
COMMERCIAL/INDUSTRIAL SERVICE RIDER
JULY 2013

The information below is presented to comply with FPSC Order No. PSC-96-1219-FOF-EI and FPSC Order No. PSC-01-0390-TRF-EI. This supplemental information is to be treated as confidential. For CSA-3, it is estimated that the contract year-to-date revenues, excluding tax and franchise fees, that would have been produced by the application of Gulf Power's otherwise applicable standard tariff rates to the affected load would have been [REDACTED] than the revenues actually received by Gulf Power pursuant to the executed CSA. Although this dollar amount is required to be calculated and reported, Gulf believes a more accurate representation of the impact of CSA-3 on Gulf's general body of customers is shown in the paragraph below.

For CSA-3, it is estimated that the contract year-to-date net benefit to Gulf's customers, as represented by the contribution toward fixed costs associated with sales under CSA-3 which would not have occurred in the absence of CSA-3, is [REDACTED].

The redacted information is considered confidential and has been filed with the FPSC under a separate Request for Confidential Classification.

GULF POWER COMPANY
SUPPLEMENTAL SURVEILLANCE REPORT INFORMATION
COMMERCIAL/INDUSTRIAL SERVICE RIDER
AUGUST 2013

The information below is presented to comply with FPSC Order No. PSC-96-1219-FOF-EI and FPSC Order No. PSC-01-0390-TRF-EI. This supplemental information is to be treated as confidential. For CSA-3, it is estimated that the contract year-to-date revenues, excluding tax and franchise fees, that would have been produced by the application of Gulf Power's otherwise applicable standard tariff rates to the affected load would have been [REDACTED] than the revenues actually received by Gulf Power pursuant to the executed CSA. Although this dollar amount is required to be calculated and reported, Gulf believes a more accurate representation of the impact of CSA-3 on Gulf's general body of customers is shown in the paragraph below.

For CSA-3, it is estimated that the contract year-to-date net benefit to Gulf's customers, as represented by the contribution toward fixed costs associated with sales under CSA-3 which would not have occurred in the absence of CSA-3, is [REDACTED].

The redacted information is considered confidential and has been filed with the FPSC under a separate Request for Confidential Classification.