



Gulf Power®

August 15, 2019

Mr. Andrew Maurey, Director
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. Maurey:

Attached is Gulf Power Company's Jurisdictional Rate of Return Report for the month of June, 2019.

Sincerely,

C. Shane Boyett
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

June 2019

Earnings Surveillance
Report
(Rate of Return)



Gulf Power®

GULF POWER COMPANY
Earnings Surveillance Report Summary
June 2019

Schedule 1

	(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	168,150,230	(24,039,603)	144,110,626	0	144,110,626
Average Rate Base	3,987,229,308	(1,359,627,670)	2,627,601,638	0	2,627,601,638
Average Rate of Return	4.22%		5.48%		5.48%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	146,148,934	(24,040,816)	122,108,117	0	122,108,117
Year End Rate Base	4,123,923,802	(1,371,881,273)	2,752,042,529	0	2,752,042,529
Year End Rate of Return	3.54%		4.44%		4.44%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

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

Low	5.33%
Midpoint	5.77%
High	6.20%

IV. Financial Integrity Indicators

A. Tie With AFUDC	3.87 x (System per Books Basis)
B. Tie Without AFUDC	3.86 x (System per Books Basis)
C. AFUDC To Net Income	0.23% (System per Books Basis)
D. Internally Generated Funds	-18.76% (System per Books Basis)
E. LTD To Total Investor Funds	41.42% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	1.18% (FPSC Adjusted Basis)
G. Return on Common Equity	9.61% (FPSC Adjusted Basis)
H. Return on Common Equity	9.61% (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
Mitchell P. Goldstein
Vice President - Finance

Signature


Date
8/15/19

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
June 2019

	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	5,362,427,694	1,774,949,960	3,587,477,734	14,109,885	203,830,830	0	3,805,418,449	237,413,227	4,042,831,676
JURISDICTIONAL PER BOOKS	5,193,830,922	1,749,494,437	3,444,336,485	13,715,951	199,234,055	0	3,657,286,491	329,942,817	3,987,229,308
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,563,289,319)	(351,607,005)	(1,211,682,314)		(53,368,697)		(1,265,051,011)	(25,700,954)	(1,290,751,965)
INT BEARING CWIP					(7,461,735)		(7,461,735)	0	(7,461,735)
ENERGY CONSERVATION CLAUSE									
LOANS TO EMPLOYEES / RETIREES	(17,035,293)	6,624,020	(23,659,313)				(23,659,313)	(1,044,376)	(24,703,689)
INTEREST AND DIVIDENDS RECEIVABLE								(14,995)	(14,995)
FUNDED PROP RES. N. ESCAMBIA & OTHER INV.				(12,053,657)			(12,053,657)	(88,311)	(88,311)
DEPRECIATION CREDIT ADJUSTMENT								(24,027,851)	(36,081,508)
FUEL RELATED DEFERRED DEBITS								0	0
FLAME RESISTANT CLOTHING								(525,467)	(525,467)
ACCURED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								0	0
SALE OF RAILCARS								0	0
TOTAL FPSC ADJUSTMENTS	(1,580,324,612)	(344,982,985)	(1,235,341,627)	(12,053,657)	(60,830,432)	0	(1,308,225,716)	(51,401,954)	(1,359,627,670)
FPSC ADJUSTED	3,613,506,310	1,404,511,452	2,208,994,858	1,662,294	138,403,623	0	2,349,060,775	278,540,863	2,627,601,638
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	3,613,506,310	1,404,511,452	2,208,994,858	1,662,294	138,403,623	0	2,349,060,775	278,540,863	2,627,601,638

