



Rhonda J. Alexander
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May 15, 2018

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

RE: Monthly Rate of Return Report

Dear Mr. Fletcher:

Attached is Gulf Power Company's Jurisdictional Rate of Return Report for the month of March, 2018.

Sincerely,

A handwritten signature in blue ink that reads "Rhonda J. Alexander".

Rhonda J. Alexander
Regulatory, Forecasting and Pricing Manager

md

Attachment

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

GOV 2-1-5-3

March 2018

Earnings Surveillance
Report
(Rate of Return)



Gulf Power

GULF POWER COMPANY
Earnings Surveillance Report Summary
March, 2018

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. Average Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	201,361,875	(61,824,839)	139,537,036	0	139,537,036
Average Rate Base	3,746,565,165	(1,343,423,965)	2,403,141,200	0	2,403,141,200
Average Rate of Return	5.37%		5.81%		5.81%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	201,331,059	(60,793,182)	140,537,877	0	140,537,877
Year End Rate Base	3,836,063,564	(1,341,375,229)	2,494,688,334	0	2,494,688,334
Year End Rate of Return	5.25%		5.63%		5.63%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

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

Low	5.16%
Midpoint	5.57%
High	5.98%

IV. Financial Integrity Indicators

A. Tie With AFUDC	5.84 x (System per Books Basis)
B. Tie Without AFUDC	5.84 x (System per Books Basis)
C. AFUDC To Net Income	0.07% (System per Books Basis)
D. Internally Generated Funds	90.82% (System per Books Basis)
E. LTD To Total Investor Funds	43.44% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	0.80% (FPSC Adjusted Basis)
G. Return on Common Equity	10.83% (FPSC Adjusted Basis)
H. Return on Common Equity	10.83% (Proforma Basis)

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Name and Title

Josh J. Mason
Assistant Treasurer, Financial Planning & Budgeting Manager

Signature



Date

5/15/18

GULF POWER COMPANY
 AVERAGE RATE OF RETURN
 RATE BASE
 March, 2018

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	5,160,990,990	1,698,444,289	3,472,536,701	14,457,253	76,823,766	0	3,563,817,720	263,136,887	3,826,954,607
JURISDICTIONAL PER BOOKS	4,986,191,346	1,651,098,448	3,335,092,898	14,053,621	74,564,945	0	3,423,711,464	322,853,701	3,746,565,165
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,541,722,809)	(302,848,697)	(1,238,874,112)		(16,632,351)		(1,255,506,463)	(26,917,195)	(1,282,423,658)
INT BEARING CWIP					(2,183,162)		(2,183,162)	0	(2,183,162)
ENERGY CONSERVATION CLAUSE	(15,844,816)	7,790,397	(23,635,213)		(23,635,213)		(23,635,213)	(640,803)	(24,276,016)
LOANS TO EMPLOYEES / RETIREES								(30,983)	(30,983)
INTEREST AND DIVIDENDS RECEIVABLE								(391,995)	(391,995)
FUNDED PROP RES. N. ESCAMBIA & OTHER INV.				(12,390,291)			(12,390,291)	(3,609,169)	(15,999,460)
DEPRECIATION CREDIT ADJUSTMENT								0	0
FUEL RELATED DEFERRED DEBITS								(14,676,700)	(14,676,700)
FLAME RESISTANT CLOTHING								0	0
ACCURED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(3,441,990)	(3,441,990)
SALE OF RAILCARS								0	0
TOTAL FPSC ADJUSTMENTS	(1,557,567,625)	(295,058,300)	(1,262,509,325)	(12,390,291)	(18,815,513)	0	(1,293,715,129)	(49,708,835)	(1,343,423,965)
FPSC ADJUSTED	3,428,623,721	1,356,040,148	2,072,583,573	1,663,330	55,749,432	0	2,129,996,335	273,144,865	2,403,141,200
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUST	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	3,428,623,721	1,356,040,148	2,072,583,573	1,663,330	55,749,432	0	2,129,996,335	273,144,865	2,403,141,200

