

Gulf Power Company
500 Bayfront Parkway
Post Office Box 1151
Pensacola FL 32520-1151
Telephone 904 444-6231

Richard E. Fowler
Assistant Treasurer

the southern electric system

February 2, 1996

VIA FEDERAL EXPRESS

Ms. Blanca Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard, Room 110
Tallahassee, Florida 32399-0850

960127.EI

RE: Gulf Power Company's Application for
authority to receive common equity
contributions and to issue and sell
securities.

Dear Ms. Bayo:

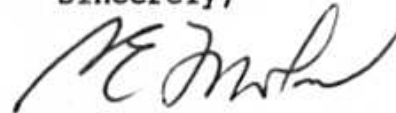
The original and one copy of Gulf Power Company's
Application for authority to receive common equity contributions
and to issue and sell securities, together with exhibits
certified where required, are enclosed for official filing with
the Commission. As noted in paragraph 3 of the application, the
individuals authorized to receive notices and communications in
respect to this application are:

Jeffrey A. Stone
Beggs & Lane
P. O. Box 12950
Pensacola, FL 32576-2950

G. Edison Holland, Jr.
Warren E. Tate
Gulf Power Company
P. O. Box 1151
Pensacola, FL 32520

Also enclosed is a double sided, high density, 3.5 inch
disk containing a copy of the application in WordPerfect 5.1
MS-DOS format as prepared on a MS-DOS based computer.

Sincerely,



gn

Enclosure

cc/enc: Mr. R. G. Livingston
Gulf Power Company

ADMINISTRATION
MAIL ROOM

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DOCUMENT NUMBER-DATE

01252 FEB-5 96

FPSG-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Gulf Power Company's application)
for authority to receive common equity) Docket No. 96-0127-^{CI}~~28~~
contributions and to issue or sell) Filed: Feb. 2, 1996
securities.)
_____)

GULF POWER COMPANY'S APPLICATION FOR AUTHORITY TO RECEIVE
COMMON EQUITY CONTRIBUTIONS AND TO ISSUE OR SELL SECURITIES

Gulf Power Company ("Gulf Power", "Gulf", or "the Company"), pursuant to Chapter 25-8, Florida Administrative Code, and Section 366.04, Florida Statutes, hereby files this its application for authority to receive common equity contributions and to issue and sell securities during the twelve months ending March 31, 1997. In support of this application, the Company states:

(1) The exact name of the Company and the address of its principal business office is:

Gulf Power Company
500 Bayfront Parkway
Post Office Box 1151
Pensacola, Florida 32520-0102

(2) The Company was incorporated under the laws of the State of Maine on November 2, 1925. The Company was admitted to do business in the State of Florida on January 15, 1926; in the State of Mississippi on October 25, 1976; and in the State of Georgia on November 20, 1984.

(3) The names and addresses of the persons authorized to receive notices and communications in respect to this application are:

Jeffrey A. Stone
Beggs & Lane
P. O. Box 12950
Pensacola, FL 32576-2950

G. Edison Holland, Jr.
Warren E. Tate
Gulf Power Company
P. O. Box 1151
Pensacola, FL 32520

DOCUMENT NUMBER-DATE

01252 FEB-5 86

FPSC-RECORDS/REPORTING

(4) The names, titles and addresses of the principal officers of the applicant are:

T. J. Bowden	President and Chief Executive Officer	Pensacola, Florida
F. M. Fisher, Jr.	Vice President - Employee and External Relations	Pensacola, Florida
Bill M. Guthrie	Vice President	Birmingham, Alabama
J. E. Hodges, Jr.	Vice President - Customer Operations	Pensacola, Florida
G. E. Holland, Jr.	Vice President - Power Generation/ Generation and Corporate Counsel	Pensacola, Florida
C. Alan Martin	Vice President	Atlanta, Georgia
A. E. Scarbrough	Vice President - Finance	Pensacola, Florida
R. R. Labrato	Controller	Pensacola, Florida
W. E. Tate	Secretary and Treasurer	Pensacola, Florida

(5) The Company is engaged, within the northwestern portion of the State of Florida, in the generation and purchase of electric energy and the distribution and sale of electric energy at retail in 71 communities as well as in rural areas, and the sale at wholesale of electric energy to a non-affiliated utility and a municipality. Principal communities served directly are Bonifay, Century, Chipley, Crestview, DeFuniak Springs, Fort Walton Beach, Graceville, Milton, Niceville, Panama City, and Pensacola. A map of the territory served is filed herewith as Exhibit D.

