

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



February 13, 2015

Mr. Bart Fletcher
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. Fletcher:

Enclosed is Gulf Power Company's Jurisdictional Rate of Return Report for the month of December 2014.

Sincerely,

A handwritten signature in cursive script that reads "Susan D. Ritenour".

md

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
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DIVISION OF
ACCOUNTING & FINANCE

December 2014

Earnings Surveillance
Report
(Rate of Return)



GULF POWER COMPANY
Earnings Surveillance Report Summary
December, 2014

	(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	177,344,789	(68,012,772)	109,332,018	0	109,332,018
Average Rate Base	3,192,688,205	(1,285,513,507)	1,907,174,698	0	1,907,174,698
Average Rate of Return	5.55%		5.73%		5.73%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	177,341,034	(67,599,351)	109,741,684	0	109,741,684
Year End Rate Base	3,307,397,424	(1,377,239,371)	1,930,158,053	0	1,930,158,053
Year End Rate of Return	5.36%		5.69%		5.69%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

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

Low	5.38%
Midpoint	5.75%
High	6.12%

IV. Financial Integrity Indicators

A. Tie With AFUDC	5.05 x (System per Books Basis)
B. Tie Without AFUDC	4.75 x (System per Books Basis)
C. AFUDC To Net Income	10.93% (System per Books Basis)
D. Internally Generated Funds	51.15% (System per Books Basis)
E. LTD To Total Investor Funds	46.22% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	0.96% (FPSC Adjusted Basis)
G. Return on Common Equity	10.20% (FPSC Adjusted Basis)
H. Return on Common Equity	10.20% (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

2/12/15

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
December, 2014

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	4,409,793,532	1,490,929,047	2,918,864,485	15,924,915	369,868,821	0	3,304,658,221	223,231,323	3,527,889,544
JURISDICTIONAL PER BOOKS	3,933,483,714	1,347,500,587	2,585,983,127	15,459,035	357,138,760	0	2,958,580,921	234,107,283	3,192,688,205
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,016,450,165)	(154,554,859)	(861,895,306)		(12,539,688)		(874,434,994)	(7,117,602)	(881,552,596)
INT BEARING CWIP					(307,577,106)		(307,577,106)	0	(307,577,106)
ENERGY CONSERVATION CLAUSE	(11,772,364)	6,411,864	(18,184,228)		(10,363)		(18,194,591)	(1,220,212)	(19,414,803)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(182,241)		(182,241)				(182,241)	0	(182,241)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(1,778)	(1,778)
LOANS TO EMPLOYEES / RETIREES								(34,100)	(34,100)
INTEREST AND DIVIDENDS RECEIVABLE								(22,141)	(22,141)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,579,626)			(12,579,626)	(4,483,830)	(17,063,456)
FUEL RELATED DEFERRED DEBITS								(54,969,785)	(54,969,785)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(4,695,501)	(4,695,501)
TOTAL FPSC ADJUSTMENTS	(1,028,404,770)	(148,142,995)	(880,261,775)	(12,579,626)	(320,127,157)	0	(1,212,968,557)	(72,544,950)	(1,285,513,507)
FPSC ADJUSTED	2,905,078,944	1,199,357,592	1,705,721,352	2,879,409	37,011,603	0	1,745,612,364	161,562,334	1,907,174,698
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	2,905,078,944	1,199,357,592	1,705,721,352	2,879,409	37,011,603	0	1,745,612,364	161,562,334	1,907,174,698