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
June 2019

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	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,465,638,097	594,898,530	332,146,332	194,761,744	113,381,752	(38,190,600)	37,531,035	(303,769)	(247)	1,234,224,777	231,413,319 (e)
JURISDICTIONAL PER BOOKS	1,289,223,869	460,694,170	330,746,982	194,291,568	112,512,275	(6,158,780)	29,675,824	(298,296)	(240)	1,121,463,503	167,780,366 (e)
LESS FPSC ADJUSTMENTS	(321,856,641)	(378,484,020)	(6,963,576)	(1,348,604)	(316,858)	14,352,209				(364,131,811)	42,275,170
RETAIL FUEL REVENUES & EXPENSES	(75,878,619)	(82,210,150)				1,604,726				(80,695,424)	4,726,804
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(9,154,974)					(133,296)				(6,762,337)	(392,637)
ENERGY CONSERVATION COST REVENUES & EXPENSES	(188,609,883)		(34,712,303)	(57,413,930)	(8,402,438)	(22,324,183)				(122,852,854)	(65,757,029)
ENVIRONMENTAL COST RECOVERY CLAUSE	(42,376,822)				(41,537,603)	(212,701)				(41,750,304)	(626,518)
FRANCHISE FEE REVENUE & EXPENSE	(30,589,750)				(29,863,535)	(184,059)				(30,047,594)	(542,196)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT			(155,257)			39,350				(115,907)	115,907
MARKETING SUPPORT ACTIVITIES			(31,342)			7,944				(23,398)	23,398
WHOLESALE EXPENSES			(188,338)			50,269				(148,069)	148,069
INSTITUTIONAL ADVERTISING EXPENSE			(112,850)			28,502				(84,248)	84,248
ECONOMIC DEVELOPMENT EXPENSE			(15,068)			3,819				(11,249)	11,249
MGMT FINANCIAL PLANNING SERVICES			(18,705)			4,741				(13,964)	13,964
DIRECTORS' & OFFICERS' INSURANCE			(1,208)			306				(902)	902
INDUSTRY ASSOCIATION DUES			(473,650)			124,046				(365,382)	365,382
TALLY-HASSEE LIAISON EXPENSES					(15,778)					(1,038,822)	1,038,822
GRTI, FPSC FEES ON CLAUSES & FEES					(1,391,497)	352,675				(25,546)	25,546
(GAIN)/LOSS ON DISPOSITION OF PROPERTY						8,672			(34,218)	5,160,862	(5,160,862)
INTEREST SYNCHRONIZATION						5,160,862					
TOTAL FPSC ADJUSTMENTS	(668,466,688)	(460,694,170)	(42,682,298)	(58,762,534)	(81,527,708)	(1,116,020)	0	0	(34,218)	(644,816,949)	(23,649,739)
FPSC ADJUSTED	620,757,180	0	288,064,684	135,529,034	30,984,566	(7,274,800)	29,675,824	(298,296)	(34,458)	476,646,554	144,110,626
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	620,757,180	0	288,064,684	135,529,034	30,984,566	(7,274,800)	29,675,824	(298,296)	(34,458)	476,646,554	144,110,626
PRO FORMA ADJUSTED											
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY		395,047					389,864				
(b) SYSTEM ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:		2,257,017					2,257,017				
CURRENT MONTH SYSTEM PER BOOKS	133,975,086	47,511,290	29,356,011	17,019,602	10,071,914	8,599,199	(4,561,328)	(23,610)	0	107,973,078	28,002,008
CURRENT MONTH JURISDICTIONAL PER BOOKS	120,145,747	44,114,751	28,930,521	16,655,475	10,002,658	2,890,315	(1,258,033)	(23,185)	0	101,312,502	18,833,245

