



Florida Power & Light Company, 700 Universe Blvd, Juno Beach FL. 33408-0420

January 14, 2022

Mr. Andrew Maurey
Director, Division of Accounting and Finance
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399

Dear Mr. Maurey:

Enclosed are Florida Power & Light Company's Rate of Return Surveillance Reports to the Florida Public Service Commission for November 2021 for both Florida Power & Light Company ("FPL") and the former Gulf Power Company ("Gulf"). In November of 2021, Gulf was a subsidiary of NextEra Energy, Inc. and operated as a ratemaking entity separate and distinct from Florida Power & Light Company. Gulf no longer exists as a corporate entity, and effective January 1, 2022, Gulf no longer exists as a separate ratemaking entity. However, because the data included in the attached reports is relevant to time frames when FPL and Gulf existed as separate ratemaking entities, the documents continue to separately refer to FPL and Gulf with respect to the entity whose data is being submitted.

The FPL report was prepared using a thirteen-month average and year-end rate base and adjustments consistent with Docket Nos. 160021-EI, 160061-EI, 160062-EI and 160088-EI, Order No. PSC-16-0560-AS-EI. The required rate of return was calculated using the return on common equity as authorized in the aforementioned docket and order. The return on common equity is 11.60%.

Pursuant to FPSC Order No. PSC-2019-0225-FOF-EI, FPL also provides as Attachment 1 to the Report the monthly amounts of amortization credits or debits to the Reserve Amount during 2021. The balance of the Reserve Amount as of November 30, 2021 is \$516,052,013.

FPL does not presently have any proforma adjustments to capital structure to report, therefore Schedule 4.2 has not been included in the FPL Earnings Surveillance Report for November 2021.

The Gulf report was prepared using a thirteen-month average and year-end rate base and adjustments consistent with Docket Nos. 160186-EI and 160170-EI, Order No. PSC-17-0178-S-EI. The required rate of return was calculated using the return on common equity as authorized in the aforementioned docket and order. The return on common equity is 10.25%.

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Gulf does not presently have any proforma adjustments to capital structure to report, therefore Schedule 4.2 has not been included in the Gulf Earnings Surveillance Report for November 2021.

These reports were prepared consistent with the guidelines provided in Commission Form PSC/AFD 14.

Sincerely,



David Hughes

Assistant Controller, FPL Finance

Enclosures

Copy: Richard Gentry, Office of Public Counsel

GULF POWER COMPANY
EARNINGS SURVEILLANCE REPORT SUMMARY
NOVEMBER, 2021

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
I. AVERAGE RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 312,214,430 (A)	(125,835,680) (B)	186,378,741	0	\$ 186,378,741
RATE BASE	\$ 5,967,480,739	(2,722,816,987)	3,244,663,751	0	\$ 3,244,663,751
AVERAGE RATE OF RETURN	5.23%		5.74%		5.74%
II. YEAR END RATE OF RETURN (JURISDICTIONAL)					
NET OPERATING INCOME	\$ 312,214,430 (A)	(128,094,013) (B)	186,120,417	0	\$ 186,120,417
RATE BASE	\$ 6,138,522,013	(2,806,056,407)	3,332,465,606	0	\$ 3,332,465,606
YEAR END RATE OF RETURN	5.09%		5.59%		5.59%

(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)

LOW	5.25%
MIDPOINT	5.74%
HIGH	6.23%

IV. FINANCIAL INTEGRITY INDICATORS

A. TIMES INTEREST EARNED WITH AFUDC	8.88	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	7.69	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	17.67%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	55.81%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	32.00%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	7.96%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	10.25%	(FPSC ADJUSTED)
H. RETURN ON COMMON EQUITY	10.25%	(PROFORMA ADJUSTED)

NOTE: THIS REPORT HAS BEEN PREPARED USING A THIRTEEN MONTH AVERAGE AND END OF PERIOD RATE BASE AND ADJUSTMENTS CONSISTENT WITH DOCKET NO. 160021-EI, ORDER NO. PSC-16-0560-AS-EI. THIS REPORT DOES NOT NECESSARILY REPRESENT THE OPINION OF THE COMPANY AS TO THE ACTUAL EARNED RATE OF RETURN FOR THE PERIOD COVERED.

