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GULF POWER
A SOUTHERN COMPANY

September 20, 2016

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

Re: Docket No. 160170-EI - Petition for approval of 2016 depreciation and dismantlement studies, approval of proposed depreciation rates and annual dismantlement accruals and Plant Smith Units 1 and 2 regulatory asset amortization, by Gulf Power Company.

Dear Ms. Stauffer:

On July 14, 2016 Gulf Power filed its 2016 Depreciation Study (Study) with the Florida Public Service Commission. The Study was assigned Docket No. 160170-EI. Subsequent to the study being filed, the Company found an error in the Study. As a result, a corrected Depreciation Study is being submitted by this letter.

The correction in the Study changed the proposed annual increase in depreciation expense from approximately $23 million to approximately $20 million. The decrease of $3 million is due to the correction in the calculation of proposed depreciation rates for the Combined Cycle generating unit at Plant Smith and Transmission FERC 352, Structures and Improvements.

The attached corrected Study is a complete replacement for the original Study filed on July 14. In order to aid in the review of the corrected Study, we have also included a separate copy of the affected pages with the changes that impacted depreciation expense highlighted.

Sincerely,

Robert L. McGee, Jr.
Regulatory and Pricing Manager

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Attachments

GULF POWER COMPANY

ELECTRIC UTILITY PLANT

DEPRECIATION RATE STUDY

AT DECEMBER 31, 2016

http://www.utilityalliance.com

GULF POWER COMPANY
ELECTRIC UTILITY PLANT
DEPRECIATION RATE STUDY
AT DECEMBER 31, 2016
EXECUTIVE SUMMARY

Gulf Power Company ("Gulf Power", "Gulf" or "Company") engaged Alliance Consulting Group to conduct a depreciation study of the Company's electric utility plant depreciable assets using actual plant asset balances as of December 31, 2014 and projected plant and depreciation reserve balances as of December 31, 2016 ("Study"). To determine depreciation rates for the projected time period of December 31, 2016, the following process occurred: 1) historic data through December 31, 2014 and judgment were used to estimate life and net salvage parameters; 2) the Company provided Alliance a walk-forward of projected plant and depreciation reserve activity from January 1, 2015 to December 31, 2016; 3) additions were projected as of the transaction year the asset went into service; 4) retirements were based on a first-in, first-out approach where the oldest vintages were retired; and 5) the projected vintage balances and reserves at December 31, 2016 were used to compute the proposed depreciation accrual. The total proposed increase in depreciation expense in the Study is $20.4 million based on projected plant balances as of December 31, 2016.

The Study uses the Straight-Line, Broad (Average Life) Group, Remaining Life ("RL") depreciation system. The net salvage analysis in the Study parallels the approach previously used in developing the depreciation rates adopted by the Florida Public Service Commission ("Commission" or "FPSC") in Docket No. 090319-EI.

For Production accounts, the Company provided the current terminal retirement dates for generating units consistent with current expectations, environmental legislation, and resource plans. Terminal demolition costs are provided in a Dismantlement Cost Study performed by Southern Company

Services for all production facilities. These costs are treated separately from the Study as required by the FPSC. The changes in proposed depreciation expense in the production area are mainly due to additional investment in the generating units, changes in the interim retirement ratios and interim net salvage estimates related to electric production plant facilities. The terminal retirement dates of the Steam Production plants remained the same. The proposed increases in depreciation expense by function within Electric Production are $9.5 million and $6.8 million for Steam and Other, respectively, based on projected account balances as of December 31, 2016. The total proposed increase in depreciation expense for all Production is $16.2 million. Appendix B demonstrates the change in depreciation expense for the various accounts based on projected plant balances as of December 31, 2016.

For Transmission, Distribution, General Plant, and Transportation Equipment accounts, the lives of the accounts and net salvage parameters are reviewed in the Study. The Study recommends changes in depreciation in accounts for each function based on the estimated account balances as of December 31, 2016 as follows: an increase of $3.7 million for Transmission, a decrease of $141 thousand for Distribution, a decrease of $259 thousand for General Plant, and an increase of $878 thousand for Transportation Equipment. The total proposed change in depreciation expense for Transmission, Distribution, General Plant, and Transportation Equipment is an increase of $4.2 million based on projected account balances as of December 31, 2016. Appendix B demonstrates the change in depreciation expense for the various accounts based on projected plant balances as of December 31, 2016.

For Transmission, Distribution, General Plant, and Transportation Equipment accounts there are twenty (20) accounts that have increasing lives and four accounts that have decreasing lives, while four have no change. There is a trend toward slightly higher negative net salvage ,where the projected cost of removal exceeds projected salvage value, with ten (10) accounts increasing their negative net salvage (i.e., decrease in net salvage), no accounts with increasing positive net salvage, and sixteen (16) accounts had no change.

GULF POWER COMPANY
ELECTRIC UTILITY PLANT

DEPRECIATION RATE STUDY

AT DECEMBER 31, 2016

Table of Contents

I. REPORT ORGANIZATION

The Proposed Rates shown in Table 1 summarize the annual depreciation accrual rates recommended by the Study. (Florida Administrative Code 25-6.0436 (6) (a)).

The Proforma Expense Comparison shown in Appendix B compares depreciation expense based on projected investment as of December 31, 2016, using both the current and proposed accrual rates. This analysis compares the current and proposed rates, and also shows the change in expense as a result of adopting the proposed rates. (Florida Administrative Code 25-6.0436 (6) (a) & (b)).

The Analysis Results shown in Section VI, Determination of Lives and Net Salvage, contains summary pages for each of the following five major functions: 1) Steam Production Plant, 2) Other Production Plant, 3) Transmission Plant, 4) Distribution Plant, and 5) General Plant and Transportation Equipment. Each summary page presents a narrative of pertinent information related to the analysis. Each summary page is followed by analysis of each account (and sub-account) for life and net salvage, similarly arranged, that comprise that function. (Florida Administrative Code 25-6.0436 (6) (a), (b), (d), (f), (g); (7) (a)).

The Parameter Schedules shown in Appendix C (Transmission, Distribution, General Plant, and Transportation Equipment) and Appendix D (Steam Production Plant and Other Production Plant) summarize the parameters used in the calculation of depreciation rates for each account (and sub-account) within the five major functions of the Company's depreciable investment. The schedules present the estimates of average service life, net salvage, and average remaining life for each account (and sub-account) within the major study groupings. (Florida Administrative Code 25-6.0436 (6) (d) & (g)).

The Net Salvage Schedules shown in Appendix E provide the historical account analysis. Appendices C and D contain a summary comparison of net salvage factors between approved and proposed. Section VI, Determination of Lives and Net Salvage, provides a net salvage narrative by account (Florida

Administrative Code 25-6.0436 (6) (h)).

Dismantlement per Rule 25-6.04364 is outside of the scope of this depreciation study.

The Summary of Plant-in-Service and Accumulated Depreciation (Appendix G) presents annual activity by function and account. (Florida Administrative Code 25-6.0436 (6) (c) & (g)).

II. PURPOSE OF THE STUDY

The purpose of the Study is to develop depreciation rates for the depreciable property of Gulf Power based on projected plant balances as of December 31, 2016. Historic data as of December 31, 2014 and judgment were used to estimate life and net salvage. The account-based depreciation rates are designed to recover the total remaining undepreciated investment, adjusted for net salvage and interim retirements, over the remaining life of Gulf's property on a straight-line basis. The Study includes the Company's depreciable electric plant assets. Non-depreciable property and property that is amortized, such as intangible software, are excluded from the analysis of the Study.

The Study includes investment and reserves for the projected plant balances as of December 31, 2016 for Steam Production units and Other Production units, incorporating current retirement dates, interim retirement rates, and interim retirement net salvage costs for the Company's electric production assets.

Gulf is an investor owned regulated electric utility located in Northwest Florida serving over 447,000 customers. Gulf Power's service territory encompasses 71 communities within Northwest Florida, spanning from the Alabama border eastwardly to the Apalachicola River. Gulf provides the essential service of generating and delivering electricity safely, reliably and economically to end-use consumers through its generation, transmission and distribution systems.