(6) The Company owned and operated at November 30, 1995:

STEAM ELECTRIC GENERATING PLANTS:

<u>Name and Location of Plant</u>	<u>Units</u>	<u>Rated Installed Generator Capacity-KW</u>	<u>Date Placed in Service</u>
<u>Crist Plant -- Near Pensacola, FL</u>	7		
Unit No. 1		22,500	January 10, 1945
Unit No. 2		22,500	June 13, 1949
Unit No. 3		30,000	September 1, 1952
Unit No. 4		75,000	July 22, 1959
Unit No. 5		75,000	June 1, 1961
Unit No. 6		320,000	May 31, 1970
Unit No. 7		500,000	August 16, 1973
<u>Scholz Plant -- Near Chattahoochee, FL</u>	2		
Unit No. 1		40,000	March 17, 1953
Unit No. 2		40,000	October 26, 1953
<u>Smith Plant -- Near Panama City, FL</u>	3		
Unit No. 1		125,000	June 1, 1965
Unit No. 2		180,000	June 1, 1967
Combustion Turbine A		39,400	May 31, 1971
<u>Daniel Plant -- Near Pascagoula, MS</u>	2		
Unit No. 1 (50% of 500,000 KW)		250,000	September 6, 1977*
Unit No. 2 (50% of 500,000 KW)		250,000	June 1, 1981
*Acquired June 1, 1981			
<u>Scherer Plant -- Near Juliette, GA</u>	3		
Unit No. 3 (25% of 818,000 KW)		204,500	January 1, 1987

TRANSMISSION LINES:

	<u>Overhead Circuit-Miles</u>	<u>Underground Cable-Miles</u>
230 KV Lines	388	
115 KV Lines	1,025	6.0
46 KV Lines	<u>130</u>	<u>-</u>
Total	<u>1,543</u>	<u>6.0</u>

DISTRIBUTION LINES:

	<u>Pole Line Miles</u>	<u>Primary Underground Trench Miles</u>
Lower Voltages -- Overhead Lines	5,300	
Underground		819

SUBSTATIONS:

	<u>Number</u>	<u>Capacity KVA</u>
Located at Generating Stations	4	3,475,344
Transmission Substations	14	2,446,086
Distribution Substations	<u>97</u>	<u>3,190,589</u>
Total	<u>115</u>	<u>9,112,019</u>
Switching Stations	2	

(7) Capital Stock and Funded Debt of the Company at
November 30, 1995, was:

CAPITAL STOCK

(a) A brief description:	Preferred Stock \$100 <u>Par Value</u>	Preferred Stock \$10 <u>Par Value</u>	Common Stock Without <u>Par Value</u>
(b) Shares authorized:	801,626	10,000,000	992,717
(c) Shares outstanding:			
4.64% Series	51,026		
5.16% Series	50,000		
5.44% Series	50,000		
7.52% Series	50,000		
7.88% Series	50,000		
7.00% Series		580,000	
7.30% Series		600,000	
6.72% Series		800,000	
ARPS Series		600,000	
(d) The amount held as security:	none	none	none
(e) The amount pledged by applicant:	none	none	none
(f) The amount owned by affiliated corporations:	none	none	992,717
(g) The amount held in any fund:	none	none	none

FUNDED DEBT

(a) Brief description: **	<u>Bank Notes</u> \$	<u>PCB's</u> \$	<u>FMB's</u> \$
(b) Amount authorized:	Not Limited	Not Limited	Not Limited
(c) Amount outstanding (000):			
4.69% Note due 1996	25,000		
5-7/8% Series due 1997			25,000
5.55% Series due 1998			15,000
5% Series due 1998			30,000
6.44% Note due 1998	12,074		
6-1/8% Series due 2003			30,000
6% Series due 2006		12,075	*
9% Series due 2008			930
8-1/4% Series due 2017		32,000	*
7-1/8% Series due 2021		21,200	*
8-3/4% Series due 2021			50,000
6-3/4% Series due 2022		8,930	*
6.20% Series due 2023		13,000	*
5.80% Series due 2023		32,550	*
5.70% Series due 2023		7,875	*
6.30% Series due 2024		22,000	*
Variable Rate Series 1994		20,000	*
(d) Amount held as reacquired securities:		none	none
(e) Amount pledged (000):			169,630