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 § 775.482, S. 775.483, OR § 775.084.

MARK CAMPBELL
DIRECTOR FINANCIAL FORECASTING


(DATE) 11/17/21

GULF POWER COMPANY
 AVERAGE RATE OF RETURN
 RATE BASE
 NOVEMBER, 2021

SCHEDULE 2: PAGE 1 OF 3

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 5,765,880,861	1,755,057,761	4,010,823,200	13,684,034	1,171,790,798	0	5,186,388,033	858,943,983	\$ 6,055,342,017
JURISDICTIONAL PER BOOKS	\$ 5,679,311,481	1,679,312,433	3,999,999,048	13,301,990	1,145,481,563	0	5,168,782,601	808,698,138	\$ 5,967,480,739
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (1,382,066,536)	(294,451,128)	(1,087,615,407)	(11,980,913)	(1,027,917,065)	0	(2,127,513,386)	(595,303,601)	\$ (2,722,816,987)
FPSC ADJUSTED:	\$ 4,297,244,945	1,384,861,304	2,912,383,641	1,321,077	117,564,497	0	3,031,269,215	213,394,536	\$ 3,244,663,751
PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 4,297,244,945	1,384,861,304	2,912,383,641	1,321,077	117,564,497	0	3,031,269,215	213,394,536	\$ 3,244,663,751

NOTE:
 THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL OF THE PROFORMA ADJUSTMENTS THAT WOULD BE MADE IN A BASE RATE FILING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
NOVEMBER, 2021

SCHEDULE 2, PAGE 2 OF 3

	OPERATING REVENUES	NET INTERCHANGE	FUEL & OPERATION & MAINTENANCE	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	CURRENT INCOME TAXES	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 1,492,275,600	541,588,493	209,557,583	289,465,928	115,963,361	23,991,736	49,129,930	(563,105)	(22,145)	1,229,121,700	\$ 263,153,899
JURISDICTIONAL PER BOOKS	\$ 1,481,313,900	540,338,284	205,822,718	286,344,601	115,242,174	23,863,982	48,888,639	(552,975)	(22,144)	1,219,925,289	\$ 261,388,611
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (45,232,428)	0	(32,597)	0	(1,130,811)	(10,699,420)	0	0	0	(11,862,798)	\$ (33,369,629)
FRANCHISE EXPENSE	0	0	0	0	(44,069,050)	10,699,420	0	0	0	(33,369,629)	33,369,629
GROSS RECEIPTS TAX	(32,461,478)	0	0	0	(31,782,003)	(164,968)	0	0	0	(31,946,972)	(514,507)
FINANCIAL PLANNING SERVICES	0	0	(28,734)	0	0	7,219	0	0	0	(22,515)	22,515
ECONOMIC DEVELOPMENT 5%	0	0	(50,547)	0	0	12,272	0	0	0	(38,275)	38,275
FUEL COST REC RETAIL	(458,289,867)	0	(249,045)	0	(243,703)	(396,942)	(20,810,351)	0	0	(461,195,305)	1,925,338
CONSERVATION COST RECOVERY	(7,588,897)	0	(4,349,488)	(1,431,910)	(243,703)	(396,942)	39,029	0	0	(6,383,014)	(1,205,882)
CAPACITY COST RECOVERY	(82,241,240)	0	(8,678,734)	0	0	(605,985)	622,006	0	0	(82,223,149)	(18,091)
ENVIRONMENTAL COST RECOVERY	(158,316,139)	0	(18,263,623)	(37,999,080)	(6,910,223)	(21,991,970)	75,805	0	55	(85,089,036)	(73,227,103)
STORM PROTECTION COST RECOVERY	(2,089,894)	0	(23,494)	(289,794)	(395)	(860,764)	446,873	0	0	(727,575)	(1,362,109)
STORM DEFICIENCY RECOVERY	(85,306,620)	0	0	(85,306,620)	0	0	(3,975,892)	0	0	(85,306,620)	(84,060)
INTEREST SYNCHRONIZATION	0	0	0	0	0	4,615,952	0	0	0	4,615,952	0
(GAIN) / LOSS ON DISPOSITION OF PROPERTY	0	0	0	0	0	(9,057)	0	0	37,303	28,246	(640,060)
TOTAL FPSC ADJUSTMENTS	\$ (872,506,454)	(634,378,777)	(31,677,233)	(125,027,404)	(64,136,185)	1,268,189	(23,602,530)	0	37,357	(797,496,564)	\$ (75,009,870)
FPSC ADJUSTED	\$ 608,807,446	5,959,506	174,145,486	161,317,197	31,105,989	25,152,181	25,286,109	(552,975)	15,213	422,428,705	\$ 186,378,741