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
June 2019

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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	(1,808,256,846)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(454,368,218)	(115,159,625)
ACCUMULATED DEPRECIATION	361,720,870	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(193,571,875)	(49,060,792)
CWIP	(54,903,831)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(75,939,278)	(19,246,810)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,035,293)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(9,154,974)	(2,320,328)
ACCUMULATED DEPRECIATION	(6,624,020)	FUEL EXPENSE	(510,377,454)	129,355,166
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(84,593,339)	21,440,182
FAS 143 NET PLANT	(66,852,201)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(8,312,181)	2,106,722
INTEREST BEARING CWIP	(7,618,353)	CONSERVATION EXPENSES - OTHER TAXES	(316,858)	80,308
PHFU - NORTH ESCAMBIA	(12,399,848)	ENVIRONMENTAL COST RECOVERY EXPENSE	(103,311,892)	26,184,399
WORKING CAPITAL:		FRANCHISE FEE REVENUES	(42,376,822)	(10,740,406)
ECRC WORKING CAPITAL	(26,440,234)	FRANCHISE FEE	(41,537,603)	10,527,705
CONSERVATION/AEM INVENTORY	(1,059,939)	GROSS RECEIPTS TAX REVENUES	(30,589,750)	(7,752,972)
TEMPORARY CASH INVESTMENT	(23,507,692)	GROSS RECEIPTS TAX EXPENSE	(28,863,535)	7,568,913
LOANS TO EMPLOYEES AND RETIREES	(15,259)	MARKETING SUPPORT ACTIVITIES	(155,257)	39,350
INTEREST & DIVIDENDS RECEIVABLE	(89,867)	WHOLESALE EXPENSES	(32,255)	8,175
NORTH ESCAMBIA SITE	(943,492)	INSTITUTIONAL ADVERTISING EXPENSE	(202,126)	51,229
UNAMORTIZED RATE CASE EXPENSE	0	ECONOMIC DEVELOPMENT EXPENSE	(112,851)	28,602
FUEL RELATED DEFERRED DEBITS	(525,467)	MGMT FINANCIAL PLANNING SERVICES	(15,383)	3,899
UNREALIZED LOSS ON FWD CONTRACT	(40,652)	DIRECTORS' & OFFICERS' INSURANCE	(19,097)	4,840
ACCUM. PROV. FOR RATE REFUNDS	0	INDUSTRY ASSOCIATION DUES	(1,231)	312
FAS 143 WORKING CAPITAL	67,249,583	TALLAHASSEE LIAISON EXPENSE	(499,675)	126,643
FAS 158 REGULATORY ASSETS	(115,005,285)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,391,497)	352,675
FAS 158 REGULATORY LIABILITIES	114,431,044	COMP SALES/TRANS REV/IGL SALE GAS/PROV RT REFN. ESC REV	(162,784)	(41,258)
PPA REGULATORY ASSETS	(93,688,256)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(35,200)	8,921
PPA REGULATORY LIABILITIES	93,876,413	INTEREST SYNCHRONIZATION	5,134,029	5,134,029
FAS 133 REGULATORY ASSETS	(7,684,563)			
FAS 133 REGULATORY LIABILITIES	7,684,562			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
June 2019

	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	5,491,056,144	1,841,954,651	3,649,101,493	14,109,788	307,117,907	0	3,970,329,188	237,413,227	4,207,742,415
JURISDICTIONAL PER BOOKS	5,313,531,998	1,833,595,287	3,479,936,711	13,715,856	300,328,418	0	3,793,980,985	329,942,817	4,123,923,802
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,578,608,463)	(376,050,826)	(1,202,557,637)		(63,216,611)		(1,265,774,248)	(25,700,954)	(1,291,475,202)
INT BEARING CWIP					(19,497,359)		(19,497,359)	0	(19,497,359)
ENERGY CONSERVATION CLAUSE							(23,153,961)	(1,044,376)	(24,198,337)
LOANS TO EMPLOYEES AND RETIREES	(17,131,454)	6,022,507	(23,153,961)					(14,995)	(14,995)
INTEREST AND DIVIDENDS RECEIVABLE								(88,311)	(88,311)
FUNDED PROP RES; N. ESCAMBIA SITE, & OTHER INV.				(12,053,751)			(12,053,751)	(24,027,851)	(36,081,602)
FUEL RELATED DEFERRED DEBITS								(525,467)	(525,467)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								0	0
TOTAL FPSC ADJUSTMENTS	(1,595,739,917)	(370,028,319)	(1,225,711,598)	(12,053,751)	(82,713,970)	0	(1,320,479,319)	(51,401,954)	(1,371,881,273)
FPSC ADJUSTED	3,717,792,081	1,463,566,968	2,254,225,113	1,662,105	217,614,448	0	2,473,501,666	278,540,863	2,752,042,529
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	3,717,792,081	1,463,566,968	2,254,225,113	1,662,105	217,614,448	0	2,473,501,666	278,540,863	2,752,042,529

