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September 1, 2017

Ms. Carlotta Stauffer, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Docket No. 20170007-EI

Dear Ms. Stauffer:

Attached for official filing in the above-referenced docket are the following:

1. The Petition of Gulf Power Company.
2. Prepared direct testimony and exhibit of Richard M. Markey.
3. Prepared direct testimony and exhibits of C. Shane Boyett.

Pursuant to the Order Establishing Procedure in this docket, electronic copies of exhibits CSB-4 and CSB-5 will be provided to the parties under separate cover.

Sincerely,

Rhonda J. Alexander
Regulatory, Forecasting and Pricing Manager

md

Attachments

cc w/att.: Florida Public Service Commission
Charles Murphy, Sr. Attorney, Ofc of the General Counsel (5 copies)
Gulf Power Company
Jeffrey A. Stone, Esq., General Counsel
Beggs & Lane
Russell Badders, Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost Recovery Clause)
)
) Docket No.: 20170007-EI
) Filed: September 1, 2017
)
_____)

**PETITION OF GULF POWER COMPANY FOR APPROVAL OF
FINAL ENVIRONMENTAL COST RECOVERY TRUE-UP AMOUNT FOR
JANUARY 2016 THROUGH DECEMBER 2016; ESTIMATED ENVIRONMENTAL
COST RECOVERY TRUE-UP AMOUNT FOR JANUARY 2017 THROUGH
DECEMBER 2017; PROJECTED ENVIRONMENTAL COST RECOVERY AMOUNTS
FOR JANUARY 2018 THROUGH DECEMBER 2018; AND ENVIRONMENTAL COST
RECOVERY FACTORS TO BE APPLIED BEGINNING WITH THE PERIOD
JANUARY 2018 THROUGH DECEMBER 2018**

Notices and communications with respect to this petition and docket should be addressed to:

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GULF POWER COMPANY (“Gulf Power”, “Gulf”, or “the Company”), by and through its undersigned counsel, and pursuant to section 366.8255, Florida Statutes and various orders of the Florida Public Service Commission (“Commission”) implementing and defining the Environmental Cost Recovery Clause (“ECRC”), hereby petitions the Commission for approval of the Company’s final environmental cost recovery true-up amount for the period January 2016 through December 2016; for approval of the Company’s estimated environmental cost recovery true-up amount for the period January 2017 through December 2017; for approval of the Company’s projected environmental cost recovery amounts for the period January 2018 through

December 2018; and for approval of environmental cost recovery factors to be applied in customer billings beginning with the period January 2018 through December 2018. As grounds for the relief requested by this petition, the Company would respectfully show:

BACKGROUND

(1) Section 366.8255, Florida Statutes, (the “Statute”) authorizes the Commission to review and decide whether Gulf’s environmental compliance costs are recoverable through an environmental cost recovery factor. Pursuant to the Statute, environmental compliance costs include “[a]ll costs or expenses incurred by an electric utility in complying with environmental laws or regulations. . . .” The term “environmental laws or regulations” is defined in the Statute to include “all federal, state, or local statutes, administrative regulations, orders, ordinances, resolutions, or other requirements that apply to electric utilities and are designed to protect the environment.” Pursuant to the Statute, the Commission shall allow a utility to recover its prudently incurred environmental compliance costs through the ECRC which is separate and apart from the utility’s base rates. Only prudently incurred environmental compliance costs may be recovered through the ECRC. In Order No. PSC-94-0044-FOF-EI, issued January 12, 1994, the Commission identified three criteria for eligibility for cost recovery through the ECRC: 1) the costs must have been incurred after April 13, 1993; 2) the activity is legally required to comply with a governmentally imposed environmental regulation which was enacted, or became effective, or whose effect was triggered after the company’s last test year upon which rates are based; and, 3) the costs are not recovered through some other cost recovery mechanism or through base rates.

(2) Gulf Power initially petitioned the Commission to establish the ECRC in Docket No. 930613-EI. The Commission considered Gulf’s petition at hearings held in December 1993 and ultimately issued Order No. PSC-94-0044-FOF-EI which established the

ECRC for Gulf Power and approved the commencement of recovery through initial factors effective with the first billing cycle for February 1994. Since that initial order, Gulf has periodically petitioned for and received Commission approval for recovery of the Company's revenue requirements associated with new environmental compliance activities consistent with the ECRC statutes and Commission precedent. Also since that initial order and subsequent orders of the Commission approving the Company's environmental compliance activities for recovery through the ECRC, Gulf has periodically submitted true-up and projection filings to the Commission with updated actual and projected costs for the various environmental compliance activities recovered through the ECRC pursuant to Commission authorization.

(3) Consistent with the foregoing, Gulf submits its petition, supporting schedules, testimony and exhibits as the Company's request herein for approval of ECRC factors to be effective in calendar year 2018. As detailed in the following paragraphs and accompanying supporting schedules, testimony and exhibits, Gulf's environmental compliance activities are consistent with the ECRC statutes and Commission precedent for recovery of eligible activities through the ECRC subject to the ongoing audit, review and true-up processes established by the Commission.

FINAL ENVIRONMENTAL COST RECOVERY TRUE-UP AMOUNTS

(4) By vote of the Commission following hearings in November 2016, estimated true-up environmental cost recovery amounts were approved by the Commission for the period January 2016 through December 2016, subject to establishing the final environmental cost recovery true-up amounts. Gulf has calculated its final environmental cost recovery true-up amounts for the period January 2016 through December 2016 in accordance with the principles and policies for environmental cost recovery established by the Commission. According to the data filed by Gulf for the period ending December 31, 2016, the final environmental cost

recovery true-up amount for the period ending December 31, 2016, is an actual under-recovery of \$3,262,290. This amount is submitted for approval by the Commission to be applied in the next period. The supporting data has been prepared in accordance with the uniform system of accounts as applicable to the Company's environmental cost recovery and fairly presents the Company's environmental costs to be considered for recovery through the ECRC for the period. The environmental activities and related expenditures reflected in the true-up amounts shown for the period ending December 31, 2016, are reasonable and necessary to achieve or maintain compliance with environmental requirements applicable to Gulf Power Company and, therefore, the amounts identified are prudent expenditures which have been incurred for utility purposes.

ESTIMATED ENVIRONMENTAL COST RECOVERY TRUE-UP AMOUNTS

(5) Gulf has calculated its estimated environmental cost recovery true-up amounts for the period January 2017 through December 2017 in accordance with the principles and policies for environmental cost recovery established by the Commission. Based on six months actual and six months projected data, the Company's estimated environmental cost recovery true-up amount for the period January 2017 through December 2017 is an over-recovery of \$11,475,260. The estimated environmental cost recovery true-up is combined with the final environmental cost recovery true-up for the period ending December 31, 2016, to reach the total environmental cost recovery true-up that is to be addressed in the next cost recovery period (January 2018 through December 2018). Gulf is requesting that the Commission approve this total environmental cost recovery true-up amount excluding revenue taxes, of \$8,212,970 to be applied during the January 2018 through December 2018 recovery period.

PROJECTED ENVIRONMENTAL COST RECOVERY AMOUNTS

(6) Gulf has calculated its projected environmental cost recovery amounts for the months January 2018 through December 2018 in accordance with the principles and policies for environmental cost recovery found in section 366.8255 of the Florida Statutes and Commission Order No. PSC-94-0044-FOF-EI. The calculated factors reflect the recovery of the projected environmental cost recovery amount of \$203,589,886 for the period January 2018 through December 2018, less the net true-up amount adjusted for revenue taxes.

The computations and supporting data for the Company's environmental cost recovery factors are set forth on true-up and projection schedules that are attached as part of the exhibits to the final true-up testimony and actual/estimated true-up testimony of C.S. Boyett filed previously in this docket (*See* DN 04008-17 and DN 06617-2017) and the projection testimony of Mr. Boyett filed herewith. Additional supporting data for the environmental cost recovery factors is provided in the final true-up testimony of R. M. Markey (*See* DN 04008-17), the estimated/actual true-up testimony of Mr. Markey (*See* DN 06617-2017) and the projection testimony of witnesses R. M. Markey filed herewith. The methodology used by Gulf in determining the amounts to include in these factors and the allocation to rate classes is in accordance with the requirements of the Commission as set forth in Order Nos. PSC-94-0044-FOF-EI and PSC-13-0606-FOF-EI. The amounts included in the calculated factors for the projection period are based on reasonable projections of the costs for environmental compliance activities that are expected to be incurred during the period January 2018 through December 2018. The calculated factors and supporting data have been prepared in accordance with the uniform system of accounts and fairly present the Company's best estimate of environmental compliance costs for the projected period. The activities described in the testimony of Mr.

Markey are reasonable and necessary to achieve or maintain compliance with environmental requirements applicable to Gulf Power Company and the actual or projected costs resulting from the described compliance activities are also reasonable and necessary. Therefore, the costs identified are prudent expenditures that have been or will be incurred for utility purposes and for which the Company should be allowed to recover the associated revenue requirements.

ENVIRONMENTAL COST RECOVERY FACTORS

(7) The calculated environmental cost recovery factors by rate class, including true-up, are:

RATE CLASS	ENVIRONMENTAL COST RECOVERY FACTORS ¢/KWH
RS, RSVP, RSTOU	2.124
GS	1.956
GSD, GSDT, GSTOU	1.733
LP, LPT	1.547
PX, PXT, RTP, SBS	1.482
OS-I/II	0.570
OSIII	1.361

WHEREFORE, Gulf Power Company respectfully requests the Commission to approve the final environmental cost recovery true-up amounts for the period January 2016 through December 2016; estimated environmental cost recovery true-up amounts for the period January 2017 through December 2017; the projected environmental cost recovery amounts for the period

January 2018 through December 2018; and the environmental cost recovery factors to be applied in customer billings beginning with the period January 2018 through December 2018.

Dated the 1st day of September, 2017.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ENVIRONMENTAL COST RECOVERY CLAUSE

DOCKET NO. 20170007-EI

**PREPARED DIRECT TESTIMONY
AND EXHIBIT OF
RICHARD M. MARKEY**

**PROJECTION FILING
FOR THE PERIOD**

JANUARY 2018- DECEMBER 2018

September 1, 2017



Gulf Power

1 GULF POWER COMPANY

2 Before the Florida Public Service Commission
3 Prepared Direct Testimony and Exhibit of
4 Richard M. Markey
Docket No. 20170007-EI
Date of Filing: September 1, 2017

5 Q. Please state your name and business address.

6 A. My name is Richard M. Markey, and my business address is One Energy
7 Place, Pensacola, Florida, 32520.

8
9 Q. By whom are you employed and in what capacity?

10 A. I am employed by Gulf Power Company as the Director of Environmental
11 Affairs.

12
13 Q. Mr. Markey, will you please describe your education and experience?

14 A. I graduated from Oklahoma State University, Stillwater, Oklahoma, in 1983
15 with a Bachelor of Science degree in Geology and a minor in Petroleum
16 Engineering Technology. I also hold a Master's degree in Civil Engineering
17 from Florida State University, Tallahassee, Florida. Prior to joining Gulf
18 Power I worked in the Oil & Gas industry, Environmental Consulting and
19 Florida Department of Environmental Regulation. In October 1994, I joined
20 Gulf Power Company as a Geologist and have since held various positions
21 with increasing responsibilities such as Air Quality Engineer, Supervisor of
22 Land & Water Programs, and Manager of Land and Water Programs. In
23 2016, I assumed my present position as Director of Environmental Affairs.

24
25

1 Q. What are your responsibilities with Gulf Power Company?

2 A. As Director of Environmental Affairs, my primary responsibility is overseeing
3 the activities of the Environmental Affairs section to ensure the Company is,
4 and remains, in compliance with environmental laws and regulations, i.e.,
5 both existing laws and laws and regulations that may be enacted or
6 amended in the future. In performing this function, I have the responsibility
7 for numerous environmental activities.

8

9 Q. Mr. Markey, what is the purpose of your testimony?

10 A. The purpose of my testimony is to support Gulf Power Company's projection
11 of environmental compliance costs recoverable through the Environmental
12 Cost Recovery Clause (ECRC) for the period from January 2018 through
13 December 2018.

14

15 Q. Have you prepared an exhibit that contains information to which you will
16 refer in your testimony?

17 A. Yes, I have one exhibit (RMM-1) which includes Schedule 5P - Description
18 and Progress Report of Environmental Compliance Activities and Projects.

19

20 Counsel: We ask that Mr. Markey's exhibit
21 consisting of one schedule be marked as
22 Exhibit No. _____ (RMM-1).

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CAPITAL

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Q. Mr. Markey, please identify the capital projects included in Gulf's ECRC projection filing.

A. The environmental capital projects for which Gulf seeks recovery through the ECRC are described in Schedules 3P and 4P of Gulf Witness Boyett's Exhibit CSB-4 and my Schedule 5P included in my Exhibit RMM-1. I am supporting the expenditures, clearings, retirements, salvage and cost of removal currently projected for each of these projects. Mr. Boyett compiled these schedules and has calculated the associated revenue requirements for Gulf's requested recovery. Of the projects shown on Mr. Boyett's schedules, there are eight programs that were previously approved by the Commission with activities that have projected capital expenditures during 2018. These programs include: Continuous Emission Monitoring Systems (CEMS), Smith Waste Water Treatment Facility, Smith Water Conservation, Crist FDEP Agreement for Ozone Attainment, Crist Water Conservation, Air Quality Compliance Program, General Water Quality, and Coal Combustion Residuals.

Q. Mr. Markey, please describe the projected 2018 capital expenditures for Continuous Emission Monitoring Systems (CEMS) (Line Item 1.5).

A. Gulf plans to replace the existing Plant Crist CEMS monitors that are located in the scrubber stack and in the bypass stack during 2018. The existing monitors are at the end of the normal life cycle and need to be replaced. Expenditures associated with these activities reflected in the 2018 projection filing are \$510,000.

1 Q. Mr. Markey, please describe the projected 2018 capital expenditures for
2 Smith Waste Water Treatment Facility (Line Item 1.15).

3 A. Gulf plans to replace the existing treatment facility during 2018. The
4 existing facility, installed in 2004, needs to be relocated as part of the ash
5 pond closure project since the area will be used for future dry ash stacking.
6 Expenditures associated with this line item in the 2018 projection filing total
7 \$150,000.

8
9 Q. Mr. Markey, please provide an update on the Smith Water Conservation
10 project (Line Item 1.17).

11 A. Gulf was granted approval for recovery of the Plant Smith Reclaimed Water
12 project in FPSC Order No. PSC-09-0759-FOF-EI. Gulf has installed three
13 deep injection wells, piping, and initial equipment needed for the pump
14 station. During the remainder of 2017 and 2018, Gulf plans to continue to
15 obtain additional operational data required to design the final pump station,
16 additional piping and associated storage capacity. Gulf also plans to begin
17 construction of the final pump station and wastewater equipment during
18 2018. Expenditures associated with these activities reflected in the 2018
19 projection filing are \$9,989,000.

20
21 Q. Mr. Markey, please describe the projects included in the 2018 projection for
22 the Crist FDEP Agreement for Ozone Attainment (Line Item 1.19).

23 A. Gulf plans to replace catalyst in the Plant Crist Unit 7 SCR during 2018. This
24 project also includes replacing the flue gas fans used for sampling. The flue
25 gas fans and the catalyst have reached the end of their useful life and will

1 be replaced in the 2018 outage. The projected 2018 expenditures for this
2 line item are \$1,461,250.

3
4 Q. Please describe the projected capital expenditures for the Crist Water
5 Conservation program (Line Item 1.24).

6 A. The Crist Water Conservation program is part of Gulf's water conservation
7 and consumptive use efficiency program required by the Plant Crist
8 consumptive water use permit. Plant Crist's consumptive use permit, issued
9 by the Northwest Florida Water Management District (NFWFMD), requires
10 the plant to implement measures to increase water conservation and
11 efficiency at the facility. The 2018 projected expenditures for the Crist
12 Water Conservation program are for upgrading two header pumps, due to
13 corrosion from brackish water, that were installed when Plant Crist began
14 receiving reclaimed water. The projected 2018 expenditures for this line
15 item total \$500,000.

16
17 Q. Please describe the projected capital expenditures for the Air Quality
18 Compliance program (Line Item 1.26).

19 A. The 2018 projected expenditures for the Air Quality Compliance program
20 include costs associated with the following: Plant Crist and Plant Daniel
21 scrubbers, Plant Crist Unit 6 SCR, as well as the Scherer 3 baghouse and
22 SCR. More specifically, this line item includes expenditures for the Plant
23 Crist gypsum storage area, gas cooling nozzles, scrubber agitator gear box,
24 Unit 6 SCR catalyst layer, elevator, and air compressors. Gulf plans to
25 complete final design and to move forward with the expansion of the

1 gypsum storage area during 2018. Approximately \$7.8 million is projected
2 for expansion of the gypsum storage area, lining portions of the existing
3 storage area, and installation of associated piping and pump structures.
4 Plant Daniel projected costs include upgrading the scrubber operation control
5 system during 2018 as part of a plant-wide system upgrade. In 2018, Plant
6 Scherer plans to purchase a layer of catalyst for the Scherer 3 SCR for
7 installation during the 2019 outage. The projected 2018 expenditures for this
8 program totals \$11,639,715.

9
10 Q. Mr. Markey, please describe the projects included in Gulf's 2018 projection
11 for the General Water Quality capital program (Line Item 1.27).

12 A. For 2018, Line Item 1.27 includes expenditures related to the groundwater
13 monitoring requirements of the Plant Crist NPDES industrial wastewater
14 permit. During a recent evaluation of the site geology, Gulf identified the
15 need for additional monitoring wells to ensure compliance, which was
16 agreed to by FDEP. Gulf expects to install the additional monitoring wells in
17 2018. The projected 2018 expenditures for this line item total \$200,000.

18
19 Q. Mr. Markey, please describe the projects included in Gulf's 2018 projection
20 for the Coal Combustion Residuals capital program (Line Item 1.28).

21 A. Line Item 1.28 is related to the regulation of Coal Combustion Residuals
22 (CCR) by the United States Environmental Protection Agency (EPA) and
23 FDEP. For Gulf's generating plants, these regulatory compliance
24 obligations are pursuant to either the CCR rule adopted in April of 2015 or
25 through new requirements added by FDEP to the National Pollutant

1 Discharge Elimination System (NPDES) permits issued for each of Gulf's
2 Florida generating facilities pursuant to authority granted under the Clean
3 Water Act. The CCR rule is located in Title 40 Code of Federal Regulations
4 (CFR) Parts 257 and 261. Plant Scherer is also subject to Georgia's CCR
5 Rule, which requires permit applications to be submitted for the facility's ash
6 pond and CCR landfill by November 22, 2018. The projected 2018
7 expenditures for this line item total \$41,024,551 which includes costs for
8 Plants Scholz, Smith and Scherer as discussed below.

9
10 Construction activities for the closure of the ash pond at Plant Scholz have
11 begun. In 2017, Gulf began construction of slurry wall. During 2018, the
12 Scholz ash pond closure includes construction of a new stormwater
13 management system, transferring CCR material upland to a dry stack area
14 within the footprint of the pond, and capping the dry stack area with closure
15 turf material. The 2018 expenditures for the Plant Scholz CCR closure are
16 projected to be \$14,519,294.

17
18 Recently, Gulf began construction of the Plant Smith pond closure by
19 relocating CCR material within the footprint of the pond. In 2018, Gulf will
20 proceed with construction and associated activities to close a portion of the
21 pond. The Smith pond closure includes construction of industrial wastewater
22 ponds and a slurry wall as well as transferring CCR material upland to a dry
23 stack area within the footprint of the pond and capping the dry stack area
24 with closure turf material. The 2018 expenditures for the Plant Smith CCR
25 closure are projected to be \$13,343,945.

1 The Plant Scherer ash pond is scheduled to cease operations and stop
2 receiving coal ash in 2019. Construction and related closure activities will be
3 required for several years to accommodate closure. Design and
4 construction of the Scherer dry bottom ash conversion and wastewater
5 management system will occur in 2018 and 2019. In 2018, work will be
6 performed to utilize cell 3 of the onsite landfill for ash storage. Plant Scherer
7 will also proceed with siting studies and preliminary design for a new landfill.
8 The 2018 expenditures for the Plant Scherer CCR projects are projected to
9 be \$13,161,312.

10

11 Q. Mr. Markey, are you including the purchase of allowances in your 2018
12 projection filing?

13 A. No, we are not currently projecting the need to purchase additional
14 allowances during 2018.

15

16

17

Operation and Maintenance (O&M)

18 Q. How do the projected Environmental O&M activities listed on Schedule 2P
19 of Mr. Boyett's Exhibit CSB-4 compare to the O&M activities approved for
20 cost recovery in past ECRC proceedings?

21 A. All of the O&M programs listed on Schedule 2P have been approved for
22 recovery through the ECRC in past proceedings.

23

24

25

1 Q. Please describe the O&M activities included in the air quality category for
2 2018.

3 A. There are five O&M activities included in the air quality category that have
4 projected expenses in 2018. The five activities are: Air Emission Fees, Title
5 V, Asbestos Fee, Emissions Monitoring, and the FDEP NOx Reduction
6 Agreement.

7
8 On Schedule 2P, Air Emission Fees (Line Item 1.2), represents the
9 expenses projected for the annual fees required by the Clean Air Act
10 Amendments (CAAA) of 1990, also known as Title V fees, that are payable
11 to the FDEP, the Mississippi Department of Environmental Quality, and the
12 Georgia Environmental Protection Division. The total 2018 estimated
13 expenses for the Air Emission Fees are \$278,972.

14
15 Included in the air quality category, Title V (Line Item 1.3) represents
16 projected ongoing expenses associated with implementation of the Title V
17 permits. The total 2018 estimated expenses for the Title V Program are
18 \$267,229.

19
20 On Schedule 2P, Asbestos Fees (Line Item 1.4) consists of the fees
21 required to be paid to the FDEP for asbestos abatement projects. The total
22 2018 estimated expenses for the Asbestos Fees are \$1,000.

23
24 Emission Monitoring (Line Item 1.5) on Schedule 2P reflects an ongoing
25 O&M expense associated with the Continuous Emission Monitoring

1 equipment as required by the CAAA. These expenses are incurred in
2 response to EPA's requirements that the Company perform Quality
3 Assurance/Quality Control (QA/QC) testing for the CEMS, including Relative
4 Accuracy Test Audits (RATAs) and Linearity Tests. The total 2018
5 estimated expenses for the Emissions Monitoring are \$740,920.

6
7 The FDEP NOx Reduction Agreement (Line Item 1.19) is comprised of O&M
8 costs associated with the Plant Crist Unit 7 SCR and the Plant Crist Units 4
9 and 5 Selective Non-Catalytic Reduction (SNCR) projects that were
10 included as part of the 2002 agreement with FDEP for ozone attainment.
11 This line item includes the cost of anhydrous ammonia, urea, air monitoring,
12 and general O&M expenses related to activities undertaken in connection
13 with the agreement. Gulf was granted approval for recovery of the costs
14 incurred to complete these activities in FPSC Order No. PSC-02-1396-PAA-
15 EI in Docket No. 020943-EI. The total 2018 estimated expenses for the
16 FDEP NOx Reduction Agreement are \$1,001,268.

17
18 Q. What O&M activities are included in the water quality category?

19 A. General Water Quality (Line Item 1.6), identified in Schedule 2P, includes
20 costs associated with Soil Contamination Studies, NPDES permit
21 compliance, Dechlorination, Groundwater Monitoring and Assessment,
22 Surface Water Studies, the Cooling Water Intake Program, the
23 Impoundment Integrity Program, and Stormwater Maintenance. The total
24 2018 estimated expenses for the General Water Quality are \$2,486,269.

25

1 Q. What other O&M activities are included in the water quality category?

2 A. Groundwater Contamination Investigation (Line Item 1.7) was previously
3 approved for environmental cost recovery in Docket No. 930613-EI.

4 This line item includes expenses related to substation investigation and
5 remediation activities. Gulf has projected \$3,300,916 of incremental
6 expenses for this line item during the 2018 recovery period.

7

8 Line Item 1.8, State National Pollutant Discharge Elimination System
9 (NPDES) Administration, was previously approved for recovery in the ECRC
10 and reflects expenses associated with NPDES annual fees and permit
11 renewal fees for Gulf's three generating facilities in Florida. These
12 expenses are expected to be \$34,500 during the projected recovery period.