PRO FORMA ADJUSTMENTS

TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	0	0	0
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 608,807,446	5,959,506	174,145,486	161,317,197	31,105,989	25,152,181	25,286,109	(552,975)	15,213	422,428,705	\$ 186,378,741

(A) THE ADDITION OF EARNINGS FROM AFLUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY

(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:

ON A TOTAL COMPANY BASIS	\$ 1,031,200	16,013,262	8,036,591	23,040,661	8,036,591	(1,574,036)	6,765,826	(84,174)	(4,291)	100,448,265	\$ 17,669,176
ON A JURISDICTIONAL BASIS	\$ 1,010,839	15,697,168	7,992,421	22,777,012	7,992,421	(1,560,670)	6,707,014	(82,648)	(4,290)	98,685,819	\$ 17,502,826
CURRENT MONTH AMOUNT	\$ 118,117,441	48,254,426	16,013,262	23,040,661	8,036,591	(1,574,036)	6,765,826	(84,174)	(4,291)	100,448,265	\$ 17,669,176
SYSTEM PER BOOKS	\$ 117,188,645	48,158,793	15,697,168	22,777,012	7,992,421	(1,560,670)	6,707,014	(82,648)	(4,290)	98,685,819	\$ 17,502,826

NOTES:

THE PRO FORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PRO FORMA THAT WOULD BE MADE IN A BASE RATE FILING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
NOVEMBER, 2021

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,062,690,689	\$ 1,058,444,688
STORM PROTECTION	8,110,030	7,976,419
LOAD CONTROL	18,118,466	18,118,466
ASSET RETIREMENT OBLIGATION	67,368,042	66,297,348
CAPITAL LEASES	235,498,999	231,229,614
TOTAL	<u>\$ 1,391,786,226</u>	<u>\$ 1,382,066,536</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (139,816,167)	\$ (139,257,529)
STORM PROTECTION	(68,710)	(67,578)
ASSET RETIREMENT OBLIGATION	(24,068,095)	(23,685,576)
LOAD CONTROL	4,567,118	4,567,118
CAPITAL LEASES	(139,460,179)	(136,007,563)
TOTAL	<u>\$ (298,846,033)</u>	<u>\$ (294,451,128)</u>
PROPERTY HELD FOR FUTURE USE:		
FUTURE USE PLANT - NORTH ESCAMBIA	12,325,016	11,980,913
TOTAL	<u>\$ 12,325,016</u>	<u>\$ 11,980,913</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 925,499,909	\$ 901,877,525
CWIP - CLAUSE PROJECTS	126,790,389	126,039,540
TOTAL	<u>\$ 1,052,290,297</u>	<u>\$ 1,027,917,065</u>
WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3)	\$ 597,372,431	\$ 595,303,601
TOTAL ADJUSTMENTS	<u>\$ 2,754,927,936</u>	<u>\$ 2,722,816,987</u>

NOTES:

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
NOVEMBER, 2021

SCHEDULE 2: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	CURRENT INCOME TAXES	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 1,492,275,600	541,598,493	209,557,583	289,465,928	115,963,361	23,991,736	49,129,930	(563,185)	(22,145)	1,229,121,700	\$ 263,153,899
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (45,232,428)	0	(32,567)	0	(1,136,811)	(19,804,291)	0	0	0	(11,967,669)	\$ (33,264,759)
FRANCHISE EXPENSE	0	0	0	0	(44,059,050)	10,783,938	0	0	0	(33,285,112)	33,285,112
GROSS RECEIPTS TAX	(32,461,479)	0	0	0	(31,782,003)	(145,935)	0	0	0	(31,927,939)	(533,540)
FINANCIAL PLANNING SERVICES	0	0	(30,330)	0	0	7,435	0	0	0	(22,895)	22,895
ECONOMIC DEVELOPMENT 5%	0	0	(51,560)	0	0	12,613	0	0	0	(38,947)	38,947
FUEL COST RECOVERY	(489,134,815)	(460,175,120)	(249,045)	0	0	20,533,741	(20,955,395)	0	0	(460,755,820)	1,621,006
CONSERVATION COST RECOVERY	(7,668,987)	0	(4,349,488)	(1,431,910)	(243,703)	(399,472)	38,029	0	0	(6,385,544)	(1,203,353)
CAPACITY COST RECOVERY	(82,242,360)	(75,356,542)	(6,893,307)	0	0	(107,408)	622,006	0	0	(83,735,251)	1,482,891
ENVIRONMENTAL COST RECOVERY	(155,316,159)	0	(18,336,431)	(38,151,515)	(6,937,944)	(22,050,293)	75,805	0	55	(85,400,323)	(72,915,816)
STORM DEFICIENCY RECOVERY	(85,306,520)	0	0	(85,306,620)	0	0	0	0	0	(85,306,620)	0
INTEREST SYNCHRONIZATION	0	0	0	0	0	4,702,268	(4,049,303)	0	0	652,963	(652,963)
(GAIN)/LOSS ON DISPOSITION OF PROPERTY	0	0	0	0	0	0	0	0	37,303	(37,303)	(37,303)
STORM PROTECTION PLAN COST RECOVERY	(2,085,684)	0	(23,765)	(284,649)	(395)	(670,478)	446,873	0	0	(742,413)	(1,347,271)
TOTAL FPSC ADJUSTMENTS	\$ (872,372,421)	(535,531,662)	(31,966,483)	(125,184,684)	(84,163,906)	1,762,115	(23,630,985)	0	37,398	(798,878,267)	\$ (73,484,154)
FPSC ADJUSTED	\$ 619,903,179	6,066,830	177,591,089	164,281,235	31,799,455	25,753,851	25,296,945	(563,185)	15,213	430,243,433	\$ 189,659,745

PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 619,903,179	6,066,830	177,591,089	164,281,235	31,799,455	25,753,851	25,296,945	(563,185)	15,213	430,243,433	\$ 189,659,745
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 619,903,179	6,066,830	177,591,089	164,281,235	31,799,455	25,753,851	25,296,945	(563,185)	15,213	430,243,433	\$ 189,659,745

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY

NOTES:

THE PRO FORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PRO FORMA THAT WOULD BE MADE IN A BASE RATE FILING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
NOVEMBER, 2021

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	27,543,464	27,066,535
ASSET RETIREMENT OBLIGATION	96,814,421	95,275,730
INTEREST & DIVIDENDS RECEIVABLE	235	231
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	21,074,736	21,074,736
POLE ATTACHMENTS RENTS RECEIVABLE	1,163,008	1,142,870
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	1,628,060	1,627,845
TEMPORARY CASH INVESTMENTS	2,630,769	2,585,216
STORM DEFICIENCY RECOVERY	304,624,207	0
JOBGING ACCOUNTS	650,365	639,103
OTH REG ASSETS - CLAUSES	355,110,037	353,693,301
MISC. DÉFERRED DEBIT - CLAUSES	35,970	36,013
EMPLOYEE LOAN RECEIVABLES	3,091	3,038
OPERATING LEASES	37,269,594	36,593,929
UNREALIZED LOSS ON FWD CONTRACT	38,963	38,288
FAS 158 PENSION	198,992	195,829
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 848,785,911	\$ 539,972,664
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCUM DEFERRED RETIREMENT BENEFITS	(12,197,250)	(11,986,048)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(2,130,075)	302,104,228
GAIN ON SALE OF EMISSION ALLOWANCE	(130)	(130)
JOBGING ACCOUNTS	(332,061)	(332,061)
STORM DEFICIENCY RECOVERY	(73,135,817)	(73,135,817)
ASSET RETIREMENT OBLIGATION	(140,114,368)	(137,887,502)
DEFERRED TRANSMISSION CREDIT	(9,835,330)	(9,835,330)
OTHER REG LIAB - CLAUSES	(13,645,014)	(13,596,404)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (251,413,480)	\$ 55,330,937
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ 597,372,431	\$ 595,303,601