* These First Mortgage Bonds are pledged as collateral for the Pollution Control Bonds. They will only be issued in the event of a default of the provisions of the Pollution Control Bond agreements.

(f) Amount owned by affiliated corporations:	none	none
(g) Amount held in any fund:	none	none

** In addition to the above, Gulf Power Company is obligated to Mississippi Power Company, pursuant to the terms of the Joint Operating Agreement between Gulf and Mississippi, for one-half of certain notes in the principal sums of \$9,000,000 (4.87%), \$9,000,000 (5.39%), and \$9,000,000 (5.72%), issued by Fuelco, Inc., and guaranteed by Mississippi Power Company. Gulf Power's remaining balance owed as of November 30, 1995 was \$450,000. The proceeds from this financing were used to refinance a 8.25% Note initially used to buyout certain long term coal contracts under which Western Coal had been supplied to Plant Daniel. The buyout and the recovery of the buyout costs have been approved by the Commission.

(8) Statement of Proposed Transactions:

(a) The Company seeks authority to: receive equity funds from the Southern Company ("Gulf's parent company"); issue and sell long-term debt and equity securities; and issue and sell short-term debt securities during the period covered by this application.

The issuance and sale of equity securities and long-term debt may be through either negotiated underwritten public offering, public offering at competitive bidding, or private sale.

- (1) The equity funds from Southern are common equity contributions.
- (2) The equity securities may take the form of preferred stock or preference stock, with such par values, terms and conditions, and relative rights and preferences as may be permitted by the Company's Articles of Incorporation.
- (3) The long-term debt securities may take the form of first mortgage bonds, debentures, notes, or other long-term obligations, pollution control bonds, installment contracts or other obligations securing pollution control bonds, with maturities ranging from one to forty years and issued in both domestic and international markets.

The Company has established lines of credit with a group of banks under which borrowings may be made by the issuance of unsecured promissory notes. The interest rate on the proposed borrowings will be the interest rate available to the preferred corporate customers of the bank in effect at the time of issuance and may be subject to

change, either up or down, at the time the preferred customer rate changes. None of the promissory notes are to be resold by the banks to the public. The Company will reserve the right under the lines of credit to prepay all or any portion of the loans without penalty and to reborrow the amount of any notes so prepaid.

The Company also proposes to issue short-term notes to be sold in the commercial paper market. The notes will not be extendable or renewable nor will they contain any other provision for automatic "roll over," either at the option of the holder or at the option of the Company. The notes will be sold at a discount, plus a commission to the commercial paper dealer, with the aggregate interest cost to the Company equaling or approximating the prime rate in effect at the time of the sale.

(b) The maximum amount of common equity contributions received from Southern, the maximum amount of equity securities issued and the maximum principal amount of long-term debt securities issued will total not more than \$320 million. The maximum principal amount of short-term debt at any one time will total not more than \$150 million.

The Statement of Sources of Funds for Gross Property Additions Forecast for the Year Ending December 31, 1996, is included as Exhibit C (1).

The actual capital structure at November 30, 1995, is as follows:

<u>Component</u>	<u>Amount</u>	<u>Ratio</u>
Common Equity	\$434,422,000	48.17%
Preferred Equity	89,603,000	9.94%
Long-Term Debt-Net	355,349,000	39.40%
Short Term Debt	<u>22,500,000</u>	<u>2.49%</u>
TOTAL	<u>\$901,874,000</u>	<u>100.00%</u>

Pretax Coverage Ratio (Excluding AFUDC): 4.7332

(c) The present estimate of the dividend rate for the aforementioned equity securities and the interest rate for the aforementioned debt securities, based upon current rates for comparable securities, is as follows:

- (1) The interest rate for comparable A+ rated first mortgage bonds was 7.17% as of December 31, 1995.
- (2) The dividend rate for comparable A rated preferred stock was 7.05% as of December 31, 1995.
- (3) The prime interest rate, or its equivalent, for The Chase Manhattan Bank, N.A., was 8.50% as of December 31, 1995.
- (4) The interest rate in effect for 180-day direct issue commercial paper as published in the Federal Reserve Statistical Release (Form H.15) was 5.68% as of December 31, 1995.