III. STUDY RESULTS WITH PROPOSED RATES

Depreciation rates for all Gulf depreciable property are shown in Appendix A. As shown in Appendix B, these rates translate into an annual depreciation expense of $180.8 million based on Gulf's depreciable investment for the projected plant balances as of December 31, 2016. This reflects an increase of $20.4 million as compared to the equivalent annual depreciation expense of $160.4 million calculated using the currently approved rates. The proposed depreciation rates translate into an annual depreciation accrual for Steam Production of $89.9 million, Other Production of $16.4 million, Transmission of $22.8 million, Distribution of $44.8 million, General Plant of $3.3 million, and Transportation Equipment of $3.6 million. The changes in proposed depreciation expense in each production area are mainly due to the interim retirement and interim net salvage changes and additional investment in the generating units. Changes due to updated dismantling estimates related to electric production plant facilities have an impact on the overall depreciation expense of Gulf Power, but are not included in the above amounts and are addressed separately. The changes in proposed depreciation expense for Transmission, Distribution, General Plant and Transportation Equipment are due to a mix of life and net salvage changes.

Appendix A shows the development of the annual depreciation rates and accruals. Appendix B presents a comparison of approved rates versus proposed rates by account. Appendix C presents a summary of average service lives and net salvage estimates by account. Appendix D presents the terminal retirement dates, interim retirement ratios and net salvage percentages for production facilities. Appendix E presents the net salvage analysis for all accounts. Appendix F presents a comparison between the total book reserves and the theoretical depreciation reserves based on the whole life and remaining life basis. Appendix G is a summary of Plant-in-Service and the Accumulated Depreciation and presents annual activity by function and account.

The depreciation rates proposed in the Study are based on Gulf's estimated depreciable investment as of December 31, 2016. The proposed

rates will provide for the systematic and rational allocation of capital costs over the expected useful life of the property. Capital costs include the acquisition cost of the property in addition to the estimated cost of retirement (salvage and cost of removal).

The majority of Gulf's current depreciation rates were approved by the Florida Public Service Commission under Docket No. 090319-EI. As a result of the Study, the following accrual rates are proposed:

Table 1
Total Company Comparison
Depreciation Accrual Rates at December 31, 2016

Account	Description	Existing	Proposed
Steam Production		**Annual Accrual Rate**	
	Crist Plant	3.5%	4.0%
	Daniel Rail Road (RR) Track	1.5%	1.6%
	Daniel Easement	1.4%	1.4%
	Daniel Plant	2.8%	3.0%
	Scherer Plant	2.0%	2.2%
	Scholz Plant	4.1%	0.0%
	Total Steam Production Plant	3.1%	3.5%
Other Production			
	Pace (Pea Ridge) Plant	5.3%	11.5%
	Perdido Landfill	5.0%	7.3%
	Smith Combustion Turbine (CT)	3.6%	6.3%
	Smith Combined Cycle (CC)	2.8%	4.7%
	Total Other Production Plant	3.0%	5.1%
Transmission Plant			
350.1	Easements	1.6%	1.5%
352.0	Structures & Improvements	2.0%	1.7%
353.0	Station Equipment	2.3%	2.9%
354.0	Towers & Fixtures	2.3%	2.1%
355.0	Poles & Fixtures	3.6%	4.6%
356.0	Overhead Conductors & Devices	2.5%	2.6%
358.0	Underground Conductors	2.1%	1.7%
359.0	Roads and Trails	2.0%	1.9%
	Total Transmission Plant	2.7%	3.3%

Distribution Plant			
360.1	Easements	1.8%	1.8%
361.0	Structures & Improvements	2.2%	2.0%
362.0	Station Equipment	2.2%	3.1%
364.0	Poles, Towers, & Fixtures	5.0%	4.9%
365.0	Overhead Conductors & Devices	3.1%	3.6%
366.0	Underground Conduit	1.3%	1.1%
367.0	Underground Conductors	3.3%	2.4%
368.0	Line Transformers	4.0%	3.4%
369.1	Overhead Services	3.8%	3.9%
369.2	Underground Services	2.6%	2.6%
370.0	Meters	2.7%	7.9%
370.0	Meters - AMI Equipment	6.7%	4.8%
373.0	Street Lighting	5.0%	4.1%
	Total Distribution Plant	3.6%	3.6%
General Plant			
390.0	Structures & Improvements	2.3%	2.2%
396.0	Power Operated Equipment	4.7%	1.7%
397.0	Communication Equipment	6.3%	5.7%
	Total General Plant	3.2%	3.0%
Transportation Equipment			
392.1	Automobiles	12.1%	8.2%
392.21	Light Trucks	9.3%	17.6%
392.22	Heavy Trucks	7.9%	9.0%
392.6	Trailers	4.8%	3.7%
	Total Transportation	8.1%	10.7%
	COMPANY GRAND TOTAL	3.2%	3.6%

Gulf Power's annual depreciation expense shown in this report has excluded amounts for the amortization of general plant property.

IV. GENERAL DISCUSSION OF THE DEPRECIATION RATE STUDY PROCESS

A. Definition of Depreciation

The term "depreciation" as used in the Study is considered in the accounting sense; that is, depreciation is a system of accounting that distributes the cost of assets, less net salvage (if any), over the estimated useful life of the assets in a systematic and rational manner. It is a process of allocation, not valuation. This expense is systematically allocated to accounting periods over the life of the assets. The amount allocated to any one accounting period does not necessarily represent the loss or decrease in value that will occur during that particular period. The Company accrues depreciation on the basis of the original cost of all depreciable property included in each functional property group. On retirement, the full cost of depreciable property, less the net salvage value, is charged to the depreciation reserve.

B. Basis of Depreciation Estimates

1. Overview of the Depreciation Method, Procedure and Technique

The Straight-Line, Broad (Average Life) Group, RL depreciation system is employed to calculate annual and accrued depreciation in the Study. In this system, the annual depreciation accrual for each plant account or sub-account is computed by dividing the original cost of the asset, less allocated depreciation reserve and estimated net salvage, by its respective average life group remaining life. The resulting annual accrual amounts of all depreciable property within a functional group[1] are accumulated, and that total is divided by the original cost of all functional depreciable property to determine the depreciation rate. The calculated remaining lives and annual depreciation accrual rates are based on attained ages of plant-in-service and the estimated service life and salvage

[1] Function or function group refers to different categories of plant. Specifically, the functions analyzed in the Study are: Steam Production, Other Production, Transmission, Distribution General Plant, and Transportation Equipment.

characteristics of each depreciable group. The computations of the annual depreciation rates are shown in Appendix A.

For production property specifically, annual and accrued depreciation are calculated by the Straight-Line, Broad (Average Life) Group, Life Span (which incorporates the RL technique) depreciation system. In this system, the depreciation accrual uses an allocation of the accumulated provision for depreciation based on each unit/account's theoretical depreciation reserve to determine the net investment needed to be recovered over each unit's remaining life (along with its estimated net salvage). The computations of accrual rates for production property are shown in Appendix A, and the comparison of the accumulated provision for depreciation and the theoretical depreciation reserve is found in Appendix F.