NOTES:

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
NOVEMBER, 2021

SCHEDULE 3: PAGE 2 OF 3

	OPERATING REVENUES	FUEL & NET INTERCHANGE	OPERATION & MAINTENANCE OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 1,492,275,600	541,598,493	209,557,583	289,465,928	115,963,351	23,991,736	49,129,930	(563,185)	(22,145)	1,229,121,700	263,153,899
JURISDICTIONAL PER BOOKS	\$ 1,481,313,900	540,338,284	205,822,718	286,344,601	115,242,174	23,853,992	49,888,539	(552,975)	(22,144)	1,219,925,289	261,388,611
FPSC ADJUSTMENTS	\$ (45,232,428)	0	(32,957)	0	(1,130,811)	(10,699,420)	0	0	0	(11,862,796)	(33,368,629)
FRANCHISE REVENUE	0	0	0	0	(44,069,050)	10,699,420	0	0	0	(33,369,629)	33,369,629
FRANCHISE EXPENSE	(32,461,479)	0	0	0	(31,782,003)	(184,968)	0	0	0	(31,946,972)	(514,507)
GROSS RECEIPTS TAX	0	0	(28,734)	0	0	7,216	0	0	0	(22,515)	22,515
FINANCIAL PLANNING SERVICES	0	0	(50,547)	0	0	12,272	0	0	0	(38,275)	38,275
ECONOMIC DEVELOPMENT 5%	(459,269,967)	0	0	0	0	20,682,432	(20,810,351)	0	0	(461,195,305)	1,925,338
FUEL COST REC RETAIL	(7,588,897)	(460,818,341)	(4,349,489)	(1,431,910)	(243,703)	(396,942)	39,029	0	0	(6,383,014)	(1,205,892)
CONSERVATION COST RECOVERY	(82,241,240)	(73,560,437)	(6,678,734)	0	0	(605,985)	622,006	0	0	(82,223,149)	(18,091)
CAPACITY COST RECOVERY	(158,316,139)	0	(18,263,923)	(37,999,060)	(6,910,223)	(21,991,970)	75,805	0	55	(85,069,036)	(73,227,103)
ENVIRONMENTAL COST RECOVERY	(85,306,620)	0	0	(85,306,620)	0	0	0	0	0	(85,306,620)	0
STORM DEFICIENCY RECOVERY	0	0	0	0	0	4,874,279	(3,975,892)	0	0	898,383	(898,383)
INTEREST SYNCHRONIZATION	0	0	0	0	0	(9,057)	0	0	37,303	28,246	(28,246)
(GAIN) / LOSS ON DISPOSITION OF PROPERTY	(2,095,654)	0	(23,494)	(289,794)	(395)	(860,764)	446,973	0	0	(727,575)	(1,362,109)
STORM PROTECTION PLAN COST RECOVERY											
TOTAL FPSC ADJUSTMENTS	\$ (872,508,454)	(534,378,777)	(31,677,233)	(125,027,404)	(84,136,185)	1,546,512	(23,602,530)	0	37,357	(797,238,280)	(75,268,194)
FPSC ADJUSTED	\$ 608,807,446	5,959,506	174,145,486	161,317,197	31,105,989	25,410,504	25,286,109	(552,975)	15,213	422,687,028	186,120,417
PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	0	0	0
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 608,807,446	5,959,506	174,145,486	161,317,197	31,105,989	25,410,504	25,286,109	(552,975)	15,213	422,687,028	186,120,417

(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOIBY AND THE JURISDICTIONAL NOIBY