(d) The actual dividend rate and actual interest rates will be determined by market conditions at the time of the sale of the securities.

(9) Purpose of Issues:

The net proceeds to be received from these additional funds will be added to the Company's general funds and will be used for working capital requirements and for other general business purposes, including the financing of the Company's construction program.

(a) The Company is engaged in a continuous construction program to accommodate existing and estimated future loads of the system. Total construction additions during 1996 are estimated to cost \$70,847,000 and are expected to be apportioned as shown in Exhibit C (2). At present, none of the planned expenditures require certification of need by this Commission under either the Florida Electrical Power Plant Siting Act or the Transmission Line Siting Act.

The construction program referred to herein has been necessitated by the continued growth in the demand for service on the Company's system and the replacement and improvements required to our existing system. It is manifestly in the public interest for the Company to raise the funds which are required to perform such service.

(b) Included among the purposes of the issues could be the reimbursement of the treasury for expenditures against which securities have not been issued.

(c) The net proceeds received may also be used to repay previously issued short-term unsecured promissory notes and to refund previously issued long-term debt and preferred stock. Subject to market conditions, the Company may refund such long-term obligations with new issuances of long-term debt and/or preferred stock.

(10) The Company submits that the proposed additional funds are for lawful objects within the corporate purposes of the Company and compatible with the public interest and are reasonably necessary or appropriate for such purposes. The facts relied upon by the Company in support of such allegations are set forth in paragraph (9) hereof.

(11) The name and address of counsel who will pass upon the legality of the proposed issues are:

Beggs & Lane
3 West Garden Street
P. O. Box 12950
Pensacola, FL 32576-2950

Troutman Sanders
600 Peachtree Street
Suite 2200
Atlanta, GA 30308-2216

(12) The Company is required to file with the Securities and Exchange Commission, Washington, D.C., 20549, a statement on Form U-1 under the Public Utility Holding Company Act of 1935 with respect to the receipt of common equity contributions from Southern, the issuance of equity securities, long-term debt securities and the issuance of short-term debt securities except to the extent exempt under Section 6(b) of the Act.

(13) The Southern Company, a Delaware Corporation, owns 992,717 shares of the Company's common stock, without par value, representing 100% of the voting stock outstanding. The Southern Company is also the parent company of four other operating companies, Southern Communications, Southern Company Services, Southern Electric International, Southern Nuclear Operating Company and The Southern Development and Investment Group.

WHEREFORE, the Company respectfully requests an order authorizing it to receive common equity contributions from Southern and to issue and sell securities during the twelve months ending March 31, 1997.

DATED: February 2, 1996

GULF POWER COMPANY

BY: [Signature]
A. E. Scarbrough
Vice President - Finance

ATTEST:

[Signature]
W. E. Tate
Secretary

STATE OF FLORIDA)
) ss.:
COUNTY OF ESCAMBIA)

A. E. Scarbrough, being duly sworn, deposes and says that he is a Vice President of Gulf Power Company, that he has read the foregoing petition and knows the contents thereof, and that the facts therein are true and correct to the best of his knowledge, information and belief.

[Signature]
A. E. Scarbrough

STATE OF FLORIDA
COUNTY OF ESCAMBIA

The foregoing instrument was acknowledged before me this 2nd day of February, 1996, by A. E. Scarbrough of Gulf Power Company, a Maine corporation, on behalf of the corporation. He is personally known to me and did take an oath.