13

14 Line Item 1.9, Lead and Copper Rule, was also previously approved for
15 ECRC recovery and reflects sampling, analytical, and chemical costs
16 related to the lead and copper drinking water quality standards. These
17 expenses are expected to total \$8,000 during the 2018 projection period.

18

19 Line Item 1.23, is the Coal Combustion Residuals (CCR) program that
20 includes expenses related to the regulation of Coal Combustion Residuals
21 by the United States Environmental Protection Agency (EPA) and the
22 Florida Department of Environmental Protection (FDEP). During 2018, the
23 Plant Scholz and Plant Smith CCR closure projects will be under
24 construction, and Gulf will continue its ongoing CCR groundwater
25 monitoring and engineering inspections. The 2018 expenses projected for

1 the CCR line item total \$12,041,680, which include pond closure activities
2 for Plant Scholz and Plant Smith.

3
4 Construction activities to close the pond at Plant Scholz have begun. In
5 2017, Gulf commenced construction of an industrial wastewater pond and
6 supporting activities to facilitate closure. The Scholz ash pond closure
7 includes removing CCR material from portions of the existing pond,
8 transferring CCR material upland to a dry stack area primarily within the
9 footprint of the pond, and leasing a wastewater treatment system. The 2018
10 expenses for the Plant Scholz CCR closure are projected to be \$7,977,139.

11
12 Recently, Gulf began construction of the Plant Smith pond closure and will
13 continue with construction and associated activities in 2018 to close the
14 pond. The Smith pond closure includes transferring CCR material upland to
15 a dry stack area primarily within the footprint of the pond, and leasing a
16 wastewater treatment system. The 2018 expenses associated with the
17 Plant Smith CCR closure are projected to be \$3,421,823.

18
19 Q. What activities are included in the environmental affairs administration
20 category?

21 A. Only one O&M activity is included in this category on Schedule 2P (Line
22 Item 1.10) of Mr. Boyett's Exhibit CSB-4. This line item refers to the
23 Company's Environmental Audit/Assessment function. This program is an
24 on-going compliance activity previously approved for ECRC recovery.

25

1 The total 2018 estimated expenses for the Environmental Audit/Assessment
2 are \$9,000.

3

4 Q. What O&M activities are included in the General Solid and Hazardous
5 Waste category?

6 A. The General Solid and Hazardous Waste activity (Line Item 1.11) involves
7 the proper identification, handling, storage, transportation, and disposal of
8 solid and hazardous wastes as required by federal and state regulations.
9 The program includes expenses for Gulf's generating and power delivery
10 facilities. The total 2018 estimated expenses for the General Solid and
11 Hazardous Waste are \$1,065,139.

12

13 Q. Are there any other O&M activities that have been approved for recovery
14 that have projected expenses?

15 A. There are six other O&M activities that have been approved in past
16 proceedings which have projected expenses during 2018. They are the
17 Above Ground Storage Tanks program, the Sodium Injection System, the
18 Air Quality Compliance Program, Crist Water Conservation, Emission
19 Allowances, and Smith Water Conservation.

20

21 Q. What O&M activities are included in the Above Ground Storage Tanks line
22 item?

23 A. Above Ground Storage Tanks (Line Item 1.12) includes maintenance
24 activities, tank integrity inspections, and fees required by Florida's above
25 ground storage tank regulation, Chapter 62 Part 762, F.A.C. Expenses

1 totaling \$223,390 are projected to be incurred during 2018.

2

3 Q. What activity is included in the Sodium Injection line item?

4 A. The Sodium Injection System (Line Item 1.16) was originally approved for
5 inclusion in the ECRC in Order No. PSC-99-1954-PAA-EI. The activities in
6 this line item involve sodium injection to the coal supply that enhances
7 precipitator efficiencies when burning certain low sulfur coals at Plant Crist.
8 Expenses totaling \$10,000 are projected to be incurred during 2018 for this
9 line item.

10

11 Q. What activities are included in the Air Quality Compliance Program (Line
12 Item 1.20)?

13 A. This line item encompasses O&M expenses associated with the capital
14 projects approved for ECRC recovery under the Air Quality Compliance
15 Program and expenses associated with Gulf's ownership portion of the
16 Scherer 3 baghouse, SCR, and scrubber as well as associated equipment.

17

18 Anhydrous ammonia, hydrated lime, urea, limestone and general O&M
19 expenses are included in the Air Quality Compliance Program line item.

20 The projected cost for limestone costs associated with operation of the Plant
21 Crist, Plant Daniel, and Plant Scherer 3 scrubbers is approximately \$7.9
22 million. The projected 2018 expenses for this line item total \$22,096,267.

23

24 Q. What activities are included in the Crist Water Conservation line item (Line
25 Item 1.22)?

1 A. The Crist Water Conservation line item includes general O&M expenses
2 associated with the Plant Crist reclaimed water systems, such as piping and
3 valve maintenance. Expenses totaling \$416,374 are projected to be
4 incurred during 2018 for this line item.

5

6 Q. What activities are included in the Smith Water Conservation line item (Line
7 Item 1.24)?

8 A. The Smith Water Conservation line item includes general O&M expenses
9 associated with the Plant Smith deep injection well system that was placed
10 in-service during 2016 as part of the Plant Smith Reclaimed Water capital
11 project. The projected costs include sampling and analytical charges,
12 chemicals, and mechanical integrity testing expenses required by the FDEP
13 permit. Gulf was granted approval for recovery of the Plant Smith
14 Reclaimed Water project in FPSC Order No. PSC-09-0759-FOF-EI.
15 Expenses totaling \$180,000 are projected to be incurred during 2018 for this
16 line item.

17

18 Q. Please describe the emission allowance expense line items.

19 A. These line items include projected allowance expenses for Gulf's
20 generation. Line Item 1.26 includes \$8,926 of projected expenses for
21 Annual NOx allowances, Line Item 1.27 includes \$19,817 of projected
22 expenses for Seasonal NOx allowances, and Line Item 1.28 includes
23 \$18,392 of projected expenses for SO₂ allowances during 2018.

24

25

1 Q. Do each of the capital projects and O&M activities that have projected costs
2 in 2018 meet the ECRC statutory guidelines?

3

4 A. Yes. The projects included in Gulf's 2018 ECRC projection filing meet the
5 requirements of the ECRC statute and are consistent with the Commission's
6 precedents regarding environmental cost recovery. Each of the capital
7 projects and O&M activities set forth in Mr. Boyett's schedules include only
8 prudent costs that are not recovered through some other cost recovery
9 mechanism or base rates. The projected environmental costs are
10 necessary to achieve and/or maintain compliance with environmental laws,
11 rules, and regulations.

12

13 Q. Mr. Markey, does this conclude your testimony?

14 A. Yes.

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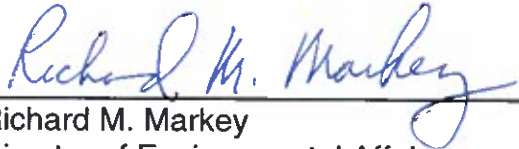
25

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 20170007-EI

Before me, the undersigned authority, personally appeared Richard M. Markey, who being first duly sworn, deposes and says that he is the Director of Environmental Affairs of Gulf Power Company, a Florida corporation, that the foregoing is true and correct to the best of his knowledge and belief. He is personally known to me.



Richard M. Markey
Director of Environmental Affairs

Sworn to and subscribed before me this 31st day of August, 2017.



Notary Public, State of Florida at Large



Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Air Quality Assurance Testing
PEs 1006 and 1244**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

This line item includes the audit test trailer and associated support equipment used to conduct Relative Accuracy Test Audits (RATAs) on the Continuous Emission Monitoring Systems (CEMS) as required by the 1990 Clean Air Act Amendments (CAAA).

Accomplishments:

The RATA test trailer and CEMs system was replaced during the 2010 recovery period. These replacements provide Gulf with the accuracy and reliability needed to accurately measure SO₂, NO_x, and CO₂ and to further maintain compliance with CAAA requirements.

Project-to-Date: \$0

Progress Summary: Retired.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist 5, 6 & 7 Precipitator Projects
PEs 1038, 1119, 1216, 1243, and 1249

FPSC Approval: Order No. PSC-94-0044-FOF-EI
Order No. PSC-09-0759-FOF-EI

Description:

The Plant Crist precipitator projects are necessary to improve particulate removal capabilities. The larger more efficient precipitators with increased collection areas improve particulate collection efficiency.

Accomplishments:

The precipitators have successfully reduced particulate emissions. The upgraded Crist Unit 7 precipitator was placed in service during 2004 as part of the FDEP agreement. The Plant Crist Unit 6 precipitator upgrade was placed in service in April 2012. The digital control system for the Unit 6 precipitator was upgraded during 2015.

Project-to-Date: Plant-in-service of \$33,677,323 projected at December 2018.

Progress Summary: In Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist 7 Flue Gas Conditioning
PE 1228**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

This project included the injection of sulfur trioxide into the flue gas to enhance particulate removal and improve the collection characteristics of fly ash. Retirement of the Plant Crist Unit 7 flue gas conditioning system was completed during July 2005.

Accomplishments:

The system enhanced particulate removal in the precipitator.

Project-to-Date: \$0

Progress Summary: Retired

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Low NO_x Burners, Crist 6 & 7
PEs 1234, 1236, 1242, and 1284**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

Low NO_x burners are unique burners installed to decrease the NO_x emissions that are formed during the combustion process. This equipment was installed to meet the requirements of the 1990 Clean Air Act Amendments.

Accomplishments:

The Low NO_x burner systems have proven effective in reducing NO_x emissions. The low NO_x burners on Crist Unit 7 were replaced during the 2003-2004 time frame and the Crist Unit 6 burners were replaced during December 2005. The digital control systems for the Unit 6 and Unit 7 Low NO_x burners were upgraded during 2015. The Crist Unit 7 band gas canes on the Low NO_x burners were upgraded with new retractable gas gun burning technology during 2016.

Project-to-Date: Plant-in-service of \$13,524,266 projected at December 2018.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: CEMs – Plant Crist and Daniel
PEs 1001, 1060, 1154, 1164, 1217, 1240, 1245, 1247, 1256, 1283, 1286, 1289,
1290, 1311, 1312, 1316, 1323, 1324, 1325, 1357, 1358, 1364, 1558, 1570, 1592,
1658, 1829, and 1830

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Continuous Emission Monitoring (CEM) line item includes dilution extraction emission monitors that measure the concentrations of sulfur dioxide (SO₂), carbon dioxide (CO₂) and nitrogen oxides (NO_x) in the flue gas. Opacity and flow monitors were also installed under this line item. All CEMs monitors were installed pursuant to the 1990 Clean Air Act Amendments (CAAA).

Accomplishments:

The systems at both Gulf and Mississippi Power continue to successfully exceed routine quality assurance/quality control (QA/QC) audits as required by the 1990 CAAA.

Project-to-Date: Plant-in-service of \$5,030,181 projected at December 2018.

Progress Summary:

The Plant Daniel Units 1 & 2 gas analyzers were replaced during 2005 and the flow monitors were replaced during 2007. During the 2009 recovery period, the CEMS project included replacement of opacity monitors at Plant Crist on Units 4 through 7 and the installation of CEMs equipment for the new Plant Crist scrubber stack to monitor SO₂, NO_x, CO₂ and flow. Plant Crist completed the installation of two CEMS bypass monitoring systems for Units 4 through 7 in the 2011-2012 timeframe. In 2017, Plant Crist replaced the Unit 7 flue gas monitors. During 2018, Plant Crist will replace CEMS monitors located in the scrubber stack and in the bypass stack.

Projections: Expenditures reflected in the 2018 projection filing for this line item total \$510,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Substation Contamination Remediation
PEs 1007, 2859, 3400, 3412, 3463, and 3477

FPSC Approval: Order No. PSC-95-1051-FOF-EI

Description:

Three groundwater treatment systems were purchased for the treatment of contaminated groundwater at substation sites. Capital components of substation soil remediation projects are also included in the line.

Accomplishments:

Systems have proven effective in groundwater remediation. During 2014, additional groundwater recovery well pumps and controls were added to the existing Ft. Walton substation treatment system.

Project-to-Date: Plant-in-service of \$2,483,333 projected at December 2018.

Progress Summary: N/A

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Raw Water Flowmeters - Plants Crist and Smith
PEs 1155 and 1606**

FPSC Approval: Order No. PSC-96-1171-FOF-EI

Description:

The Raw Water Flow Meters capital project was necessary for Gulf to comply with the Plant Crist and Plant Smith Consumptive Use and Individual Water Use permits issued by the Northwest Florida Water Management District (NFWFMD). These permits require the installation and monitoring of in-line totaling water flow meters on all existing and future water supply wells. Gulf incurred costs related to the installation and operation of new in-line totaling water flow meters at Plant Crist and Plant Smith for implementation of this new activity.

Accomplishments:

The raw water flow meters have been installed at Plant Crist and Plant Smith.

Project-to-Date: Plant-in-service of \$149,950 projected at December 2018.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist Cooling Tower Cell
PE 1232**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Crist Cooling Tower is a pollution control device which allows condenser cooling water to be continually reinjected into the condenser. The cooling tower reduces water discharge temperatures to meet the National Pollution Discharge Elimination System (NPDES) industrial wastewater permit requirements.

Accomplishments:

Plant Crist has maintained compliance with the temperature discharge limits as required by the facility's NPDES Permit. The original cooling tower cell was retired during July 2007 when the new Crist Unit 7 cooling tower was placed-in-service in June 2007 as part of the Crist scrubber project that is reflected in Air Quality Compliance Program.

Project-to-Date: \$0

Progress Summary: Retired

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist Dechlorination System
PEs 1180 and 1248

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

State and Federal Pollution Discharge Elimination System permits require significant reductions in chlorine concentrations prior to discharge from the plant. The Crist dechlorination system uses sodium bisulfite to chemically eliminate the residual chlorine present in the plant industrial wastewater prior to discharge.

Accomplishments:

During 2011-2012 Plant Crist replaced the existing sodium bisulfate storage tank and installed a new dechlorination system for the Unit 6 and Unit 7 cooling tower blowdowns and the ECUA return water pit. These systems are necessary in order to dechlorinate the industrial wastewater prior to discharge. The system has been effective in maintaining chlorine discharge limits.

Project-to-Date: Plant-in-service of \$380,697 projected at December 2018.

Progress Summary: In service

Projections: N/A

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist Diesel Fuel Oil Remediation
PE 1270**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

The Plant Crist diesel fuel oil remediation project included installing monitoring wells in the vicinity of the Crist diesel tank systems to determine if groundwater contamination was present. The project also included the installation of an impervious cap to reduce migration of contaminants to groundwater.

Accomplishments: Monitoring wells and an impervious cap were installed.

Project-to-Date: Plant-in-service of \$68,923 projected at December 2018.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist Bulk Tanker Unloading Secondary Containment
PE 1271**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

The Crist Bulk Tanker Unloading Secondary Containment project was necessary to minimize the potential risk of an uncontrolled discharge of pollutants into the waters of the United States. Secondary containment must be installed for tank unloading racks pursuant to the Federal Spill Prevention Control and Countermeasures (SPCC) regulation (40 CFR Part 112).

Accomplishments:

The Plant Crist unloading area secondary containment area complies with current SPCC regulatory requirements.

Project-to-Date: Plant-in-service of \$101,495 projected at December 2018.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist IWW Sampling System
PE 1275**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

The 1993 revision to Plant Crist's National Pollutant Discharge Elimination System (NPDES) industrial wastewater permit moved the compliance point from the end of the discharge canal to a point upstream of Thompson's Bayou. To allow for this sample point modification, an access dock was constructed in the discharge canal. The Crist Industrial Wastewater (IWW) project also included a small building for monitoring and sampling equipment.

Accomplishments:

The dock is complete and samples are being collected at the required compliance point.

Project-to-Date: Plant-in-service of \$59,543 projected at December 2018.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Sodium Injection System
PE 1214

FPSC Approval: Order No. PSC-99-1954-FOF-EI

Description:

The Sodium Injection System line item includes silo storage systems and associated components that inject sodium carbonate directly onto the coal feeder belt to enhance precipitator performance when burning low sulfur coal. Sodium injection was used at Plant Smith on Units 1 and 2 and is still in use at Plant Crist on Units 4 and 5. The injection of sodium carbonate as an additive to low sulfur coal reduces opacity levels to maintain compliance with the Clean Air Act provisions.

Accomplishments:

The silo storage and injection system components at Plant Crist have been installed. This system is fully operational. The Smith system was retired in April 2016 after the coal units ceased operations.

Project-to-Date: Plant-in-service of \$284,622 projected at December 2018.

Progress Summary: In Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Smith Stormwater Collection System
PE 1446**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

The National Pollutant Discharge Elimination System (NPDES) stormwater program requires industrial facilities to install stormwater management systems in order to prevent the unpermitted discharge of impacted stormwater to the surface waters of the United States.

Accomplishments:

The Plant Smith stormwater sump system has been effective in managing onsite stormwater.

Project-to-Date: Plant-in-service of \$2,764,379 projected at December 2018.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Smith Waste Water Treatment Facility
PEs 1466 and 1643**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

During the 1990's a wastewater treatment facility was installed at Plant Smith to replace the septic tank system that was installed in the early 1960's. In April 2004 a new wastewater treatment facility with additional capacity was installed to replace the facility installed in the 1990's. The new treatment plant includes aeration and chlorination of the wastewater prior to discharge in the Plant Smith ash pond.

Accomplishments: Plant Smith has maintained compliance with the NPDES industrial wastewater permit.

Project-to-Date: Plant-in-service of \$250,000 projected at December 2018.

Progress Summary: Gulf plans to replace its waste water treatment facility at Plant Smith in 2018. The current wastewater treatment plant needs to be relocated as part of the ash pond closure project since the area will be used for future dry ash stacking.

Projections: The projected 2018 expenditures for this line item total \$150,000.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Daniel Ash Management Project
PEs 1501, 1535, 1555, and 1819

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The original Daniel Ash Management project included the installation of a dry ash transport system, lining the bottom of the ash pond, closure and capping of the existing fly ash pond, and expansion of the landfill area. During 2006 Plant Daniel completed construction of a new on-site ash storage facility in preparation for the completion and closure of the existing landfill area.

Accomplishments: Construction of the new on-site ash storage facility was completed in 2006. Portions of the original Daniel ash storage facility were closed in place during 2010.

Project-to-Date: Plant-in-service of \$14,950,124 projected at December 2018.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Smith Water Conservation
PE 1601**

**FPSC Approval: Order No. PSC-01-1788-FOF-EI and
Order No. PSC-09-0759-FOF-EI**

Description:

Specific Condition nine of Plant Smith's consumptive use permit, issued by the Northwest Florida Water Management District (NFWFMD), requires the plant to implement measures to increase water conservation and efficiency at the facility. Phase I of the Smith Water Conservation project consisted of adding pumps, piping, valves, and controls to reclaim water from the ash pond. Phase II, the Smith Closed Loop Cooling System for the laboratory sampling system, was installed during 2005 to further reduce groundwater usage. Phase III includes investigating and installing a deep injection well system to allow Plant Smith to utilize reclaimed water.

As discussed in previous filings, Gulf has determined that it is feasible to inject reclaimed water into the Plant Smith deep injection well system. Gulf has installed three deep injection wells, piping, and initial equipment needed for the pump station.

Project-to-Date: Plant-in-service of \$17,772,180 projected at December 2018.

Progress Summary: During the remainder of 2017 and 2018, Gulf will obtain additional operational data required to design the final pump station, wastewater treatment equipment, additional piping and associated storage capacity. Gulf plans to begin construction of the final pump station and wastewater equipment during 2018.

Projections: The projected 2018 expenditures for this line item total \$9,989,000.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Underground Fuel Tank Replacement
PE 4397**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Underground Fuel Tank Replacement Program provided for the replacement of Gulf's underground storage tanks with new above ground tanks (ASTs). The installation of ASTs significantly reduced the risk of potential petroleum product discharges, groundwater contamination, and subsequent remediation activities.

Accomplishments:

All underground storage tanks have been replaced with above ground tank systems.

Project-to-Date: \$0

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist FDEP Agreement for Ozone Attainment
PEs 1031, 1158, 1167, 1199, 1250, 1258, 1287, and 1958**

FPSC Approval: Order No. PSC-02-1396-FOF-EI

Description:

The Florida Department of Environmental Protection (FDEP) and Gulf Power entered into an agreement on August 28, 2002 to support Escambia/Santa Rosa County area's effort to maintain compliance with the 8-hour ozone ambient air quality standards. This agreement included a requirement for Gulf to install Selective Catalytic Reduction (SCR) controls on Plant Crist Unit 7, relocate the Crist Unit 7 precipitator, and install a NO_x reduction technology on Plant Crist Unit 6, and Units 4 and 5 if necessary, to meet the NO_x standard specified in the Agreement.

Accomplishments: The new Crist Unit 7 precipitator and SCR were placed in service during 2004 and 2005, respectively. The Crist Unit 6 Selective Non-Catalytic Reduction (SNCR)/low NO_x burners with Over-Fired Air (OFA) technologies were then placed in service during November 2005. The Crist Unit 4 and Unit 5 SNCRs were subsequently placed in service during April 2006. The Crist Unit 6 SNCR was retired during the Spring of 2012 when the Crist Unit 6 SCR was placed in-service. Gulf replaced one layer of the Plant Crist Unit 7 SCR catalyst during the Fall of 2014. Gulf replaced the Plant Crist Unit 7 SCR ammonia unloading piping during 2015 and upgraded the digital control system for the Unit 7 SCR. Gulf replaced a layer of the Plant Crist unit 7 SCR catalyst and installed the Plant Crist unit 6 flame scanner during 2016.

Project-to-Date: Plant-in-service of \$120,440,342 projected at December 2018.

Progress Summary: During 2018, flue gas fans, catalyst, and SCR expansion joints are expected to be replaced on Crist Unit 7.

Projections: The projected 2018 expenditures for this line item total \$1,461,250.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: SPCC Compliance
PEs 1272, 1404, 1628, and 4418

FPSC Approval: Order No. PSC-03-1348-FOF-EI

Description:

The SPCC Compliance projects were required as the result of a more stringent July 2002 revision to Title 40 Code of Federal Regulation Part 112, which is commonly referred to as the Spill Prevention Control and Countermeasures (SPCC) regulation. The 2002 regulatory revision specifically included oil-containing electrical equipment within the scope of the regulation. Therefore, oil-filled electrical equipment that has the potential to discharge to navigable waters must be provided with appropriate containment and/or diversionary structures to prevent such a discharge. The 2002 revisions also resulted in oil storage containers having a capacity greater than or equal to 55 gallons being classified as bulk storage containers that are subject to the secondary containment requirements in 40 CFR Part 112.8(c).

Accomplishments: The 2006 SPCC project at Plant Crist routed stormwater from the switchyard drains to the new oil skimming sump where any potential spill could be captured, preventing the oil from reaching surface water. During 2009, Plant Smith installed secondary containment for a padmount transformer located along the ash pond discharge canal. During 2012, Plant Smith installed a secondary containment system for the diesel emergency sump pump system. During 2017, Gulf installed a double walled fuel tank at the Panama City Beach Facility for the emergency generator.

Project-to-Date: Plant-in-service of \$947,925 projected at December 2018.

Progress Summary: In-service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist Common FTIR Monitor
PE 1297

FPSC Approval: Order No. PSC-03-1348-FOF-EI

Description:

The purchase of a Fourier Transform Infrared (FTIR) spectrometer, a device used to measure and analyze various low concentration stack gas emissions, was required at Plant Crist under Title V regulations.

Accomplishments: Purchasing the FTIR instrument has enabled Gulf Power to measure ammonia slip emissions as required by the Plant Crist air permit.

Project-to-Date: Plant-in-service of \$62,870 projected at December 2018.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Precipitator Upgrades for Compliance Assurance Monitoring Compliance
PEs 1175, 1191, 1305 and 1330**

FPSC Approval: Order No. PSC-04-1187-FOF-EI

Description: Compliance Assurance Monitoring (CAM) Precipitator Upgrades were required to comply with new CAM regulations. CAM requirements are regulated under Title V of the 1990 Clean Air Act Amendments (CAAA) which requires a method of continuously monitoring particulate emissions. Opacity can be used as a surrogate parameter if the precipitator demonstrates a correlation between opacity and particulate matter. Gulf demonstrated this correlation by stack testing in 2003 and 2004, and the results were included as part of the CAM plans in Gulf's Title V Air Permits effective January 2005. Several precipitator upgrades have been necessary to meet the more stringent surrogate opacity standards under CAM.