NOTES:
THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
NOVEMBER, 2021

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,073,966,955	\$ 1,069,675,900
LOAD CONTROL	18,177,948	18,177,948
ASSET RETIREMENT OBLIGATION	77,560,548	76,327,862
CAPITAL LEASES	248,741,625	244,232,163
STORM PROTECTION	26,454,402	26,018,573
TOTAL	<u>\$ 1,444,901,478</u>	<u>\$ 1,434,432,446</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (272,492,561)	\$ (271,403,812)
ASSET RETIREMENT OBLIGATION	(34,199,806)	(33,656,261)
LOAD CONTROL	4,054,602	4,054,602
CAPITAL LEASES	(169,689,870)	(165,488,858)
STORM PROTECTION	(247,628)	(243,548)
TOTAL	<u>\$ (472,575,263)</u>	<u>\$ (466,737,878)</u>
PROPERTY HELD FOR FUTURE USE:		
FUTURE USE PLANT - NORTH ESCAMBIA	12,325,016	11,980,913
TOTAL	<u>\$ 12,325,016</u>	<u>\$ 11,980,913</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 1,119,797,435	\$ 1,091,317,714
CWIP - CLAUSE PROJECTS	140,859,319	139,759,611
TOTAL	<u>\$ 1,260,656,754</u>	<u>\$ 1,231,077,325</u>
WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3)	\$ 597,372,431	\$ 595,303,601
TOTAL ADJUSTMENTS	<u>\$ 2,842,680,415</u>	<u>\$ 2,806,056,407</u>

NOTES:

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
NOVEMBER, 2021

SCHEDULE 3: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 1,492,275,600	\$ 541,598,493	209,557,583	298,465,928	115,963,381	23,891,736	49,129,930	(563,185)	(22,145)	1,229,121,700	\$ 263,153,899
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	(45,232,429)	0	(32,567)	0	(1,130,811)	(10,804,291)	0	0	0	(11,967,669)	\$ (33,264,759)
FRANCHISE EXPENSE	0	0	0	0	(44,099,050)	10,783,938	0	0	0	(33,285,112)	33,285,112
GROSS RECEIPTS TAX	(32,461,479)	0	0	0	(31,782,003)	(145,935)	0	0	0	(31,927,939)	(533,540)
FINANCIAL PLANNING SERVICES	0	0	(30,330)	0	0	7,435	0	0	0	(22,895)	22,895
ECONOMIC DEVELOPMENT 5%	0	0	(51,560)	0	0	12,613	0	0	0	(38,947)	38,947
FUEL COST REC RETAIL	(459,134,815)	(460,175,120)	(4,349,488)	(1,431,910)	0	20,633,741	(20,965,396)	0	0	(460,755,820)	1,621,006
CONSERVATION COST RECOVERY	(7,588,897)	0	(249,045)	0	(243,703)	(398,472)	39,029	0	0	(6,385,544)	(1,203,353)
CAPACITY COST RECOVERY	(82,242,360)	(75,356,542)	(6,883,307)	0	0	(107,408)	622,005	0	0	(83,735,251)	1,492,891
ENVIRONMENTAL COST RECOVERY	(168,316,139)	0	(18,336,431)	(38,151,515)	(6,837,944)	(22,050,293)	75,805	0	55	(85,400,323)	(72,915,816)
STORM DEFICIENCY RECOVERY	(85,306,620)	0	0	(65,306,620)	0	0	0	0	0	(85,306,620)	0
INTEREST SYNCHRONIZATION	0	0	0	0	0	4,899,905	(4,049,303)	0	0	950,602	(950,602)
(GAIN)/ LOSS ON DISPOSITION OF PROPERTY	0	0	0	0	0	0	0	0	37,303	37,303	(37,303)
STORM PROTECTION PLAN COST RECOVERY	(2,089,684)	0	(23,765)	(294,649)	(395)	(870,478)	446,873	0	0	(742,413)	(1,347,271)
TOTAL FPSC ADJUSTMENTS	\$ (872,372,421)	(535,531,662)	(31,966,493)	(125,184,684)	(84,163,906)	2,059,754	(23,830,985)	0	37,358	(798,560,628)	\$ (73,791,793)
FPSC ADJUSTED	\$ 619,903,179	6,066,830	177,591,089	164,281,235	31,799,455	26,051,490	25,298,945	(563,185)	15,213	430,541,073	\$ 189,362,106
PRO FORMA ADJUSTMENTS	\$ 0	0	0	0	0	0	0	0	0	0	\$ 0
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	0	0	\$ 0
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 619,903,179	6,066,830	177,591,089	164,281,235	31,799,455	26,051,490	25,298,945	(563,185)	15,213	430,541,073	\$ 189,362,106
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 51,721,401										