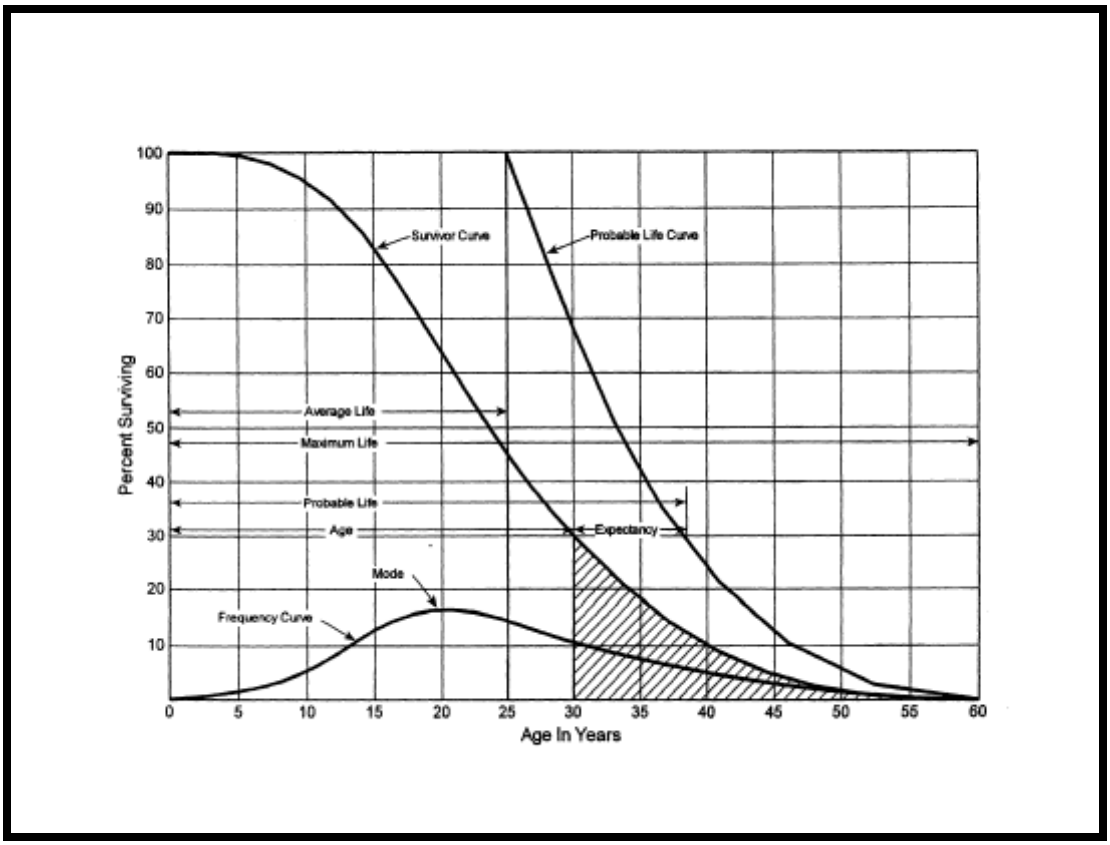
The Life Span estimation approach was incorporated into the analyses of Gulf production data. This method was used to develop the depreciation rates last approved by the Commission in the Gulf's Docket No. 090319-EI and is generally used to determine depreciation rates for electric utility production property. This approach is more fully described in the next section.

For Transmission, Distribution, General Plant and Transportation Equipment actuarial analysis or the Simulated Plant Record - Balances method ("SPR-B") is used for each account within a functional group where sufficient data is available. Judgment is used to some degree on all accounts.

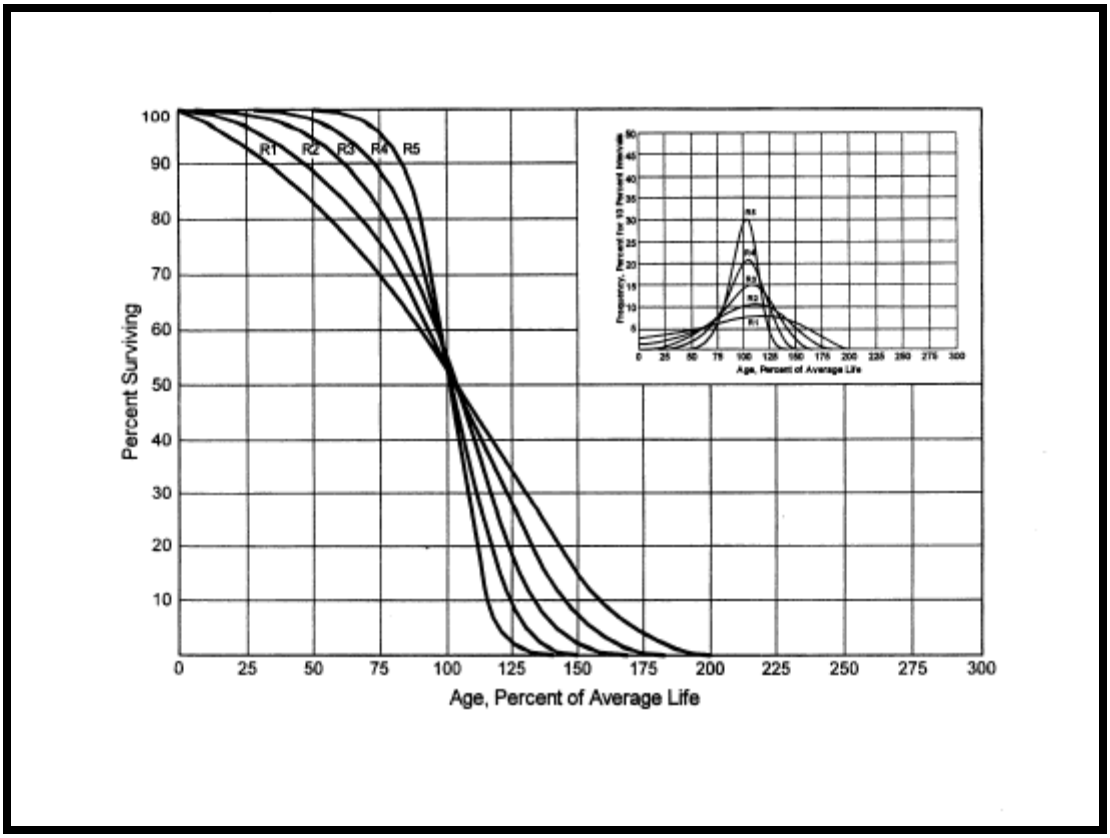
2. Survivor Curves

To fully understand depreciation projections in a regulated utility setting, there must be a basic understanding of survivor curves. Individual property units within a group do not normally have identical lives or investment amounts. The average life of a group can be determined by first constructing a survivor curve, which is plotted as a percentage of the units surviving at each age. A survivor curve represents the percentage of property remaining in service at various age intervals. The Iowa Curves are the result of an extensive investigation of life

characteristics of physical property made at Iowa State College Engineering Experiment Station in the first half of the prior century. Through common usage, revalidation, and regulatory acceptance, the Iowa Curves have become a descriptive standard for the life characteristics of industrial property. An example of an Iowa Curve is shown below.



There are four families in the Iowa Curves that are distinguished by the relation of the age at the retirement mode (largest annual retirement frequency) and the average life. For distributions with the mode age greater than the average life, an “R” designation (i.e., Right-Modal) is used. The family of “R” moded curves is shown below.



Similarly, an “S” designation (i.e., Symmetric-Modal) is used for the family whose mode age is symmetric about the average life. An “L” designation (i.e., Left-Modal) is used for the family whose mode age is less than the average life. A special case of left modal dispersion is an “O” designation (i.e. Origin-Modal) curve family. Within each curve family, numerical designations are used to describe the relative magnitude of the retirement frequencies at the mode. A “6” indicates that the retirements are not greatly dispersed from the mode (i.e., high mode frequency), while a “1” indicates a large dispersion about the mode (i.e., low mode frequency). For example, a curve with an average life of 30 years and an “L3” dispersion is a moderately dispersed, Left-Modal curve that can be designated as a 30 L3 Curve. An “SQ”, or square, survivor curve occurs where no dispersion is present (i.e., units of common age retire simultaneously).

Most property groups can be closely fitted to one Iowa Curve with a unique average service life. The blending of judgment concerning current conditions and future trends along with the matching of historical data permits the depreciation analyst to make an informed selection of an account's average life and retirement dispersion pattern.

3. Life Span Procedure

The Life Span calculation is used for production facilities for which most components are expected to have a retirement date concurrent with the planned retirement date of the generating unit. The terminal retirement date refers to the year that each unit will cease operations. The terminal retirement date, along with the interim retirement characteristics of the assets that will retire prior to the facility ceasing operation, describes the pattern of retirement of the assets that comprise a generating unit. The estimated terminal retirement dates for the various generating units were calculated using the retirement dates used to develop the depreciation rates last approved by the Commission in the Company's Docket No. 090319-EI. These dates are then updated based on the terminal retirement dates provided by the Company for the current estimated retirement dates of specific generation units. The estimated terminal retirement dates are shown in Appendix D-1.

4. Interim Retirement Ratios

Interim retirement rates are used to model the retirement of individual assets within primary plant accounts for each generating unit prior to the terminal retirement of the facility. The Life Span calculation assumes all assets are depreciated (straight-line) for the same number of periods and retire at the same time (the terminal retirement date). Adding interim retirement rates to the procedure reflects the fact that some of the assets at a power plant will not survive to the end of the life of the facility and should be depreciated (straight-line) more quickly and retired earlier than the terminal life of the overall facility.

The goal of interim retirement rates is to project how many of the assets that are currently in service will retire each year in the future using historical analysis and judgment. The interim retirement methodology was used in the development of the depreciation rates for Gulf production depreciation rates. The interim retirement ratios recommended for production accounts are shown in Appendix D-2. By applying interim retirements, recognition is given to the obvious fact that generating units will have retirements of depreciable property before the end of their lives.