[Signature]
NOTARY PUBLIC



REQUIRED EXHIBITS

(1 Certified and 1 Uncertified Copies)

- Exhibit A - Composite Certificate of Organization Amended (i.e., Articles of Incorporation) have been filed as Exhibit A in Docket No. 940043-EI and are hereby incorporated herein by reference.
- Exhibit B (1) - Balance Sheet of the Company at November 30, 1995 and December 31, 1994.
- Exhibit B (2) - Summary of Utility Plant and Accumulated Provision for Depreciation as of November 30, 1995.
- Exhibit B (3) - Income Statement of the Company for the twelve months ended November 30, 1995.
- Exhibit B (4) - Statement of Retained Earnings of the Company for the twelve months ended November 30, 1995.
- Exhibit B (5) - Contingent Liabilities. None.
- Exhibit C (1) - Statement of Sources and Uses of Funds.
- Exhibit C (2) - Construction Budget for Gross Property Additions.
- Exhibit D - System map of the Company.

GULF POWER COMPANY

Balance Sheet

At November 30, 1995 and December 31, 1994
(Thousands of Dollars)

<u>ASSETS & OTHER DEBITS</u>	Nov. 30, <u>1995</u> \$	Dec. 31, <u>1994</u> \$
<u>Utility Plant</u>		
Utility Plant in Service	1,681,551	1,644,711
Construction Work in Progress	34,408	24,288
Utility Plant Held for Future Use	3,942	4,774
Utility Plant Acquisition Adjustment	<u>6,648</u>	<u>6,882</u>
Total Gross Utility Plant	1,726,549	1,680,655
Accumulated Provision for Depreciation	<u>(660,360)</u>	<u>(622,911)</u>
Net Utility Plant	<u>1,066,189</u>	<u>1,057,744</u>
<u>Other Property and Investments</u>		
Nonutility Property	879	916
Accumulated Provision for Depreciation	<u>(171)</u>	<u>(154)</u>
Net Nonutility Property	708	762
Other Special Funds	<u>33</u>	<u>7,235</u>
Total Other Property and Investments	<u>741</u>	<u>7,997</u>
<u>Current and Accrued Assets</u>		
Cash	453	753
Special Deposits	462	233
Working Funds	176	149
Temporary Cash Investments	4,611	0
Notes Receivable	0	0
Customer Accounts Receivable	42,349	40,006
Other Accounts Receivable	2,761	2,009
Accumulated Provision for Uncollectible Accts.	<u>(926)</u>	<u>(600)</u>
Receivables from Associated Companies	165	302
Materials and Supplies	71,463	70,944
Prepayments	7,086	4,354
Interest and Dividends Receivable	2	27
Accrued Utility Revenues	15,914	17,630
Vacation Accrual	4,172	4,172
Coal Contract Buyouts	<u>3,466</u>	<u>2,521</u>
Total Current and Accrued Assets	<u>152,154</u>	<u>142,500</u>
<u>Deferred Debits</u>		
Unamortized Debt Expenses	3,467	3,625
Regulatory Tax Assets	30,089	30,433
Regulatory Assets	32,474	51,108
Preliminary Survey & Investigation Charges	1,609	1,666
Clearing Accounts	<u>(266)</u>	<u>(23)</u>
Miscellaneous Deferred Debits	<u>85,674</u>	<u>87,444</u>
Total Deferred Debits	<u>153,047</u>	<u>174,253</u>
Total Assets and Other Debits	<u>1,372,131</u>	<u>1,382,494</u>

Certified a True Copy


Secretary

GULF POWER COMPANY

GULF POWER COMPANY
Balance Sheet
At November 30, 1995 and December 31, 1994
(Thousands of Dollars)