NOTES:

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL. THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
NOVEMBER, 2021

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 5	ADJUSTMENTS		ADJUSTED RETAIL 8	RATIO (%) 9	LOW POINT			MIDPOINT			HIGH POINT		
			PRO RATA 6	SPECIFIC 7			COST RATE (%) 10	WEIGHTED COST (%) 11	COST RATE (%) 12	WEIGHTED COST (%) 13	COST RATE (%) 14	WEIGHTED COST (%) 15			
LONG TERM DEBT	\$ 1,672,009,628	\$ 1,647,963,771	\$ (673,698,341)	\$ (133,443,825)	\$ 840,821,605	25.91%	2.56%	0.66%	2.56%	0.66%	2.56%	0.66%	2.56%	0.66%	
SHORT TERM DEBT	382,205,872	378,587,831	(167,520,629)	-	209,077,202	6.44%	0.82%	0.05%	0.82%	0.05%	0.82%	0.05%	0.82%	0.05%	
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	2,873,937,041	2,831,623,947	(1,263,655,887)	9,835,330	1,577,503,390	48.62%	9.25%	4.50%	10.25%	4.88%	11.25%	5.47%	11.25%	5.47%	
CUSTOMER DEPOSITS	38,299,035	38,389,771	(17,076,781)	539,867	21,312,990	0.66%	1.78%	0.01%	1.78%	0.01%	1.78%	0.01%	1.78%	0.01%	
DEFERRED INCOME TAX	748,227,731	737,241,193	(328,184,438)	-	409,586,823	12.62%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
FAS 109 DEFERRED INCOME TAX	315,931,337	311,295,732	(138,472,536)	-	172,823,195	5.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	24,731,373	24,368,493	(10,839,747)	-	13,528,746	0.42%	6.82%	0.03%	7.58%	0.03%	8.23%	0.03%	8.23%	0.03%	
TOTAL	\$ 6,065,342,017	\$ 5,967,480,739	\$ (2,599,748,359)	\$ (123,088,628)	\$ 3,244,663,751	100.00%	5.25%		5.74%		6.23%		6.23%		
YEAR END															
LONG TERM DEBT	\$ 1,624,646,719	\$ 1,604,856,880	\$ (665,875,216)	\$ (116,965,079)	\$ 822,016,585	24.67%	2.48%	0.61%	2.48%	0.61%	2.48%	0.61%	2.48%	0.61%	
SHORT TERM DEBT	538,510,639	532,246,011	(238,195,699)	-	294,050,312	8.82%	0.58%	0.05%	0.58%	0.05%	0.58%	0.05%	0.58%	0.05%	
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
COMMON EQUITY	2,905,986,047	2,872,172,114	(1,289,782,851)	9,835,330	1,582,224,593	47.78%	9.25%	4.42%	10.25%	4.90%	11.25%	5.38%	11.25%	5.38%	
CUSTOMER DEPOSITS	39,029,681	38,996,354	(17,452,017)	-	21,544,348	0.65%	2.15%	0.01%	2.15%	0.01%	2.15%	0.01%	2.15%	0.01%	
DEFERRED INCOME TAX	775,421,159	766,400,059	(343,228,108)	539,867	423,711,818	12.71%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
FAS 109 DEFERRED INCOME TAX	303,560,871	300,029,472	(134,271,988)	-	165,757,484	4.97%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
INVESTMENT TAX CREDITS (1)	24,101,491	23,821,112	(10,660,646)	-	13,160,466	0.39%	6.95%	0.03%	7.61%	0.03%	8.26%	0.03%	8.26%	0.03%	
TOTAL	\$ 6,211,256,607	\$ 6,138,522,013	\$ (2,699,466,525)	\$ (106,568,882)	\$ 3,332,465,606	100.00%	5.12%		5.61%		6.09%		6.09%		