The assets that are being modeled for interim retirement are already reflected in the Company's plant accounts. Depreciation rates using interim retirements are known and measurable in the same way that setting depreciation rates for transmission or distribution property using Iowa Curves is known and measurable. There is no depreciable asset that is expected to live forever. All assets at a power plant will retire at some point. Interim retirements simply model when those retirements will occur in the same way that is followed for transmission or distribution assets.

Interim retirements are modeled by examining retirement activity by plant account from transaction years 1981-2014. Terminal retirement transactions, including retirements, gross salvage, and removal cost, are excluded from the analysis to arrive at the interim retirement transactions related to units continuing to operate. Averages are computed over that period for interim retirement rates and used in analyzing production plant activity. Also, net salvage realized for those assets over the same period is analyzed. Interim net salvage for those retirements occurring prior to a plant's terminal retirement date is modeled prospectively.

5. Actuarial Analysis

For certain Transmission, Distribution, General Plant and Transportation Equipment, an actuarial analysis known as the "Retirement Rate" method is used in evaluating historical asset retirement experience, where vintage data is

available and sufficient retirement activity is present. In actuarial analysis, interval exposures (total property subject to retirement at the beginning of the age interval, regardless of vintage) and age interval retirements are calculated. The complement of the ratio of interval retirements to interval exposures establishes a survivor ratio. The survivor ratio is the fraction of property surviving to the end of the selected age interval, given that it has survived from the beginning of that age interval. Survivor ratios for all of the available age intervals are computed by successive multiplications to establish a series of survivor factors, collectively known as an observed life table. The observed life table shows the experienced mortality characteristic of the account and may be compared to standard mortality curves, such as the Iowa Curves. Where data is available, accounts are analyzed using this method. Placement bands are used to illustrate the composite history over a specific era, and experience bands are used to focus on retirement history for all vintages during a set period. The results from the analyses for the accounts having data sufficient to be analyzed using this method are shown in the Life Analysis section of the Study

6. Simulated Plant Record Procedure

The SPR-B approach is one of the commonly accepted approaches to analyze mortality characteristics of utility property. SPR-B was applied to Distribution (Accounts 364-373), due to the unavailability of vintage (aged) transactional data. In this method, an Iowa Curve and average service life are selected as a starting point of the analysis and its survivor factors applied to the actual annual additions to give a sequence of annual balance totals. These simulated balances are compared with the actual balances by using both graphical and statistical analyses. Through multiple comparisons, the mortality characteristics (as defined by an average life and Iowa Curve) that are the best match to the property in the account can be found.

The Conformance Index (“CI”) is one measure used to evaluate various SPR-B analyses. CIs are also used to evaluate the "goodness of fit" between the

actual data and the Iowa Curve being referenced. The Sum of Squares Difference ("SSD") is a summation of the difference between the calculated balances and the actual balances for the band or study year being analyzed. This difference is squared and then summed to arrive at the SSD.

$$SSD = \sum_1^n (Calculated\ Balance_i - Observed\ Balance_i)^2$$

Where *n* is the number of years in the test band.

This calculation can then be used to develop other calculations, which the analyst feels might give a better indication for the "goodness of fit" for the representative curve under consideration. The Residual Measure ("RM") is the square root of the average squared differences as developed above. The RM is calculated as follows:

$$RM = \sqrt{(\frac{SSD}{n})}$$

The CI is developed from the RM and the average observed plant balances for the band or study year being analyzed. The calculation of CI is shown below:

$$CI = \frac{\sum_1^n Balances_i / n}{RM}$$

The Retirement Experience Index (REI) gives an indication of the maturity of the account and is the percent of the property retired from the oldest vintage in the band at the end of the study year. Retirement indices range from zero percent to 100 percent and an REI of 100 percent indicates that a complete curve was used. An REI less than 100 percent indicates that the survivor curve was truncated at that point. The originator of the SPR-B method, Alex Bauhan, suggests ranges of value for the CI and REI. The relationship for CI proposed by Bauhan is shown below[2]:

CI	Value

2 Public Utility Depreciation Practices, p. 96., National Association of Regulatory Utility Commissioners, 1996

Over 75	Excellent
50 to 75	Good
25 to 50	Fair
Under 25	Poor

The relationship for REI proposed by Bauhan[3] is shown below:

REI	Value
Over 75	Excellent
50 to 75	Good
33 to 50	Fair
17 to 33	Poor
Under 17	Valueless

Despite the fact there has not been empirical research to validate Bauhan's conclusions, depreciation analysts have used these measures in analyzing SPR-B results for nearly 60 years, since the SPR-B method was developed. Each of these statistics provides the analyst with a different perspective of the comparison between a band of simulated or calculated balances and the observed or actual balances in the account being studied. Although one statistic is not necessarily superior over the others, the conformance index is the one many analysts use in depreciation studies. The depreciation analyst should carefully weigh the data from REIs to ensure that a mature curve is being used to estimate life.

Statistics are useful in analyzing mortality characteristics of accounts as well as determining a range of service lives to be analyzed using the detailed graphical method. However, these statistics boil all the information down to one, or at most, a few numbers for comparison. Visual matching through comparison between actual and calculated balances expands the analysis by permitting the analyst to view many points of data at a time. The goodness of fit should be visually compared to plots of other Iowa Curve dispersions and average lives for

3 Public Utility Depreciation Practices, p. 97. National Association of Regulatory Utility Commissioners, 1996

the selection of the appropriate curve and life. Detailed information for each account is shown later in the Study and in the workpapers.

7. Net Salvage

When a capital asset is retired, physically removed from service, and finally disposed of, terminal retirement is said to have occurred. The residual value of a terminal retirement is called gross salvage. Net salvage is the difference between the gross salvage (what the asset was sold for) and the removal cost (cost to remove and dispose of the asset).

Gross salvage and cost of removal related to retirements are recorded to the general ledger in the accumulated provision for depreciation at the time retirements occur within the system.

Removal cost percentages are calculated by dividing the current cost of removal by the original installed cost of the asset. Some plant assets can experience significant negative removal cost percentages due to the timing of the addition versus the retirement. For example, a distribution asset in FERC Account 365 with a current installed cost of $500 (2015) would have had an installed cost of $36.64 in 1958[4] (which is the proposed average life of the account). A removal cost of $50 for the asset calculated (incorrectly) on current installed cost would only have a negative 10 percent removal cost ($50/$500). However, a correct removal cost calculation would show a negative 136 percent removal cost for that asset ($50/$36.64). Inflation from the time of installation of the asset until the time of its removal must be taken into account in the calculation of the removal cost percentage because the depreciation rate, which includes the removal cost percentage, will be applied to the original installed cost of assets.

8. Judgment

4 Using the Handy-Whitman Bulletin No. 178, E-5, line 45, $36.64 = $500 x 48/ 655.

Any depreciation study requires informed judgment by the analyst conducting the study. A knowledge of the property being studied, company policies and procedures, general trends in technology and industry practice, and a sound basis of understanding in depreciation theory are needed to apply this informed judgment. Judgment is used in areas such as survivor curve modeling and selection, depreciation method selection, simulated plant record method analysis, and actuarial analysis.

Judgment is not used in cases where there are specific, significant pieces of information that influence the choice of a life or curve. Those cases would simply be a reflection of applying specific facts to the relevant analysis. Where there are multiple factors, activities, actions, property characteristics, statistical inconsistencies, implications of applying certain curves, property mix in accounts or a multitude of other considerations that impact the analysis (potentially in various directions), judgment is used to take all of these factors and synthesize them into a general direction or understanding of the characteristics of the property. Individually, no one factor in these cases may have a substantial impact on the analysis, but overall, may shed light on the utilization and characteristics of assets. Judgment also may include deduction, inference, wisdom, common sense, or the ability to make sensible decisions. Statistical analysis is a tool in life estimation and all facets of selecting a life estimate require judgment. At the very least, as an example, any analysis requires choosing upon which bands to place more emphasis.

The establishment of appropriate average service lives and retirement dispersions for the Transmission, Distribution and General Plant accounts requires judgment to incorporate the understanding of the operation of the system with the available accounting information analyzed using the Retirement Rate actuarial methods. The appropriateness of lives and curves depends not only on statistical analyses, but also on how well future retirement patterns will match past retirements. Current applications and trends in use of the equipment

also need to be factored into life and survivor curve choices in order for appropriate mortality characteristics to be chosen.