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
March, 2018

	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,513,958,110	578,738,507	337,816,046	166,386,857	119,831,166	36,342,055	57,219,805	(376,494)	0	1,295,957,942	218,000,168 (a)
JURISDICTIONAL PER BOOKS	1,366,870,422	466,082,437	330,457,910	165,910,021	118,893,512	30,944,462	53,696,534	(354,801)	0	1,165,630,076	201,240,347 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(373,166,048)	(382,076,547)				3,199,902				(378,876,645)	5,710,597
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(77,739,419)	(84,065,891)				2,250,390				(81,755,501)	4,016,082
ENERGY CONSERVATION COST REVENUES & EXPENSES	(11,712,263)		(8,750,842)	(646,089)	(337,607)	(710,233)				(10,444,771)	(1,267,492)
ENVIRONMENTAL COST RECOVERY CLAUSE	(195,286,460)		(35,349,503)	(52,206,500)	(7,065,043)	(36,150,205)				(130,773,251)	(64,514,228)
FRANCHISE FEE REVENUE & EXPENSE	(44,173,819)				(43,777,614)	(142,263)				(43,919,897)	(253,922)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,461,313)				(32,029,299)	(155,144)				(32,184,443)	(276,871)
MARKETING SUPPORT ACTIVITIES						37,981				(67,781)	67,781
WHOLESALE EXPENSES			(105,762)			85,473				(152,537)	152,537
INSTITUTIONAL ADVERTISING EXPENSE			(238,010)			85,473				(92,979)	92,979
ECONOMIC DEVELOPMENT EXPENSE			(145,078)			52,100				(40,407)	40,407
MGMT FINANCIAL PLANNING SERVICES			(63,049)			22,642				(27,153)	27,153
DIRECTORS' & OFFICERS' INSURANCE			(42,368)			15,215				(22,752)	22,752
INDUSTRY ASSOCIATION DUES			(35,501)			12,749				(656)	656
TALLAHASSEE LIAISON EXPENSES			(1,325)			479				(311,752)	311,752
GRT, FPSC FEES ON CLAUSES & FEES			(464,473)		(21,967)	174,688				(939,082)	939,082
(GAIN) / LOSS ON DISPOSITION OF PROPERTY					(1,465,307)	526,215			(40,001)	(25,636)	25,636
INTEREST SYNCHRONIZATION						14,365				6,798,421	(6,798,421)
TOTAL FPSC ADJUSTMENTS	(734,539,342)	(466,082,437)	(45,195,922)	(52,852,589)	(84,697,837)	(23,967,245)	0	0	(40,001)	(672,836,032)	(61,703,311)
FPSC ADJUSTED	639,331,080	0	285,261,988	113,057,432	34,195,675	6,977,217	53,696,534	(354,801)	(40,001)	492,794,044	139,537,036
PRO FORMA REVENUE ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	639,331,080	0	285,261,988	113,057,432	34,195,675	6,977,217	53,696,534	(354,801)	(40,001)	492,794,044	139,537,036
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				124,078			121,528				
CURRENT MONTH SYSTEM PER BOOKS	99,671,319	36,736,169	27,043,907	15,733,482	9,103,064	1,691,720	1,237,331	(27,018)	0	91,518,655	8,152,664
CURRENT MONTH JURISDICTIONAL PER BOOKS	91,134,826	31,004,863	25,595,881	19,081,983	9,025,900	793,937	992,967	(26,531)	0	86,468,900	4,665,926