Accomplishments: The Plant Smith Unit 2 and Unit 1 precipitator upgrades were placed in service during April 2005 and May 2007, respectively. The Plant Scholz Unit 2 precipitator upgrade was completed during December of 2007. The Plant Crist Units 4 and 5 precipitator upgrades were placed in-service during March of 2008. The Scholz precipitators were retired in 2015. The Plant Smith precipitators were retired in April 2016 after the Plant Smith Units 1 & 2 ceased operations.

Project-to-Date: Plant-in-service of \$13,997,696 projected at December 2018.

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Plant Groundwater Investigation
PEs 1218 and 1361**

FPSC Approval: Order No. PSC-05-1251-FOF-EI

Description: The Florida Department of Environmental Protection (FDEP) lowered the arsenic groundwater standard from 0.05 mg/L to 0.01 mg/L effective January 1, 2005. Historical groundwater monitoring data from Plants Crist and Scholz indicated that these facilities may be unable to comply with the lower standard.

Accomplishments: The Plant Crist and Plant Scholz projects have been canceled because Gulf has been released from any arsenic remedial actions at these sites.

Project-to-Date: \$0

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist Water Conservation Project
PEs 1178, 1227 and 1298

FPSC Approval: Order No. PSC-05-1251-FOF-EI

Description:

This project is part of the Plant Crist water conservation and consumptive use efficiency program to reduce the demand for groundwater and surface water withdrawals. Specific Condition six of the Northwest Florida Water Management District Individual Water Use Permit Number 19850074 issued January 27, 2005 requires Plant Crist to implement measures to increase water conservation and efficiency at the facility. The first Plant Crist Water Conservation project was placed in service during 2006. This project included installing automatic level controls on the fire water tanks to reduce groundwater usage. The second phase of the project involves utilizing reclaimed water from ECUA's wastewater treatment plant to reduce the demand for groundwater and surface water withdrawals at Plant Crist. The Northwest Florida Water Management District has agreed that this is a valid project to pursue for continued implementation of the water conservation effort.

Accomplishments: Level controls were installed on the fire tank system during 2006. Portions of the Plant Crist reclaimed water project were placed in-service in 2009 and 2010. Gulf began receiving reclaimed water from ECUA in November 2010. During the 2011-2012 timeframe, Gulf installed defoaming and acid injection systems for the Units 6-7 cooling towers to treat scaling and foam associated with reclaimed water usage.

Project-to-Date: Plant-in-service of \$20,378,888 projected at December 2018.

Progress Summary: During 2018, Gulf plans on replacing two header pumps that were installed when Plant Crist began receiving reclaimed water during 2010.

Projections: The projected 2018 expenditures for this line item total \$500,000.

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Plant NPDES Permit Compliance Projects
PEs 1204 and 1299**

FPSC Approval: Order No. PSC-05-1251-FOF-EI

Description: The water quality based copper effluent limitations included in Chapter 62 Part 302, Florida Administrative Code (F.A.C.) were amended in April 2002 with an effective date of May 2002. The more stringent hardness based standard is included by reference in the Plant Crist National Pollution Discharge Elimination System (NPDES) industrial wastewater permit.

Accomplishments: Plant Crist installed stainless steel condenser tubes on Unit 6 during June 2006 in an effort to meet the revised water quality standards during times of lower hardness in the river water. During 2008, Plant Crist completed the second phase of the project which involved installing a chemical treatment system in the ash pond. During 2010, Gulf completed the third phase of the project that included installing an aeration system in the ash pond. During 2011-2012, Plant Crist completed installation of a new caustic tank and a sulfuric acid tank as part of the ash pond chemical treatment system.

Project-to-Date: Plant-in-service of \$6,153,140 projected at December 2018.

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Air Quality Compliance Program

**PEs 1034, 1035, 1036, 1037, 1067, 1095, 1168, 1188, 1222, 1233, 1279, 1288,
1362, 1505, 1508, 1512, 1513, 1517, 1551, 1552, 1646, 1684, 1701, 1727, 1728,
1729, 1768, 1774, 1778, 1791, 1798, 1809, 1810, 1824, 1826, 1909, 1911, 1913,
and 1950**

FPSC Approval: Order No. PSC-06-0972-FOF-EI

Description: This line item covers the prudently incurred costs for compliance with Gulf's Air Quality Compliance Program including the expenses associated with Gulf's ownership portion of the Scherer 3 baghouse, SCR, and scrubber projects as well as associated equipment.

Accomplishments: The Plant Smith Unit 1 and Unit 2 SNCRs were placed in service during May 2009 and December 2008, respectively. The Plant Smith SNCRs were retired in April 2016 after Plant Smith Units 1 & 2 ceased operations. The Crist Units 4 - 7 scrubber project was placed in-service in December of 2009 and the Crist Unit 6 hydrated lime injection system was placed in-service in 2011. The Plant Crist Unit 6 SCR was placed-in-service in April of 2012. Gulf added an additional catalyst layer to the Plant Crist Unit 6 SCR in 2015. The digital control systems for the Unit 6 SCR and the scrubber were upgraded in 2015. The Plant Daniel scrubber projects were placed in-service in November 2015. Plant Daniel's bromine and activated carbon injection systems were placed in-service in December 2015. The scrubbers when used in conjunction with the bromine and activated carbon injection systems will allow Plant Daniel to comply with the MATS standards. Plant Scherer 3 baghouse was placed in-service February 2009, SCR in-service December 2010, and scrubber in-service March 2011. In 2017, Plant Scherer replaced the Unit 3 scrubber booster hub fan and a layer of the Unit 3 SCR catalyst.

Project-to-Date: Plant-in-service of \$1,343,700,450 projected at December 2018.

Progress Summary: In 2017, Gulf plans to upgrade the control system for the Plant Crist ammonia unloading system, replace the scrubber filter feedwater valve, as well as replace the scrubber inlet mercury monitor. The total capital expenditures for the Crist projects is \$1.0 million for 2017.

In 2018, Gulf plans to complete final design and to move forward with the expansion of the Plant Crist gypsum storage area. Approximately \$7.8 million is projected for expansion of the gypsum storage area, lining portions of the existing storage area, and

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installation of associated piping and pump structures. Plant Crist also plans on replacing catalyst on Unit 6 SCR.

Plant Scherer plans to purchase a layer of catalyst for the Scherer 3 SCR for installation during the 2019 outage.

Plant Daniel projected costs include upgrading the scrubber operation control system during 2018 as part of a plant-wide system upgrade.

Projections: The total projected 2018 expenditures for this line item total \$11,639,715.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: General Water Quality
PEs 0831 and 1280**

FPSC Approval: Order No. PSC-06-0972-FOF-EI

Description: The General Water Quality line item includes capital expenditures required to ensure compliance with Gulf Power's NPDES industrial wastewater permits. Gulf purchased a boat during 2007 for surface water sampling required by the Plants Crist, Smith and Scholz National Pollutant Discharge Elimination System (NPDES) permits. The permits had new conditions which required Gulf to establish a biological evaluation plan and implementation schedule for each plant.

Accomplishments: The General Water Quality sampling boat was purchased during 2007. It is currently being used to conduct Gulf's surface water sampling for Plants Crist, Smith, and Scholz.

Project-to-Date: Plant-in-service of \$1,159,865 projected at December 2018.

Progress Summary: Plant Crist plans on installing additional groundwater monitoring wells during 2017 and 2018 to ensure compliance with the plant's NPDES industrial wastewater permit.

Projections: The total projected 2018 expenditures for this line item total \$200,000.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Coal Combustion Residuals

PEs 0404, 0412, 0424, 0514, 1641, 1997, 4405, 4430, 6756, 6757, 6759, 6764, and 6765

FPSC Approval: PSC-15-0536-FOF-EI

Description: The CCR program is related to the regulation of Coal Combustion Residuals (CCR) by the United States Environmental Protection Agency (EPA) and the Florida Department of Environmental Protection (FDEP). For Gulf's generating plants, these regulatory compliance obligations are pursuant to either the CCR rule adopted in April of 2015 or through new permit requirements added by FDEP; through National Pollutant Discharge Elimination System (NPDES) permits issued for each of Gulf's generating facilities pursuant to authority granted under the Clean Water Act. The CCR rule is located in Title 40 Code of Federal Regulations (CFR) Parts 257 and 261.

Accomplishments: Gulf installed groundwater monitoring wells at Plants Crist, Daniel, and Smith during 2015. In 2017, Gulf began construction of a slurry wall at Scholz.

Project-to-Date: Plant-in-service of \$18,396,337 projected at December 2018.

Progress Summary: During 2018, the Scholz ash pond closure includes construction of a new stormwater management system, transferring CCR material upland to a dry stack area within the footprint of the pond, and capping the dry stack area with closure turf material. In 2017, Gulf began construction of the Plant Smith pond closure by starting the relocation of CCR material within the footprint of the pond. In 2018, Gulf will proceed with construction and associated activities to close a portion of the pond. The Smith pond closure includes the construction of industrial wastewater ponds and a slurry wall, transferring CCR material upland to a dry stack area within the footprint of pond, and capping the dry stack area with closure turf material. The Plant Scherer ash pond is scheduled to cease operations and stop receiving coal ash in 2019. Construction and related closure activities will be required for several years to accommodate closure. Design and construction of the dry bottom ash conversion and wastewater management system will occur in 2018 and 2019. In 2018, Plant Scherer will proceed with siting studies and preliminary design for a new landfill, and work will be performed to utilize cell 3 of the onsite landfill for ash storage.

Projections: The total projected 2018 expenditures for this line item total \$41,024,551.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Steam Electric Power Effluent Limitations Guidelines and Standards
PEs 1193 and 1912**

FPSC Approval: PSC-15-0536-FOF-EI

Description: On November 3, 2015 the Environmental Protection Agency (EPA) published the final Steam Electric Power Effluent Limitations Guidelines and Standards (ELG) rule in the Federal register. For coal-fired units with a total nameplate generating capacity of greater than 50 MW, the rule limits the discharge of bottom ash transport water (BATW) to transport water used in a FGD scrubber and discharges from minor leaks and maintenance events.

In April 2017, EPA published a notice in the Federal Register that stayed the compliance dates for meeting the ELG for bottom ash transport water, as well as for fly ash transport water, flue gas desulfurization wastewater, flue gas mercury control wastewater and gasification wastewater. In April 2017, the Department of Justice also filed a motion with the 5th Circuit to hold the ELG litigation in abeyance for 120 days while the Agency undertakes reconsideration of the rule.

On August 14, 2017 EPA filed a motion in the 5th Circuit Court of Appeals asking the Court to hold in abeyance further litigation on three sets of provisions (bottom ash transport water, FGD wastewater and gasification wastewater) of the 2015 steam electric effluent guidelines and standards on which the Agency has decided to conduct further rulemaking.

Project-to-Date: Plant-in-service of \$5,601,534 projected at December 2018.

Progress Summary: Gulf's 2017 ELG compliance projects are associated with the new Plant Crist bottom ash handling and wastewater treatment systems. Both projects were placed on hold after EPA announced reconsideration of the rule. Gulf was in the process of completing construction of two underground injection wells at Crist that will be used for ELG compliance. Gulf has completed drilling of the wells and will complete the necessary site stabilization associated with this activity. Gulf will cease project related activities until after the ELG rulemaking is resolved.

Projections: N/A.

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Mercury Allowances

FPSC Approval: Order No. PSC-07-0721-S-EI

Description:

Mercury Allowances were included as part of Gulf's March 2007 CAIR/CAMR/CAVR Compliance Program. The purchase of allowances in conjunction with the retrofit projects comprised the most reasonable, cost-effective means for Gulf to meet the CAIR, CAMR and CAVR requirements. On February 8, 2008, the U.S. Court of Appeals for the District of Columbia Circuit issued an opinion vacating EPA's CAMR. The vacatur became effective with the issuance of the court's mandate on March 14, 2008, nullifying CAMR mercury emission control obligations and monitoring requirements. In response to the CAMR vacatur, mercury allowances have been removed from Gulf's Air Quality Compliance Program.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary: N/A

Projections: N/A

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Annual NO_x Allowances

FPSC Approval: Order No. PSC-07-0721-S-EI

Description:

Although the retrofit installations set forth in Gulf's Air Quality Compliance Program significantly reduce emissions, they will not result in Gulf achieving CAIR compliance levels without the purchase of some emission allowances. Thus, Gulf's Compliance Program called for the purchase of allowances as needed. The purchase of allowances in conjunction with the retrofit projects comprised the most reasonable, cost-effective means for Gulf to meet CAIR requirements. CAIR has now been replaced by CSAPR.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary:

Gulf began surrendering annual NO_x allowances during 2009.

Projections: Gulf is not projecting the need to purchase additional annual NO_x CSAPR allowances during 2018. The projected 2018 O&M Annual NO_x allowance expenses are \$8,926.

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Seasonal NO_x Allowances

FPSC Approval: Order No. PSC-07-0721-S-EI

Description:

Although the retrofit installations set forth in Gulf's Air Quality Compliance Program significantly reduce emissions, the projects would not result in Gulf achieving CAIR/CASPR compliance levels without the purchase of some emission allowances. Thus, Gulf's Compliance Program called for the purchase of allowances as needed. The purchase of allowances in conjunction with the retrofit projects comprised the most reasonable, cost-effective means for Gulf to meet CAIR/CSAPR requirements.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary:

Gulf began surrendering seasonal NO_x allowances during 2009.

Projections: Gulf is not projecting the need to purchase additional seasonal NO_x allowances during 2018. The projected 2018 O&M Seasonal NO_x allowance expenses are \$19,817.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: SO₂ Allowances

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

Part of Gulf's strategy to comply with the Acid Rain Program under the Clean Air Act Amendments of 1990 was to bring several of Gulf's Phase II generating units into compliance early and bank the SO₂ allowances associated with those units. SO₂ reductions under the CAIR program utilized this program requiring an increased rate of surrender beginning in 2010. Gulf's bank has slowly been drawn down over the years due to more allowances being consumed than are allocated to Gulf by EPA. Gulf proposed to meet this shortfall by executing forward contracts to secure allowances supplemented with forward contracts, swaps, and spot market purchases of allowances as prices dictate.

Accomplishments: Gulf executed forward contacts to secure allowances during 2006, 2007, and 2009.

Project-to-Date: N/A

Progress Summary: See Accomplishments

Projections: Gulf is not projecting the need to purchase any additional SO₂ allowances during 2018. The projected 2018 O&M SO₂ allowance expenses are \$18,392.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.1**

Title: Sulfur

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Plant Crist Unit 7 sulfur trioxide (SO₃) flue gas system allowed for the injection of SO₃ into the flue gas stream. The addition of sulfur trioxide to the flue gas improved the collection efficiency of the precipitator when burning a low sulfur coal. Sulfur trioxide agglomerated the particles which in turn enhanced the collection efficiency of the precipitator.

Accomplishments:

The flue gas injection system was retired during 2005.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.2**

Title: Air Emission Fees

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

Air Emission Fees are the annual fees required by the Florida Department of Environmental Protection (FDEP), Georgia Environmental Protection Division (EPD), and Mississippi Department of Environmental Quality (MDEQ) under Title V of the 1990 Clean Air Act Amendments.

Accomplishments:

Fees have been paid by due dates.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$278,972

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.3**

Title: Title V

FPSC Approval: Order No. PSC-95-0384-FOF-EI

Description:

Title V expenses are associated with preparation of the Clean Air Act Amendments (CAAA) Title V permit applications and the subsequent implementation of Title V permits. Renewal of the Title V permits is on a five year cycle (i.e. 2014, 2019, etc). Title V permits are periodically revised between renewals to incorporate major changes or modifications of a source.

Accomplishments:

Gulf applied for Title V permit renewals for Plant Crist, Plant Scholz, and Plant Smith on May 19, 2014. An application to renew the Pea Ridge facility was submitted on July 25, 2014. An application to renew the Perdido Landfill Gas-to-Energy facility was submitted on July 18, 2016. All Title V 2014 permit renewals were finalized in January 2015 and are valid for a 5 year period. Title V permit amendments to incorporate a new Southern System NOx Averaging Plan for the Acid Rain Program (Title IV Permits) were issued by FDEP during July, 2016 for Plant Crist, Plant Scholz and Plant Smith. Gulf's Perdido Landfill Gas-to-Energy Facility Title V permit was issued on November 16, 2016 and is valid for a 5 year period.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$267,229

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.4**

Title: Asbestos Fees

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

Asbestos Fees include both annual and individual project fees due to the Florida Department of Environmental Protection (FDEP) for asbestos abatement projects.

Accomplishments:

Fees are paid as required by FDEP.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$1,000

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.5**

Title: Emission Monitoring

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Emission Monitoring program provides quality assurance/quality control testing for Continuous Emission Monitoring systems, including Relative Accuracy Test Audits and Linearity Tests, as required by the Clean Air Act Amendments (CAAA) of 1990.

Accomplishments:

All systems are in compliance.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$740,920

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.6**

Title: General Water Quality

FPSC Approval: Order No. PSC-94-0044-FOF-EI
Order No. PSC-04-1187-FOF-EI
Order No. PSC-08-0775-FOF-EI
Order No. PSC-11-0553-FOF-EI

Description:

The General Water Quality program includes activities undertaken pursuant to the Company's NPDES industrial wastewater permit including dechlorination, surface and groundwater monitoring studies and associated assessment activities, and soil contamination studies. This line item also includes expenses for Gulf's Cooling Water Intake program, the Impaired Waters Rule, Storm Water Maintenance, and the Impoundment Integrity project.

Accomplishments:

All activities are on-going in compliance with applicable environmental laws, rules, and regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$2,486,269.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.7**

Title: Groundwater Contamination Investigation

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Groundwater Contamination Investigation project includes sampling and testing to determine possible environmental impacts to soil and groundwater from past herbicide applications at various substation sites. Once possible environmental impacts to groundwater and soils have been identified cleanup operations are initiated.

Accomplishments:

The Florida Department of Environmental Protection has issued a No Further Action (NFA) letter or Site Rehabilitation Completion Order for 95 sites.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$3,300,916

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.8**

Title: State NPDES Administration

FPSC Approval: Order No. PSC-95-1051-FOF-EI

Description:

The State NPDES Administration fees are required by the State of Florida's National Pollutant Discharge Elimination System (NPDES) program administration. Annual and five year permit renewal fees are required for the NPDES industrial wastewater permits at Plants Crist, Smith and Scholz.

Accomplishments:

Gulf has complied with the NPDES program administration fee submittal schedule.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$34,500

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.9**

Title: Lead & Copper Rule

FPSC Approval: Order No. PSC-95-1051-FOF-EI

Description:

The Lead and Copper Rule expenses include potable water treatment and sampling costs as required by the Florida Department of Environmental Protection (FDEP) regulations.

Accomplishments:

Gulf has complied with all sampling and analytical protocols.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$8,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.10**

Title: Environmental Auditing/Assessment

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Environmental Auditing/Assessment program ensures continued compliance with environmental laws, rules, and regulations through auditing and/or assessment of company facilities and operations.

Accomplishments:

Audits and assessments completed to date have demonstrated compliance with environmental laws, rules, and regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$9,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.11**

Title: General Solid and Hazardous Waste

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The General Solid and Hazardous Waste program provides for the proper identification, handling, storage, transportation and disposal of solid and hazardous wastes. This line item also includes O&M expenses associated with Gulf's Spill Prevention Control and Countermeasures (SPCC) plans.

Accomplishments:

Gulf has complied with all hazardous and solid waste regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$1,065,139

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.12**

Title: Above Ground Storage Tanks

FPSC Approval: Order No. PSC-97-1047-FOF-EI

Description:

The aboveground storage tank projects are required under the provisions of Chapter 62-762, F.A.C. which includes specific performance standards applicable to storage tank systems. These performance standards include maintenance requirements, installation of secondary containment and cathodic protection systems, as well as periodic tank integrity testing.

Accomplishments:

Gulf has complied with all applicable storage tank requirements.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$223,390

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.13**

Title: Low NO_x

FPSC Approval: Order No. PSC-98-0803-FOF-EI

Description:

The Low NO_x activity refers to the maintenance expenses associated with the Low NO_x burner tips on Crist Units 4 & 5 and Smith Unit 1.

Accomplishments:

Burner tips were installed on Plant Crist Units 4 & 5 and Plant Smith Unit 1. The Plant Smith Unit 1 Low NO_x burners were retired in April 2016 when the unit ceased operations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.14**

Title: Ash Pond Diversion Curtains

FPSC Approval: Order No. PSC-98-1764-FOF-EI

Description:

The installation of flow diversion curtains in the Plant Crist industrial wastewater pond were required to effectively increase water retention time in the pond. Diversion curtains allow for the sedimentation/precipitation treatment process to be more effective in reducing levels of suspended particulate from the Plant Crist outfall.

Accomplishments:

Plant Crist replaced the diversion curtains and dredged the pond during the 2009-2010 timeframe.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.15**

Title: Mercury Emissions

FPSC Approval: Order No. PSC-99-0912-FOF-EI

Description: The Mercury Emissions program pertains to requirements for Gulf to periodically analyze coal shipments for mercury and chlorine content. The Environmental Protection Agency (EPA) mandated that shipments of coal would be analyzed for mercury and chlorine only during 1999. No further notices of continued sampling requirements of coal shipments beyond 1999 have been issued by EPA, therefore no expenses have been planned for this activity.

Accomplishments:

Coal shipments were analyzed as required during 1999. Sampling and analytical requirements are not expected during 2018.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.16**

Title: Sodium Injection

FPSC Approval: Order No. PSC-99-1954-FOF-EI

Description:

This line item includes O&M expenses associated with the sodium injection system at Plant Crist. Sodium carbonate is added to the Plant Crist coal supply to enhance precipitator efficiencies when burning certain low sulfur coals.

Accomplishments:

Sodium carbonate injection is used at Plant Crist as necessary when low sulfur coal is burned.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$10,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.17**

Title: Gulf Coast Ozone Study (GCOS)

FPSC Approval: Order No. PSC-00-0476-FOF-EI

Description:

This project referred to Gulf's participation in the Gulf Coast Ozone Study (GCOS) which was a joint modeling analysis between Gulf Power and the State of Florida to provide an improved basis for assessment of eight-hour ozone air quality for Northwest Florida. The goal of the project was to develop strategies for ozone ambient air attainment to supplement the Florida Department of Environmental Protection (FDEP) studies submitted to the Environmental Protection Agency (EPA) for Escambia and Santa Rosa counties.

Accomplishments: The GCOS project was completed during 2006.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.18**

Title: SPCC Substation Project

FPSC Approval: Order No. PSC-03-1348-FOF-EI

Description:

During 2002 EPA published a revision to Title 40 Code of Regulation Part 112, commonly referred to as the Spill Prevention Control and Countermeasures (SPCC) regulation. The revision expanded applicability of the rule to specifically include oil containing electrical transformers and regulators. Gulf was required to install additional containment and/or diversionary structures or equipment at several substations to prevent a potential discharge of oil to navigable waters of the United States or adjoining shorelines.

Accomplishments: Gulf has assessed its substations to determine which sites are subject to the revised SPCC regulations. Additional containment has been added to the substations that were identified as having a higher risk of discharging oil into navigable waters of the United States or adjoining shorelines.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.19**

Title: FDEP NO_x Reduction Agreement

FPSC Approval: Order No. PSC-02-1396-FOF-EI

Description: This line item includes the O&M expenses associated with the Crist Unit 7 SCR and the Crist Units 4 and 5 Selective Non-Catalytic Reduction (SNCR) projects that were included as part of the Florida Department of Environmental Protection (FDEP) and Gulf Power Agreement entered into on August 28, 2002 to address ozone attainment. Anhydrous ammonia, urea, air monitoring, catalyst regeneration, and general operation and maintenance expenses are included in this line item.