9. Broad (Average Life) Group Depreciation Procedure

Gulf's current depreciation rates, as authorized by the Commission in Docket No. 090319-EI for electric Transmission, Distribution and General Plant were developed using the Broad (Average Life) Group ("ALG") depreciation procedure. At the request of Gulf, the Study continues to use the ALG depreciation procedure to group the assets within each account. After an average service life and dispersion are selected for each account, those parameters are used to estimate what portion of the surviving investment of each vintage is expected to retire. The depreciation of the group continues until all investment in the vintage group is retired. ALG is defined by each group's respective account dispersion, life, and salvage estimates. A straight-line rate for each ALG is calculated by computing a composite remaining life for each group across all vintages within the group, dividing the remaining investment to be recovered by the remaining life to find the annual depreciation expense and then dividing the annual depreciation expense by the surviving investment. The resulting rate for each account using the ALG procedure is designed to recover all retirements less net salvage when the last unit retires. The ALG procedure recovers net estimated book cost over the life of each account by averaging many components.

10. Theoretical Depreciation Reserve – Production Accounts

The book accumulated provision for depreciation within the production functions – Steam and Other is used. The theoretical reserve of a property group (in this case, a generating unit and account) is developed from the estimated remaining life of the group, the total life of the group, and estimated net salvage. The theoretical reserve represents the portion of the group cost that would have

been accrued if current expectations were used throughout the life of the group for future depreciation accruals. The computation involves multiplying the vintage balances within the group by the theoretical reserve ratio for each vintage. The straight-line, remaining life theoretical reserve ratio at any given age (RR) is calculated as:

$$RR = 1 - \frac{(Average\ Remaining\ Life)}{(Average\ Service\ Life)} * (1 - Net\ Salvage\ Ratio)$$

In Appendices A, a theoretical reserve is computed for each unit and account at December 31, 2016 using the proposed retirement date, interim retirement percentage and current age of each unit and account combination. For generating units in-service, the theoretical reserve for each unit is computed using the unit's original in-service date, plant balance, interim net salvage amount, and accumulated depreciation for each generating unit at the Study date of December 31, 2016, as well as the remaining period to recover costs associated with these assets (usually the retirement date).

11. Theoretical Depreciation Reserve – Transmission, Distribution, General Plant, and Transportation Equipment

The book depreciation reserve is derived from Company records. The Study uses a reserve model that relies on a prospective concept relating future retirement and accrual patterns for property, given current life and salvage estimates. The theoretical reserve of a group is developed from the estimated remaining life, total life of the property group, and estimated net salvage. The theoretical reserve represents the portion of the group cost that would have been accrued if current expectations were used throughout the life of the group for future depreciation accruals. The computation involves multiplying the vintage balances within the group by the theoretical reserve ratio for each vintage. The ALG method requires an estimate of dispersion and service life to establish how much of each vintage is expected to be retired in each year until all property

within the group is retired. Estimated average service lives and dispersion determine the amount within each average life group. The straight-line, remaining life theoretical reserve ratio at any given age (RR) is calculated as:

$$RR = 1 - \frac{(Average\ Remaining\ Life)}{(Average\ Service\ Life)} * (1 - Net\ Salvage\ Ratio)$$

In the workpapers, a theoretical reserve is computed for each account as of December 31, 2016, using the proposed life and net salvage percentage.

V. THE DETAILS OF THE DEPRECIATION RATE STUDY

A. The Four Phases of the Depreciation Study Process

The Study encompasses four distinct phases. The first phase involves data collection and field interviews. The second phase is where the initial data analysis occurs. The third phase is where the information and analysis is evaluated. Once the first three stages are complete, the fourth phase begins. This fourth phase involves the calculation of depreciation rates and documentation of the corresponding recommendations.

During the Phase I data collection process, historical data is compiled from property records and general ledger systems. Data is validated for accuracy by extracting and comparing to multiple financial system sources. This data is validated against historical data from prior periods, historical general ledger sources, and field personnel discussions. This data is reviewed extensively to put it in the proper format for the Study. Further discussion on data review and adjustment is found in the Salvage Considerations section of the Study. Also as part of the Phase I data collection process, numerous discussions are conducted with engineers and field operations personnel, along with site visits, to obtain information that will assist in formulating life and salvage recommendations in the Study. One of the most important elements of performing a proper depreciation study is to understand how the Company utilizes assets and the environment of those assets. Interviews with engineering and operations personnel are important ways to allow the analyst to obtain information that is beneficial when evaluating the output from the life and net salvage programs in relation to the Company's actual asset utilization and environment. Information regarding these discussions is found in the life analysis and salvage analysis discussions below in this Section VI of the Study and also in the workpapers.

Phase 2 is where the actuarial analysis is performed. Phase 2 and 3 overlap to a significant degree. The detailed property records information is used

in Phase 2 to develop observed life tables for life analysis. These tables are visually compared to industry standard tables to determine historical life characteristics. It is possible that the analyst will cycle back to Phase 2 based on the evaluation process performed in Phase 3. Net salvage analysis consists of compiling historical salvage and removal data by functional group to determine values and trends in gross salvage and removal cost. This information is then carried forward into Phase 3 for the evaluation process.

Phase 3 is the evaluation process, which synthesizes analyses, interviews, and operational characteristics into a final selection of asset lives and net salvage parameters. The historical analysis from Phase 2 is further enhanced by the incorporation of recent or future changes in the characteristics or operations of assets that were revealed in Phase 1. Phases 2 and 3 allow the depreciation analyst to validate the asset characteristics as seen in the accounting transactions with actual Company operational experience.

Finally, Phase 4 involves the calculation of accrual rates, making recommendations and documenting the conclusions in the Study. The calculation of accrual rates is found in Appendix A. Recommendations for the various accounts are contained within Section VI of the Study. The depreciation study flow diagram shown as Figure 1[5] below also documents the steps used in conducting the Study. Depreciation Systems[6], at page 289, documents the same basic processes in performing a depreciation study which are: statistical analysis, evaluation of statistical analysis, discussions with management, forecast assumptions, and document recommendations.

[5] INTRODUCTION TO DEPRECIATION FOR PUBLIC UTILITIES & OTHER INDUSTRIES, AGA EEI (2013).
[6] W. C. Fitch and F.K.Wolf, DEPRECIATION SYSTEMS, Iowa State Press, at page 289 (1994).

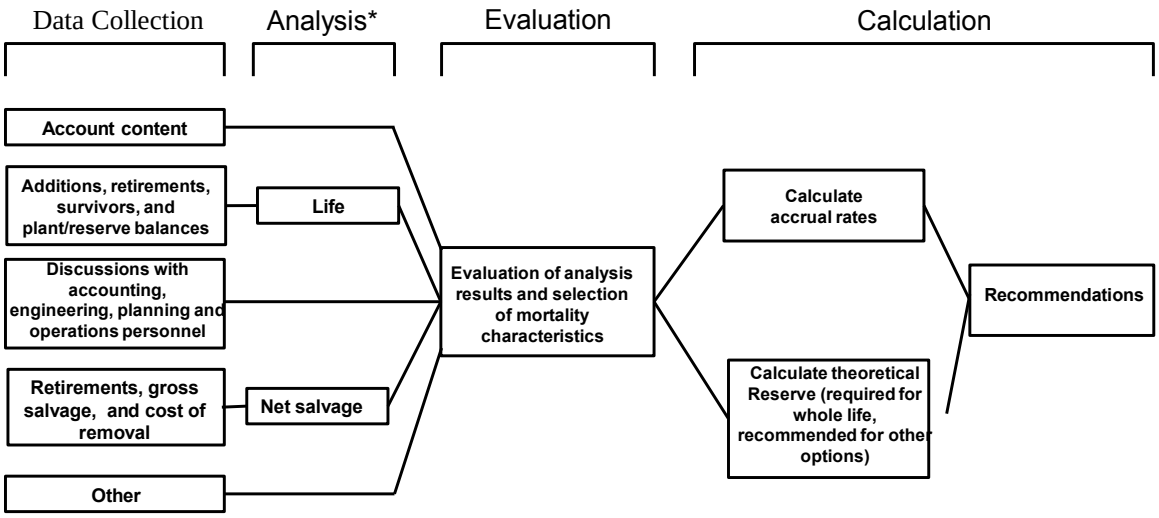


Figure 1

GULF POWER DEPRECIATION STUDY PROCESS

B. Depreciation Rate Calculation for Production

1. The Standard Process

Annual depreciation expense amounts for the Steam Production and Other Production accounts are calculated by the Straight-Line Broad (Average Life) Group, Life Span procedure. As background, in a whole-life representation, the annual accrual rate is computed by the following equation:

$$AnnualAccrualRate = \frac{(100\% - NetSalvagePercent)}{AverageServiceLife}$$

In the case of production facilities with a terminal life and terminal net salvage, the account/unit combination will determine the annual depreciation accrual rate as follows:

> Annual Accrual Rate = [Plant Balance + Interim Additions over Life of the Unit – Terminal Retirement – Interim Net Salvage – Accumulated Depreciation Reserve] / ∑ Average Plant Balance over the remaining life of the unit.