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
December, 2014

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 OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,590,588,745	718,214,551	334,987,120	146,297,517	111,146,858	50,001,939	38,645,914	(1,271,904)	0	1,398,021,996	192,566,748 (a)
JURISDICTIONAL PER BOOKS	1,335,542,158	542,405,056	316,568,143	135,659,740	109,316,624	43,360,964	28,800,359	(923,742)	0	1,175,187,144	160,355,014 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(480,491,092)	(480,157,544)				(128,666)				(480,286,210)	(204,882)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(61,674,779)	(62,047,874)				143,921				(61,903,953)	229,173
ENERGY CONSERVATION COST REVENUES & EXPENSES	(17,428,266)		(15,076,233)	(334,085)	(381,902)	(631,105)				(16,423,325)	(1,004,941)
ENVIRONMENTAL COST RECOVERY CLAUSE	(143,879,807)		(28,400,308)	(39,469,277)	(2,307,292)	(28,430,905)				(98,607,782)	(45,272,025)
FRANCHISE FEE REVENUE & EXPENSE	(41,890,987)				(40,813,388)	(415,684)				(41,229,072)	(661,915)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(31,480,152)				(31,071,298)	(157,715)				(31,229,013)	(251,138)
MARKETING SUPPORT ACTIVITIES			(196,099)			75,645				(120,454)	120,454
WHOLESALE EXPENSES		(199,638)				77,010				(122,628)	122,628
INSTITUTIONAL ADVERTISING EXPENSE			(398,800)			149,980				(238,820)	238,820
ECONOMIC DEVELOPMENT EXPENSE			(61,636)			23,776				(37,860)	37,860
MGMT FINANCIAL PLANNING SERVICES			(90,147)			11,629				(18,518)	18,518
DIRECTORS' & OFFICERS' INSURANCE			(48,018)			18,523				(29,495)	29,495
INDUSTRY ASSOCIATION DUES			(621)			240				(381)	381
TALLAHASSEE LIAISON EXPENSES			(394,410)		(17,878)	159,040				(253,248)	253,248
TRANSMISSION DEFERRED RETURN PURSUANT TO STIP. & SETT.				11,276		(4,350)				6,926	(6,926)
DEPRECIATION CREDIT ADJUSTMENT						0				0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,472,773)	568,122				(904,651)	904,651
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						191,111			(495,428)	(304,317)	304,317
INTEREST SYNCHRONIZATION						5,880,716				5,880,716	(5,880,716)
TOTAL FPSC ADJUSTMENTS	(776,845,082)	(542,405,056)	(44,596,272)	(39,792,086)	(76,064,532)	(22,468,712)	0	0	(495,428)	(725,822,086)	(51,022,997)
FPSC ADJUSTED	558,697,076	0	271,971,871	95,867,654	33,252,092	20,892,252	28,800,359	(923,742)	(495,428)	449,365,058	109,332,018
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	558,697,076	0	271,971,871	95,867,654	33,252,092	20,892,252	28,800,359	(923,742)	(495,428)	449,365,058	109,332,018
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				17,393,869	AND THE JURISDICTIONAL NOI BY	16,989,775					
CURRENT MONTH SYSTEM PER BOOKS	115,369,891	46,952,372	33,646,446	12,557,862	8,501,672	188,273	3,376,041	(105,992)	0	105,116,674	10,253,217
CURRENT MONTH JURISDICTIONAL PER BOOKS	97,799,399	35,132,470	30,990,181	11,629,362	8,344,465	2,397,383	577,175	(76,958)	0	88,994,077	8,805,322