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
June 2019

	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	1,465,638,097	594,898,530	332,146,332	194,761,744	113,381,752	(38,190,600)	37,531,035	(303,769)	(247)	1,234,224,777	231,413,319 (a)
JURISDICTIONAL PER BOOKS	1,289,223,869	460,694,170	330,746,982	194,291,568	112,512,275	11,856,437	33,661,903	(298,296)	(240)	1,143,464,798	145,759,070 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(321,856,641)	(378,484,020)				14,352,209				(364,131,811)	42,275,170
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(75,878,619)	(82,210,150)				1,604,726				(80,605,424)	4,726,804
ENERGY CONSERVATION COST REVENUES & EXPENSES	(9,154,974)		(6,963,576)	(1,348,604)	(316,858)	(133,298)				(8,762,337)	(392,637)
ENVIRONMENTAL COST RECOVERY CLAUSE	(188,609,883)		(34,712,303)	(57,413,930)	(6,402,438)	(22,324,183)				(122,862,854)	(65,757,029)
FRANCHISE FEE REVENUE & EXPENSE	(42,376,822)				(41,537,603)	(212,701)				(41,750,304)	(626,518)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(30,569,750)				(29,863,535)	(184,059)				(30,047,594)	(542,156)
MARKETING SUPPORT ACTIVITIES			(155,257)			39,350				(115,907)	115,907
WHOLESALE EXPENSES			(31,342)			7,944				(23,398)	23,398
INSTITUTIONAL ADVERTISING EXPENSE			(198,338)			50,269				(148,069)	148,069
ECONOMIC DEVELOPMENT EXPENSE			(112,850)			28,602				(84,248)	84,248
MGMT FINANCIAL PLANNING SERVICES			(15,068)			3,819				(11,249)	11,249
DIRECTORS' & OFFICERS' INSURANCE			(18,705)			4,741				(13,964)	13,964
INDUSTRY ASSOCIATION DUES			(1,208)			306				(902)	902
TALLAHASSEE LIAISON EXPENSES			(473,650)			124,046				(365,382)	365,382
GRT, FPSC FEES ON CLAUSES & FEES					(15,778)	352,675				(1,038,822)	1,038,822
(GAIN)/LOSS ON DISPOSITION OF PROPERTY					(1,391,497)	8,672			(34,218)	(25,546)	25,546
INTEREST SYNCRONIZATION						5,162,075				5,162,075	(5,162,075)
TOTAL FPSC ADJUSTMENTS	(668,466,688)	(460,694,170)	(42,682,298)	(58,762,534)	(81,527,709)	(1,114,807)	0	0	(34,218)	(644,815,736)	(23,650,952)
FPSC ADJUSTED	620,757,180	0	288,064,684	135,529,034	30,984,566	10,741,630	33,661,903	(298,296)	(34,458)	488,649,063	122,108,117
PRO FORMA REVENUE ANNUALIZATION	0	0	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	620,757,180	0	288,064,684	135,529,034	30,984,566	10,741,630	33,661,903	(298,296)	(34,458)	488,649,063	122,108,117
PRO FORMA ADJUSTED	620,757,180	0	288,064,684	135,529,034	30,984,566	10,741,630	33,661,903	(298,296)	(34,458)	488,649,063	122,108,117
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY			398,047		AND THE JURISDICTIONAL NOI BY		389,864				

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
June 2019

SCHEDULE 3
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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,623,872,421)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(454,368,218)	(115,159,625)
ACCUMULATED DEPRECIATION	386,833,454	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(193,571,875)	(49,060,792)
CWIP	(65,029,242)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(75,939,278)	(19,246,810)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,131,454)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(9,154,974)	(2,320,328)
ACCUMULATED DEPRECIATION	(6,022,507)	FUEL EXPENSE	(510,377,454)	129,355,166
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(84,593,339)	21,440,182
FAS 143 NET PLANT	(92,385,789)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(8,312,181)	2,106,722
INTEREST BEARING CWIP	(19,906,598)	CONSERVATION EXPENSES - OTHER TAXES	(316,858)	80,308
PHFU - NORTH ESCAMBIA	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(103,311,892)	26,184,399
		FRANCHISE FEE REVENUES	(42,376,822)	(10,740,406)
		FRANCHISE FEE	(41,537,603)	10,527,705
		GROSS RECEIPTS TAX REVENUES	(30,589,750)	(7,752,972)
		GROSS RECEIPTS TAX EXPENSE	(29,863,535)	7,568,913
WORKING CAPITAL:		MARKETING SUPPORT ACTIVITIES	(155,257)	39,350
ECRC WORKING CAPITAL	(26,440,234)	WHOLESALE EXPENSES	(32,255)	8,175
CONSERVATION/AEM INVENTORY	(1,059,939)	INSTITUTIONAL ADVERTISING EXPENSE	(202,126)	51,229
TEMPORARY CASH INVESTMENT	(23,507,692)	ECONOMIC DEVELOPMENT EXPENSE	(112,851)	28,602
LOANS TO EMPLOYEES AND RETIREES	(15,259)	MGMT FINANCIAL PLANNING SERVICES	(15,383)	3,899
INTEREST & DIVIDENDS RECEIVABLE	(89,867)	DIRECTORS' & OFFICERS' INSURANCE	(19,097)	4,840
NORTH ESCAMBIA SITE	(943,492)	INDUSTRY ASSOCIATION DUES	(1,231)	312
UNAMORTIZED RATE CASE EXPENSE	0	TALLAHASSEE LIAISON EXPENSE	(499,675)	126,643
FUEL RELATED DEFERRED DEBITS	(525,467)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,391,497)	352,675
UNREALIZED LOSS ON FWD CONTRACT	(40,652)	COMP SALES/TRANS REVAG/L SALE GAS/PROV RT REFIN. ESC REV	(162,784)	(41,258)
ACCUM. PROV. FOR RATE REFUNDS	0	GAIN/LOSS ON DISPOSITION OF PROPERTY	(35,200)	8,921
FAS 143 WORKING CAPITAL	67,249,583	INTEREST SYNCHRONIZATION	5,164,572	5,164,572
FAS 158 REGULATORY ASSETS	(115,005,285)			
FAS 158 REGULATORY LIABILITIES	114,431,044			
PPA REGULATORY ASSETS	(93,688,256)			
PPA REGULATORY LIABILITIES	93,876,413			
FAS 133 REGULATORY ASSETS	(7,684,563)			
FAS 133 REGULATORY LIABILITIES	7,684,562			