Accomplishments: The Crist Unit 7 SCR and the Crist Units 4 and 5 SNCRs are fully operational. The Crist Unit 6 SNCR was retired when the Crist Unit 6 SCR was placed in-service during the Spring of 2012. The Crist Unit 6 SCR was installed as part of the Air Quality Compliance Program.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$1,001,268

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.20**

Title: Air Quality Compliance Program

FPSC Approval: Order No. PSC-06-0972-FOF-EI
Order No. PSC-13-0506-PAA-EI
Order No. PSC-17-0178-S-EI

Description: This line item covers the prudently incurred costs for compliance with Gulf's Air Quality Compliance Program including the expenses associated with Gulf's ownership portion of the Scherer 3 baghouse, SCR, and scrubber projects as well as associated equipment. More specifically, the line item includes the cost of anhydrous ammonia, hydrated lime, urea, limestone and general O&M expenses.

Accomplishments: The Plant Smith Unit 1 and Unit 2 SNCRs were placed in service during May 2009 and December 2008, respectively. The Smith SNCRs were retired in April 2016 after the coal units cease operations. The Crist Units 4 -7 scrubber project was placed in-service December of 2009 and the Crist Unit 6 hydrated lime injection system was placed in-service in 2011. The Plant Crist Unit 6 SCR was placed-in-service in April of 2012. The Plant Daniel scrubbers were placed in-service in November 2015. The Plant Daniel Bromine and Activated Carbon Injection systems were placed in-service in December 2015. This line items includes expenses associated with a baghouse, SCR, and scrubber as well as associated equipment installed at Plant Scherer 3. Plant Scherer 3 baghouse was placed in-service February 2009, SCR in-service December 2010, and scrubber in-service March 2011.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$22,096,267

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.21**

**Title: Maximum Achievable Control Technology (MACT)
Information Collection Request (ICR)**

FPSC Approval: Order No. PSC-09-0759-FOF-EI

Description: During early 2010 EPA finalized an extensive Information Collection Request (ICR) for coal and oil fired steam electric generating units to support Maximum Achievable Control Technology (MACT) rulemaking under Section 112 of the Clean Air Act (CAA). The ICR required submission of information on control equipment efficiencies, emissions, capital and O&M costs, and fuel data for all coal and oil fired generating units greater than 25 MW.

Accomplishments:

Gulf completed the Part I & 2 MACT ICR survey and the Part 3 emissions testing reports during 2010.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.22**

Title: Crist Water Conservation

FPSC Approval: Order No. PSC-08-0775-FOF-EI

Description: Gulf Power entered into an agreement with the Emerald Coast Utilities Authority (ECUA) to begin utilizing reclaimed water to reduce the demand for groundwater and surface water withdrawals. This line item includes general O&M expenses associated with the Plant Crist reclaimed water system such as piping and valve maintenance and pump replacements.

Accomplishments:

Gulfs began receiving reclaimed water from ECUA during November 2010.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$416,374

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.23**

Title: Coal Combustion Residuals

FPSC Approval:

Description: The Coal Combustion Residuals (CCR) program includes expenses related to the regulation of Coal Combustion Residuals by the United States Environmental Protection Agency (EPA) and the Florida Department of Environmental Protection (FDEP). On April 17, 2015 EPA published the final CCR rule in the Federal register regulating CCR disposal under Subtitle D of the Resource Conservation and Recovery Act (RCRA). The CCR rule is located in Title 40 Code of Federal Regulations (CFR) Parts 257 and 261. The CCR rule regulates the disposal of CCR, including coal ash and gypsum, as non-hazardous solid waste at active generating power plants. The rule applies to CCR Units at Gulf's Plants Crist, Scherer, Smith, and Daniel.

In addition, pursuant to its authority granted under the Clean Water Act, the FDEP issues National Pollutant Discharge Elimination System (NPDES) industrial wastewater permits for each of Gulf's generating facilities. A NPDES permit renewal for Plant Scholz (FL0002283) was issued on October 20, 2015 which requires closure of the existing on-site ash pond during the 2015-2020 permit cycle.

Accomplishments:

During 2015 Gulf established a publicly available website, began conducting and documenting weekly and monthly inspections, and prepared a fugitive dust plan as required by the CCR rule. Gulf also installed permanent markers at all CCR ponds and conducted annual inspections of the CCR impoundments and landfills.

Fiscal Expenditures: N/A

Progress Summary: In 2017, Gulf commenced construction of the Plant Scholz industrial wastewater pond and supporting activities to facilitate closure.

Projections: In 2018, Gulf plans to move forward with the Smith and Scholz ash pond closure which includes removing CCR material from portions of the existing ponds, transferring CCR material upland to a dry stack area primarily within the footprint of the pond, and leasing wastewater treatment systems. The total projected 2018 expenditures for this line item total \$12,041,680.

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2018 - December 2018

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.24**

Title: Smith Water Conservation

FPSC Approval: Order No. PSC-09-0759-FOF-EI

Description: Specific Condition Nine of the Northwest Florida Water Management District (NFWMD) Individual Water Use Permit Number 19850773 (Permit) issued on November 30, 2006, requires Gulf's Plant Smith to implement measures to increase water conservation and efficiency. On October 20, 2008, the NFWMD issued a letter stating that the re-use of reclaimed water meets the requirement listed in Specific Condition Nine in the Permit. This line item includes general O&M expenses associated with the Plant Smith reclaimed water system such as sampling and analytical charges, chemicals, and mechanical integrity testing expenses required by the FDEP permit.

Fiscal Expenditures: N/A

Progress Summary: Gulf has installed three deep injection wells, piping, and initial equipment needed for the pump station. During the remainder of 2017 and 2018, Gulf will obtain additional operational data required to design the final pump station, wastewater treatment equipment, additional piping and associated storage capacity. Gulf also plans to begin construction of the final pump station and wastewater equipment during 2018.

Projections: \$180,000

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ENVIRONMENTAL COST RECOVERY CLAUSE

DOCKET NO. 20170007-EI

PREPARED DIRECT TESTIMONY
AND EXHIBIT OF
C. SHANE BOYETT

PROJECTION FILING
FOR THE PERIOD

JANUARY 2018- DECEMBER 2018

September 1, 2017



Gulf Power

1 GULF POWER COMPANY

2 Before the Florida Public Service Commission
3 Prepared Direct Testimony and Exhibit of

4 C. Shane Boyett

Docket No. 20170007-EI

Date of Filing: September 1, 2017

5 Q. Please state your name, business address and occupation.

6 A. My name is Shane Boyett. My business address is One Energy Place,
7 Pensacola, Florida 32520. I am the Regulatory and Cost Recovery
8 Manager for Gulf Power Company.

9
10 Q. Have you previously filed testimony in this docket?

11 A. Yes.

12
13 Q. What is the purpose of your testimony?

14 A. The purpose of my testimony is to present both the calculation of the
15 revenue requirements and the development of the environmental cost
16 recovery factors for the period of January 2018 through December 2018. I
17 will also discuss the changes Gulf implemented as a result of the
18 Stipulation and Settlement Agreement (Settlement Agreement), approved
19 by the Commission in Order No. PSC-17-0178-S-EI in consolidated
20 Docket Nos. 160186-EI and 160170-EI dated May 16, 2017.

21
22 Q. Have you prepared any exhibits that contain information to which you will
23 refer in your testimony?

24 A. Yes, I am sponsoring two exhibits. My first exhibit consists of eight
25 schedules which are Gulf's environmental cost recovery projection

1 schedules. My second exhibit contains the calculation of the Scherer/Flint
2 credit, in accordance with provisions of the Settlement Agreement. Both
3 exhibits were prepared under my direction, supervision, or review.

4 Counsel: We ask that Mr. Boyett's exhibits
5 be marked as Exhibit No. _____(CSB-4) and
6 Exhibit No. _____(CSB-5).

7
8 Q. What environmental costs is Gulf requesting recovery of through the
9 Environmental Cost Recovery Clause (ECRC)?

10 A. As discussed in the testimony of Gulf Witness Richard M. Markey, Gulf is
11 requesting recovery for certain environmental compliance operating
12 expenses and capital costs that are consistent with both the decision of the
13 Commission in Order No.PSC-94-0044-FOF-EI in Docket No. 930613-EI and
14 with past proceedings in this ongoing recovery docket. The costs identified
15 for recovery through the ECRC are not currently being recovered through
16 base rates or any other cost recovery mechanism.

17
18 Q. How was the amount of projected Operations and Maintenance (O&M)
19 expenses to be recovered through the ECRC calculated?

20 A. Mr. Markey has provided projected recoverable O&M expenses for
21 January 2018 through December 2018. Schedule 2P of Exhibit CSB-4
22 shows the calculation of the recoverable O&M expenses broken down
23 between demand-related and energy-related expenses. Schedule 2P also
24 provides the appropriate jurisdictional factors and amounts related to
25 these expenses. All O&M expenses associated with compliance with air

1 quality environmental regulations were considered to be energy-related,
2 consistent with Commission Order No. PSC-94-0044-FOF-EI. The
3 remaining expenses were broken down between demand and energy
4 consistent with Gulf's last approved cost-of-service methodology.
5

6 Q. Please describe Schedules 3P and 4P of your Exhibit CSB-4.

7 A. Schedule 3P summarizes the monthly recoverable revenue requirements
8 associated with each capital investment project for the recovery period.
9 Schedule 4P shows the detailed calculation of the revenue requirements
10 associated with each investment project. Schedules 3P and 4P also
11 include the calculation of the jurisdictional amount of recoverable revenue
12 requirements. To prepare these schedules, Mr. Markey provided the
13 expenditures, clearings, retirements, salvage, and cost of removal related
14 to each capital project, as well as the monthly costs for emission
15 allowances. From that information, plant-in-service and construction work
16 in progress (non-interest bearing) was calculated. Additionally,
17 depreciation, amortization and dismantlement expense and the associated
18 accumulated depreciation balances, were calculated based on Gulf's
19 approved depreciation rates, amortization periods, and dismantlement
20 accruals. The capital projects identified for recovery through the ECRC
21 are those environmental projects which were not included in the test year
22 on which present base rates were set.

23
24 Q. How was the amount of property taxes to be recovered through the ECRC
25 derived?

1 A. Property taxes were calculated by applying the projected applicable
2 millage rate to the ECRC apportioned assessed value.

3

4 Q. What capital structure and return on equity were used to develop the rate
5 of return used to calculate the revenue requirements as shown on 8P?

6 A. Consistent with Commission Order No. PSC-12-0425-PAA-EU dated
7 August 16, 2012, in Docket No. 120007-EI, the capital structure used in
8 calculating the rate of return for recovery clause purposes is based on the
9 weighted average cost of capital (WACC) established from the Settlement
10 Agreement. This rate of return used to calculate ECRC revenue
11 requirements includes a return on equity of 10.25 percent for the period
12 January 1, 2018, through December 31, 2018.

13

14 Q. Have you appropriately integrated the provision of the Settlement
15 Agreement related to depreciation, amortization and dismantlement?

16 A. Yes. Beginning January 1, 2018, Gulf will implement new depreciation
17 rates pursuant to the approved Settlement Agreement. Amortization of
18 the regulatory asset resulting from the unrecovered plant balance
19 associated with the retirement of Smith Units 1 and 2 will begin January 1,
20 2018. The amortization period is 15 years. As indicated in my Estimated
21 True-up testimony previously filed in this docket, Gulf implemented
22 reduced dismantlement accruals beginning July 1, 2017. The only
23 remaining accruals are related to Coal Combustion Residuals at Plants
24 Crist, Daniel and Scherer.

25

1 Q. Is the supporting data presented in accordance with the Uniform System
2 of Accounts as prescribed by this Commission?

3 A. Yes.

4

5 Q. How has the breakdown between demand-related and energy-related
6 investment costs been determined?

7 A. Consistent with Commission Order No. PSC-13-0606-FOF-EI dated
8 November 19, 2013, in Docket No. 130007-EI, investment costs
9 recoverable through ECRC were broken down within the retail jurisdiction
10 based on the 12-MCP and 1/13th energy allocator. The use of this
11 allocator is consistent with cost-of-service studies approved in Gulf's prior
12 base rate cases. The calculation of this breakdown is shown on Schedule
13 4P and summarized on Schedule 3P.

14

15 Q. What is the total amount of projected recoverable costs related to the
16 period January 2018 through December 2018?

17 A. The total projected jurisdictional recoverable costs for the period January
18 2018 through December 2018 is \$211,656,376 as shown on line 1c of
19 Schedule 1P of Exhibit CSB-4. This amount includes costs related to
20 O&M activities of \$42,515,980 and costs related to capital projects of
21 \$169,140,396, as shown on lines 1a and 1b of Schedule 1P. The
22 adjustment (Scherer/Flint credit) as reflected on Lines 1.29 and 1.30 of
23 Schedule 2P and Lines 1.35 and 1.36 of Schedule 3P calculates the
24 incremental revenue requirement related to the portion of Scherer Unit 3
25 (Scherer 3) that continues to be committed to a wholesale customer

1 through a long-term contract. The Scherer/Flint credit is calculated in
2 accordance with the provisions in the Settlement Agreement, resulting in
3 ECRC being revenue-neutral regarding the incremental inclusion of
4 Scherer 3 investment and expenses.

5

6 Q. What is the total recoverable revenue requirement to be recovered in the
7 projection period January 2018 through December 2018, and how was it
8 allocated to each rate class?

9 A. The total recoverable revenue requirement including revenue taxes is
10 \$203,589,886 for the period January 2018 through December 2018, as
11 shown on line 5 of Schedule 1P of Exhibit CSB-4. This amount includes
12 the recoverable costs related to the projection period offset by the total
13 over-recovery true-up amount of \$8,212,970. Schedule 1P also
14 summarizes the energy and demand components of the requested
15 revenue requirement. These amounts are allocated by rate class using
16 the appropriate energy and demand allocators as shown on Schedule 6P
17 and 7P of Exhibit CSB-4.

18

19 Q. How were the rate class allocation factors calculated for use in the
20 Environmental Cost Recovery Clause?

21 A. The demand allocation factors used in the ECRC have been calculated using the
22 2015 Cost of Service Load Research Study results filed with the Commission in
23 accordance with Rule 25-6.0437, F.A.C. and adjusted for losses. The energy
24 allocation factors were calculated based on projected kWh sales for the period
25 adjusted for losses. The calculation of the allocation factors for the period is

1 shown in columns A through I on Schedule 6P of Exhibit CSB-4.

2

3 Q. How were these factors applied to allocate the requested recovery amount
4 properly to the rate classes?

5 A. As I described earlier in my testimony, Schedule 1P of Exhibit CSB-4
6 summarizes the energy and demand portions of the total requested
7 revenue requirement. The energy-related recoverable revenue
8 requirement of \$34,758,056 for the period January 2018 through
9 December 2018 was allocated using the energy allocator, as shown in
10 column C on Schedule 7P of Exhibit CSB-4. The demand-related
11 recoverable revenue requirement of \$168,831,830 for the period January
12 2018 through December 2018 was allocated using the demand allocator,
13 as shown in column D on Schedule 7P. The energy-related and demand-
14 related recoverable revenue requirements are added together to derive
15 the total amount assigned to each rate class, as shown in column E on
16 Schedule 7P.

17

18 Q. What is the monthly amount related to environmental costs recovered
19 through this factor that will be included on a residential customer's bill for
20 1,000 kWh?

21 A. The environmental costs recovered through the clause from the residential
22 customer who uses 1,000 kWh will be \$21.24 monthly for the period
23 January 2018 through December 2018.

24

25

1 Q. When does Gulf propose to collect its environmental cost recovery
2 charges?
3 A. The factors will be effective beginning with Cycle 1 billings in January
4 2018 and will continue through the last billing cycle of December 2018.

5
6 Q. Mr. Boyett, does this conclude your testimony?

7 A. Yes.

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AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 20170007-EI

Before me, the undersigned authority, personally appeared C. Shane Boyett, who being first duly sworn, deposes and says that he is the Regulatory and Cost Recovery Manager of Gulf Power Company, a Florida corporation, that the foregoing is true and correct to the best of his knowledge and belief. He is personally known to me.

C. Shane Boyett
C. Shane Boyett
Regulatory and Cost Recovery Manager

Sworn to and subscribed before me this 31st day of August, 2017.

Melissa Darnes
Notary Public, State of Florida at Large



MELISSA DARNES
MY COMMISSION # FF 912698
EXPIRES: December 17, 2019
Bonded Thru Budget Notary Services

Schedule 1P

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
Total Jurisdictional Amount to be Recovered

For the Projected Period
January 2018 - December 2018

<u>Line No.</u>	<u>Energy (\$)</u>	<u>Demand (\$)</u>	<u>Total (\$)</u>
1			
a			
b			
c			
2			
3			
4			
5			

Notes:

Allocation to energy and demand in each period are in proportion to the respective period split of costs indicated on Lines 7 & 8 of Schedules 5E & 7E and 5A & 7A.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018

O & M Activities
(in Dollars)

Line	Description of O & M Activities	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period 12-Month	Method of Classification Demand	Energy
.1	Sulfur	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.2	Air Emission Fees	2,575	7,187	121,035	2,575	2,575	2,575	2,575	127,575	2,575	2,575	2,575	2,575	278,972	0	278,972
.3	Title V	19,397	19,397	30,561	19,929	21,429	19,929	19,929	29,061	21,429	23,929	19,929	22,310	267,229	0	267,229
.4	Asbestos Fees	500	0	0	0	500	0	0	0	0	0	0	0	1,000	1,000	0
.5	Emission Monitoring	58,161	58,164	66,766	76,064	59,016	59,896	59,022	66,646	59,260	59,134	59,891	58,900	740,920	0	740,920
.6	General Water Quality	174,042	172,289	203,564	191,713	198,785	232,853	216,753	245,448	227,185	212,218	213,782	197,637	2,486,269	0	2,486,269
.7	Groundwater Contamination Investigation	269,025	269,025	293,765	271,917	271,917	271,917	271,917	293,765	271,917	271,917	271,917	271,917	3,300,916	0	3,300,916
.8	State NPDES Administration	11,500	23,000	0	0	0	0	0	0	0	0	0	0	34,500	34,500	0
.9	Lead & Copper Rule	667	667	667	667	667	667	667	667	667	667	667	667	8,000	8,000	0
.10	Environmental Auditing/Assessment	0	0	0	0	0	0	0	0	0	4,500	4,500	0	9,000	9,000	0
.11	General Solid & Hazardous Waste	80,953	79,853	105,725	83,111	89,711	90,211	88,611	102,414	89,711	85,311	84,211	85,317	1,065,139	1,065,139	0
.12	Above Ground Storage Tanks	15,611	15,611	22,150	16,063	16,465	24,935	16,867	18,890	21,333	16,063	17,269	22,133	223,390	223,390	0
.13	Low NOx	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.14	Ash Pond Diversion Curtains	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.15	Mercury Emissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.16	Sodium Injection	600	600	800	700	800	900	900	1,200	800	700	1,000	1,000	10,000	10,000	0
.17	Gulf Coast Ozone Study	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.18	SPEC Substation Project	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.19	FDEP NOx Reduction Agreement	61,374	50,324	244,986	50,571	55,603	85,958	87,260	104,457	74,461	54,762	68,619	62,893	1,001,268	1,001,268	0
.20	Air Quality Compliance Program	1,857,828	1,290,292	2,726,595	2,168,283	1,361,329	1,872,003	2,314,540	2,078,302	1,693,263	1,822,049	1,429,501	1,482,282	22,096,267	22,096,267	0
.21	MACT ICR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.22	Crist Water Conservation	24,192	21,434	42,847	40,139	27,377	34,325	35,811	42,443	33,106	29,550	52,894	32,256	416,374	416,374	0
.23	Coal Combustion Residuals	1,646,901	2,472,080	2,488,818	1,647,625	914,234	639,063	547,368	563,374	264,097	264,088	264,109	329,923	12,041,680	12,041,680	0
.24	Smith Water Conservation	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	180,000	180,000	0
.25	Mercury Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.26	Annual NOx Allowances	1,134	143	1,013	956	426	470	505	516	470	1,004	1,142	1,145	8,926	8,926	0
.27	Seasonal NOx Allowances	0	0	0	0	1,552	3,309	5,764	5,936	3,256	0	0	0	19,817	19,817	0
.28	SO2 Allowances	1,915	245	245	212	388	2,999	3,240	3,296	2,915	1,029	265	1,643	18,392	18,392	0
.29	Scherer/Flint Credit - Energy	(34,909)	(34,673)	(34,964)	(34,941)	(38,834)	(41,956)	(39,013)	(39,019)	(98)	(35,090)	(38,258)	(35,132)	(445,817)	(445,817)	0
.30	Scherer/Flint Credit - Demand	(966)	(976)	(1,000)	(976)	(976)	(975)	(974)	(977)	(998)	(976)	(978)	(972)	(11,745)	(11,745)	0
2	Total of O & M Activities	4,205,501	4,459,662	6,328,573	4,549,608	2,996,465	3,315,578	3,646,742	3,658,994	2,741,419	2,828,429	2,468,035	2,551,490	43,750,497	19,754,523	23,995,974
3	Recoverable Costs Allocated to Energy	1,968,075	1,391,679	3,157,037	2,284,350	1,462,785	2,007,582	2,454,723	2,377,971	1,819,401	1,930,091	1,544,664	1,597,616	23,995,974	0	23,995,974
4	Recoverable Costs Allocated to Demand	2,237,425	3,067,983	3,171,536	2,265,259	1,533,680	1,307,996	1,192,020	1,281,024	922,018	898,338	923,371	953,874	19,754,523	19,754,523	0
5	Retail Energy Jurisdictional Factor	0.9682436	0.9682436	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536	0.9673536	0.9673536
6	Retail Demand Jurisdictional Factor	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
7	Jurisdictional Energy Recoverable Costs (A)	1,907,863	1,349,633	3,065,571	2,220,387	1,422,792	1,954,928	2,390,139	2,314,233	1,770,544	1,876,128	1,498,455	1,547,314	23,317,987	0	23,317,987
8	Jurisdictional Demand Recoverable Costs (B)	2,174,392	2,981,551	3,082,187	2,201,441	1,490,473	1,271,146	1,158,438	1,244,934	896,043	873,029	897,357	927,002	19,197,993	19,197,993	0
9	Total Jurisdictional Recoverable Costs for O & M Activities (Lines 7 + 8)	4,082,255	4,331,184	6,147,758	4,421,828	2,913,265	3,226,074	3,548,577	3,559,167	2,666,587	2,749,157	2,395,812	2,474,316	42,515,980	42,515,980	42,515,980

Notes:
(A) Line 3 x Line 5 x line loss multiplier
(B) Line 4 x Line 6

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018

Capital Investment Projects - Recoverable Costs
(in Dollars)