<u>LIABILITIES AND OTHER CREDITS</u>	Nov. 30, <u>1995</u> \$	Dec. 31, <u>1994</u> \$
<u>Proprietary Capital</u>		
Common Capital Stock	38,060	38,060
Preferred Capital Stock (\$100 par value)	40,103	41,103
Preferred Capital Stock (\$10 par value)	49,500	49,500
Premium on Capital Stock	80	80
Miscellaneous Paid-in Capital	218,380	218,380
Capital Stock Expense	(2,597)	(2,555)
Retained Earnings	<u>180,499</u>	<u>171,506</u>
Total Proprietary Capital	<u>524,025</u>	<u>516,074</u>
<u>Long-Term Debt</u>		
Bonds	150,930	152,680
Other Long-Term Debt	207,154	220,143
Unamortized Premium	0	0
Unamortized Discount	<u>(2,735)</u>	<u>(2,991)</u>
Total Long-Term Debt	<u>355,349</u>	<u>369,832</u>
<u>Other Noncurrent Liabilities</u>		
Accumulated Prov. for Property Insurance	1,043	11,522
Accumulated Prov. for Injuries & Damages	1,759	2,485
Accumulated Prov. for Pensions & Benefits	<u>16,852</u>	<u>13,680</u>
Total Other Noncurrent Liabilities	<u>19,654</u>	<u>27,687</u>
<u>Current and Accrued Liabilities</u>		
Notes Payable	22,500	53,500
Accounts Payable	17,973	18,544
Payables to Associated Companies	15,322	8,355
Customer Deposits	13,238	13,609
Taxes Accrued	22,588	3,432
Interest Accrued	9,303	6,106
Dividends Declared	13,537	1,507
Tax Collections Payable	799	678
Misc. Current and Accrued Liabilities	<u>12,034</u>	<u>8,009</u>
Total Current and Accrued Liabilities	<u>127,294</u>	<u>113,740</u>
<u>Deferred Credits</u>		
Regulatory Tax Liabilities	68,356	71,964
Regulatory Liabilities	3,921	4,303
Unamortized Investment Tax Credit	36,211	38,391
Other Deferred Credits	<u>14,308</u>	<u>15,760</u>
Total Deferred Credits	<u>122,796</u>	<u>130,418</u>
Accumulated Deferred Income Taxes	<u>223,013</u>	<u>224,743</u>
Total Liabilities and Other Credits	<u>1,372,131</u>	<u>1,382,494</u>

Certified a True Copy.


Secretary

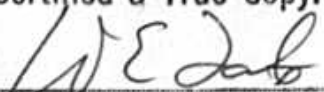
GULF POWER COMPANY

GULF POWER COMPANY

Summary of Utility Plant and Accumulated Provision
for Depreciation, as of November 30, 1995
(Thousands of Dollars)

<u>Utility Plant - Electric</u>	<u>\$</u>
Plant in Service	1,681,551
Construction Work in Progress	34,408
Utility Plant Held for Future Use	3,942
Utility Plant Acquisition Adjustment	<u>6,648</u>
Total	<u>1,726,549</u>
 <u>Reserves - Electric</u>	
Accumulated Provision for Depreciation	<u>(660,360)</u>
Total	<u>1,066,189</u>

Certified a True Copy.



Secretary

GULF POWER COMPANY

GULF POWER COMPANY

Income Statement
 For The Twelve Months Ended November 30, 1995
 (Thousands of Dollars)

	<u>\$</u>
1. <u>Utility Operating Income</u>	
Operating Revenues	613,950
Operating Revenue Deductions:	
Operating Expenses	376,079
Depreciation	54,243
Amortization	947
Taxes - Federal Income	37,987
- State Income	6,286
- Other	48,562
- Net Provision for Deferred Taxes	<u>(5,710)</u>
Total Operating Revenue Deductions	<u>518,394</u>
Total Utility Operating Income	<u>95,556</u>
2. <u>Other Income and Deductions</u>	
Allowances for Funds Used During Construction -	
Equity	59
Other - Net	<u>541</u>
Total Other Income	<u>600</u>
Income Before Interest Charges	<u>96,156</u>
3. <u>Interest Charges</u>	
Interest on Long-Term Debt	23,336
Amortization of Debt Discount, Premium and	
Expense, Net	2,007
Other Interest Charges	3,074
Allowance for Funds Used During Construction -	
Borrowed Funds	<u>(196)</u>
Total Interest Charges	<u>28,221</u>
4. <u>Extraordinary Income</u>	
Extraordinary Income - Net	<u>-</u>
Balance Transferred to Retained Earnings	<u>67,935</u>

Certified a True Copy.