SCHEDULE 4

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
June 2019

AVERAGE	SYSTEM PER BOOKS			ADJUSTMENTS			LOW POINT			MIDPOINT			HIGH POINT		
	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 (%)	
LONG TERM DEBT	1,295,383,598	1,257,508,943	(428,805,023)	0	828,703,920	31.54	3.93	1.24	3.93	1.24	3.93	1.24	3.93	1.24	
SHORT TERM DEBT	37,290,338	35,669,933	(12,170,110)	0	23,519,823	0.90	2.87	0.03	2.87	0.03	2.87	0.03	2.87	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	
CUSTOMER DEPOSITS	34,525,707	33,504,464	(11,424,875)	0	22,079,589	0.84	2.37	0.02	2.37	0.02	2.37	0.02	2.37	0.02	
COMMON EQUITY	1,782,037,856	1,743,043,067	(594,370,025)	0	1,148,673,042	43.72	9.25	4.04	10.25	4.48	11.25	4.92	11.25	4.92	
DEFERRED INCOME TAXES	597,232,800	579,770,801	(197,699,295)	0	382,071,506	14.54	8.45	0.00	8.45	0.00	8.45	0.00	8.45	0.00	
FASB 109 DEFERRED TAXES	346,947,152	336,803,048	(114,848,359)	0	221,954,689	8.45	7.02	0.00	7.60	0.00	8.18	0.00	8.18	0.00	
TAX CREDITS - ZERO COST	936,432	909,052	(309,983)	0	599,069	0.02	5.33	5.33	5.33	5.33	5.33	5.33	5.33	5.33	
TAX CREDITS - WEIGHTED COST															
TOTAL	4,094,353,883	3,987,229,308	(1,359,627,670)	0	2,627,601,638	100.00	57.41%	5.33	5.77	5.77	6.20	6.20	6.20	6.20	

57.41%

YEAR-END	SYSTEM PER BOOKS			ADJUSTMENTS			LOW POINT			MIDPOINT			HIGH POINT		
	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 (%)	
LONG TERM DEBT	1,270,667,969	1,185,571,126	(394,386,915)	0	791,174,211	28.75	4.09	1.18	4.09	1.18	4.09	1.18	4.09	1.18	
SHORT TERM DEBT	100,000,000	92,819,068	(30,877,569)	0	61,941,499	2.25	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
PREFERENCE STOCK	0	(16,146)	5,371	0	(10,775)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
CUSTOMER DEPOSITS	34,119,330	31,947,298	(10,627,718)	0	21,319,580	0.77	5.55	0.04	5.55	0.04	5.55	0.04	5.55	0.04	
COMMON EQUITY	2,038,217,379	1,909,821,073	(635,328,850)	0	1,274,492,223	46.31	9.25	4.28	10.25	4.75	11.25	5.21	11.25	5.21	
DEFERRED INCOME TAXES	628,749,464	586,682,208	(195,168,090)	0	391,514,118	14.23	7.67	0.00	7.67	0.00	8.51	0.00	8.51	0.00	
FASB 109 DEFERRED TAXES	339,011,939	316,329,928	(105,231,601)	0	211,098,327	7.67	7.27	0.00	7.89	0.00	8.51	0.00	8.51	0.00	
TAX CREDITS - ZERO COST	0	0	0	0	513,346	0.02	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	
TAX CREDITS - WEIGHTED COST	824,405	769,247	(255,901)	0	513,346	0.02	5.50	5.50	5.50	5.50	5.50	5.50	5.50	5.50	
TOTAL	4,411,590,487	4,123,923,802	(1,371,881,273)	0	2,752,042,529	100.00	57.41%	5.50	5.97	5.97	6.43	6.43	6.43	6.43	