Line	Description of Investment Projects (A)	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period 12-Month	Method of Classification Demand	Energy	
1	Description of Investment Projects (A)																
2	Air Quality Assurance Testing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Crist 5, 6 & 7 Precipitator Projects	374,342	373,554	372,767	371,980	371,193	370,406	369,619	368,832	368,044	367,257	366,470	365,683	4,440,147	4,098,597	341,550	
4	Crist 7 Flue Gas Conditioning	10,513	10,513	10,513	10,513	10,513	10,513	10,513	10,513	10,513	10,513	10,513	10,513	126,159	1,902,325	158,527	
5	Low NOx Burners, Crist 6 & 7	173,524	173,199	172,874	172,550	172,225	171,900	171,575	171,251	170,926	170,601	170,276	169,952	2,060,852	1,902,325	615,444	
6	CEMS - Plants Crist & Daniel	53,024	52,918	52,811	52,705	52,599	52,493	52,387	52,281	52,175	52,069	51,963	51,857	666,731	615,444	17,996	
7	Substation Contamination Remediation	19,727	19,685	19,643	19,601	19,559	19,516	19,474	19,432	19,390	19,348	19,305	19,263	233,944	215,948	17,996	
8	Raw Water Well Flowmeters - Plants Crist & Smith	1,276	1,273	1,269	1,266	1,262	1,259	1,255	1,252	1,248	1,245	1,241	1,238	15,084	13,923	1,160	
9	Crist Cooling Tower Cell	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	44,758	41,315	3,443	
10	Crist Dechlorination System	2,330	2,321	2,313	2,304	2,295	2,286	2,277	2,268	2,259	2,250	2,241	2,233	27,377	25,272	2,106	
11	Crist Diesel Fuel Oil Remediation	375	373	372	370	368	367	365	363	362	360	359	357	4,390	4,053	338	
12	Crist Bulk Tanker Unloading Secondary Containment	487	485	482	480	478	475	473	471	468	466	464	461	5,690	5,252	438	
13	Crist IWW Sampling System	284	282	281	279	278	277	275	274	272	271	270	268	3,311	3,057	255	
14	Sodium Injection System	2,112	2,105	2,098	2,092	2,085	2,078	2,072	2,065	2,058	2,052	2,045	2,038	24,900	22,985	1,915	
15	Smith Stormwater Collection System	16,654	16,578	16,502	16,426	16,350	16,275	16,199	16,123	16,047	15,971	15,895	15,819	194,839	179,852	14,988	
16	Smith Waste Water Treatment Facility	3,383	3,376	3,368	3,360	3,353	3,345	3,337	3,330	3,322	3,314	3,306	3,298	41,673	38,467	3,206	
17	Daniel Ash Management Project	117,846	117,584	117,322	117,060	116,798	116,536	116,274	116,011	115,749	115,487	115,225	114,963	1,396,855	1,289,404	107,450	
18	Smith Water Conservation	197,120	202,445	207,771	213,096	218,421	223,747	229,072	234,398	239,723	245,049	250,374	255,700	2,717,056	2,508,052	209,004	
19	Underground Fuel Tank Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20	Crist FDEP Agreement for Ozone Attainment	1,032,266	1,031,214	1,030,162	1,029,110	1,028,058	1,027,006	1,025,954	1,024,902	1,023,850	1,022,798	1,021,746	1,020,694	12,312,339	11,365,236	947,103	
21	SPCC Compliance	7,445	7,422	7,399	7,376	7,353	7,330	7,307	7,284	7,261	7,238	7,215	7,192	87,823	81,067	6,756	
22	Crist Common FTR Monitor	443	441	440	438	437	435	434	432	431	429	428	426	5,215	4,814	401	
23	Precipitator Upgrades for CAM Compliance	111,582	111,255	110,928	110,601	110,273	109,946	109,619	109,292	108,965	108,638	108,310	107,983	1,317,392	1,216,054	101,338	
24	Plant Groundwater Investigation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
25	Crist Water Conservation	170,219	170,137	170,070	170,003	169,936	169,869	169,802	169,735	169,668	169,601	169,534	169,467	2,038,628	1,881,534	156,795	
26	Plant NPDES Permit Compliance Projects	46,760	46,616	46,472	46,329	46,185	46,041	45,897	45,753	45,609	45,465	45,321	45,177	551,628	509,195	42,433	
27	Air Quality Compliance Program	12,155,422	12,139,502	12,123,582	12,107,662	12,091,742	12,075,822	12,059,902	12,043,982	12,028,062	12,012,142	11,996,222	11,980,302	11,964,382	144,660,231	133,532,521	11,127,710
28	General Water Quality	6,906	7,256	7,606	7,956	8,306	8,656	9,006	9,356	9,706	10,056	10,406	10,756	111,850	108,462	9,038	
29	Coal Combustion Residuals	(83,635)	(83,635)	(83,635)	(83,635)	(83,635)	(83,635)	(83,635)	(83,635)	(83,635)	(83,635)	(83,635)	(83,635)	1,022,097	943,474	78,623	
30	Steam Electric Effluent Limitations Guidelines	58,057	57,926	57,795	57,664	57,533	57,402	57,271	57,141	57,010	56,879	56,748	56,617	688,046	635,119	52,927	
31	Mercury Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
32	Annual NOx Allowances	204	200	196	189	184	181	178	174	171	168	165	162	2,150	1,984	165	
33	Seasonal NOx Allowances	319	319	319	319	314	296	265	224	191	180	180	180	3,105	2,867	239	
34	SO2 Allowances	44,259	44,251	44,243	44,235	44,227	44,219	44,211	44,203	44,195	44,187	44,179	44,171	530,502	489,694	40,808	
35	Regulatory Asset Smith Units 1 & 2	267,829	266,998	266,166	265,335	264,503	263,672	262,841	262,009	261,178	260,346	259,515	258,683	3,159,075	2,916,069	243,006	
36	Scherer/Flint Credit - Energy	(27,974)	(28,060)	(28,146)	(28,232)	(28,318)	(28,404)	(28,490)	(28,576)	(28,662)	(28,748)	(28,834)	(28,920)	(342,511)	2,916,069	0	
37	Scherer/Flint Credit - Demand	(335,686)	(336,722)	(337,758)	(338,794)	(339,830)	(340,866)	(341,902)	(342,938)	(343,974)	(345,010)	(346,046)	(347,082)	(4,110,128)	(4,110,128)	0	
2	Total Investment Projects - Recoverable Costs	14,431,145	14,458,328	14,484,511	14,510,694	14,536,877	14,563,060	14,589,243	14,615,426	14,641,609	14,667,792	14,693,975	14,720,158	174,046,561	160,658,364	13,388,197	
3	Recoverable Costs Allocated to Energy	1,110,088	1,112,179	1,114,270	1,116,361	1,118,452	1,120,543	1,122,634	1,124,725	1,126,816	1,128,907	1,130,998	1,133,089	13,388,197	13,388,197	0	
4	Recoverable Costs Allocated to Demand	13,321,057	13,346,149	13,371,241	13,396,333	13,421,425	13,446,517	13,471,609	13,496,701	13,521,793	13,546,885	13,571,977	13,597,069	160,658,364	147,270,167	0	
5	Retail Energy Jurisdictional Factor	0.9682436	0.9686254	0.9690072	0.9693890	0.9697708	0.9701526	0.9705344	0.9709162	0.9712980	0.9716798	0.9720616	0.9724434	0.9728252	0.9732070	0.9735888	
6	Retail Demand Jurisdictional Factor	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
7	Jurisdictional Energy Recoverable Costs (B)	1,076,125	1,078,577.66	1,081,030.32	1,083,482.98	1,085,935.64	1,088,388.30	1,090,840.96	1,093,293.62	1,095,746.28	1,098,198.94	1,100,651.60	1,103,104.26	13,008,148	12,042,000	0	
8	Jurisdictional Demand Recoverable Costs (C)	12,945,772	12,970,157.39	12,994,542.68	13,018,927.97	13,043,313.26	13,067,698.55	13,092,083.84	13,116,469.13	13,140,854.42	13,165,239.71	13,189,625.00	13,214,010.29	156,132,248	143,276,167	0	
9	Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	14,021,898	14,048,735	14,075,573	14,102,410	14,129,247	14,156,084	14,182,921	14,209,758	14,236,595	14,263,432	14,290,269	14,317,106	169,140,396	157,318,167	0	

Notes:
(A) Pages 1-29 of Schedule 4P, Line 9, Pages 30-33 of Schedule 4P, Line 6, Page 34, Line 7, Exhibit CSB-5, Line 15.
(B) Line 3 x Line 5 x Line loss multiplier
(C) Line 4 x Line 6

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Air Quality Assurance Testing
P.E.s 1006 & 1244
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
	a Expenditures/Additions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	b Clearings to Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c Retirements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d Cost of Removal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	e Salvage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Average Net Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Return on Average Net Investment														
	a Equity Component (Line 6 x Equity Component x 1/12) (D)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	b Debt Component (Line 6 x Debt Component x 1/12)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a Depreciation (E)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	b Amortization (F)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c Dismantlement	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	e Other (G)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	a Recoverable Costs Allocated to Energy	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	b Recoverable Costs Allocated to Demand	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436
11	Demand Jurisdictional Factor	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) PEs 1006 & 1244 are fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Crist 5, 6 & 7 Precipitator Projects
P.E.s 1038, 1119, 1216, 1243, 1249
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	33,677,323	33,677,323	33,677,323	33,677,323	33,677,323	33,677,323	33,677,323	33,677,323	33,677,323	33,677,323	33,677,323	33,677,323	33,677,323	33,677,323
3	Less: Accumulated Depreciation (C)	3,755,278	3,643,020	3,530,762	3,418,505	3,306,247	3,193,989	3,081,731	2,969,474	2,857,216	2,744,958	2,632,700	2,520,443	2,408,185	2,408,185
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	37,432,601	37,320,343	37,208,085	37,095,828	36,983,570	36,871,312	36,759,055	36,646,797	36,534,539	36,422,281	36,310,024	36,197,766	36,085,508	36,085,508
6	Average Net Investment		37,376,472	37,264,214	37,151,957	37,039,699	36,927,441	36,815,183	36,702,926	36,590,668	36,478,410	36,366,152	36,253,895	36,141,637	36,141,637
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		218,092	217,437	216,782	216,127	215,472	214,817	214,162	213,507	212,852	212,196	211,541	210,886	210,886
b	Debt Component (Line 6 x Debt Component x 1/12)		43,992	43,860	43,728	43,596	43,464	43,331	43,199	43,067	42,935	42,803	42,671	42,539	42,539
8	Investment Expenses														
a	Depreciation (E)		112,258	112,258	112,258	112,258	112,258	112,258	112,258	112,258	112,258	112,258	112,258	112,258	112,258
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		374,342	373,554	372,767	371,980	371,193	370,406	369,619	368,832	368,044	367,257	366,470	365,683	365,683
a	Recoverable Costs Allocated to Energy		28,796	28,735	28,674	28,614	28,553	28,493	28,432	28,372	28,311	28,251	28,190	28,129	28,129
b	Recoverable Costs Allocated to Demand		345,546	344,819	344,093	343,366	342,640	341,913	341,186	340,460	339,733	339,007	338,280	337,553	337,553
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		27,915	27,867	27,844	27,813	27,773	27,745	27,684	27,611	27,551	27,461	27,347	27,244	27,244
13	Retail Demand-Related Recoverable Costs (I)		335,811	335,105	334,399	333,693	332,987	332,281	331,574	330,868	330,162	329,456	328,750	328,044	328,044
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		363,726	362,972	362,243	361,505	360,759	360,026	359,259	358,480	357,713	356,917	356,097	355,288	355,288

Notes:
(A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
(B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
(C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
(D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
(E) Applicable depreciation rate or rates.
(F) Applicable amortization period.
(G) Description and reason for "Other" adjustments to investment expenses for this project.
(H) Line 9a x Line 10 x line loss multiplier
(I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Crist 7 Flue Gas Conditioning
P.E. 1228
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322
6	Average Net Investment	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322	1,499,322
7	Return on Average Net Investment		8,749	8,749	8,749	8,749	8,749	8,749	8,749	8,749	8,749	8,749	8,749	8,749	104,983
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	1,765	21,176
b	Debt Component (Line 6 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		10,513	10,513	10,513	10,513	10,513	10,513	10,513	10,513	10,513	10,513	10,513	10,513	126,159
a	Recoverable Costs Allocated to Energy		809	809	809	809	809	809	809	809	809	809	809	809	9,705
b	Recoverable Costs Allocated to Demand		9,705	9,705	9,705	9,705	9,705	9,705	9,705	9,705	9,705	9,705	9,705	9,705	116,454
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (H)		784	784	785	786	787	788	787	787	787	786	785	783	9,429
13	Retail Demand-Related Recoverable Costs (I)		9,431	9,431	9,431	9,431	9,431	9,431	9,431	9,431	9,431	9,431	9,431	9,431	113,174
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		10,215	10,215	10,216	10,217	10,218	10,219	10,219	10,218	10,218	10,217	10,216	10,214	122,603

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Low NOx Burners, Crist 6 & 7
P.E.s 1234, 1236, 1242, 1284
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	13,524,266	13,524,266	13,524,266	13,524,266	13,524,266	13,524,266	13,524,266	13,524,266	13,524,266	13,524,266	13,524,266	13,524,266	13,524,266	13,524,266
3	Less: Accumulated Depreciation (C)	4,640,745	4,594,432	4,548,118	4,501,805	4,455,492	4,409,179	4,362,866	4,316,553	4,270,240	4,223,927	4,177,613	4,131,300	4,084,987	4,084,987
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	18,165,011	18,118,698	18,072,385	18,026,072	17,979,759	17,933,445	17,887,132	17,840,819	17,794,506	17,748,193	17,701,880	17,655,567	17,609,254	17,609,254
6	Average Net Investment		18,141,854	18,095,541	18,049,228	18,002,915	17,956,602	17,910,289	17,863,976	17,817,663	17,771,350	17,725,036	17,678,723	17,632,410	17,632,410
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		105,858	105,587	105,317	105,047	104,777	104,507	104,236	103,966	103,696	103,426	103,155	102,885	1,252,457
b	Debt Component (Line 6 x Debt Component x 1/12)		21,353	21,298	21,244	21,189	21,135	21,080	21,026	20,971	20,917	20,862	20,808	20,753	252,638
8	Investment Expenses														
a	Depreciation (E)		44,602	44,602	44,602	44,602	44,602	44,602	44,602	44,602	44,602	44,602	44,602	44,602	535,220
b	Amortization (F)		1,711	1,711	1,711	1,711	1,711	1,711	1,711	1,711	1,711	1,711	1,711	1,711	20,537
c	Disamortment		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		173,524	173,199	172,874	172,550	172,225	171,900	171,575	171,251	170,926	170,601	170,276	169,952	2,060,852
a	Recoverable Costs Allocated to Energy		13,348	13,323	13,298	13,273	13,248	13,223	13,198	13,173	13,148	13,123	13,098	13,073	158,527
b	Recoverable Costs Allocated to Demand		160,176	159,876	159,576	159,277	158,977	158,677	158,377	158,077	157,778	157,478	157,178	156,878	1,902,325
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		12,940	12,920	12,913	12,901	12,886	12,876	12,851	12,820	12,795	12,756	12,706	12,662	154,027
13	Retail Demand-Related Recoverable Costs (I)		155,663	153,372	155,081	154,789	154,498	154,207	153,915	153,624	153,333	153,041	152,750	152,459	1,848,732
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		168,603	166,292	167,993	167,691	167,384	167,083	166,766	166,444	166,128	165,798	165,456	165,120	2,002,759

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Portions of PE 1236 have a 7-year amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018

Return on Capital Investments, Depreciation and Taxes

For Project: CEMS - Plantis Crist & Daniel
P.E.s 1001, 1060, 1154, 1164, 1217, 1240, 1245, 1247, 1256, 1283, 1286, 1289, 1290, 1311, 1312, 1316, 1323, 1325, 1357, 1358, 1364, 1558, 1570, 1592, 1658, 1829, 1830
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	255,000	255,000	0	0	0	0	0	0	0	510,000
b	Clearings to Plant		0	0	0	510,000	0	0	0	0	0	0	0	0	510,000
c	Retirements		0	0	0	0	200,000	0	0	0	0	0	0	0	200,000
d	Cost of Removal		0	0	0	20,000	0	0	0	0	0	0	0	0	20,000
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	4,720,181	4,720,181	4,720,181	4,720,181	4,720,181	5,230,181	5,030,181	5,030,181	5,030,181	5,030,181	5,030,181	5,030,181	5,030,181	50,300,181
3	Less: Accumulated Depreciation (C)	552,034	536,787	521,540	506,293	511,046	495,799	678,852	662,571	646,291	630,011	613,731	597,450	581,170	5,811,170
4	CWIP - Non Interest Bearing	0	0	0	0	255,000	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	5,272,214	5,256,967	5,241,721	5,226,474	5,486,227	5,725,980	5,709,033	5,692,752	5,676,472	5,660,192	5,643,911	5,627,631	5,611,351	56,611,351
6	Average Net Investment		5,264,591	5,249,344	5,234,097	5,356,350	5,606,103	5,717,506	5,700,893	5,684,612	5,668,332	5,652,052	5,635,771	5,619,491	56,619,491
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		30,719	30,630	30,541	31,254	32,712	33,362	33,265	33,170	33,075	32,980	32,885	32,790	387,381
b	Debt Component (Line 6 x Debt Component x 1/12)		6,196	6,178	6,161	6,304	6,598	6,730	6,710	6,691	6,672	6,652	6,633	6,614	78,140
8	Investment Expenses														
a	Depreciation (E)		15,247	15,247	15,247	15,247	15,247	16,947	16,280	16,280	16,280	16,280	16,280	16,280	190,864
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		862	862	862	862	862	862	862	862	862	862	862	862	10,346
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		53,024	52,918	52,811	53,668	55,419	57,900	57,117	57,003	56,889	56,775	56,661	56,546	666,731
a	Recoverable Costs Allocated to Energy		4,079	4,071	4,062	4,128	4,263	4,454	4,394	4,385	4,376	4,367	4,359	4,350	51,287
b	Recoverable Costs Allocated to Demand		48,946	48,847	48,748	49,540	51,156	53,446	52,724	52,618	52,513	52,407	52,302	52,197	615,444
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		3,954	3,948	3,945	4,013	4,146	4,337	4,278	4,278	4,259	4,245	4,228	4,213	49,832
13	Retail Demand-Related Recoverable Costs (I)		47,567	47,471	47,375	48,144	49,715	51,941	51,238	51,136	51,033	50,931	50,829	50,726	598,105
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		51,521	51,418	51,320	52,157	53,861	56,278	55,516	55,403	55,292	55,176	55,057	54,939	647,938

Notes:

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
- (B) Beginning Balances: Crist \$4,135,808; Daniel \$584,373; Ending Balances: Crist \$4,445,808; Daniel \$584,373.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) PEs 1364, 1658 and 1283 are fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Substation Contamination Remediation
P.E.s 1007, 2859, 3400, 3412, 3463, 3477
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
	a Expenditures/Additions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	b Cleanings to Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c Retirements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d Cost of Removal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	e Salvage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333
3	Less: Accumulated Depreciation (C)	(525,405)	(531,425)	(537,445)	(543,464)	(549,484)	(555,503)	(561,523)	(567,543)	(573,562)	(579,582)	(585,601)	(591,621)	(597,641)	(597,641)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	1,957,928	1,951,908	1,945,889	1,939,869	1,933,850	1,927,830	1,921,810	1,915,791	1,909,771	1,903,752	1,897,732	1,891,712	1,885,693	1,885,693
6	Average Net Investment	1,954,918	1,948,899	1,942,879	1,936,859	1,930,840	1,924,820	1,918,801	1,912,781	1,906,761	1,900,742	1,894,722	1,888,703	1,882,683	1,882,683
7	Return on Average Net Investment														
	a Equity Component (Line 6 x Equity Component x 1/12) (D)	11,407	11,372	11,337	11,302	11,266	11,231	11,196	11,161	11,126	11,091	11,056	11,021	11,021	134,565
	b Debt Component (Line 6 x Debt Component x 1/12)	2,301	2,294	2,287	2,280	2,273	2,266	2,258	2,251	2,244	2,237	2,230	2,223	2,223	27,144
8	Investment Expenses														
	a Depreciation (E)	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	6,020	72,235
	b Amortization (F)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c Dismantlement	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	e Other (G)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	19,727	19,685	19,643	19,601	19,559	19,516	19,474	19,432	19,390	19,348	19,305	19,263	19,221	233,944
	a Recoverable Costs Allocated to Energy	1,517	1,514	1,511	1,508	1,505	1,501	1,498	1,495	1,492	1,488	1,485	1,482	1,482	17,996
	b Recoverable Costs Allocated to Demand	18,210	18,171	18,132	18,093	18,054	18,015	17,976	17,937	17,898	17,859	17,820	17,781	17,781	215,948
10	Energy Jurisdictional Factor	0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9752530	0.9772030	0.9798031	0.9828031	0.9858031	0.9888031	0.9918031	0.9948031
11	Demand Jurisdictional Factor	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)	1,471	1,469	1,467	1,466	1,463	1,462	1,459	1,455	1,451	1,447	1,441	1,435	1,435	17,485
13	Retail Demand-Related Recoverable Costs (I)	17,697	17,659	17,621	17,583	17,546	17,508	17,470	17,432	17,394	17,356	17,318	17,280	17,280	209,864
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	19,168	19,128	19,088	19,049	19,009	18,970	18,928	18,887	18,846	18,803	18,759	18,716	18,716	227,349

Notes:

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) PE 1007 is fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018

Return on Capital Investments, Depreciation and Taxes
For Project: Raw Water Well Flowmeters - Plants Crist & Smith
P.E.s 1155 & 1606
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	149,950	149,950	149,950	149,950	149,950	149,950	149,950	149,950	149,950	149,950	149,950	149,950	149,950	149,950
3	Less: Accumulated Depreciation (C)	(38,973)	(39,973)	(39,973)	(40,473)	(40,973)	(41,472)	(41,972)	(42,472)	(42,972)	(43,472)	(43,972)	(44,471)	(44,971)	(44,971)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	110,976	110,477	109,977	109,477	108,977	108,477	107,977	107,478	106,978	106,478	105,978	105,478	104,978	104,978
6	Average Net Investment		110,726	110,227	109,727	109,227	108,727	108,227	107,727	107,228	106,728	106,228	105,728	105,228	105,228
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		646	643	640	637	634	632	629	626	623	620	617	614	7,561
b	Debt Component (Line 6 x Debt Component x 1/12)		130	130	129	129	128	127	127	126	126	125	124	124	1,525
8	Investment Expenses														
a	Depreciation (E)		500	500	500	500	500	500	500	500	500	500	500	500	5,998
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		1,276	1,273	1,269	1,266	1,262	1,259	1,255	1,252	1,248	1,245	1,241	1,238	15,084
a	Recoverable Costs Allocated to Energy		98	98	98	97	97	97	97	96	96	96	95	95	1,160
b	Recoverable Costs Allocated to Demand		1,178	1,175	1,172	1,168	1,165	1,162	1,159	1,155	1,152	1,149	1,146	1,142	13,923
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		95	95	95	95	94	94	94	94	93	93	93	92	1,127
13	Retail Demand-Related Recoverable Costs (I)		1,145	1,142	1,139	1,135	1,132	1,129	1,126	1,123	1,120	1,117	1,113	1,110	13,531
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		1,240	1,237	1,233	1,230	1,227	1,223	1,220	1,217	1,213	1,210	1,206	1,203	14,658

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Cooling Tower Cell
P.E. 1232
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)		0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926
6	Average Net Investment	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926	531,926
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	3,104	37,245
b	Debt Component (Line 6 x Debt Component x 1/12)		626	626	626	626	626	626	626	626	626	626	626	626	7,513
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	3,730	44,758
a	Recoverable Costs Allocated to Energy		287	287	287	287	287	287	287	287	287	287	287	287	3,443
b	Recoverable Costs Allocated to Demand		3,443	3,443	3,443	3,443	3,443	3,443	3,443	3,443	3,443	3,443	3,443	3,443	41,315
10	Energy Jurisdictional Factor	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436
11	Demand Jurisdictional Factor	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		278	278	279	279	279	279	279	279	279	279	279	278	3,345
13	Retail Demand-Related Recoverable Costs (I)		3,346	3,346	3,346	3,346	3,346	3,346	3,346	3,346	3,346	3,346	3,346	3,346	40,151
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		3,624	3,624	3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,625	3,624	3,624	43,497

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Dechlorination System
P.E.s 1180 & 1248
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697
3	Less: Accumulated Depreciation (C)	(228,692)	(229,961)	(231,230)	(232,499)	(233,768)	(235,037)	(236,306)	(237,575)	(238,844)	(240,113)	(241,382)	(242,651)	(243,920)	(243,920)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	152,005	150,736	149,467	148,198	146,929	145,660	144,391	143,122	141,853	140,584	139,315	138,046	136,777	136,777
6	Average Net Investment		151,370	150,101	148,832	147,563	146,294	145,025	143,756	142,487	141,218	139,949	138,680	137,411	137,411
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)	883	876	876	868	861	854	846	839	831	824	817	809	802	802
b	Debt Component (Line 6 x Debt Component x 1/12)	178	177	177	175	174	172	171	169	168	166	165	163	162	162
8	Investment Expenses														
a	Depreciation (E)	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	1,269	15,228
b	Amortization (F)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	2,330	2,321	2,313	2,313	2,304	2,295	2,286	2,277	2,268	2,259	2,250	2,241	2,233	27,377
a	Recoverable Costs Allocated to Energy	179	179	178	178	177	177	176	175	174	174	173	172	172	2,106
b	Recoverable Costs Allocated to Demand	2,151	2,143	2,135	2,135	2,127	2,118	2,110	2,102	2,094	2,085	2,077	2,069	2,061	25,272
10	Energy Jurisdictional Factor	0.9682436	0.9686254	0.9689642	0.9693030	0.9696418	0.9699806	0.9703194	0.9706582	0.9709970	0.9713358	0.9716746	0.9720134	0.9723522	0.9726910
11	Demand Jurisdictional Factor	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)	174	173	173	173	172	172	171	171	170	169	168	167	166	2,046
13	Retail Demand-Related Recoverable Costs (I)	2,091	2,083	2,075	2,067	2,067	2,059	2,051	2,043	2,035	2,027	2,019	2,011	2,003	24,560
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	2,264	2,256	2,247	2,247	2,239	2,230	2,222	2,213	2,204	2,196	2,187	2,178	2,169	26,606