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
March, 2018

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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,586,224,726)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(484,013,140)	(173,816,845)
ACCUMULATED DEPRECIATION	311,590,441	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(201,243,993)	(72,269,930)
CWIP	(17,112,445)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(77,776,122)	(27,930,647)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(15,844,816)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(11,712,263)	(4,206,061)
ACCUMULATED DEPRECIATION	(7,790,397)	FUEL EXPENSE	(492,265,395)	176,780,362
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(86,434,791)	31,040,113
FAS 143 NET PLANT	(46,049,512)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(9,396,931)	3,374,588
INTEREST BEARING CWIP	(2,228,985)	CONSERVATION EXPENSES - OTHER TAXES	(337,607)	121,240
PHFU - NORTH ESCAMBIA	(12,746,151)	ENVIRONMENTAL COST RECOVERY EXPENSE	(97,296,536)	34,940,739
WORKING CAPITAL:		FRANCHISE FEE REVENUES	(44,173,819)	(15,863,523)
ECRC WORKING CAPITAL	(27,694,161)	FRANCHISE FEE	(43,777,614)	15,721,240
CONSERVATION/AEM INVENTORY	(640,803)	GROSS RECEIPTS TAX REVENUES	(32,461,313)	(11,657,376)
FUNDED PROPERTY INSURANCE RESERVE	0	GROSS RECEIPTS TAX EXPENSE	(32,029,299)	11,502,232
LOANS TO EMPLOYEES AND RETIREES	(31,529)	MARKETING SUPPORT ACTIVITIES	(105,762)	37,981
INTEREST & DIVIDENDS RECEIVABLE	(398,902)	WHOLESALE EXPENSES	(244,940)	87,962
NORTH ESCAMBIA SITE	(3,672,563)	INSTITUTIONAL ADVERTISING EXPENSE	(147,850)	53,095
UNAMORTIZED RATE CASE EXPENSE	(3,502,448)	ECONOMIC DEVELOPMENT EXPENSE	(63,049)	22,642
FUEL RELATED DEFERRED DEBITS	(14,676,700)	MGMT FINANCIAL PLANNING SERVICES	(43,256)	15,534
UNREALIZED LOSS ON FWD CONTRACT	(6,603)	DIRECTORS' & OFFICERS' INSURANCE	(36,245)	13,016
ACCUM. PROV. FOR RATE REFUNDS	0	INDUSTRY ASSOCIATION DUES	(1,361)	489
FAS 143 WORKING CAPITAL	56,474,014	TALLAHASSEE LIAISON EXPENSE	(496,621)	178,345
FAS 158 REGULATORY ASSETS	(165,249,679)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,465,307)	526,215
FAS 158 REGULATORY LIABILITIES	165,249,679	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REPN. ESC REV	(7,211)	(2,590)
PPA REGULATORY ASSETS	(124,598,444)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(41,149)	14,777
PPA REGULATORY LIABILITIES	124,598,444	INTEREST SYNCHRONIZATION	6,810,865	6,810,865
FAS 133 REGULATORY ASSETS	(24,403,031)			
FAS 133 REGULATORY LIABILITIES	24,403,031			

GULF POWER COMPANY
 YEAR END RATE OF RETURN
 RATE BASE
 March, 2018

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	5,210,972,236	1,709,154,912	3,501,817,325	14,111,047	119,001,869	0	3,634,930,240	263,136,887	3,898,067,127
JURISDICTIONAL PER BOOKS	5,061,896,255	1,679,974,168	3,381,922,087	13,717,080	116,372,203	0	3,512,011,370	324,052,194	3,836,063,564
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,558,889,457)	(328,915,030)	(1,229,974,427)		(23,383,919)		(1,253,358,345)	(26,917,195)	(1,280,275,540)
INT BEARING CWIP					(2,268,779)		(2,268,779)	0	(2,268,779)
ENERGY CONSERVATION CLAUSE	(16,536,697)	7,448,822	(23,985,519)				(23,985,519)	(640,803)	(24,626,322)
LOANS TO EMPLOYEES AND RETIREES							(30,983)	(30,983)	(30,983)
INTEREST AND DIVIDENDS RECEIVABLE							(391,995)	(391,995)	(391,995)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,053,751)			(12,053,751)	(3,609,169)	(15,662,920)
FUEL RELATED DEFERRED DEBITS								(14,676,700)	(14,676,700)
FUEL RELATED DEFERRED DEBITS								0	0
ACCRUED PROVISION FOR REFUND								(3,441,990)	(3,441,990)
UNAMORTIZED RATE CASE EXPENSES									
TOTAL FPSC ADJUSTMENTS	(1,575,426,154)	(321,466,208)	(1,253,959,846)	(12,053,751)	(25,652,697)	0	(1,291,666,394)	(49,708,835)	(1,341,375,229)
FPSC ADJUSTED	3,486,470,101	1,358,507,960	2,127,962,141	1,663,329	90,719,506	0	2,220,344,976	274,343,358	2,494,688,334
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	3,486,470,101	1,358,507,960	2,127,962,141	1,663,329	90,719,506	0	2,220,344,976	274,343,358	2,494,688,334