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
December, 2014

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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,047,094,830)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(857,965,844)	(253,810,324)
ACCUMULATED DEPRECIATION	159,214,971	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(148,232,854)	(57,180,824)
CWIP	(12,917,971)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(62,094,671)	(23,953,019)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(11,772,364)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(17,428,268)	(6,722,954)
ACCUMULATED DEPRECIATION	(8,411,864)	FUEL EXPENSE	(854,303,873)	252,397,719
CWIP	(10,363)	PURCHASED POWER CAPACITY COST EXPENSE	(63,919,790)	24,657,059
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(182,241)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(15,410,318)	5,944,530
FAS 143 NET PLANT	(15,202,031)	CONSERVATION EXPENSES - OTHER TAXES	(381,902)	147,319
INTEREST BEARING CWIP	(314,892,678)	ENVIRONMENTAL COST RECOVERY EXPENSE	(72,224,043)	27,880,425
PHFU - NORTH ESCAMBIA	(12,958,731)	FRANCHISE FEE REVENUES	(41,890,987)	(16,159,448)
		FRANCHISE FEE	(40,813,388)	15,743,784
		GROSS RECEIPTS TAX REVENUES	(31,480,152)	(12,143,488)
		GROSS RECEIPTS TAX EXPENSE	(31,071,298)	11,985,753
		MARKETING SUPPORT ACTIVITIES	(198,099)	75,645
		WHOLESALE EXPENSE	(205,723)	79,358
		INSTITUTIONAL ADVERTISING EXPENSE	(398,459)	152,934
		ECONOMIC DEVELOPMENT EXPENSE	(61,636)	23,776
		MGMT FINANCIAL PLANNING SERVICES	(30,813)	11,886
		DIRECTORS' & OFFICERS' INSURANCE	(49,078)	18,932
		INDUSTRY ASSOCIATION DUES	(633)	244
		TALLAHASSEE LIAISON EXPENSE	(421,398)	182,553
		TRANSMISSION DEFERRED RETURN PURSUANT TO STIP. & SETT.	11,276	(4,350)
		DEPRECIATION CREDIT ADJUSTMENT	0	0
		GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,472,773)	568,122
		COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFIN. ESC REV	11,742	4,530
		GAIN/LOSS ON DISPOSITION OF PROPERTY	(518,545)	199,257
		INTEREST SYNCHRONIZATION	8,319,074	6,319,074
WORKING CAPITAL:				
ECRC WORKING CAPITAL	(7,332,173)			
CONSERVATION/AEM INVENTORY	(1,220,212)			
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(1,856)			
FUNDED PROPERTY INSURANCE RESERVE	0			
LOANS TO EMPLOYEES AND RETIREES	(35,589)			
INTEREST & DIVIDENDS RECEIVABLE	(23,108)			
NORTH ESCAMBIA SITE	(4,679,745)			
UNAMORTIZED RATE CASE EXPENSE	(4,900,665)			
FUEL RELATED DEFERRED DEBITS	(54,969,785)			
UNREALIZED LOSS ON FWD CONTRACT	1,820			
ACCUM. PROV. FOR RATE REFUNDS	0			
FAS 143 WORKING CAPITAL	26,480,744			
FAS 158 REGULATORY ASSETS	(79,512,980)			
FAS 158 REGULATORY LIABILITIES	79,512,980			
PPA REGULATORY ASSETS	(191,512,522)			
PPA REGULATORY LIABILITIES	191,512,522			
FAS 133 REGULATORY ASSETS	(30,498,165)			
FAS 133 REGULATORY LIABILITIES	30,498,165			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
December, 2014

	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	4,479,495,606	1,538,710,889	2,940,784,717	15,560,289	465,261,809	0	3,421,606,815	223,231,323	3,644,838,138
JURISDICTIONAL PER BOOKS	3,998,623,332	1,390,986,389	2,607,636,943	15,105,075	451,732,779	0	3,074,474,797	232,922,627	3,307,397,424
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,020,143,904)	(174,036,544)	(846,107,360)		(15,315,817)		(861,423,177)	(7,117,602)	(868,540,779)
INT BEARING CWIP					(410,315,650)		(410,315,650)	0	(410,315,650)
ENERGY CONSERVATION CLAUSE	(12,292,820)	6,960,155	(19,252,975)		(75,000)		(19,327,975)	(1,220,212)	(20,548,187)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(957,263)		(957,263)				(957,263)	0	(957,263)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(10,804)	(10,804)
LOANS TO EMPLOYEES AND RETIREES								(34,100)	(34,100)
INTEREST AND DIVIDENDS RECEIVABLE								(22,141)	(22,141)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,661,331)			(12,661,331)	(4,483,830)	(17,145,161)
FUEL RELATED DEFERRED DEBITS								(54,969,785)	(54,969,785)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(4,695,501)	(4,695,501)
TOTAL FPSC ADJUSTMENTS	(1,033,393,987)	(167,076,389)	(866,317,598)	(12,661,331)	(425,706,467)	0	(1,304,685,396)	(72,553,975)	(1,377,239,371)
FPSC ADJUSTED	2,965,229,345	1,223,910,000	1,741,319,345	2,443,744	26,026,312	0	1,769,789,401	160,368,652	1,930,158,053
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	2,965,229,345	1,223,910,000	1,741,319,345	2,443,744	26,026,312	0	1,769,789,401	160,368,652	1,930,158,053