In the Study, there are no interim additions considered in developing depreciation rates beyond the projected balances as of December 31, 2016. Interim retirements reduce the average plant balance over the remaining life of the unit, while interim net salvage increases the total net salvage of the unit. The estimated terminal retirement dates are shown in Appendix D-1. Depreciation accrual rates and interim retirement percentages use the same methodology as were used in developing the depreciation rates approved by the Commission in Docket No. 090319-EI. Depreciation expense computations by generating unit and account are found in Appendices A-1 for Steam Production and A-2 for Other Production. Proposed terminal lives are found in Appendix D-1, proposed interim retirement ratios and interim net salvage percentages are found in Appendix D-2. The end of life dismantling costs are not included in the study, but will be handled separately.

C. Depreciation Rate Calculation for Transmission, Distribution General Plant, and Transportation Equipment

1. Overview of Calculation

Annual depreciation expense amounts for accounts other than production are calculated by the Average Life, Straight-Line, Remaining Life system.

In a whole-life representation, the annual accrual rate is computed by the following equation:

$$Annual\ Accrual\ Rate = \frac{(100\% - Net\ Salvage\ Percent)}{Average\ Service\ Life}$$

Use of the remaining life depreciation system adds a self-correcting mechanism, which accounts for any differences between theoretical and book depreciation reserve over the remaining life of the group. With the straight-line, remaining life system using Iowa Curves, composite remaining lives are calculated according to standard broad group expectancy techniques, noted in the formula below:

$$Composite\ \text{Re}maining\ Life = \frac{\sum Original\ Cost - Theoretical\ \text{Re}serve}{\sum Whole\ Life\ Annual\ Accrual}$$

For each FERC plant account, the difference between the surviving investment, adjusted for estimated net salvage, and the allocated projected book depreciation reserve as of December 31, 2016, is divided by the composite remaining life to yield the annual depreciation expense as noted in this equation.

$$Annual\ Depr\ Expense = \frac{Orig\ Cost - Allocated\ \text{Re}serve - (Orig\ Cost)*(1 - Net\ Salv\ \%)}{Composite\ \text{Re}maining\ Life}$$

In the equation above the Net Salv% represents future net salvage.

Within a group, the sum of the group annual depreciation expense amounts, as a percentage of the depreciable original cost investment summed, gives the annual depreciation rate as shown below:

$$Annual\ Depreciation\ Rate = \frac{\sum Annual\ Depreciation\ Expense}{\sum Original\ Cost}$$

These calculations are shown in Appendix A. The calculations of the theoretical depreciation reserve values and the corresponding remaining life calculations are shown in the workpapers. Projected book depreciation reserves as of December 31, 2016 are allocated from a functional level to individual accounts and the theoretical reserve computation is used to compute a composite remaining life for each account.

The calculation of the accrual rates are shown in Appendix A. The book reserve allocations by functional level are shown in Appendix F.

2. Remaining Life Calculation

The establishment of appropriate average service lives and retirement dispersions for each account within a functional group is based on engineering judgment that incorporates available accounting information analyzed using the Retirement Rate actuarial methods. After establishment of appropriate average service lives and retirement dispersion, remaining life is computed for each account. Theoretical depreciation reserve is calculated using theoretical reserve ratios as defined in the theoretical reserve portion of Section III of the Study. The difference between plant balance and theoretical reserve is then spread over the ALG depreciation accruals for each plant account. Remaining life computations are found for each account in the workpapers.

VI. DETERMINATION OF LIVES AND NET SALVAGE

A. Production Plant Life

The detailed Analysis Results (by plant) appear on pages 34 to 47 and represent Gulf Power Company's projected depreciable investment in Steam and Other Production Plant as of December 31, 2016.

The net increase in the investment of Steam Production Plant since the prior study is presented in Appendix G which summarizes annual changes to plant-in-service balances.

Location life property is property located at a specific location, at which all surviving investment are expected to be retired at one time. All production plants are assigned an estimated retirement date, determined by the Company. Our analyses assume all surviving property located at each production plant will be retired when the plant reaches its retirement date. However, it is important to understand that retirement dates are estimates that reflect the best estimate at the time and are based on Company specific dynamic market factors, not commitments by Gulf Power.

The total life span of a production plant is the maximum life expected for any investment from the original in-service year to retirement date. Not all property survives to the plant's retirement date. Interim additions, investment added subsequent to the in-service date of the plant, will, by definition, have a shorter life than that of the original investment.

Any plant investment currently in service which is not expected to survive to the plant's retirement date is referred to as an interim retirement. As interim retirements will affect the average service life of their property group, it is important to identify and project all anticipated interim retirements as part of the rate development process. Interim retirements for the Study have been estimated and an interim retirement ratio calculated.

The detailed schedules for each production plant are available. These schedules present the calculations used to estimate the Average Service Life ("ASL"), Average Remaining Life ("ARL"), Interim Salvage, and Calculated Reserve utilizing the forecast life span method. Appendix D provides generating

unit retirement dates and the proposed interim retirement ratios and interim net salvage parameters.

B. Production Plant Net Salvage

1. Production Property – Dismantlement Costs

The Southern Company Services 2016 Dismantlement Cost Study provides for a Company-specific set of cost estimates for the end of life dismantling of Gulf Power's generation fleet. These amounts were not included in the Study and will be handled separately according to FPSC rules.

2. Steam and Other Production Interim Net Salvage (INS)

Production interim retirements also record salvage and cost of removal activities. An analysis was performed and has been included in Appendix E. The resulting interim net salvage factor recommendation is incorporated into the depreciation rate calculations. Appendix D provides the comparison of existing and proposed interim retirement net salvage.

The removal rates established in Docket No. 090319-EI were based on the results of the depreciation study filed in that docket. The removal costs are included in the depreciation rate for each unit and account. These rate calculations are based on direct observation of the removal experience of interim retirements at units within the Company's production plants.

For most accounts, the data for interim retirements, gross salvage, and cost of removal for each account is based on historical data from years 1981-2014. Moving averages, which remove timing differences between retirement and salvage and removal cost, were analyzed over periods varying from one to 10 years. These calculations are found in Appendix E. For Production interim net salvage, the analysis was performed by account and a brief summary of the account interim net salvage analysis follows the account interim retirement ratio summaries below.