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
March, 2018

	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,366,870,422	578,738,507	337,816,046	166,386,957	119,931,166	36,342,055	57,219,805	(376,494)	0	1,295,957,942	218,000,168
JURISDICTIONAL PER BOOKS	1,366,870,422	466,082,437	330,457,910	165,910,021	118,893,512	30,944,565	53,727,247	(354,801)	0	1,165,660,892	201,209,531
LESS FPSC ADJUSTMENTS:	(373,166,048)	(382,076,547)				3,199,902				(378,876,645)	5,710,597
RETAIL FUEL REVENUES & EXPENSES	(77,739,419)	(84,005,891)			(337,607)	2,250,390				(81,755,501)	4,016,082
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(11,712,263)	(8,750,842)		(646,089)	(7,068,043)	(710,233)				(10,444,771)	(1,287,492)
ENERGY CONSERVATION COST REVENUES & EXPENSES	(195,286,480)	(35,349,503)		(52,206,500)	(43,777,814)	(36,150,205)				(130,775,251)	(64,514,229)
ENVIRONMENTAL COST RECOVERY CLAUSE	(44,173,819)				(32,029,299)	(142,283)				(43,919,897)	(253,922)
FRANCHISE FEE REVENUE & EXPENSE	(32,461,313)					(155,144)				(32,184,443)	(276,871)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT			(105,762)			37,981				(67,781)	67,781
MARKETING SUPPORT ACTIVITIES			(238,010)			85,473				(152,537)	152,537
WHOLESALE EXPENSES			(145,079)			52,100				(92,979)	92,979
INSTITUTIONAL ADVERTISING EXPENSE			(63,049)			22,642				(40,407)	40,407
ECONOMIC DEVELOPMENT EXPENSE			(42,368)			15,215				(27,153)	27,153
MGMT FINANCIAL PLANNING SERVICES			(35,501)			12,749				(22,752)	22,752
DIRECTORS' & OFFICERS' INSURANCE			(1,335)			479				(856)	856
INDUSTRY ASSOCIATION DUES			(464,473)			174,688				(311,785)	311,785
TALLAHASSEE LIAISON EXPENSES					(21,967)	174,688				(939,092)	939,092
GRT, FPSC FEES ON CLAUSES & FEES					(1,465,307)	526,215				(25,636)	25,636
(GAIN)/LOSS ON DISPOSITION OF PROPERTY						14,365			(40,001)	5,766,764	(5,766,764)
INTEREST SYNCHRONIZATION						5,766,764					
TOTAL FPSC ADJUSTMENTS	(734,539,342)	(466,082,437)	(45,195,922)	(52,852,589)	(84,897,837)	(24,998,902)	0	0	(40,001)	(673,867,689)	(60,671,654)
FPSC ADJUSTED	632,331,080	0	285,261,988	113,057,432	34,195,675	5,945,663	53,727,247	(354,801)	(40,001)	491,793,203	140,537,877
PRO FORMA REVENUE ANNUALIZATION	0	0	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	632,331,080	0	285,261,988	113,057,432	34,195,675	5,945,663	53,727,247	(354,801)	(40,001)	491,793,203	140,537,877

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 124,078 AND THE JURISDICTIONAL NOI BY 121,528