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
December, 2014

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 OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,590,588,745	718,214,551	334,987,120	146,297,517	111,146,858	50,001,939	38,645,914	(1,271,904)	0	1,398,021,996	192,566,748 (a)
JURISDICTIONAL PER BOOKS	1,335,542,158	542,405,056	316,568,143	135,659,740	109,316,624	43,362,250	28,802,828	(923,742)	0	1,175,190,899	160,351,259 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(480,491,092)	(480,157,544)				(128,666)				(480,286,210)	(204,882)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(61,674,779)	(62,047,874)				143,921				(61,903,953)	229,173
ENERGY CONSERVATION COST REVENUES & EXPENSES	(17,428,266)		(15,076,233)	(334,085)	(381,902)	(631,105)				(16,423,325)	(1,004,941)
ENVIRONMENTAL COST RECOVERY CLAUSE	(143,879,807)		(28,400,308)	(39,469,277)	(2,307,292)	(28,430,905)				(98,607,782)	(45,272,025)
FRANCHISE FEE REVENUE & EXPENSE	(41,890,987)				(40,813,388)	(415,684)				(41,229,072)	(661,915)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(31,480,152)				(31,071,298)	(157,715)				(31,229,013)	(251,138)
MARKETING SUPPORT ACTIVITIES			(196,099)			75,645				(120,454)	120,454
WHOLESALE EXPENSES		(199,638)				77,010				(122,628)	122,628
INSTITUTIONAL ADVERTISING EXPENSE			(388,800)			149,980				(238,820)	238,820
ECONOMIC DEVELOPMENT EXPENSE			(61,636)			23,776				(37,860)	37,860
MGMT FINANCIAL PLANNING SERVICES			(30,147)			11,629				(18,518)	18,518
DIRECTORS' & OFFICERS' INSURANCE			(48,018)			18,523				(29,495)	29,495
INDUSTRY ASSOCIATION DUES			(621)			240				(381)	381
TALLAHASSEE LIAISON EXPENSES			(394,410)		(17,878)	159,040				(253,248)	253,248
TRANSMISSION DEFERRED RETURN PURSUANT TO STIP. & SETT.				11,276		(4,350)				6,926	(6,926)
DEPRECIATION CREDIT ADJUSTMENT										0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,472,773)	568,122				(904,651)	904,651
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						191,111			(495,428)	(304,317)	304,317
INTEREST SYNCHRONIZATION						5,467,295				5,467,295	(5,467,295)
TOTAL FPSC ADJUSTMENTS	(776,845,082)	(542,405,056)	(44,596,272)	(39,792,086)	(76,064,532)	(22,882,133)	0	0	(495,428)	(726,235,507)	(50,609,576)
FPSC ADJUSTED	558,697,076	0	271,971,871	95,867,654	33,252,092	20,480,117	28,802,828	(923,742)	(495,428)	448,955,392	109,741,684
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	558,697,076	0	271,971,871	95,867,654	33,252,092	20,480,117	28,802,828	(923,742)	(495,428)	448,955,392	109,741,684

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 17,393,869 AND THE JURISDICTIONAL NOI BY 16,989,775