NOTE:
(1) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.
(2) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

<u>A. TIMES INTEREST EARNED WITH AFUDC</u>			
EARNINGS BEFORE INTEREST CHARGES	\$	298,282,148	
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION		15,976,734	
INCOME TAXES		72,322,381	
TOTAL	\$	386,581,264	
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$	43,540,418	
TIMES INTEREST EARNED WITH AFUDC		8.88	
<u>B. TIMES INTEREST EARNED WITHOUT AFUDC</u>			
EARNINGS BEFORE INTEREST CHARGES	\$	288,282,148	
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION		(35,744,667)	
INCOME TAXES		72,322,381	
TOTAL	\$	334,859,863	
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$	43,540,418	
TIMES INTEREST EARNED WITHOUT AFUDC		7.69	
<u>C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS</u>			
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION	\$	15,976,734	
X (1 - INCOME_TAX_RATE)		0.7572	
SUBTOTAL	\$	12,097,781	
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION	\$	35,744,667	
TOTAL	\$	47,842,447	
NET INCOME AVAILABLE FOR COMMON	\$	270,718,465	
AFUDC AS PERCENT OF NET INCOME		17.67%	
<u>D. PERCENT INTERNALLY GENERATED FUNDS</u>			
NET INCOME	\$	270,718,465	
PREFERRED DIVIDENDS DECLARED		0	
COMMON DIVIDENDS		(95,000,000)	
AFUDC (DEBT & OTHER)		(51,721,401)	
DEPRECIATION AND AMORTIZATION EXPENSE		289,465,928	
DEFERRED INCOME TAXES		48,468,075	
INVESTMENT TAX CREDITS		(563,185)	
CLAUSE OVERUNDER RECOVERY		(76,919,921)	
OTHER		264,208	
INTERNALLY GENERATED FUNDS	\$	384,712,170	
CONSTRUCTION EXPENDITURES	\$	689,311,969	
PERCENT INTERNALLY GENERATED FUNDS		55.81%	
<u>E. LONG TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL</u>			
<u>F. SHORT TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL</u>			
<u>AVERAGE RETAIL AMOUNTS</u>			
JURIS ADJUSTED LONG TERM DEBT	\$	840,821,605	
JURIS ADJUSTED SHORT TERM DEBT		209,077,202	
JURIS ADJUSTED PREFERRED STOCK		0	
JURIS ADJUSTED COMMON STOCK	\$	1,577,503,390	
TOTAL	\$	2,627,402,197	
LTD TO TOTAL INVESTOR FUNDS		32.00%	
STD TO TOTAL INVESTOR FUNDS		7.96%	
<u>ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY</u>			
<u>RATE OF RETURN</u>			
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR:			
LONG TERM DEBT		0.66%	5.74%
SHORT TERM DEBT		0.05%	
PREFERRED STOCK		0.00%	
CUSTOMER DEPOSITS		0.01%	
TAX CREDITS - WEIGHTED COST		0.03%	
SUBTOTAL		0.76%	0.76%
TOTAL		4.98%	4.98%
<u>DIVIDED BY COMMON EQUITY RATIO</u>			
		48.62%	48.62%
<u>JURISDICTIONAL RETURN ON COMMON EQUITY</u>			
		10.25%	10.25%
<u>G. FPSC ADJ.</u>			
<u>H. PROFORMA</u>			

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
November 2021

Supplemental 1

	<u>Month</u>	<u>Year</u>	<u>(\$)</u>
December		2020	291,667
January		2021	0
February		2021	583,335
March		2021	291,667
April		2021	291,667
May		2021	291,667
June		2021	291,667
July		2021	291,667
August		2021	291,667
September		2021	291,667
October		2021	291,667
November		2021	291,667

12 - M-T-D

3,500,000