 Secretary

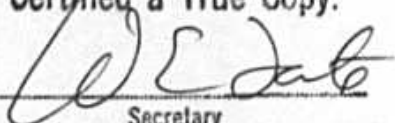
GULF POWER COMPANY

GULF POWER COMPANY

Statement of Retained Earnings
 For The Twelve Months Ended November 30, 1995
 (Thousands of Dollars)

	<u>\$</u>
Retained Earnings (At Beginning of Period)	164,777
Balance Transferred from Income	<u>67,935</u>
Total Credits	<u>232,712</u>
Deduct:	
Dividends Declared - Preferred Stock	5,813
Dividends Declared - Common Stock	<u>46,400</u>
Total Debits	<u>52,213</u>
Retained Earnings (At End of Period)	<u>180,499</u>

Certified a True Copy.


 Secretary

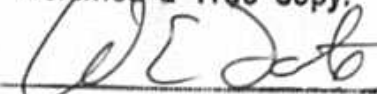
GULF POWER COMPANY

GULF POWER COMPANY

Statement of Sources and Uses of Funds
 Forecast for the Year Ended December 31, 1996
 (Thousands of Dollars)

	<u>\$</u>
Net Income Before Dividends	62,511
Add (Deduct) Non-Cash Items:	
Depreciation & Amortization (Including Fuel Buyouts)	71,944
Deferred Income Tax - Net	(576)
Deferred Investment Tax Credits	-
Allowance for Equity Funds Unused During Construction	(16)
Subtotal	<u>133,863</u>
Less:	
Dividends on Common Stock	46,000
Dividends on Preferred Stock	<u>5,853</u>
Subtotal	<u>82,010</u>
Decrease (Increase) in Net Current Assets - Excluding Notes Payable and Long-Term Debt Due Within One Year	
Cash and Temporary Cash Investment	-
Receivables - Net	1,860
Fuel Inventory	(6,813)
Other Materials and Supplies	1,071
Accrued Unbilled Revenue	(1,931)
Accounts Payable	(3,623)
Taxes Accrued	(4,017)
Interest Accrued	2,469
Other - Net	<u>7,359</u>
Subtotal	<u>(3,625)</u>
Others - Net (Including Allowance for Equity Funds Used During Construction)	<u>(16)</u>
Total Funds from Internal Sources	<u>78,369</u>
External Sources:	
First Mortgage Bonds	30,000
First Mortgage Bond Retirements	-
Preferred Stock	-
Preferred Stock Retirements	-
Capital Contribution by the Parent Company	-
Pollution Control Obligations	-
Pollution Control Obligations - Retirements	(200)
Other Long-Term Debt Retirements	17,237
Interim Indebtedness	<u>(54,559)</u>
Total Funds from External Sources	<u>(7,522)</u>
GROSS PROPERTY ADDITIONS	<u>70,847</u>

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GULF POWER COMPANY

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Construction Budget for Gross Property Additions
 Forecast for the Year Ended December 31, 1996
 (Thousands of Dollars)

	<u>\$</u>
Generating Facilities	
Scholz Combustion Turbine Facility	-
Miscellaneous Generating Facilities	
Crist - Coal Burn Improvements	2,000
Crist 7 - Replace Forced Draft Fans & Motors	1,350
Crist 7 - Tri-Sectoring of Secondary Air Heaters	2,270
Crist - Major Misc. Additions/Replacements	1,500
Crist 7 - Replace Boiler Controls	1,500
Crist 4 - Generator Rotor Rewind	1,200
Smith - Permanent Ash Land - Fill Area	1,200
Other Miscellaneous Generating Projects	<u>8,137</u>
Total Generating Facilities	19,157
New Business Facilities	20,753
Transmission Plant Additions	1,510
Distribution Plant Additions	9,497
Joint Line and Substation Additions	3,927
General Plant Additions	<u>16,003</u>
TOTAL PLANT EXPENDITURES	<u>70,847</u>