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
March, 2018

SCHEDULE 3
PAGE 3 OF 3

<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,604,080,933)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(484,013,140)	(173,816,845)
ACCUMULATED DEPRECIATION	338,450,122	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(201,243,993)	(72,269,930)
CWIP	(24,061,807)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(77,776,122)	(27,930,647)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(16,536,697)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(11,712,263)	(4,206,061)
ACCUMULATED DEPRECIATION	(7,448,822)	FUEL EXPENSE	(492,265,395)	176,780,362
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(86,434,791)	31,040,113
FAS 143 NET PLANT	(44,320,919)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(9,396,931)	3,374,588
INTEREST BEARING CWIP	(2,316,399)	CONSERVATION EXPENSES - OTHER TAXES	(337,607)	121,240
PHFU - NORTH ESCAMBIA	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(97,296,536)	34,940,739
WORKING CAPITAL:		FRANCHISE FEE REVENUES	(44,173,819)	(15,883,523)
ECRC WORKING CAPITAL	(27,694,161)	FRANCHISE FEE	(43,777,614)	15,721,240
CONSERVATION/AEM INVENTORY	(640,803)	GROSS RECEIPTS TAX REVENUES	(32,461,313)	(11,657,376)
FUNDED PROPERTY INSURANCE RESERVE	0	GROSS RECEIPTS TAX EXPENSE	(32,029,299)	11,502,232
LOANS TO EMPLOYEES AND RETIREES	(31,529)	MARKETING SUPPORT ACTIVITIES	(105,762)	37,981
INTEREST & DIVIDENDS RECEIVABLE	(398,902)	WHOLESALE EXPENSES	(244,940)	87,962
NORTH ESCAMBIA SITE	(3,672,563)	INSTITUTIONAL ADVERTISING EXPENSE	(147,850)	53,095
UNAMORTIZED RATE CASE EXPENSE	(3,502,448)	ECONOMIC DEVELOPMENT EXPENSE	(63,049)	22,642
FUEL RELATED DEFERRED DEBITS	(14,676,700)	MGMT FINANCIAL PLANNING SERVICES	(43,256)	15,534
UNREALIZED LOSS ON FWD CONTRACT	(6,603)	DIRECTORS' & OFFICERS' INSURANCE	(36,245)	13,016
ACCUM. PROV. FOR RATE REFUNDS	0	INDUSTRY ASSOCIATION DUES	(1,361)	489
FAS 143 WORKING CAPITAL	56,474,014	TALLAHASSEE LIAISON EXPENSE	(496,621)	178,345
FAS 158 REGULATORY ASSETS	(165,249,679)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,465,307)	526,215
FAS 158 REGULATORY LIABILITIES	165,249,679	COMP SALESTRANS REV/G/L SALE GAS/PROV RT REPN. ESC REV	(7,211)	(2,590)
PPA REGULATORY ASSETS	(124,598,444)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(41,149)	14,777
PPA REGULATORY LIABILITIES	124,598,444	INTEREST SYNCHRONIZATION	5,908,258	5,908,258
FAS 133 REGULATORY ASSETS	(24,403,031)			
FAS 133 REGULATORY LIABILITIES	24,403,031			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
March, 2018

SCHEDULE 4

AVERAGE	ADJUSTMENTS										LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	
LONG TERM DEBT	1,246,530,394	1,221,305,169	(437,929,293)	0	783,375,876	32.60	3.92	1.28	3.92	1.28	3.92	1.28	3.92	1.28	3.92	1.28	3.92	1.28	
SHORT TERM DEBT	37,911,389	22,501,566	(8,068,495)	0	14,433,071	0.60	2.56	0.02	2.56	0.02	2.56	0.02	2.56	0.02	2.56	0.02	2.56	0.02	
PREFERENCE STOCK	33,808,689	32,743,646	(11,741,047)	0	21,002,599	0.87	6.14	0.05	6.14	0.05	6.14	0.05	6.14	0.05	6.14	0.05	6.14	0.05	
CUSTOMER DEPOSITS	35,036,509	34,994,135	(12,548,016)	0	22,446,119	0.93	2.30	0.02	2.30	0.02	2.30	0.02	2.30	0.02	2.30	0.02	2.30	0.02	
COMMON EQUITY	1,548,699,943	1,535,207,137	(550,486,637)	0	984,720,500	40.98	9.25	3.79	10.25	4.20	11.25	4.20	11.25	4.20	11.25	4.20	11.25	4.61	
DEFERRED INCOME TAXES	843,254,085	826,683,986	(296,428,069)	0	530,255,917	22.07													
FASB 109 DEFERRED TAXES	73,400,671	71,958,336	(25,802,449)	0	46,155,887	1.92													
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00													
TAX CREDITS - WEIGHTED COST	1,277,250	1,171,190	(419,959)	0	751,231	0.03	6.88	0.00	7.43	0.00	7.98	0.00	7.98	0.00	7.98	0.00	7.98	0.00	
TOTAL	3,819,918,940	3,746,565,165	(1,343,423,965)	0	2,403,141,200	100.00		5.16		5.57		5.57		5.57		5.98		5.98	