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Diesel Fuel Oil Remediation
P.E. 1270
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923
3	Less: Accumulated Depreciation (C)	(48,131)	(48,360)	(48,590)	(48,820)	(49,050)	(49,279)	(49,509)	(49,739)	(49,969)	(50,198)	(50,428)	(50,658)	(50,888)	(50,888)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	20,792	20,563	20,333	20,103	19,873	19,644	19,414	19,184	18,954	18,725	18,495	18,265	18,035	18,035
6	Average Net Investment		20,677	20,448	20,218	19,988	19,758	19,529	19,299	19,069	18,839	18,610	18,380	18,150	18,150
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		121	119	118	117	115	114	113	111	110	109	107	106	1,359
b	Debt Component (Line 6 x Debt Component x 1/12)		24	24	24	24	23	23	23	22	22	22	22	21	274
8	Investment Expenses														
a	Depreciation (E)		230	230	230	230	230	230	230	230	230	230	230	230	2,757
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		375	373	372	370	368	367	365	363	362	360	359	357	4,390
a	Recoverable Costs Allocated to Energy		29	29	29	28	28	28	28	28	28	28	28	27	338
b	Recoverable Costs Allocated to Demand		346	344	343	341	340	338	337	336	334	333	331	330	4,053
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9718277
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		28	28	28	28	28	27	27	27	27	27	27	27	328
13	Retail Demand-Related Recoverable Costs (I)		336	335	333	332	330	329	327	326	325	323	322	320	3,939
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		364	363	361	359	358	356	355	353	352	350	348	347	4,267

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
January 2018 - December 2018

Return on Capital Investments, Depreciation and Taxes
 For Project: Crist Bulk Tanker Unloading Secondary Containment
 P.E. 1271
 (in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	1,357
3	Less: Accumulated Depreciation (C)	(80,089)	(80,428)	(80,766)	(81,104)	(81,443)	(81,781)	(82,119)	(82,458)	(82,796)	(83,134)	(83,473)	(83,811)	(84,149)	274
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	21,406	21,067	20,729	20,391	20,052	19,714	19,376	19,037	18,699	18,361	18,023	17,684	17,346	
6	Average Net Investment		21,237	20,898	20,560	20,222	19,883	19,545	19,207	18,868	18,530	18,192	17,853	17,515	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		124	122	120	118	116	114	112	110	108	106	104	102	1,357
b	Debt Component (Line 6 x Debt Component x 1/12)		25	25	24	24	23	23	23	22	22	21	21	21	274
8	Investment Expenses														
a	Depreciation (E)		338	338	338	338	338	338	338	338	338	338	338	338	4,060
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		487	485	482	480	478	475	473	471	468	466	464	461	5,690
a	Recoverable Costs Allocated to Energy		37	37	37	37	37	37	36	36	36	36	36	35	438
b	Recoverable Costs Allocated to Demand		450	448	445	443	441	439	437	434	432	430	428	426	5,252
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (H)		36	36	36	36	36	36	35	35	35	35	35	34	425
13	Retail Demand-Related Recoverable Costs (I)		437	435	433	431	429	426	424	422	420	418	416	414	5,104
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		473	471	469	467	464	462	460	457	455	453	450	448	5,530

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Crist IWW Sampling System
P.E. 1275
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Cleanings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543
3	Less: Accumulated Depreciation (C)	(47,303)	(47,700)	(47,899)	(47,899)	(48,097)	(48,296)	(48,494)	(48,693)	(48,891)	(49,090)	(49,288)	(49,487)	(49,685)	(49,685)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	12,239	12,041	11,842	11,644	11,446	11,247	11,049	10,850	10,652	10,453	10,255	10,056	9,858	9,858
6	Average Net Investment		12,140	11,942	11,743	11,545	11,346	11,148	10,949	10,751	10,552	10,354	10,155	9,957	9,957
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)	71	70	69	68	67	66	65	64	63	62	60	59	58	774
b	Debt Component (Line 6 x Debt Component x 1/12)	14	14	14	14	14	13	13	13	13	12	12	12	12	156
8	Investment Expenses														
a	Depreciation (E)	198	198	198	198	198	198	198	198	198	198	198	198	198	2,382
b	Amortization (F)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	284	282	281	279	278	277	277	275	274	272	271	270	268	3,311
a	Recoverable Costs Allocated to Energy	22	22	22	21	21	21	21	21	21	21	21	21	21	255
b	Recoverable Costs Allocated to Demand	262	261	259	258	257	255	254	254	253	252	250	249	248	3,057
10	Energy Jurisdictional Factor	0.9682436	0.9718277	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9718277	0.9720301	0.9718277	0.9718277	0.9689218	0.9673536	0.9718277
11	Demand Jurisdictional Factor														
12	Retail Energy-Related Recoverable Costs (H)	21	21	21	21	21	21	21	21	21	21	21	20	20	247
13	Retail Demand-Related Recoverable Costs (I)	254	253	252	251	249	248	247	247	246	244	243	242	241	2,971
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	276	274	273	272	270	269	268	268	266	265	263	262	261	3,218

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Sodium Injection System
P.E. 1214
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	284,622	284,622	284,622	284,622	284,622	284,622	284,622	284,622	284,622	284,622	284,622	284,622	284,622	284,622
3	Less: Accumulated Depreciation (C)	(118,310)	(119,258)	(120,207)	(121,156)	(122,105)	(123,053)	(124,002)	(124,951)	(125,899)	(126,848)	(127,797)	(128,746)	(129,694)	(129,694)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	166,312	165,363	164,415	163,466	162,517	161,568	160,620	159,671	158,722	157,774	156,825	155,876	154,927	154,927
6	Average Net Investment		165,838	164,889	163,940	162,992	162,043	161,094	160,145	159,197	158,248	157,299	156,350	155,402	155,402
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		968	962	957	951	946	940	934	929	923	918	912	907	11,247
b	Debt Component (Line 6 x Debt Component x 1/12)		195	194	193	192	191	190	188	187	186	185	184	183	2,269
8	Investment Expenses														
a	Depreciation (E)		949	949	949	949	949	949	949	949	949	949	949	949	11,385
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		2,112	2,105	2,098	2,092	2,085	2,078	2,072	2,065	2,058	2,052	2,045	2,038	24,900
a	Recoverable Costs Allocated to Energy		162	162	161	161	160	160	159	159	158	158	157	157	1,915
b	Recoverable Costs Allocated to Demand		1,949	1,943	1,937	1,931	1,925	1,918	1,912	1,906	1,900	1,894	1,888	1,882	22,985
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		157	157	157	156	156	156	155	155	154	153	153	152	1,861
13	Retail Demand-Related Recoverable Costs (I)		1,894	1,888	1,882	1,876	1,870	1,864	1,858	1,852	1,847	1,841	1,835	1,829	22,337
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,052	2,045	2,039	2,033	2,026	2,020	2,014	2,007	2,001	1,994	1,987	1,980	24,198

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Smith Stormwater Collection System
P.E. 1446
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	2,764,379	2,764,379	2,764,379	2,764,379	2,764,379	2,764,379	2,764,379	2,764,379	2,764,379	2,764,379	2,764,379	2,764,379	2,764,379	2,764,379
3	Less: Accumulated Depreciation (C)	(1,927,957)	(1,938,784)	(1,949,611)	(1,960,439)	(1,971,266)	(1,982,093)	(1,992,920)	(2,003,747)	(2,014,574)	(2,025,402)	(2,036,229)	(2,047,056)	(2,057,883)	(2,057,883)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	836,422	825,594	814,767	803,940	793,113	782,286	771,459	760,631	749,804	738,977	728,150	717,323	706,496	706,496
6	Average Net Investment		831,008	820,181	809,354	798,526	787,699	776,872	766,045	755,218	744,391	733,564	722,736	711,909	711,909
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		4,849	4,786	4,723	4,659	4,596	4,533	4,470	4,407	4,344	4,280	4,217	4,154	54,018
b	Debt Component (Line 6 x Debt Component x 1/12)		978	965	953	940	927	914	902	889	876	863	851	838	10,896
8	Investment Expenses														
a	Depreciation (E)		10,827	10,827	10,827	10,827	10,827	10,827	10,827	10,827	10,827	10,827	10,827	10,827	129,926
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		16,654	16,578	16,502	16,426	16,350	16,275	16,199	16,123	16,047	15,971	15,895	15,819	194,839
a	Recoverable Costs Allocated to Energy		1,281	1,275	1,269	1,264	1,258	1,252	1,246	1,240	1,234	1,229	1,223	1,217	14,988
b	Recoverable Costs Allocated to Demand		15,373	15,303	15,233	15,163	15,093	15,023	14,953	14,883	14,812	14,742	14,672	14,602	179,852
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		1,242	1,237	1,233	1,228	1,223	1,219	1,213	1,207	1,201	1,194	1,186	1,179	14,562
13	Retail Demand-Related Recoverable Costs (I)		14,940	14,872	14,804	14,736	14,668	14,599	14,531	14,463	14,395	14,327	14,259	14,191	174,785
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		16,182	16,109	16,036	15,964	15,891	15,819	15,745	15,670	15,596	15,521	15,445	15,369	189,347

Notes:
 (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
 (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
 (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
 (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
 (E) Applicable depreciation rate or rates.
 (F) Applicable amortization period.
 (G) Description and reason for "Other" adjustments to investment expenses for this project.
 (H) Line 9a x Line 10 x line loss multiplier
 (I) Line 9b x Line 11.

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)

Calculation of the Projected Period Amount

January 2018 - December 2018

Return on Capital Investments, Depreciation and Taxes

For Project: Smith Waste Water Treatment Facility

P.E.s 1466 & 1643

(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions	0	0	0	0	0	0	0	0	0	0	50,000	50,000	50,000	150,000
b	Clearings to Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	150,000
c	Retirements	0	0	0	0	0	0	0	0	0	0	0	0	0	178,962
d	Cost of Removal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	278,962	278,962	278,962	278,962	278,962	278,962	278,962	278,962	278,962	278,962	278,962	278,962	278,962	250,000
3	Less: Accumulated Depreciation (C)	48,283	47,190	46,098	45,005	43,913	42,820	41,727	40,635	39,542	38,450	37,357	36,264	35,171	214,134
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	50,000	100,000	150,000	0
5	Net Investment (Lines 2 + 3 + 4) (A)	327,245	326,152	325,060	323,967	322,874	321,782	320,689	319,597	318,504	317,411	366,319	415,226	464,134	464,134
6	Average Net Investment		326,699	325,606	324,513	323,421	322,328	321,236	320,143	319,050	317,958	341,865	390,773	439,680	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,906	1,900	1,894	1,887	1,881	1,874	1,868	1,862	1,855	1,995	2,280	2,566	23,768
b	Debt Component (Line 6 x Debt Component x 1/12)		385	383	382	381	379	378	377	376	374	402	460	518	4,794
8	Investment Expenses														
a	Depreciation (E)		1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	13,111
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		3,383	3,376	3,368	3,360	3,353	3,345	3,337	3,330	3,322	3,490	3,833	4,176	41,673
a	Recoverable Costs Allocated to Energy		260	260	259	258	257	257	257	256	256	268	295	321	3,206
b	Recoverable Costs Allocated to Demand		3,123	3,116	3,109	3,102	3,095	3,088	3,081	3,074	3,067	3,221	3,538	3,854	38,467
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (H)		252	252	252	251	251	251	250	249	249	261	286	311	3,114
13	Retail Demand-Related Recoverable Costs (I)		3,035	3,028	3,021	3,015	3,008	3,001	2,994	2,987	2,980	3,131	3,438	3,746	37,384
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		3,287	3,280	3,273	3,266	3,259	3,251	3,244	3,236	3,229	3,392	3,724	4,057	40,498

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Daniel Ash Management Project
P.E.s 1501, 1535, 1555, 1819
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124
3	Less: Accumulated Depreciation (C)	(5,936,185)	(5,973,560)	(6,010,935)	(6,048,311)	(6,085,686)	(6,123,061)	(6,160,437)	(6,197,812)	(6,235,187)	(6,272,563)	(6,309,938)	(6,347,313)	(6,384,689)	(6,384,689)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	9,013,939	8,976,564	8,939,189	8,901,813	8,864,438	8,827,063	8,789,687	8,752,312	8,714,937	8,677,561	8,640,186	8,602,811	8,565,435	8,565,435
6	Average Net Investment		8,995,252	8,957,876	8,920,501	8,883,126	8,845,750	8,808,375	8,771,000	8,733,624	8,696,249	8,658,874	8,621,498	8,584,123	8,584,123
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		52,487	52,269	52,051	51,833	51,615	51,397	51,179	50,961	50,743	50,525	50,306	50,088	615,454
b	Debt Component (Line 6 x Debt Component x 1/12)		10,587	10,543	10,499	10,455	10,411	10,367	10,323	10,279	10,235	10,191	10,148	10,104	124,146
8	Investment Expenses														
a	Depreciation (E)		37,375	37,375	37,375	37,375	37,375	37,375	37,375	37,375	37,375	37,375	37,375	37,375	448,504
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		17,396	17,396	17,396	17,396	17,396	17,396	17,396	17,396	17,396	17,396	17,396	17,396	208,752
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		117,846	117,584	117,322	117,060	116,798	116,536	116,274	116,011	115,749	115,487	115,225	114,963	1,396,855
a	Recoverable Costs Allocated to Energy		9,065	9,045	9,025	9,005	8,984	8,964	8,944	8,924	8,904	8,884	8,863	8,843	107,450
b	Recoverable Costs Allocated to Demand		108,781	108,539	108,297	108,055	107,813	107,571	107,329	107,087	106,846	106,604	106,362	106,120	1,289,404
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		8,788	8,772	8,763	8,752	8,739	8,729	8,709	8,685	8,665	8,635	8,598	8,565	104,400
13	Retail Demand-Related Recoverable Costs (I)		105,716	105,481	105,246	105,011	104,776	104,541	104,306	104,071	103,835	103,600	103,365	103,130	1,253,079
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		114,504	114,253	114,009	113,763	113,515	113,270	113,014	112,755	112,500	112,236	111,964	111,695	1,357,479

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Smith Water Conservation
P.E. 1601
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		829,087	829,087	829,087	829,087	829,087	829,087	829,087	829,087	829,087	829,087	829,087	829,087	9,989,000
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	17,772,180	17,772,180	17,772,180	17,772,180	17,772,180	17,772,180	17,772,180	17,772,180	17,772,180	17,772,180	17,772,180	17,772,180	17,772,180	17,772,180
3	Less: Accumulated Depreciation (C)	(656,054)	(725,661)	(795,269)	(864,877)	(934,484)	(1,004,092)	(1,073,700)	(1,143,308)	(1,212,915)	(1,282,523)	(1,352,131)	(1,421,738)	(1,491,346)	(1,491,346)
4	CWIP - Non Interest Bearing	688,947	1,518,034	2,347,121	3,176,208	4,005,295	4,834,382	5,663,469	6,492,556	7,321,643	8,150,730	8,979,817	9,808,904	10,677,947	10,677,947
5	Net Investment (Lines 2 + 3 + 4) (A)	17,805,074	18,564,553	19,324,033	20,083,512	20,842,991	21,602,470	22,361,950	23,121,429	23,880,908	24,640,388	25,399,867	26,159,346	26,958,781	26,958,781
6	Average Net Investment		18,184,814	18,944,293	19,703,772	20,463,251	21,222,731	21,982,210	22,741,689	23,501,169	24,260,648	25,020,127	25,779,606	26,559,064	26,559,064
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		106,108	110,540	114,972	119,403	123,835	128,266	132,698	137,129	141,561	145,992	150,424	154,972	1,565,900
b	Debt Component (Line 6 x Debt Component x 1/12)		21,404	22,297	23,191	24,085	24,979	25,873	26,767	27,661	28,555	29,449	30,343	31,260	315,864
8	Investment Expenses														
a	Depreciation (E)		69,608	69,608	69,608	69,608	69,608	69,608	69,608	69,608	69,608	69,608	69,608	69,608	835,293
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		197,120	202,445	207,771	213,096	218,421	223,747	229,072	234,398	239,723	245,049	250,374	255,840	2,717,056
a	Recoverable Costs Allocated to Energy		15,163	15,573	15,982	16,392	16,802	17,211	17,621	18,031	18,440	18,850	19,260	19,680	209,004
b	Recoverable Costs Allocated to Demand		181,957	186,872	191,788	196,704	201,620	206,536	211,451	216,367	221,283	226,199	231,115	236,160	2,508,052
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		14,699	15,102	15,519	15,933	16,342	16,760	17,157	17,547	17,945	18,323	18,683	19,060	203,072
13	Retail Demand-Related Recoverable Costs (I)		176,830	181,608	186,385	191,162	195,940	200,717	205,494	210,272	215,049	219,826	224,604	229,507	2,437,395
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		191,530	196,710	201,904	207,095	212,282	217,477	222,652	227,819	232,994	238,149	243,287	248,567	2,640,467

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Underground Fuel Tank Replacement
P.E. 4397
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Average Net Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 6 x Debt Component x 1/12)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
a	Depreciation (E)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
a	Recoverable Costs Allocated to Energy	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Recoverable Costs Allocated to Demand	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436
11	Demand Jurisdictional Factor	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Demand-Related Recoverable Costs (H)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) PE 4397 fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount

January 2018 - December 2018

Return on Capital Investments, Depreciation and Taxes
For Project: Crist FDEP Agreement for Ozone Attainment
P.E.s 1031, 1158, 1167, 1199, 1250, 1258, 1287, 1958
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		300,000	200,000	440,000	521,250	0	0	0	0	0	0	0	0	1,461,250
b	Clearings to Plant		0	0	0	1,956,430	0	0	0	0	0	0	0	0	1,956,430
c	Retirements		0	0	0	30,000	1,568,856	0	0	0	0	0	2,500	2,500	1,603,856
d	Cost of Removal		0	15,000	180,000	0	0	0	0	0	0	0	1,250	1,250	197,500
e	Salvage		0	0	0	0	5,000	100	0	0	0	0	0	0	5,100
2	Plant-in-Service/Depreciation Base (B)	120,087,768	120,087,768	120,087,768	120,087,768	122,014,198	120,445,342	120,445,342	120,445,342	120,445,342	120,445,342	120,445,342	120,442,842	120,440,342	1,204,440,342
3	Less: Accumulated Depreciation (C)	(31,427,117)	(31,834,599)	(32,227,081)	(32,454,563)	(32,832,044)	(31,682,091)	(32,090,865)	(32,499,539)	(32,908,212)	(33,316,886)	(33,725,559)	(34,130,483)	(34,535,398)	(345,335,398)
4	CWIP - Non Interest Bearing	495,180	795,180	995,180	1,435,180	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
5	Net Investment (Lines 2 + 3 + 4) (A)	89,155,830	89,048,348	88,855,867	89,068,385	89,182,153	88,763,250	88,354,476	87,945,803	87,537,129	87,128,456	86,719,782	86,312,358	85,904,943	85,904,943
6	Average Net Investment		89,102,089	88,952,107	88,962,126	89,125,269	88,972,702	88,558,863	88,150,140	87,741,466	87,332,792	86,924,119	86,516,070	86,108,651	86,108,651
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		519,911	519,036	519,094	520,046	519,156	516,741	514,356	511,971	509,587	507,202	504,821	502,444	6,164,365
b	Debt Component (Line 6 x Debt Component x 1/12)		104,873	104,697	104,708	104,900	104,721	104,234	103,753	103,272	102,791	102,310	101,829	101,350	1,243,437
8	Investment Expenses														
a	Depreciation (E)		397,477	397,477	397,477	397,477	403,898	398,669	398,669	398,669	398,669	398,669	398,669	398,669	4,784,479
b	Amortization (F)		10,005	10,005	10,005	10,005	10,005	10,005	10,005	10,005	10,005	10,005	10,005	10,005	120,058
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		1,032,266	1,031,214	1,031,284	1,032,428	1,037,780	1,029,648	1,026,782	1,023,917	1,021,051	1,018,186	1,015,324	1,012,459	12,312,339
a	Recoverable Costs Allocated to Energy		79,405	79,324	79,330	79,418	79,829	79,204	78,983	78,763	78,542	78,322	78,102	77,881	947,103
b	Recoverable Costs Allocated to Demand		952,861	951,890	951,955	953,011	957,951	950,445	947,799	945,154	942,509	939,864	937,222	934,578	11,365,236
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9732530	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		76,976	76,928	77,031	77,194	77,647	77,126	76,905	76,652	76,433	76,132	75,765	75,429	920,218
13	Retail Demand-Related Recoverable Costs (I)		926,016	925,073	925,136	926,162	930,963	923,668	921,097	918,527	915,956	913,385	910,819	908,248	11,045,051
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		1,002,992	1,002,000	1,002,167	1,003,356	1,008,610	1,000,795	998,003	995,178	992,389	989,518	986,584	983,678	11,965,270

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Portions of PEs 1158, 1167 and 1199 have a 7-year amortization period. The amortizable portion of PE 1287 is fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: SPCC Compliance
P.E.s 1272, 1404, 1628, 4418
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	947,925	947,925	947,925	947,925	947,925	947,925	947,925	947,925	947,925	947,925	947,925	947,925	947,925	947,925
3	Less: Accumulated Depreciation (C)	(352,505)	(355,787)	(359,068)	(362,350)	(365,631)	(368,913)	(372,194)	(375,476)	(378,757)	(382,039)	(385,320)	(388,602)	(391,883)	(391,883)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	595,420	592,138	588,857	585,575	582,294	579,012	575,731	572,449	569,168	565,886	562,605	559,323	556,041	556,041
6	Average Net Investment		593,779	590,498	587,216	583,934	580,653	577,371	574,090	570,808	567,527	564,245	560,964	557,682	557,682
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		3,465	3,446	3,426	3,407	3,388	3,369	3,350	3,331	3,312	3,292	3,273	3,254	3,254
b	Debt Component (Line 6 x Debt Component x 1/12)		699	695	691	687	683	680	676	672	668	664	660	656	656
8	Investment Expenses														
a	Depreciation (E)		3,124	3,124	3,124	3,124	3,124	3,124	3,124	3,124	3,124	3,124	3,124	3,124	3,124
b	Amortization (F)		157	157	157	157	157	157	157	157	157	157	157	157	1,885
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		7,445	7,422	7,399	7,376	7,353	7,330	7,307	7,284	7,261	7,238	7,215	7,192	87,823
a	Recoverable Costs Allocated to Energy		573	571	569	567	566	564	562	560	559	557	555	553	6,756
b	Recoverable Costs Allocated to Demand		6,872	6,851	6,830	6,809	6,787	6,766	6,745	6,724	6,702	6,681	6,660	6,639	81,067
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		555	554	553	552	550	549	547	545	544	541	538	536	6,564
13	Retail Demand-Related Recoverable Costs (I)		6,679	6,658	6,638	6,617	6,596	6,576	6,555	6,534	6,514	6,493	6,472	6,452	78,783
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		7,234	7,212	7,190	7,168	7,146	7,125	7,102	7,080	7,057	7,034	7,011	6,988	85,347

Notes:

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
- (B) Beginning and Ending Balances: Crist \$919,836; Smith \$14,895.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) PE 4418 has a 7-year amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
January 2018 - December 2018
 Return on Capital Investments, Depreciation and Taxes
 For Project: Crist Common FTR Monitor
 P.E. 1297
 (in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870
3	Less: Accumulated Depreciation (C)	(29,525)	(29,734)	(29,944)	(30,153)	(30,363)	(30,573)	(30,782)	(30,992)	(31,201)	(31,411)	(31,620)	(31,830)	(32,040)	(32,040)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	33,346	33,136	32,926	32,717	32,507	32,298	32,088	31,879	31,669	31,459	31,250	31,040	30,831	
6	Average Net Investment		33,241	33,031	32,822	32,612	32,403	32,193	31,983	31,774	31,564	31,355	31,145	30,936	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		194	193	192	190	189	188	187	185	184	183	182	181	2,247
b	Debt Component (Line 6 x Debt Component x 1/12)		39	39	39	38	38	38	38	37	37	37	37	36	453
8	Investment Expenses														
a	Depreciation (E)		210	210	210	210	210	210	210	210	210	210	210	210	2,515
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		443	441	440	438	437	435	434	432	431	429	428	426	5,215
a	Recoverable Costs Allocated to Energy		34	34	34	34	34	33	33	33	33	33	33	33	401
b	Recoverable Costs Allocated to Demand		409	407	406	405	403	402	400	399	398	396	395	394	4,814
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (H)		33	33	33	33	33	33	32	32	32	32	32	32	390
13	Retail Demand-Related Recoverable Costs (I)		397	396	394	393	392	391	389	388	387	385	384	383	4,678
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		430	429	427	426	424	423	422	420	419	417	416	414	5,068

Notes:
 (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
 (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
 (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
 (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
 (E) Applicable depreciation rate or rates.
 (F) Applicable amortization period.
 (G) Description and reason for "Other" adjustments to investment expenses for this project.
 (H) Line 9a x Line 10 x line loss multiplier
 (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Precipitator Upgrades for CAM Compliance
P.E.s 1175, 1191, 1305, 1330
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696
3	Less: Accumulated Depreciation (C)	(4,715,502)	(4,762,161)	(4,808,820)	(4,855,479)	(4,902,138)	(4,948,797)	(4,995,456)	(5,042,115)	(5,088,774)	(5,135,433)	(5,182,092)	(5,228,751)	(5,275,410)	(5,275,410)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	9,282,193	9,235,534	9,188,875	9,142,216	9,095,557	9,048,898	9,002,240	8,955,581	8,908,922	8,862,263	8,815,604	8,768,945	8,722,286	8,722,286
6	Average Net Investment		9,258,864	9,212,205	9,165,546	9,118,887	9,072,228	9,025,569	8,978,910	8,932,251	8,885,592	8,838,933	8,792,274	8,745,615	8,745,615
7	Return on Average Net Investment		54,025	53,753	53,481	53,209	52,936	52,664	52,392	52,120	51,847	51,575	51,303	51,031	630,337
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		10,898	10,843	10,788	10,733	10,678	10,623	10,568	10,513	10,458	10,403	10,349	10,294	127,148
b	Debt Component (Line 6 x Debt Component x 1/12)		46,659	46,659	46,659	46,659	46,659	46,659	46,659	46,659	46,659	46,659	46,659	46,659	46,659
8	Investment Expenses		0	0	0	0	0	0	0	0	0	0	0	0	0
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		111,582	111,255	110,928	110,601	110,273	109,946	109,619	109,292	108,965	108,638	108,310	107,983	1,317,392
a	Recoverable Costs Allocated to Energy		8,583	8,558	8,533	8,508	8,483	8,457	8,432	8,407	8,382	8,357	8,332	8,306	101,338
b	Recoverable Costs Allocated to Demand		102,999	102,697	102,395	102,093	101,791	101,489	101,187	100,885	100,583	100,281	99,979	99,677	1,216,054
10	Energy Jurisdictional Factor		0,9682436	0,9686254	0,9698642	0,9708346	0,9714940	0,9726051	0,9725230	0,9720301	0,9719801	0,9708758	0,9689218	0,9673536	0,9673536
11	Demand Jurisdictional Factor		0,9718277	0,9718277	0,9718277	0,9718277	0,9718277	0,9718277	0,9718277	0,9718277	0,9718277	0,9718277	0,9718277	0,9718277	0,9718277
12	Retail Energy-Related Recoverable Costs (H)		8,321	8,300	8,286	8,270	8,251	8,236	8,210	8,182	8,157	8,123	8,082	8,045	98,461
13	Retail Demand-Related Recoverable Costs (I)		100,097	99,804	99,510	99,217	98,923	98,630	98,336	98,043	97,749	97,456	97,162	96,869	1,181,795
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		108,418	108,103	107,796	107,486	107,174	106,865	106,547	106,224	105,906	105,579	105,245	104,914	1,280,256

Notes:
 (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
 (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
 (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
 (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
 (E) Applicable depreciation rate or rates.
 (F) Applicable amortization period.
 (G) Description and reason for "Other" adjustments to investment expenses for this project.
 (H) Line 9a x Line 10 x line loss multiplier
 (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Plant Groundwater Investigation
P.E.s 1218 & 1361
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Average Net Investment	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 6 x Debt Component x 1/12)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
a	Depreciation (E)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes	0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7+8)														
a	Recoverable Costs Allocated to Energy	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Recoverable Costs Allocated to Demand	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436	0.9682436
11	Demand Jurisdictional Factor	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	0	0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Water Conservation Project
P.E.s 1178, 1227, 1298
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		10,000	25,000	100,000	100,000	65,000	50,000	25,000	25,000	25,000	25,000	25,000	25,000	500,000
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	500,000
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	150,000
d	Cost of Removal		75,000	0	0	0	0	0	0	0	0	0	0	0	75,000
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)		20,028,888	20,028,888	20,028,888	20,028,888	20,028,888	20,028,888	20,028,888	20,028,888	20,028,888	20,028,888	20,028,888	20,028,888	20,378,888
3	Less: Accumulated Depreciation (C)		(5,275,568)	(5,342,331)	(5,409,094)	(5,475,857)	(5,542,620)	(5,609,383)	(5,676,146)	(5,742,909)	(5,809,672)	(5,876,435)	(5,943,198)	(5,859,961)	
4	CWIP - Non Interest Bearing		0	35,000	135,000	235,000	300,000	350,000	375,000	400,000	425,000	450,000	475,000	475,000	0
5	Net Investment (Lines 2 + 3 + 4) (A)		14,745,083	14,721,557	14,754,794	14,788,031	14,786,268	14,769,505	14,727,742	14,685,979	14,644,216	14,602,453	14,560,690	14,518,927	
6	Average Net Investment		14,754,201	14,742,438	14,738,175	14,771,412	14,787,149	14,777,887	14,748,624	14,706,861	14,665,098	14,623,335	14,581,572	14,539,809	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		86,091	86,022	85,997	86,191	86,283	86,229	86,058	85,815	85,571	85,327	85,083	84,840	1,029,507
b	Debt Component (Line 6 x Debt Component x 1/12)		17,366	17,352	17,347	17,386	17,404	17,394	17,359	17,310	17,261	17,212	17,163	17,113	207,666
8	Investment Expenses														
a	Depreciation (E)		66,763	66,763	66,763	66,763	66,763	66,763	66,763	66,763	66,763	66,763	66,763	66,763	801,156
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		170,219	170,137	170,107	170,340	170,450	170,386	170,180	169,887	169,595	169,302	169,009	168,716	2,038,329
a	Recoverable Costs Allocated to Energy		13,094	13,087	13,085	13,103	13,112	13,107	13,091	13,068	13,046	13,023	13,001	12,978	156,795
b	Recoverable Costs Allocated to Demand		157,126	157,049	157,022	157,237	157,339	157,279	157,090	156,819	156,549	156,279	156,008	155,738	1,881,534
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (H)		12,693	12,692	12,706	12,736	12,753	12,763	12,746	12,718	12,695	12,659	12,612	12,570	152,344
13	Retail Demand-Related Recoverable Costs (I)		152,699	152,625	152,598	152,807	152,906	152,848	152,664	152,401	152,139	151,876	151,613	151,350	1,828,527
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		165,392	165,317	165,304	165,543	165,659	165,611	165,410	165,119	164,834	164,535	164,225	163,920	1,980,871

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Plant NPDES Permit Compliance Projects
P.E.s 1204 & 1299
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
	a Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
	e Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140
3	Less: Accumulated Depreciation (C)	(2,399,369)	(2,419,879)	(2,440,390)	(2,460,900)	(2,481,411)	(2,501,921)	(2,522,432)	(2,542,942)	(2,563,453)	(2,583,963)	(2,604,474)	(2,624,984)	(2,645,495)	(2,645,495)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	3,753,771	3,733,261	3,712,750	3,692,240	3,671,729	3,651,219	3,630,708	3,610,198	3,589,687	3,569,177	3,548,667	3,528,156	3,507,646	3,507,646
6	Average Net Investment		3,743,516	3,723,005	3,702,495	3,681,985	3,661,474	3,640,964	3,620,453	3,599,943	3,579,432	3,558,922	3,538,411	3,517,901	3,517,901
7	Return on Average Net Investment														
	a Equity Component (Line 6 x Equity Component x 1/12) (D)		21,843	21,724	21,604	21,484	21,365	21,245	21,125	21,006	20,886	20,766	20,647	20,527	20,527
	b Debt Component (Line 6 x Debt Component x 1/12)		4,406	4,382	4,358	4,334	4,310	4,285	4,261	4,237	4,213	4,189	4,165	4,141	4,141
8	Investment Expenses														
	a Depreciation (E)		20,510	20,510	20,510	20,510	20,510	20,510	20,510	20,510	20,510	20,510	20,510	20,510	20,510
	b Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
	d Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
	e Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		46,760	46,616	46,472	46,329	46,185	46,041	45,897	45,753	45,609	45,466	45,322	45,178	45,178
	a Recoverable Costs Allocated to Energy		3,597	3,586	3,575	3,564	3,553	3,542	3,531	3,519	3,508	3,497	3,486	3,475	3,475
	b Recoverable Costs Allocated to Demand		43,163	43,030	42,898	42,765	42,632	42,499	42,367	42,234	42,101	41,968	41,836	41,703	41,703
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9732530	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		3,487	3,478	3,471	3,464	3,456	3,449	3,438	3,425	3,414	3,400	3,382	3,366	3,366
13	Retail Demand-Related Recoverable Costs (I)		41,947	41,818	41,689	41,560	41,431	41,302	41,173	41,044	40,915	40,786	40,657	40,528	40,528
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		45,434	45,296	45,160	45,024	44,887	44,751	44,611	44,469	44,329	44,185	44,039	43,894	43,894

Notes:

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Air Quality Compliance Program

P.E.s 1034, 1035, 1036, 1037, 1067, 1095, 1168, 1188, 1222, 1233, 1279, 1288, 1362, 1505, 1508, 1512, 1513, 1517, 1551, 1552, 1646, 1684, 1701, 1727, 1728, 1729, 1768, 1774, 1778, 1791, 1798, 1809, 1810, 1824, 1826, 1909, 1911, 1913, 1950
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		844,698	2,253,582	1,416,698	1,076,695	654,698	654,695	930,858	654,695	769,779	872,279	863,267	647,771	11,639,715
b	Clearings to Plant		3,288	3,288	373,288	2,391,169	258,288	3,285	3,285	3,285	118,369	118,369	121,857	15,781	3,413,552
c	Retirements		0	0	0	399,300	815,393	0	0	0	0	0	0	54,074	1,268,767
d	Cost of Removal		29,665	133,315	234,653	4,165	4,165	4,170	4,165	4,165	4,170	4,165	5,415	5,420	437,633
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	1,341,555,665	1,341,558,953	1,341,562,241	1,341,935,529	1,343,927,398	1,343,370,293	1,343,373,578	1,343,376,863	1,343,380,148	1,343,498,517	1,343,616,886	1,343,738,743	1,343,700,450	
3	Less: Accumulated Depreciation (C)	(245,618,048)	(249,490,581)	(253,259,472)	(256,927,033)	(260,427,024)	(263,517,558)	(267,421,409)	(271,325,272)	(275,229,144)	(279,133,019)	(283,037,118)	(286,940,187)	(290,789,402)	
4	CWIP - Non Interest Bearing	4,536,892	5,378,302	7,628,596	8,672,006	7,357,532	7,753,942	8,405,352	9,332,925	9,984,335	10,635,745	11,389,655	12,131,065	12,763,055	
5	Net Investment (Lines 2 + 3 + 4) (A)	1,100,474,509	1,097,446,674	1,095,931,365	1,093,680,502	1,090,857,906	1,087,606,677	1,084,357,521	1,081,384,516	1,078,135,339	1,075,001,243	1,071,969,423	1,068,929,621	1,065,674,103	
6	Average Net Investment	1,098,960,592	1,096,689,020	1,094,805,934	1,092,269,204	1,089,232,292	1,085,982,099	1,082,871,019	1,079,759,927	1,076,568,291	1,073,485,333	1,070,449,522	1,067,301,862		
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		6,412,435	6,399,180	6,388,193	6,373,391	6,355,670	6,336,706	6,318,552	6,300,399	6,281,776	6,263,787	6,246,073	6,227,706	75,903,869
b	Debt Component (Line 6 x Debt Component x 1/12)		1,293,477	1,290,803	1,288,587	1,285,601	1,282,026	1,278,201	1,274,539	1,270,877	1,267,121	1,263,492	1,259,919	1,256,214	15,310,857
8	Investment Expenses														
a	Depreciation (E)		3,876,486	3,876,495	3,876,503	3,877,744	3,884,381	3,882,309	3,882,317	3,882,325	3,882,334	3,882,553	3,882,772	3,882,998	46,569,218
b	Amortization (F)		25,711	25,711	25,711	25,711	25,711	25,711	25,711	25,711	25,711	25,711	25,711	25,711	308,536
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		547,313	547,313	547,313	547,313	547,313	547,313	547,313	547,313	547,313	547,313	547,313	547,313	6,567,751
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		12,155,422	12,139,502	12,126,306	12,109,760	12,095,102	12,070,239	12,048,433	12,026,626	12,004,254	11,982,856	11,961,788	11,939,942	144,660,231
a	Recoverable Costs Allocated to Energy		935,032	933,808	932,793	931,520	930,392	928,480	926,803	925,125	923,404	921,758	920,138	918,457	11,127,710
b	Recoverable Costs Allocated to Demand		11,220,390	11,205,694	11,193,513	11,178,240	11,164,710	11,141,759	11,121,630	11,101,501	11,080,850	11,061,098	11,041,650	11,021,485	133,532,521
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.968642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (H)		906,426	905,595	905,768	905,437	904,955	904,128	902,418	900,329	898,608	895,987	892,611	889,539	10,811,800
13	Retail Demand-Related Recoverable Costs (I)		10,904,285	10,890,004	10,878,166	10,863,323	10,850,174	10,827,870	10,808,308	10,788,746	10,768,677	10,749,481	10,730,582	10,710,985	129,770,602
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		11,810,711	11,795,599	11,783,934	11,768,760	11,755,129	11,731,998	11,710,727	11,689,075	11,667,285	11,645,468	11,623,193	11,600,523	140,582,403

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable
- (B) Beginning Balances: Crist \$786,245,146; Smith \$229,742; Daniel \$372,214,957; Scherer \$182,865,821. Ending Balances: Crist \$787,788,337; Smith \$229,742; Daniel \$372,509,385; Scherer \$183,172,987.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) PE 1168 and portions of PEs 1222, 1233, 1279, 1768, 1909 and 1950 have a 7 year amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
January 2018 - December 2018
 Return on Capital Investments, Depreciation and Taxes
 For Project: General Water Quality
 P.E.1280 & 0831
 (in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments		50,000	50,000	50,000	50,000	0	0	0	0	0	0	0	0	200,000
a	Expenditures/Additions		0	0	0	0	0	1,159,865	0	0	0	0	0	0	1,159,865
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	1,159,865	1,159,865	1,159,865	1,159,865	1,159,865	1,159,865	1,159,865	1,159,865
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	(3,866)	(7,732)	(11,599)	(15,465)	(19,331)	(23,197)	
4	CWIP - Non Interest Bearing	959,865	1,009,865	1,059,865	1,109,865	1,159,865	1,159,865	1,159,865	1,155,998	1,152,132	1,148,266	1,144,400	1,140,533	1,136,667	0
5	Net Investment (Lines 2 + 3 + 4) (A)	959,865	1,009,865	1,059,865	1,109,865	1,159,865	1,159,865	1,159,865	1,155,998	1,152,132	1,148,266	1,144,400	1,140,533	1,136,667	0
6	Average Net Investment		984,865	1,034,865	1,084,865	1,134,865	1,159,865	1,159,865	1,157,931	1,154,065	1,150,199	1,146,333	1,142,467	1,138,600	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		5,747	6,038	6,330	6,622	6,768	6,768	6,757	6,734	6,711	6,689	6,666	6,644	78,474
b	Debt Component (Line 6 x Debt Component x 1/12)		1,159	1,218	1,277	1,336	1,365	1,365	1,363	1,358	1,354	1,349	1,345	1,340	15,829
8	Investment Expenses		0	0	0	0	0	0	3,866	3,866	3,866	3,866	3,866	3,866	23,197
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		6,906	7,256	7,607	7,958	8,133	8,133	11,986	11,959	11,931	11,904	11,877	11,850	117,500
a	Recoverable Costs Allocated to Energy		531	558	585	612	626	626	922	920	918	916	914	912	9,038
b	Recoverable Costs Allocated to Demand		6,375	6,698	7,022	7,346	7,507	7,507	11,064	11,039	11,014	10,989	10,964	10,939	108,462
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9725230	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (H)		515	541	568	595	609	609	898	895	893	890	886	883	8,783
13	Retail Demand-Related Recoverable Costs (I)		6,195	6,510	6,824	7,139	7,296	7,296	10,752	10,728	10,703	10,679	10,655	10,630	105,406
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		6,710	7,051	7,392	7,734	7,904	7,905	11,650	11,623	11,596	11,569	11,541	11,513	114,189

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) PE 1280 is fully amortized
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018

Return on Capital Investments, Depreciation and Taxes

For Project: Coal Combustion Residuals

P.E.s 0404, 0412, 0424, 0514, 1641, 1997, 4405, 4430, 6756, 6757, 6759, 6764, 6765, CCR-C, CCR-D, CCR-S
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		5,572,848	6,747,687	5,973,435	4,025,720	4,774,787	1,982,158	2,221,770	2,431,396	2,097,776	1,728,462	1,359,149	2,109,360	41,024,551
b	Clearings to Plant		0	0	0	0	0	0	0	14,587,874	0	0	0	2,595,903	17,183,777
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	1,212,560	1,212,560	1,212,560	1,212,560	1,212,560	1,212,560	1,212,560	1,212,560	15,800,434	15,800,434	15,800,434	15,800,434	18,396,337	
3	Less: Accumulated Depreciation (C)	(36,420,581)	(36,479,110)	(36,537,640)	(36,596,169)	(36,654,699)	(36,713,228)	(36,771,758)	(36,830,288)	(36,888,817)	(36,971,660)	(37,054,503)	(37,137,345)	(37,220,188)	
4	CWIP - Non Interest Bearing	12,112,948	17,683,796	24,433,484	30,406,919	34,432,639	39,207,426	41,189,584	43,411,354	31,254,877	33,352,653	35,081,116	36,440,265	35,953,722	
5	Net Investment (Lines 2 + 3 + 4) (A)	(23,095,073)	(17,580,754)	(10,891,596)	(4,976,691)	(1,009,500)	3,706,757	5,630,385	7,793,626	10,166,493	12,181,427	13,827,047	15,103,354	17,129,871	
6	Average Net Investment		(20,337,913)	(14,236,175)	(7,934,144)	(2,993,095)	1,348,628	4,668,571	6,712,006	8,980,060	11,173,960	13,004,237	14,465,200	16,116,612	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		(118,672)	(83,068)	(46,296)	(17,465)	7,869	27,241	39,165	52,399	65,200	75,880	84,404	94,040	180,698
b	Debt Component (Line 6 x Debt Component x 1/12)		(23,938)	(16,756)	(9,338)	(3,523)	1,587	5,495	7,900	10,570	13,152	15,306	17,026	18,969	36,449
8	Investment Expenses														
a	Depreciation (E)		3,669	3,669	3,669	3,669	3,669	3,669	3,669	3,669	27,982	27,982	27,982	27,982	141,279
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		54,861	54,861	54,861	54,861	54,861	54,861	54,861	54,861	54,861	54,861	54,861	54,861	658,328
d	Property Taxes		445	445	445	445	445	445	445	445	445	445	445	445	5,343
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		(83,635)	(40,849)	(3,341)	(37,987)	68,431	91,711	106,039	121,943	161,640	174,474	184,718	196,298	1,022,097
a	Recoverable Costs Allocated to Energy		(6,433)	(3,142)	(257)	(2,922)	5,264	7,055	8,157	9,380	12,434	13,421	14,209	15,100	78,623
b	Recoverable Costs Allocated to Demand		(77,201)	(37,707)	(3,084)	(35,065)	63,167	84,656	97,883	112,563	149,206	161,053	170,509	181,198	943,474
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (H)		(6,237)	(3,047)	250	2,840	5,120	6,870	7,942	9,129	12,100	13,046	13,784	14,624	76,421
13	Retail Demand-Related Recoverable Costs (I)		(75,026)	(36,645)	2,997	34,077	61,388	82,271	95,125	109,392	145,002	156,515	165,705	176,093	916,895
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		(81,263)	(39,692)	3,246	36,918	66,508	89,141	103,067	118,520	157,102	169,561	179,489	190,717	993,315

Notes:

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable
- (B) Beginning Balances: Crist \$441,895; Smith \$462,055; Scherer \$203,885; Scholz \$0; Daniel \$104,724. Ending Balances: Crist \$441,895; Smith \$1,616,055; Scherer \$1,645,789; Scholz \$14,587,874; Daniel \$104,724.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x line loss multiplier
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Capital Investments, Depreciation and Taxes
For Project: Steam Electric Effluent Limitations Guidelines
P.E.s 1193 & 1912
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	5,601,534	5,601,534	5,601,534	5,601,534	5,601,534	5,601,534	5,601,534	5,601,534	5,601,534	5,601,534	5,601,534	5,601,534	5,601,534	5,601,534
3	Less: Accumulated Depreciation (C)	0	(18,672)	(37,344)	(56,015)	(74,687)	(93,359)	(112,031)	(130,702)	(149,374)	(168,046)	(186,718)	(205,390)	(224,061)	(224,061)
4	CWIP - Non Interest Bearing	24,671	24,671	24,671	24,671	24,671	24,671	24,671	24,671	24,671	24,671	24,671	24,671	24,671	24,671
5	Net Investment (Lines 2 + 3 + 4) (A)	5,626,206	5,607,534	5,588,862	5,570,191	5,551,519	5,532,847	5,514,175	5,495,503	5,476,832	5,458,160	5,439,488	5,420,816	5,402,145	5,402,145
6	Average Net Investment		5,616,870	5,598,198	5,579,526	5,560,855	5,542,183	5,523,511	5,504,839	5,486,168	5,467,496	5,448,824	5,430,152	5,411,480	5,411,480
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		32,774	32,665	32,557	32,448	32,339	32,230	32,121	32,012	31,903	31,794	31,685	31,576	386,103
b	Debt Component (Line 6 x Debt Component x 1/12)		6,611	6,589	6,567	6,545	6,523	6,501	6,479	6,457	6,435	6,413	6,391	6,369	77,882
8	Investment Expenses														
a	Depreciation (E)		18,672	18,672	18,672	18,672	18,672	18,672	18,672	18,672	18,672	18,672	18,672	18,672	224,061
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		58,057	57,926	57,795	57,664	57,534	57,403	57,272	57,141	57,010	56,879	56,748	56,617	688,046
a	Recoverable Costs Allocated to Energy		4,466	4,456	4,446	4,436	4,426	4,416	4,406	4,395	4,385	4,375	4,365	4,355	52,927
b	Recoverable Costs Allocated to Demand		53,591	53,470	53,350	53,229	53,108	52,987	52,866	52,745	52,624	52,504	52,383	52,262	635,119
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9752530	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (H)		4,329	4,321	4,317	4,312	4,305	4,300	4,290	4,278	4,268	4,253	4,235	4,218	51,424
13	Retail Demand-Related Recoverable Costs (I)		52,082	51,964	51,847	51,729	51,612	51,494	51,377	51,259	51,142	51,024	50,907	50,790	617,227
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		56,411	56,285	56,164	56,041	55,916	55,794	55,666	55,537	55,410	55,277	55,142	55,008	668,651