GULF POWER COMPANY
 YEAR END RATE OF RETURN
 SYSTEM ADJUSTMENTS
 December, 2014

SCHEDULE 3
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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,051,266,819)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(657,965,844)	(253,810,324)
ACCUMULATED DEPRECIATION	179,346,114	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(148,232,854)	(57,180,824)
CWIP	(15,783,077)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(62,094,671)	(23,953,019)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(12,292,820)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(17,428,266)	(6,722,954)
ACCUMULATED DEPRECIATION	(6,960,155)	FUEL EXPENSE	(654,303,873)	252,397,719
CWIP	(75,000)	PURCHASED POWER CAPACITY COST EXPENSE	(63,919,790)	24,657,059
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(957,263)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(15,410,318)	5,944,530
FAS 143 NET PLANT	(15,120,037)	CONSERVATION EXPENSES - OTHER TAXES	(381,902)	147,319
INTEREST BEARING CWIP	(420,074,808)	ENVIRONMENTAL COST RECOVERY EXPENSE	(72,224,043)	27,860,425
PHFU - NORTH ESCAMBIA	(13,042,899)	FRANCHISE FEE REVENUES	(41,890,987)	(16,159,448)
		FRANCHISE FEE	(40,813,388)	15,743,764
WORKING CAPITAL:		GROSS RECEIPTS TAX REVENUES	(31,480,152)	(12,143,468)
ECRC WORKING CAPITAL	(7,332,173)	GROSS RECEIPTS TAX EXPENSE	(31,071,298)	11,985,753
CONSERVATION/AEM INVENTORY	(1,220,212)	MARKETING SUPPORT ACTIVITIES	(196,099)	75,645
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(1,856)	WHOLESALE EXPENSE	(205,723)	79,358
FUNDED PROPERTY INSURANCE RESERVE	0	INSTITUTIONAL ADVERTISING EXPENSE	(396,459)	152,934
LOANS TO EMPLOYEES AND RETIREES	(35,589)	ECONOMIC DEVELOPMENT EXPENSE	(61,636)	23,776
INTEREST & DIVIDENDS RECEIVABLE	(23,108)	MGMT FINANCIAL PLANNING SERVICES	(30,813)	11,886
NORTH ESCAMBIA SITE	(4,679,745)	DIRECTORS' & OFFICERS' INSURANCE	(49,078)	18,932
UNAMORTIZED RATE CASE EXPENSE	(4,900,665)	INDUSTRY ASSOCIATION DUES	(633)	244
FUEL RELATED DEFERRED DEBITS	(54,969,785)	TALLHASSEE LIAISON EXPENSE	(421,396)	162,553
UNREALIZED LOSS ON FWD CONTRACT	1,820	TRANSMISSION DEFERRED RETURN PURSUANT TO STIP. & SETT.	11,276	(4,350)
ACCUM. PROV. FOR RATE REFUNDS	0	DEPRECIATION CREDIT ADJUSTMENT	0	0
FAS 143 WORKING CAPITAL	26,460,744	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,472,773)	568,122
FAS 158 REGULATORY ASSETS	(79,512,980)	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REFRN. ESC REV	11,742	4,530
FAS 158 REGULATORY LIABILITIES	79,512,980	GAIN\LOSS ON DISPOSITION OF PROPERTY	(516,545)	199,257
PPA REGULATORY ASSETS	(191,512,522)	INTEREST SYNCHRONIZATION	5,934,030	5,934,030
PPA REGULATORY LIABILITIES	191,512,522			
FAS 133 REGULATORY ASSETS	(30,498,165)			
FAS 133 REGULATORY LIABILITIES	30,498,165			

GULF POWER COMPANY
 CAPITAL STRUCTURE
 FPSC ADJUSTED BASIS
 December, 2014

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	1,260,476,598	1,155,459,705	(465,237,744)	0	690,221,961	36.19	4.56	1.65	4.56	1.65	4.56	1.65
SHORT TERM DEBT	86,179,131	24,091,189	(9,700,148)	0	14,391,041	0.75	0.22	0.00	0.22	0.00	0.22	0.00
PREFERENCE STOCK	146,503,864	134,280,601	(54,067,142)	0	80,213,459	4.21	6.14	0.26	6.14	0.26	6.14	0.26
CUSTOMER DEPOSITS	34,833,774	35,441,854	(14,270,414)	0	21,171,440	1.11	2.38	0.03	2.38	0.03	2.38	0.03
COMMON EQUITY	1,288,017,637	1,186,281,198	(477,647,802)	0	708,633,396	37.16	9.25	3.44	10.25	3.81	11.25	4.18
DEFERRED INCOME TAXES	748,214,885	696,935,257	(280,616,092)	0	416,319,165	21.83						
FASB 109 DEFERRED TAXES	(45,992,548)	(42,840,403)	17,249,388	0	(25,591,015)	(1.34)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	3,419,342	3,038,804	(1,223,553)	0	1,815,251	0.10	6.89	0.01	7.37	0.01	7.85	0.01
TOTAL	3,521,652,683	3,192,688,205	(1,285,513,507)	0	1,907,174,698	100.00 %		5.38 %		5.75 %		6.12 %