ANALYSIS RESULTS

Steam Production Depreciable Property

Plant Crist

Item				2009 FPSC	2016	Change
Total Investment				1,109,816,352	1,551,930,888	442,114,536
Retirement Dates:						
Unit	MW	Fuel Type	In-Serv.			
4	75.0	Coal/Gas	1959	2024	2024	
5	75.0	Coal/Gas	1961	2026	2026	
6	320.0	Coal/Gas	1970	2035	2035	
7	500.0	Coal	1973	2038	2038	
Life Span (Years):						
Unit 4				65	65	
Unit 5				65	65	
Unit 6				65	65	
Unit 7				65	65	
Common				93	93	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				30.1	29.5	
Theoretical Reserve				264,696,667	575,849,350	311,152,683
Book/Allocated Reserve (excl dismantlement)				219,121,519	439,733,184	220,611,665
Reserve Variance				(45,497,214)	(136,116,166)	(90,541,018)
Book Reserve Ratio				19.74%	28.33%	
Gross Salvage				0.0%	0.0%	
Removal Cost excl Dismantlement				4.0%	3.3%	
Net Salvage				-4.0%	-3.3%	
				Current	2016	
Annual Dismantlement Expense				6,458,948	N/A	N/A
Avg Whole Life Rate				3.2%	3.5%	
AWL 2016 Expense excl Dismantlement				49,661,788	54,317,581	4,655,793
Average Remaining Life				24.0	18.5	
ARL Rate				3.5%	4.0%	
ARL 2016 Expense excl Dismantlement				54,317,581	62,077,236	7,759,655

Plant Daniel						
Item				2009 FPSC	2016	Change
Total Investment				240,203,220	645,441,969	405,238,749
Retirement Dates:						
Unit	MW	Fuel Type	In-Serv.			
1	500	Coal/Oil	1977	2042	2042	
2	500	Coal/Oil	1981	2046	2046	
Life Span (Years):						
Unit 1				65	65	
Unit 2				65	65	
Common 1-2				69	69	
Common 1-4				65	65	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				41.0	36.5	
Theoretical Reserve				127,666,056	194,874,693	67,208,637
Book/Allocated Reserve (excl dismantlement)				117,975,435	166,455,162	48,479,727
Reserve Variance				(9,690,621)	(28,419,531)	(18,728,910)
Book Reserve Ratio				49.11%	25.79%	
Gross Salvage				0.0%	0.0%	
Removal Cost excl Dismantlement				10.0%	4.7%	
Net Salvage				-10.0%	-4.7%	
				Current	2016	
Annual Dismantlement				684,446	N/A	N/A
Avg Whole Life Rate				2.2%	2.9%	
AWL 2016 Expense excl Dismantlement				14,199,723	18,717,817	4,518,094
Average Remaining Life				22.0	25.9	
ARL Rate				2.8%	3.0%	
ARL 2016 Expense excl Dismantlement				18,072,375	19,363,259	1,290,884

Plant Daniel Easements			
Item	2009 FPSC	2016	Change
Total Investment	77,160	77,160	0
Retirement Dates	2046	2046	
Study Method/Dispersion	Forecast	Forecast	
Average Service Life	69.0	69.5	
Theoretical Reserve	36,343	43,854	7,511
Book/Allocated Reserve (excl dismantlement)	37,192	44,753	7,561
Reserve Variance	17,802	899	(16,903)
Book Reserve Ratio	48.20%	58.00%	
Gross Salvage	0.0%	0.0%	
Removal Cost excl Dismantlement	0.0%	0.0%	
Net Salvage	0.0%	0.0%	
	Current	2016	
Avg Whole Life Rate	1.4%	1.4%	
AWL 2016 Expense excl Dismantlement	1,080	1,080	0
Average Remaining Life	37.0	30.0	
ARL Rate	1.4%	1.4%	
ARL 2016 Expense excl Dismantlement	1,080	1,080	0

Plant Daniel Rail Tracks			
Item	2009 FPSC	2016	Change
Total Investment	2,741,618	2,828,013	86,395
Retirement Dates	2046	2046	
Study Method/Dispersion	Forecast	Forecast	
Average Service Life	67.4	66.0	
Theoretical Reserve	1,256,914	1,590,770	333,856
Book/Allocated Reserve (excl dismantlement)	1,220,019	1,508,465	288,446
Reserve Variance	(36,895)	(82,304)	(45,409)
Book Reserve Ratio	44.50%	53.34%	
Gross Salvage	0.0%	0.0%	
Removal Cost excl Dismantlement	0.0%	0.6%	
Net Salvage	0.0%	-0.6%	
	Current	2016	
Avg Whole Life Rate	1.5%	1.5%	
AWL 2016 Expense excl Dismantlement	42,420	42,420	0
Average Remaining Life	36.5	29.1	
ARL Rate	1.5%	1.6%	
ARL 2016 Expense excl Dismantlement	42,420	45,248	2,828

Plant Scherer						
Item				2009 FPSC	2016	Change
Total Investment				233,800,884	381,199,620	147,398,736
Retirement Dates:						
Unit	MW	Fuel Type	In-Serv.			
3	818	Coal	1987	2052	2052	
Life Span (Years):						
Unit 3				65	65	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				46.8	47.7	
Theoretical Reserve				83,183,301	135,127,307	51,944,006
Book/Allocated Reserve (excl dismantlement)				92,987,673	134,232,210	41,244,537
Reserve Variance				9,804,372	(895,096)	(10,699,468)
Book Reserve Ratio				39.77%	35.21%	
Gross Salvage				0.0%	0.0%	
Removal Cost excl Dismantlement				6.0%	6.0%	
Net Salvage				-6.0%	-6.0%	
				Current	2016	
Annual Dismantlement				98,878	N/A	N/A
Avg Whole Life Rate				2.0%	2.2%	
AWL 2016 Expense excl Dismantlement				7,623,992	8,386,392	762,400
Average Remaining Life				33.0	31.7	
ARL Rate				2.0%	2.2%	
ARL 2016 Expense excl Dismantlement				7,623,992	8,386,392	762,400

Plant Scholz						
Item				2009 FPSC	2016	Change
Total Investment				31,074,395	8,895,204	(22,179,191)
Retirement Dates:						
Unit	MW	Fuel Type	In-Serv.			
1	40	Coal	1953	2015	2020	
2	40	Coal	1953	2015	2020	
Life Span (Years):						
	Unit 1			62	67	
	Unit 2			62	67	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				19.2	32.4	
Theoretical Reserve				29,782,029	7,383,989	(21,933,284)
Book/Allocated Reserve (excl dismantlement)				26,273,400	10,675,914	(15,597,486)
Reserve Variance				(3,508,629)	2,827,168	6,335,797
Book Reserve Ratio				84.55%	120.02%	
Gross Salvage				0.0%	0.0%	
Removal Cost excl Dismantlement				3.0%	0.2%	
Net Salvage				-3.0%	-0.2%	
				Current	2016	
Annual Dismantlement				799,767	N/A	N/A
Avg Whole Life Rate				5.1%	0.0%	
AWL 2016 Expense excl Dismantlement				453,655	275,751	(177,904)
Average Remaining Life				4.5	3.9	
ARL Rate				4.1%	0.0%	
ARL 2016 Expense excl Dismantlement				364,703	0	(364,703)

Steam Production FERC Accounts 310-316 Interim Retirement Ratios

Historical data for all steam production units was combined by account to analyze historic activity and develop proposed interim retirement ratios for each account. This combined experience across various generating units was used as a representation of Gulf's retirement history for steam production to model future retirement activity. Proposed interim retirement ratios reflect the recognition that some assets at each plant will retire prior to the end of the life of the unit and were analyzed at an account level for all generating assets within each account. The interim retirement analyses were based on the average interim retirements over the last 10 years (2005-2014) and are shown in Appendix E-1.

FERC Account 310.0 Easements

Life (No IRR)

This account consists of easements around the power plant. Due to the long term nature of easements, no interim analysis was performed.

Net Salvage (INS 0%)

This account consists of easements around the power plant. Due to the long term nature of easements and little, if any, salvage or cost of removal associated with these assets, a 0 percent net salvage is utilized.

FERC Account 311.0 Structures and Improvements

Life (IRR 0.21%)

This account consists of buildings, structures, fences, lighting systems, and other related assets at each power plant. Retirement dates for each unit are found in Appendix D. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 0.2197 percent. The Study recommends an IRR of 0.21 percent for interim retirements.

Net Salvage (INS -10%)

This account consists of any gross salvage or removal cost associated with buildings, structures, fences, lighting systems, and other related assets at each power plant. The approved interim net salvage is negative 20 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are positive 34.96 and negative 33.04 percent, respectively. The positive net salvage is not likely to reoccur, especially at that level. The most recent 2-year average is negative 9.78 percent. Based on the various indications in the analysis, the Study conservatively recommends negative 10 percent for interim net salvage for this account.

FERC Account 312.0 Boiler Plant Equipment

Life (IRR 0.75%)

This account consists of boiler plant equipment, bag houses, preheaters and other related equipment. Retirement dates for each unit are found in Appendix D. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 0.7512 percent. The Study recommends an IRR of 0.75 percent for interim retirements.

Net Salvage (INS -30%)

This account consists of any gross salvage or removal cost associated with boiler plant equipment, bag houses, preheaters and other related equipment. The approved interim net salvage is negative 20 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 42.27 and negative 36.42 percent, respectively. Based on the various indications in the analysis, the Study conservatively recommends negative 30 percent for interim net salvage for this account.