YEAR-END	ADJUSTMENTS										LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	
LONG TERM DEBT	1,268,443,460	1,288,481,542	(450,542,690)	0	837,918,852	33.59	3.96	1.33	3.96	1.33	3.96	1.33	3.96	1.33	3.96	1.33	3.96	1.33	
SHORT TERM DEBT	60,971,981	47,025,895	(16,443,776)	0	30,582,119	1.23	2.82	0.03	2.82	0.03	2.82	0.03	2.82	0.03	2.82	0.03	2.82	0.03	
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
CUSTOMER DEPOSITS	34,837,164	35,908,631	(12,556,348)	0	23,352,283	0.94	2.03	0.02	2.03	0.02	2.03	0.02	2.03	0.02	2.03	0.02	2.03	0.02	
COMMON EQUITY	1,536,329,530	1,558,291,916	(544,895,605)	0	1,013,396,311	40.62	9.25	3.76	10.25	4.16	11.25	4.16	11.25	4.16	11.25	4.16	11.25	4.57	
DEFERRED INCOME TAXES	536,446,805	544,912,801	(190,542,341)	0	354,370,460	14.20													
FASB 109 DEFERRED TAXES	354,751,909	360,350,468	(126,005,522)	0	234,344,946	9.39													
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00													
TAX CREDITS - WEIGHTED COST	1,095,029	1,112,310	(388,947)	0	723,363	0.03	6.86	0.00	7.40	0.00	7.95	0.00	7.95	0.00	7.95	0.00	7.95	0.00	
TOTAL	3,792,875,877	3,836,063,564	(1,341,375,229)	0	2,494,688,334	100.00		5.14		5.55		5.55		5.55		5.95		5.95	

GULF POWER COMPANY
Financial Integrity Indicators
March, 2018

A. Times Interest Earned with AFUDC

Earnings Before Interest	211,686,448
AFUDC - Debt	38,328
Income Taxes	89,238,234
	<hr/>
Total	300,963,010
Interest Charges (Before Deducting AFUDC - Debt)	51,551,508
T.I.E. With AFUDC	<hr/> 5.84 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	211,686,448
AFUDC - Other	(85,751)
Income Taxes	89,238,234
	<hr/>
Total	300,838,932
Interest Charges (Before Deducting AFUDC - Debt)	51,551,508
T.I.E. Without AFUDC	<hr/> 5.84 x

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	38,328
X (1 - Income Tax Rate)	0.64088
	<hr/>
Subtotal	24,564
AFUDC - Other	85,751
	<hr/>
Total	110,314
	<hr/>
Net Income Available for Common Stockholders	158,222,726
Percent AFUDC to Available Net Income	<hr/> 0.07%

D. Percent Internally Generated Funds

Net Income	160,173,268
Preference Dividends	(1,950,543)
Common Dividends	(132,517,000)
AFUDC (Debt & Other)	(124,078)
Depreciation & Amortization	176,219,012
Deferred Income Taxes	57,219,805
Investment Tax Credits	0
Other	(51,432,608)
	<hr/>
Total	207,587,856
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	228,572,900
	<hr/>
Percent Internally Generated Funds	<hr/> 90.82%

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

Long Term Debt	783,375,876
Short Term Debt	14,433,071
Preference Stock	21,002,599
Common Equity	984,720,500
	<hr/>
Total	1,803,532,046
	<hr/>
% Long Term Debt To Total	43.44%
	<hr/>
% Short Term Debt To Total	0.80%

G. FPSC Adjusted Average Jurisdictional Return On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.81%	5.81%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.28)	(1.28)
Short Term Debt	(0.02)	(0.02)
Preference Stock	(0.05)	(0.05)
Customer Deposits	(0.02)	(0.02)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.00)	(0.00)
	<hr/>	<hr/>
Subtotal	(1.37)	(1.37)
	<hr/>	<hr/>
Total	4.44	4.44
Divided by Common Equity Ratio	40.98	40.98
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	10.83%	10.83%

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
March, 2018

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
April	2017	0
May	2017	0
June	2017	0
July	2017	0
August	2017	0
September	2017	0
October	2017	0
November	2017	0
December	2017	2,624,999
January	2018	0
February	2018	0
March	2018	0
12 - M-T-D		<u><u>2,624,999</u></u>

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GULF POWER COMPANY

DOCKET NO. 990315-EI

RTP QUARTERLY REPORT

Seventy Fourth Quarterly Report

Report Period: First Quarter, 2018

<u>Rate Class</u>	<u>First Quarter Total Revenue</u>	<u>First Quarter Total KWH Sales</u>	<u>First Quarter ¢/KWH</u>	<u>12-Month Rolling Average ¢/KWH</u>
RTP	\$25,535,653.90	288,229,047	8.860	8.205
PX/PXT	\$2,625,550.35	32,826,447	7.998	7.766
LP/LPT	\$18,796,361.72	187,252,505	10.038	9.199

**Notes to Quarterly
Real Time Pricing Report**

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