Notes:
 (A) Description and reason for "Other" adjustments to net investment for this project, if applicable
 (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
 (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal
 (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
 (E) Applicable depreciation rate or rates.
 (F) Applicable amortization period.
 (G) Description and reason for "Other" adjustments to investment expenses for this project.
 (H) Line 9a x Line 10 x line loss multiplier
 (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Working Capital, Mercury Allowance Expenses
For Project: Mercury Allowances
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
	a Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
	a FERC 158.1 Allowance Inventory	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	b FERC 158.2 Allowances Withheld	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c FERC 182.3 Other Regl. Assets - Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d FERC 254 Regulatory Liabilities - Gains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Total Working Capital Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Average Net Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Return on Average Net Working Capital Balance														
	a Equity Component (Line 4 x Equity Component x 1/12) (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Debt Component (Line 4 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Total Return Component (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Expenses														
	a Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Mercury Allowance Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Net Expenses (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 6 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	0
	a Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (B)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (B) Line 9a x Line 10 x line loss multiplier
- (C) Line 9b x Line 11.
- (D) Line 6 is reported on Schedule 3P.
- (E) Line 8 is reported on Schedule 2P.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Working Capital, Annual NOx Expenses
For Project: Annual NOx Allowances
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
	a Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
	a FERC 158.1 Allowance Inventory	29,724	28,590	28,447	27,433	26,477	26,051	25,581	25,075	24,559	24,089	23,085	21,943	20,798	
	b FERC 158.2 Allowances Withheld	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c FERC 182.3 Other Regl. Assets - Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d FERC 254 Regulatory Liabilities - Gains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Total Working Capital Balance	29,724	28,590	28,447	27,433	26,477	26,051	25,581	25,075	24,559	24,089	23,085	21,943	20,798	
4	Average Net Working Capital Balance		29,157	28,518	27,940	26,955	26,264	25,816	25,328	24,817	24,324	23,587	22,514	21,371	
5	Return on Average Net Working Capital Balance														
	a Equity Component (Line 4 x Equity Component x 1/12) (A)		170	166	163	157	153	151	148	145	142	138	131	125	1,789
	b Debt Component (Line-4 x Debt Component x 1/12)		34	34	33	32	31	30	30	29	29	28	26	25	361
6	Total Return Component (D)		204	200	196	189	184	181	178	174	171	165	158	150	2,150
7	Expenses														
	a Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Annual NOx Allowance Expense		1,134	143	1,013	956	426	470	505	516	470	1,004	1,142	1,145	8,926
8	Net Expenses (E)		1,134	143	1,013	956	426	470	505	516	470	1,004	1,142	1,145	8,926
9	Total System Recoverable Expenses (Lines 6 + 8)		1,339	343	1,209	1,145	610	651	683	691	640	1,169	1,300	1,294	11,075
	a Recoverable Costs Allocated to Energy		1,150	158	1,029	971	440	484	519	530	483	1,017	1,154	1,156	9,091
	b Recoverable Costs Allocated to Demand		189	185	181	174	170	167	164	161	157	153	146	138	1,984
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (B)		1,115	154	999	944	428	471	505	516	470	988	1,120	1,120	8,829
13	Retail Demand-Related Recoverable Costs (C)		183	179	176	170	165	162	159	156	153	148	142	134	1,929
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		1,298	333	1,174	1,113	594	634	665	672	623	1,137	1,262	1,254	10,758

Notes:
 (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
 (B) Line 9a x Line 10 x line loss multiplier
 (C) Line 9b x Line 11.
 (D) Line 6 is reported on Schedule 3P.
 (E) Line 8 is reported on Schedule 2P.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Working Capital, Seasonal NOx Expenses
For Project: Seasonal NOx Allowances
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
	a Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
	a FERC 158.1 Allowance Inventory	45,487	45,487	45,487	45,487	45,487	43,935	40,626	34,862	28,926	25,670	25,670	25,670	25,670	25,670
	b FERC 158.2 Allowances Withheld	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c FERC 182.3 Other Regl. Assets - Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d FERC 254 Regulatory Liabilities - Gains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Total Working Capital Balance	45,487	45,487	45,487	45,487	45,487	43,935	40,626	34,862	28,926	25,670	25,670	25,670	25,670	25,670
4	Average Net Working Capital Balance		45,487	45,487	45,487	44,711	42,281	37,744	31,894	27,298	25,670	25,670	25,670	25,670	25,670
5	Return on Average Net Working Capital Balance														
	a Equity Component (Line 4 x Equity Component x 1/12) (A)		265	265	265	261	247	220	186	159	150	150	150	150	150
	b Debt Component (Line 4 x Debt Component x 1/12)		54	54	54	53	50	44	38	32	30	30	30	30	30
6	Total Return Component (D)		319	319	319	314	296	265	224	191	180	180	180	180	180
7	Expenses														
	a Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Seasonal NOx Allowance Expense		0	0	0	1,552	3,309	5,764	5,764	5,936	3,256	0	0	0	19,817
8	Net Expenses (E)		0	0	0	1,552	3,309	5,764	5,764	5,936	3,256	0	0	0	19,817
9	Total System Recoverable Expenses (Lines 6 + 8)		319	319	319	1,866	3,605	6,029	6,029	6,159	3,448	180	180	180	22,923
	a Recoverable Costs Allocated to Energy		25	25	25	1,576	3,332	5,785	5,785	5,953	3,271	14	14	14	20,056
	b Recoverable Costs Allocated to Demand		294	294	294	289	274	244	206	177	166	166	166	166	2,867
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
12	Retail Energy-Related Recoverable Costs (B)		24	24	24	24	1,533	3,244	5,633	5,793	3,183	13	13	13	19,522
13	Retail Demand-Related Recoverable Costs (C)		286	286	286	281	266	237	201	172	161	161	161	161	2,786
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		310	310	310	310	3,510	5,870	5,994	3,355	175	175	175	175	22,308

Notes:
(A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
(B) Line 9a x Line 10 x line loss multiplier
(C) Line 9b x Line 11.
(D) Line 6 is reported on Schedule 3P.
(E) Line 8 is reported on Schedule 2P.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018
Return on Working Capital, SO2 Expenses
For Project: SO2 Allowances
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments														
	a Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
	a FERC 158.1 Allowance Inventory	6,313,229	6,311,301	6,311,043	6,310,785	6,310,561	6,310,159	6,307,148	6,303,896	6,300,586	6,297,658	6,296,616	6,296,339	6,294,683	
	b FERC 158.2 Allowances Withheld	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	c FERC 182.3 Other Regl. Assets - Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	d FERC 254 Regulatory Liabilities - Gains	(391)	(378)	(365)	(353)	(340)	(326)	(313)	(300)	(287)	(275)	(262)	(249)	(236)	
3	Total Working Capital Balance	6,312,838	6,310,923	6,310,678	6,310,433	6,310,221	6,309,833	6,306,835	6,303,595	6,300,299	6,297,383	6,296,355	6,296,090	6,294,447	
4	Average Net Working Capital Balance		6,311,880	6,310,800	6,310,555	6,310,327	6,310,027	6,308,334	6,305,215	6,301,947	6,298,841	6,296,869	6,296,222	6,295,269	
5	Return on Average Net Working Capital Balance														
	a Equity Component (Line 4 x Equity Component x 1/12) (A)		36,830	36,824	36,822	36,821	36,819	36,809	36,791	36,772	36,754	36,742	36,738	36,733	441,454
	b Debt Component (Line 4 x Debt Component x 1/12)		7,429	7,428	7,428	7,427	7,427	7,425	7,421	7,417	7,414	7,411	7,411	7,410	89,047
6	Total Return Component (D)		44,259	44,251	44,250	44,248	44,246	44,234	44,212	44,189	44,167	44,154	44,149	44,142	530,502
7	Expenses														
	a Gains		(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(13)	(154)
	b Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
	c SO2 Allowance Expense		1,928	258	258	225	401	3,012	3,252	3,309	2,928	1,042	277	1,656	18,546
8	Net Expenses (E)		1,915	245	245	212	388	2,999	3,240	3,296	2,915	1,029	265	1,643	18,392
9	Total System Recoverable Expenses (Lines 6 + 8)		46,174	44,496	44,494	44,460	44,634	47,233	47,452	47,486	47,083	45,182	44,414	45,785	548,894
	a Recoverable Costs Allocated to Energy		5,320	3,649	3,649	3,616	3,792	6,401	6,640	6,696	6,313	4,425	3,661	5,038	59,200
	b Recoverable Costs Allocated to Demand		40,854	40,847	40,846	40,844	40,842	40,831	40,811	40,790	40,770	40,757	40,753	40,747	489,694
10	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
11	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
12	Retail Energy-Related Recoverable Costs (B)		5,157	3,538	3,543	3,514	3,688	6,233	6,466	6,516	6,143	4,301	3,551	4,880	57,533
13	Retail Demand-Related Recoverable Costs (C)		39,703	39,697	39,695	39,694	39,692	39,681	39,661	39,641	39,621	39,609	39,605	39,599	475,898
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		44,861	43,235	43,238	43,208	43,380	45,915	46,127	46,157	45,765	43,910	43,156	44,479	533,431

Notes:
 (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
 (B) Line 9a x Line 10 x line loss multiplier
 (C) Line 9b x Line 11.
 (D) Line 6 is reported on Schedule 3P.
 (E) Line 8 is reported on Schedule 2P.

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)

Calculation of the Projected Period Amount

January 2018 - December 2018

Return on Working Capital, Amortization Expense

For Project: Regulatory Asset Smith Units 1 & 2

For Retired P.E.s 1413, 1440, 1441, 1442, 1444, 1454, 1459, 1460, 1461, 1462, 1468, 1469, 1647, 1620, 1638

(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Regulatory Asset Balance 182.2 (B)	21,344,257	21,344,257	21,225,678	21,107,098	20,988,519	20,869,940	20,751,361	20,632,782	20,514,202	20,395,623	20,277,044	20,158,465	20,039,886	1,444,707
2	Less Amortization (C)	0	(118,579)	(118,579)	(118,579)	(118,579)	(118,579)	(118,579)	(118,579)	(118,579)	(118,579)	(118,579)	(118,579)	(118,579)	291,417
3	Net Regulatory Asset Balance (Lines 1 + 2) (A)	21,344,257	21,225,678	21,107,098	20,988,519	20,869,940	20,751,361	20,632,782	20,514,202	20,395,623	20,277,044	20,158,465	20,039,886	19,921,306	
4	Average Regulatory Asset Balance		21,284,967	21,166,388	21,047,809	20,929,230	20,810,650	20,692,071	20,573,492	20,454,913	20,336,334	20,217,754	20,099,175	19,980,596	
5	Return on Average Regulatory Asset Balance		124,198	123,506	122,814	122,122	121,430	120,738	120,046	119,354	118,663	117,971	117,279	116,587	1,444,707
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		25,052	24,913	24,773	24,634	24,494	24,355	24,215	24,075	23,936	23,796	23,657	23,517	
b	Debt Component (Line 6 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	
6	Amortization Expense		118,579	118,579	118,579	118,579	118,579	118,579	118,579	118,579	118,579	118,579	118,579	118,579	1,422,950
a	Amortization (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Other (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Total System Recoverable Expenses (Lines 5 + 6)		267,829	266,998	266,166	265,335	264,503	263,672	262,841	262,009	261,178	260,346	259,515	258,683	3,159,075
a	Recoverable Costs Allocated to Energy		20,602	20,538	20,474	20,410	20,346	20,282	20,219	20,155	20,091	20,027	19,963	19,899	243,006
b	Recoverable Costs Allocated to Demand		247,227	246,460	245,692	244,925	244,157	243,390	242,622	241,855	241,087	240,319	239,552	238,784	2,916,069
8	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	
9	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	
10	Retail Energy-Related Recoverable Costs (G)		19,972	19,918	19,881	19,839	19,790	19,750	19,687	19,614	19,551	19,467	19,365	19,272	236,107
11	Retail Demand-Related Recoverable Costs (H)		240,262	239,516	238,770	238,024	237,279	236,533	235,787	235,041	234,295	233,549	232,803	232,057	2,833,917
12	Total Jurisdictional Recoverable Costs (Lines 10 + 11)		260,234	259,434	258,652	257,863	257,069	256,283	255,473	254,655	253,846	253,016	252,169	251,330	3,070,024

Notes:

- (A) End of period Regulatory Asset Balance.
- (B) Beginning of period Regulatory Asset Balance.
- (C) Regulatory Asset has a 15 year amortization period.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Regulatory Asset has a 15 year amortization period.
- (F) Description and reason for "Other" adjustments to regulatory asset.
- (G) Line 7a x Line 8 x line loss multiplier
- (H) Line 7b x Line 9.

Schedule 6P

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % By Rate Class
January 2018 - December 2018

Rate Class	(A) Average 12 CP Load Factor at Meter (%)	(B) Jan - Dec. 2018 Projected Sales at Meter (kWh)	(C) Projected Avg 12 CP at Meter (kW)	(D) Demand Loss Expansion Factor	(E) Energy Loss Expansion Factor	(F) Projected Sales at Generation (kWh)	(G) Projected Avg 12 CP at Generation (kW)	(H) Percentage of kWh Sales at Generation (%)	(I) Percentage of 12 CP Demand at Generation (%)
RS, RSVP, RSTOU	57.542346%	5,405,053,000	1,072,280	1.00609343	1.00559591	5,435,299,190	1,078,814	49.83290%	57.74834%
GS	63.463164%	309,196,000	55,617	1.00608241	1.00559477	310,925,881	55,955	2.85069%	2.99526%
GSD, GSDT, GSTOU	73.488079%	2,462,912,000	382,585	1.00590017	1.00544671	2,476,326,767	384,842	22.70391%	20.60040%
LP, LPT	82.760718%	894,459,000	123,376	0.98747379	0.99210885	887,400,690	121,831	8.13603%	6.52155%
PX, PXT, RTP, SBS	85.375300%	1,684,946,000	225,294	0.96884429	0.97666479	1,645,627,431	218,275	15.08774%	11.68414%
OS-I/II	416.652542%	101,954,000	2,793	1.00619545	1.00560119	102,525,064	2,811	0.93999%	0.15045%
OS-III	99.799021%	48,672,000	5,567	1.00617773	1.00558881	48,944,019	5,602	0.44874%	0.29986%
TOTAL		10,907,192,000	1,867,513			10,907,049,042	1,868,130	100.00000%	100.00000%

Notes:

- (A) Average 12 CP load factor based on actual 2015 load research data
- (B) Projected kWh sales for the period January 2018 - December 2018
- (C) Calculated: (Col 2) / (8,760 x Col 1), (8,760 hours = the # of hours in 1 year)
- (F) Column B x Column E
- (G) Column C x Column D
- (H) Column F / total for Column F
- (I) Column I / total for Column I

Schedule 7P

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % By Rate Class
January 2018 - December 2018

Rate Class	(A) Percentage of kWh Sales at Generation (%)	(B) Percentage of 12 CP Demand at Generation (%)	(C) Energy- Related Costs	(D) Demand- Related Costs	(E) Total Environmental Costs	(F) Projected Sales at Meter (kWh)	(G) Environmental Cost Recovery Factors (¢/kWh)
RS, RSVP, RSTOU	49.83290%	57.74834%	17,320,948	97,497,581	114,818,529	5,405,053,000	2.124
GS	2.85069%	2.99526%	990,844	5,056,952	6,047,796	309,196,000	1.956
GSD, GSDT, GSTOU	22.70391%	20.60040%	7,891,438	34,780,032	42,671,470	2,462,912,000	1.733
LP, LPT	8.13603%	6.52155%	2,827,926	11,010,452	13,838,378	894,459,000	1.547
PX, PXT, RTP, SBS	15.08774%	11.68414%	5,244,205	19,726,547	24,970,752	1,684,946,000	1.482
OS-I/II	0.93999%	0.15045%	326,722	254,007	580,729	101,954,000	0.570
OS-III	0.44874%	0.29986%	155,973	506,259	662,232	48,672,000	1.361
TOTAL	100.00000%	100.00000%	\$34,758,056	\$168,831,830	203,589,886	10,907,192,000	1.867

Notes:

- (A) From Schedule 6P, Col H
- (B) From Schedule 6P, Col I
- (C) Column A x Total Energy \$ from Schedule 1P, line 5
- (D) Column B x Total Demand \$ from Schedule 1P, line 5
- (E) Column C + Column D
- (F) Projected kWh sales for the period January 2018 - December 2018
- (G) Column E x 100 / Column F

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
January 2018 - December 2018

FPSC Capital Structure and Cost Rates

Line	Capital Component	(1)	(2)	(3)	(4)	(5)	(6)
		Jurisdictional Amount (\$000s)	Ratio %	Cost Rate %	Weighted Cost Rate %	Revenue Requirement Rate %	Monthly Revenue Requirement Rate %
1	Bonds	743,673	30.7440	4.40	1.3527	1.3527	
2	Short-Term Debt	28,504	1.1784	3.02	0.0356	0.0356	
3	Preferred Stock	94,609	3.9112	6.15	0.2405	0.3915	
4	Common Stock	957,875	39.5993	10.25	4.0589	6.6079	
5	Customer Deposits	24,536	1.0143	2.30	0.0233	0.0233	
6	Deferred Taxes	568,999	23.5229				
7	Investment Tax Credit	<u>721</u>	<u>0.0298</u>	7.61	0.0023	<u>0.0034</u>	
8	Total	<u>2,418,917</u>	<u>100.0000</u>		<u>5.7133</u>	<u>8.4144</u>	<u>0.7012</u>
<u>ITC Component:</u>							
9	Debt	743,673	41.4036	4.40	1.8218	0.0005	
10	Equity-Preferred	94,609	5.2673	6.15	0.3239	0.0002	
11	-Common	<u>957,875</u>	<u>53.3291</u>	10.25	<u>5.4662</u>	<u>0.0027</u>	
12		<u>1,796,157</u>	<u>100.0000</u>		<u>7.6119</u>	<u>0.0034</u>	
<u>Breakdown of Revenue Requirement Rate of Return between Debt and Equity:</u>							
13	Total Debt Component (Lines 1, 2, 5, and 9)					1.4121	0.1177
14	Total Equity Component (Lines 3, 4, 10, and 11)					<u>7.0023</u>	0.5835
15	Total Revenue Requirement Rate of Return					<u>8.4144</u>	<u>0.7012</u>

Column:

- (1) Based on MFR D-1a in Docket No. 160186-EI with the following adjustments in order to reflect specific terms in the Stipulation and Settlement Agreement under the same Docket.
 -Reduced the common equity balance and increased the long-term debt balance in order to calculate a 52.5% equity ratio based on jurisdictional investors sources of capital (long-term debt, short-term debt, preference stock and common equity)
- (2) Column (1) / Total Column (1)
- (3) Based on MFR D-1a in Docket No. 160186-EI with the following adjustments in order to reflect specific terms in the Stipulation and Settlement Agreement under the same Docket.
 -Reduced the common equity cost rate to 10.25%.
- (4) Column (2) x Column (3)
- (5) For equity components: Column (4) / (1-.38575); 38.575% = effective income tax rate
 For debt components: Column (4)
- (6) Column (5) / 12

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
January 2018 - December 2018

For Project: Scherer - Air Quality Compliance and CCR Programs

P.E.s 1701, 1727, 1728, 1729, 1768, 1774, 1778, 1791, 1798, 6524, 6756, 6757, 6759, 6764, 6765, CCR-S
 (in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Total
1	Investments		1,170,733	843,576	789,324	891,237	3,169,227	772,528	809,557	809,712	924,953	937,610	928,756	1,475,336	13,522,552
	a Expenditures/Additions		0	0	0	0	0	0	0	0	115,084	115,084	118,572	1,454,403	1,803,143
	b Cleanings to Plant		0	0	0	0	0	0	0	0	0	0	0	54,074	54,074
	c Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
	d Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
	e Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base	183,069,706	183,069,706	183,069,706	183,069,706	183,069,706	183,069,706	183,069,706	183,069,706	183,069,706	183,184,790	183,299,874	183,418,446	184,818,776	184,818,776
3	Less: Accumulated Depreciation	(24,454,201)	(24,793,099)	(25,131,997)	(25,470,895)	(25,809,793)	(26,148,692)	(26,487,590)	(26,826,488)	(27,165,386)	(27,504,284)	(27,843,182)	(28,182,080)	(28,520,978)	(28,860,876)
4	Working Capital (Emissions)	39,074	37,691	37,325	36,089	34,922	34,242	33,492	32,685	31,860	31,110	29,886	28,492	27,097	27,097
5	CWIP - Non Interest Bearing	5,213,094	6,383,827	7,227,403	8,016,727	8,907,965	12,072,191	12,849,719	13,659,277	14,468,989	15,278,859	16,101,385	16,911,570	16,932,503	16,932,503
6	Net Investment (Lines 2 + 3 + 4 + 5)	163,867,673	164,698,125	165,202,437	165,651,627	166,202,800	169,032,448	169,465,327	169,935,180	170,405,170	170,990,475	171,587,752	172,175,795	173,310,198	173,310,198
7	Average Net Investment		164,282,899	164,950,281	165,427,032	165,927,213	167,617,624	169,248,888	169,700,254	170,170,175	170,697,822	171,289,113	171,881,773	172,742,997	172,742,997
8	Return on Average Net Investment		958,591	962,485	965,267	968,185	978,049	987,567	990,201	992,943	996,022	999,472	1,002,930	1,007,955	11,809,667
	a Equity Component (Line 6 x Equity Component x 1/12)		193,361	194,146	194,708	195,296	197,286	199,206	199,737	200,290	200,911	201,607	202,305	203,319	2,382,173
	b Debt Component (Line 6 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Investment Expenses		335,878	335,878	335,878	335,878	335,878	335,878	335,878	335,878	335,878	336,089	336,300	336,518	4,031,811
	a Depreciation		247	247	247	247	247	247	247	247	247	247	247	247	2,966
	b Amortization		2,773	2,773	2,773	2,773	2,773	2,773	2,773	2,773	2,773	2,773	2,773	2,773	33,273
	c Dismantlement		24,398	24,398	24,398	24,398	24,398	24,398	24,398	24,398	24,398	24,398	24,398	24,398	292,773
	d Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
	e Other		0	0	0	0	0	0	0	0	0	0	0	0	0
10	O&M and Emissions		148,096	148,171	148,615	148,487	164,993	177,787	165,438	165,456	165,689	149,053	162,091	149,034	1,892,910
	a O&M Expense		1,383	366	1,236	1,167	879	1,095	1,174	1,195	1,087	1,224	1,393	1,396	13,595
	b Emissions Expense		146,713	147,805	147,379	147,320	164,114	176,692	164,264	164,261	164,602	147,829	160,698	147,638	1,879,315
11	Total System Recoverable Expenses (Lines 8 + 9 + 10)		1,664,727	1,668,464	1,673,121	1,676,431	1,704,503	1,728,951	1,719,846	1,723,180	1,727,005	1,714,864	1,732,437	1,725,639	20,459,168
	a Recoverable Costs Allocated to Energy		262,014	261,387	262,860	263,030	280,163	294,054	282,032	282,312	282,636	266,562	280,096	267,552	3,284,696
	b Recoverable Costs Allocated to Demand		1,402,713	1,407,077	1,410,262	1,413,401	1,424,341	1,434,897	1,437,815	1,440,868	1,444,369	1,448,301	1,452,340	1,458,087	17,174,471
12	Energy Jurisdictional Factor		0.9682436	0.9686254	0.9698642	0.9708346	0.9714940	0.9726051	0.9725230	0.9720301	0.9719801	0.9708758	0.9689218	0.9673536	0.9673536
13	Demand Jurisdictional Factor		0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277	0.9718277
14	Retail Energy-Related Recoverable Costs		253,998	253,490	255,244	255,665	272,503	286,341	274,611	274,745	275,046	259,109	271,717	259,127	3,191,598
15	Retail Demand-Related Recoverable Costs		1,563,195	1,567,436	1,570,531	1,573,582	1,584,214	1,594,473	1,597,308	1,600,276	1,603,678	1,607,499	1,611,424	1,615,010	16,690,627
16	Total Jurisdictional Recoverable Costs (Lines 14 + 15)		1,817,193	1,820,926	1,825,776	1,829,247	1,856,717	1,880,814	1,871,919	1,872,020	1,878,724	1,866,609	1,883,142	1,886,137	19,882,224
17	Scherer/Flint Credit(24%)		388,126	389,022	390,186	391,019	397,612	403,395	401,261	402,005	402,894	399,986	403,954	402,273	4,771,734

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: **Environmental Cost**)
Recovery Clause)

Docket No.: 20170007-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 1st day of September, 2017 to the following:

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