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	1,344,462,718	1,231,484,216	(512,804,580)	0	718,679,636	37.23	4.53	1.69	4.53	1.69	4.53	1.69
SHORT TERM DEBT	109,977,188	46,114,991	(19,202,827)	0	26,912,164	1.39	0.21	0.00	0.21	0.00	0.21	0.00
PREFERENCE STOCK	146,503,864	134,192,786	(55,879,462)	0	78,313,324	4.06	6.14	0.25	6.14	0.25	6.14	0.25
CUSTOMER DEPOSITS	35,094,351	35,547,968	(14,802,594)	0	20,745,374	1.07	2.26	0.02	2.26	0.02	2.26	0.02
COMMON EQUITY	1,310,326,696	1,188,648,815	(494,967,413)	0	693,681,402	35.94	9.25	3.32	10.25	3.68	11.25	4.04
DEFERRED INCOME TAXES	770,446,864	714,736,596	(297,624,765)	0	417,111,831	21.62						
FASB 109 DEFERRED TAXES	(49,461,158)	(45,884,670)	19,106,919	0	(26,777,751)	(1.39)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	2,783,390	2,556,722	(1,064,649)	0	1,492,073	0.08	6.81	0.01	7.28	0.01	7.74	0.01
TOTAL	3,670,133,912	3,307,397,424	(1,377,239,371)	0	1,930,158,053	100.00 %		5.29 %		5.65 %		6.01 %

GULF POWER COMPANY
Financial Integrity Indicators
December, 2014

A. Times Interest Earned with AFUDC

Earnings Before Interest	202,411,685
AFUDC - Debt	5,372,954
Income Taxes	88,062,085
	<hr/>
Total	295,846,724
Interest Charges (Before Deducting AFUDC - Debt)	58,606,579
	<hr/>
T.I.E. With AFUDC	5.05 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	202,411,685
AFUDC - Other	(12,020,915)
Income Taxes	88,062,085
	<hr/>
Total	278,452,855
Interest Charges (Before Deducting AFUDC - Debt)	58,606,579
	<hr/>
T.I.E. Without AFUDC	4.75 x

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	5,372,954
X (1 - Income Tax Rate)	0.61425
	<hr/>
Subtotal	3,300,337
AFUDC - Other	12,020,915
	<hr/>
Total	15,321,252
	<hr/>
Net Income Available for Common Stockholders	140,175,560
Percent AFUDC to Available Net Income	10.93%

D. Percent Internally Generated Funds

Net Income	149,178,060
Preference Dividends	(9,002,500)
Common Dividends	(123,200,000)
AFUDC (Debt & Other)	(17,393,869)
Depreciation & Amortization	155,141,768
Deferred Income Taxes	38,625,644
Investment Tax Credits	0
Other	(16,199,713)
	<hr/>
Total	177,149,391
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Construction Expenditures (Excluding AFUDC Other & Debt)	346,365,640
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Percent Internally Generated Funds	51.15%

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	690,221,961
Short Term Debt	14,391,041
Preference Stock	80,213,459
Common Equity	708,633,396
	<hr/>
Total	1,493,459,857
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% Long Term Debt To Total	46.22%
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% Short Term Debt To Total	0.96%