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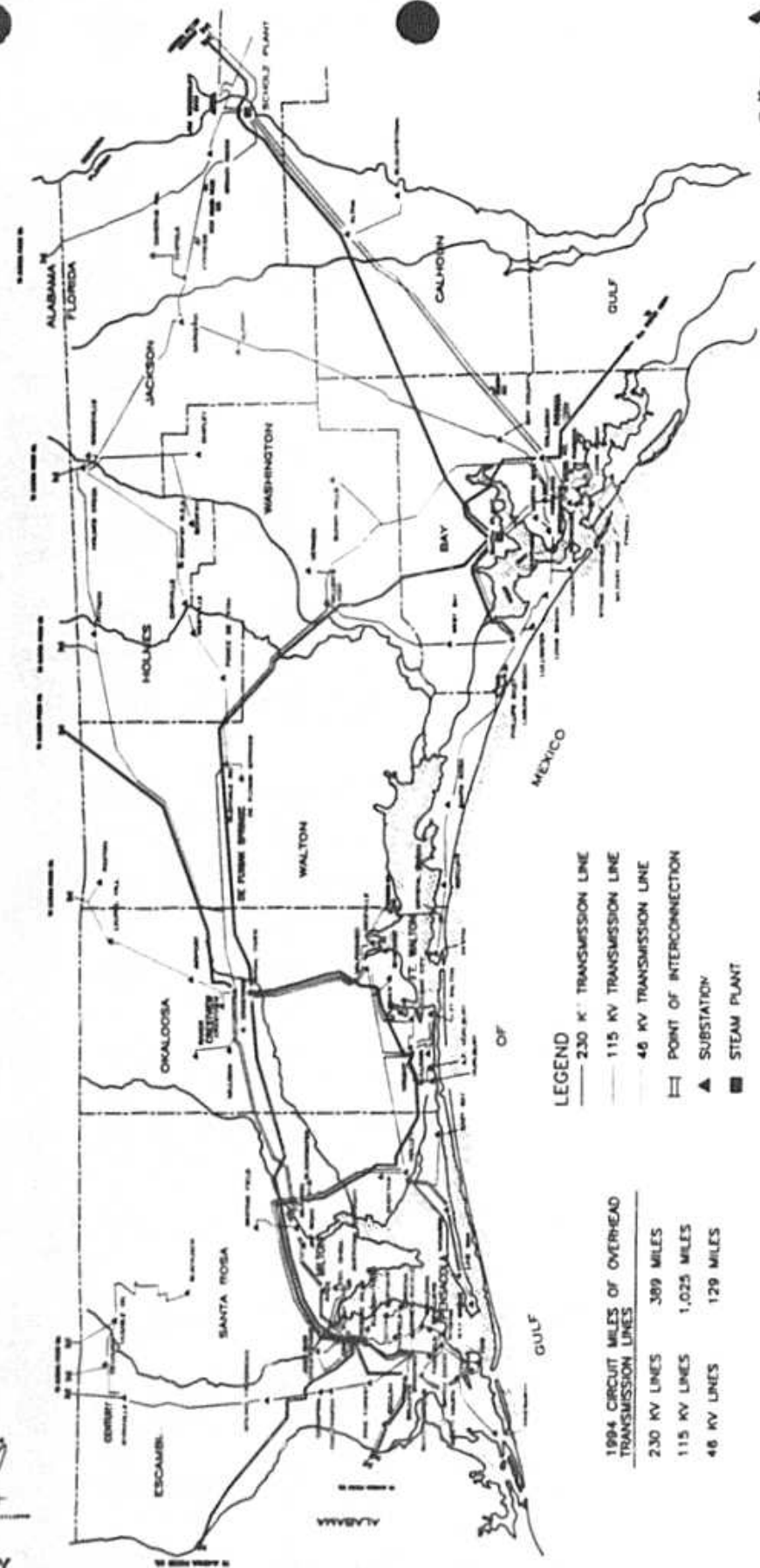


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GULF POWER COMPANY

GULF POWER COMPANY SYSTEM MAP

DECEMBER, 1995



- LEGEND**
- 230 KV TRANSMISSION LINE
 - 115 KV TRANSMISSION LINE
 - 46 KV TRANSMISSION LINE
 - ⊞ POINT OF INTERCONNECTION
 - ▲ SUBSTATION
 - STEAM PLANT

1994 CIRCUIT MILES OF OVERHEAD TRANSMISSION LINES

230 KV LINES	309 MILES
115 KV LINES	1,025 MILES
46 KV LINES	129 MILES

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W. C. J. [Signature]
Secretary

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