GULF POWER COMPANY
Financial Integrity Indicators
June 2019

A. Times Interest Earned with AFUDC

Earnings Before Interest	215,865,545
AFUDC - Debt	122,957
Income Taxes	(6,304,814)
	<hr/>
Total	209,683,688
Interest Charges (Before Deducting AFUDC - Debt)	54,234,823
	<hr/>
T.I.E. With AFUDC	3.87 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	215,865,545
AFUDC - Other	(275,090)
Income Taxes	(6,304,814)
	<hr/>
Total	209,285,641
Interest Charges (Before Deducting AFUDC - Debt)	54,234,823
	<hr/>
T.I.E. Without AFUDC	3.86 x

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	122,957
X (1 - Income Tax Rate)	0.74655
	<hr/>
Subtotal	91,793
AFUDC - Other	275,090
	<hr/>
Total	366,884
	<hr/>
Net Income Available for Common Stockholders	157,331,842
Percent AFUDC to Available Net Income	0.23%

D. Percent Internally Generated Funds

Net Income	157,331,842
Preference Dividends	0
Common Dividends	(76,402,000)
AFUDC (Debt & Other)	(398,047)
Depreciation & Amortization	201,546,230
Deferred Income Taxes	37,518,021
Investment Tax Credits	0
Other	(389,432,148)
	<hr/>
Total	(69,836,102)
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	372,350,296
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Percent Internally Generated Funds	-18.76%

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	828,703,920
Short Term Debt	23,519,823
Preference Stock	0
Common Equity	1,148,673,042
	<hr/>
Total	2,000,896,785
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% Long Term Debt To Total	41.42%
	<hr/>
% Short Term Debt To Total	1.18%

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.48%	5.48%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.24)	(1.24)
Short Term Debt	(0.03)	(0.03)
Preference Stock	0.00	0.00
Customer Deposits	(0.02)	(0.02)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.00)	(0.00)
	<hr/>	<hr/>
Subtotal	(1.29)	(1.29)
	<hr/>	<hr/>
Total	4.20	4.20
Divided by Common Equity Ratio	43.72	43.72
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	9.61%	9.61%

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
June 2019

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
July	2018	0
August	2018	0
September	2018	0
October	2018	0
November	2018	10,900,000
December	2018	7,444,428
January	2019	0
February	2019	0
March	2019	291,663
April	2019	291,667
May	2019	291,667
June	2019	291,667
12 - M-T-D		<u><u>19,511,092</u></u>

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GULF POWER COMPANY

DOCKET NO. 990315-EI

RTP QUARTERLY REPORT

Seventy Ninth Quarterly Report

Report Period: Second Quarter, 2019

<u>Rate Class</u>	<u>Second Quarter Total Revenue</u>	<u>Second Quarter Total KWH Sales</u>	<u>Second Quarter ¢/KWH</u>	<u>12-Month Rolling Average ¢/KWH</u>
RTP	\$22,507,897.90	303,920,249	7.406	8.018
PX/PXT	\$2,027,936.48	28,343,889	7.155	7.218
LP/LPT	\$17,282,957.67	203,357,270	8.499	8.610

**Notes to Quarterly
Real Time Pricing Report**

1. Gulf Power's Real Time Pricing (RTP) multipliers ("M") changed effective June 1, 2019. The reason for this change was to reflect a change in the long-term system lambdas.

<u>Multipliers Effective 6/1/19</u>	
On-Peak	2.259
Intermediate	0.749
Off-Peak	0.565

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.