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.73%	5.73%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.65)	(1.65)
Short Term Debt	(0.00)	(0.00)
Preference Stock	(0.26)	(0.26)
Customer Deposits	(0.03)	(0.03)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.01)	(0.01)
	<hr/>	<hr/>
Subtotal	(1.94)	(1.94)
	<hr/>	<hr/>
Total	3.79	3.79
Divided by Common Equity Ratio	37.16	37.16
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Jurisdictional Return on Common Equity	10.20%	10.20%

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
December, 2014

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
January	2014	291,663
February	2014	291,667
March	2014	291,667
April	2014	291,667
May	2014	291,667
June	2014	291,667
July	2014	291,667
August	2014	291,667
September	2014	291,667
October	2014	291,667
November	2014	291,667
December	2014	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

Sixty-First Quarterly Report

Report Period: Fourth Quarter, 2014

<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	\$32,192,504	390,411,319	8.246	8.094
PX/PXT	-	-	-	-
LP/LPT	\$20,372,516	220,071,644	9.257	9.163

**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.**

GULF POWER COMPANY
CALCULATION OF AFUDC RATE
 December, 2014

CLASS OF CAPITAL	JURISDICTIONAL CAPITAL STRUCTURE	RATIO	COST RATE	WEIGHTED COST RATE
LONG TERM DEBT	690,221,961	36.19%	4.53	1.64
SHORT-TERM DEBT	14,391,041	0.75%	0.22	0.00
PREFERENCE STOCK	80,213,459	4.21%	6.14	0.26
CUSTOMER DEPOSITS	21,171,440	1.11%	2.38	0.03
COMMON EQUITY	708,633,396	37.16%	10.25	3.81
ITC	1,815,251	0.10%		
FASB 109 DIT	(25,591,015)	-1.34%		
DEFERRED TAXES	416,319,165	21.82%		
TOTAL	<u>1,907,174,698</u>	<u>100.00%</u>		<u>5.74 %</u>

AFUDC Rate Currently Authorized per order: PSC-14-0175-PAA-EI

5.73 %

GULF POWER COMPANY
13 MONTH AVERAGE CAPITAL STRUCTURE
December, 2014

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	1,260,476,598	-	(103,085,395)	-	(453,946,362)	703,444,841	0.9812027	690,221,961
SHORT-TERM DEBT	86,179,131	-	(7,077,885)	-	(64,434,509)	14,666,737	0.9812027	14,391,042
PREFERENCE STOCK	146,503,864	-	(11,998,797)	-	(52,754,924)	81,750,143	0.9812027	80,213,459
CUSTOMER DEPOSITS	34,833,774	-	-	-	(13,662,334)	21,171,440	1.0000000	21,171,440
COMMON EQUITY	1,288,017,637	(12,716,986)	(105,990,283)	18,953,846	(466,055,223)	722,208,991	0.9812027	708,633,396
ITC - ZERO COST	-	-	-	-	-	-	0.9812027	-
ITC - WEIGHTED COST	3,419,342	-	(375,457)	-	(1,193,858)	1,850,027	0.9812027	1,815,251
FASB 109 DIT	(45,992,548)	-	3,080,530	-	16,830,744	(26,081,274)	0.9812027	(25,591,015)
DEFERRED TAXES	748,214,885	-	(50,114,614)	-	(273,805,501)	424,294,770	0.9812027	416,319,164
TOTAL	3,521,652,683	(12,716,986)	(275,561,901)	18,953,846	(1,309,021,967)	1,943,305,675		1,907,174,698

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GULF POWER COMPANY
SUPPLEMENTAL SURVEILLANCE REPORT INFORMATION
COMMERCIAL/INDUSTRIAL SERVICE RIDER
DECEMBER 2014

CONFIDENTIAL

The information below is presented to comply with FPSC Order No. PSC-96-1219-FOF-EI, FPSC Order No. PSC-01-0390-TRF-EI and FPSC Order No. PSC-14-0197-PAA-EI. This supplemental information is to be treated as confidential. For CSA-3, it is estimated that the contract execution-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 pre-contract load would have been [REDACTED] [REDACTED] than the revenues actually received by Gulf Power pursuant to the executed CSA.