FERC Account 314.0 Turbogenerator Equipment

Life (IRR 1.08%)

This account consists of turbogenerator equipment, stationary blades, turbine control systems, and other related assets at each power plant. Retirement dates for each unit are found in Appendix D. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 1.0791 percent. The Study recommends an IRR of 1.08 percent for interim retirements.

Net Salvage (INS -30%)

This account consists of any gross salvage or removal cost associated with turbogenerator equipment, stationary blades, turbine control systems, and other related assets at each power plant. The approved interim net salvage is negative 20 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 45.84 and negative 37.67 percent, respectively. Based on the various indications in the analysis, the Study conservatively recommends negative 30 percent for interim net salvage for this account.

FERC Account 315.0 Accessory Electric Equipment

Life (IRR 0.53%)

This account consists of power transformer, regulators and related assets at each power plant. Retirement dates for each unit are found in Appendix D. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 0.5260 percent. The Study recommends an IRR of 0.53 percent for interim retirements.

Net Salvage (INS -10%)

This account consists of any gross salvage or removal cost associated with power transformer, regulators and related assets at each power plant. The approved interim net salvage is negative 20 percent. In examining the Company's

net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 31.95 and negative 8.14 percent, respectively. Based on the various indications in the analysis, the Study conservatively recommends negative 10 percent for interim net salvage, which reflects a change from the existing and toward the 10-year indications for this account.

FERC Accounts 316.0 Miscellaneous Power Plant Equipment

Life (IRR 0.56%)

This account consists of tanks, pumps, work equipment, and other related assets at each power plant. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 0.5633 percent. Retirement dates for each unit are found in Appendix D. The Study recommends an IRR of 0.56% for interim retirements.

Net Salvage (INS -5%)

This account consists of any gross salvage or removal cost associated with tanks, pumps, work equipment, and other related assets at each power plant. The approved interim net salvage is negative 20 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 7.12 and negative 5.51 percent, respectively. Based on the wider 10-year indications in the analysis, the Study conservatively recommends negative 5 percent for interim net salvage for this account.

ANALYSIS RESULTS

Other Production Depreciable Property

Plant Pace ("Pea Ridge")						
Item				2009 FPSC	2016	Change
Total Investment				10,879,112	11,496,153	617,041
Retirement Dates:						
Unit	MW	Fuel Type	In-Serv.			
1	15	Gas	1998	2018	2018	
Life Span (Years):						
Unit 1				20	20	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				20.0	17.2	
Theoretical Reserve				6,027,104	10,161,075	4,133,971
Book/Allocated Reserve (excl dismantlement)				6,027,105	8,855,731	2,828,626
Reserve Variance				1	(1,305,343)	(1,305,344)
Book Reserve Ratio				55.40%	77.03%	
Gross Salvage				0.0%	0.0%	
Removal Cost excl Dismantlement				0.0%	0.0%	
Net Salvage				0.0%	0.0%	
				Current	2016	
Annual Dismantlement				17,334	N/A	N/A
Avg Whole Life Rate				5.0%	5.8%	
AWL 2016 Expense excl Dismantlement				574,808	666,777	91,969
Average Remaining Life				8.5	2.0	
ARL Rate				5.3%	11.5%	
ARL 2016 Expense excl Dismantlement				609,296	1,320,956	711,660

Perdido Landfill						
Item				2010 Amended FPSC	2016	Change
Total Investment				5,100,000	8,239,086	3,139,086
Retirement Dates:						
Unit	MW	Fuel Type	In-Serv.			
1		Gas	2010	2030	2030	
Life Span (Years):						
Unit 3				20	20	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				20.0	15.4	
Theoretical Reserve				0	2,259,471	2,259,471
Book/Allocated Reserve (excl dismantlement)				0	1,629,185	1,629,185
Reserve Variance				0	(630,287)	(630,287)
Book Reserve Ratio				0.00%	19.77%	
Gross Salvage				0.0%	0.0%	
Removal Cost excl Dismantlement				0.0%	1.1%	
Net Removal Cost				0.0%	-1.1%	
				Current	2016	
Annual Dismantlement				0	N/A	N/A
Avg Whole Life Rate				5.0%	6.6%	
AWL 2016 Expense excl Dismantlement				411,954	543,780	131,826
Average Remaining Life					11.2	
ARL Rate				5.0%	7.3%	
ARL 2016 Expense excl Dismantlement				411,954	600,986	189,032

Plant Smith Combustion Turbine						
Item				2009 FPSC	2016	Change
Total Investment				4,963,480	12,136,671	7,173,191
Retirement Dates:						
Unit	MW	Fuel Type	In-Serv.			
A	40	Nat. Gas	1971	2017	2027	
Life Span (Years):						
Unit 1				46	56	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				41.0	21.6	
Theoretical Reserve				3,607,076	6,538,949	2,931,873
Book/Allocated Reserve (excl dismantlement)				3,623,340	4,489,946	866,606
Reserve Variance				16,264	(2,049,003)	(2,065,267)
Book Reserve Ratio				73.00%	36.99%	
Gross Salvage				0.0%	0.0%	
Removal Cost excl Dismantlement				0.0%	0.6%	
Net Salvage				0.0%	-0.6%	
				Current	2016	
Annual Dismantlement				3,258	N/A	N/A
Avg Whole Life Rate				2.4%	4.7%	
AWL 2016 Expense excl Dismantlement				291,280	570,424	279,144
Average Remaining Life				7.5	10.0	
ARL Rate				3.6%	6.3%	
ARL 2016 Expense excl Dismantlement				436,920	770,182	333,262

Plant Smith Combined Cycle						
Item				2009 FPSC	2016	Change
Total Investment				187,471,268	292,429,663	104,958,395
Retirement Dates:						
Unit	MW	Fuel Type	In-Serv.			
3		Gas	2002	2042	2042	
Life Span (Years):						
Unit 3				40	40	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				37.1	28.9	
Theoretical Reserve				29,255,448	6,538,949	(22,716,499)
Book/Allocated Reserve (excl dismantlement)				21,384,117	31,407,661	10,023,544
Reserve Variance				(7,871,331)	24,868,712	32,740,043
Book Reserve Ratio				11.41%	10.74%	
Gross Salvage				0.0%	0.0%	
Removal Cost excl Dismantlement				0.1%	1.7%	
Net Removal Cost				-0.1%	-1.7%	
				Current	2016	
Annual Dismantlement				280,020	N/A	N/A
Avg Whole Life Rate				2.7%	3.5%	
AWL 2016 Expense excl Dismantlement				7,895,601	10,235,038	2,339,437
Average Remaining Life				32.0	19.3	
ARL Rate				2.8%	4.7%	
ARL 2016 Expense excl Dismantlement				8,188,031	13,744,194	5,556,163

Other Production FERC Accounts 340-346 Interim Retirement Ratios

Historical data for all other production units was combined by account to analyze historic activity and develop proposed interim retirement ratios for each account. This combined experience across various generating units was used as a representation of Gulf's retirement history for other production to model future retirement activity. Proposed interim retirement ratios reflect the recognition that some assets at each plant will retire prior to the end of the life of the unit and were analyzed at an account level for all generating assets within each account. The interim retirement analysis was based on the average interim retirements over the last 10 years (2005-2014) and is shown in Appendix E-1.

FERC Account 340.0 Easements

Life (No IRR)

This account consists of easements around other production. Retirement dates for each unit are found in Appendix D. Due to the long term nature of easements, no interim analysis was performed.

Net Salvage (INS 0%)

This account consists of easements around other production. Due to the long term nature of easements and little, if any, salvage or cost of removal associated with these assets, a 0 percent net salvage is proposed.

FERC Account 341.0 Structures and Improvements

Life (IRR 2.20%)

This account consists of buildings, structures, fences, lighting systems, and other related assets at each power plant. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 2.1814 percent. Retirement dates for each unit are found in Appendix D. The Study recommends an IRR of 2.20 percent for interim retirements.

Net Salvage (INS -5%)

This account consists of any gross salvage or removal cost associated with buildings, structures, fences, lighting systems, and other related assets at each power plant. The approved interim net salvage is negative 5 percent. In examining the Company's net salvage history for this function, the most recent five-year and 10-year net salvage percentages are negative 6.51 and negative 17.09 percent, respectively. The more recent 2, 3, and 4-year moving averages are negative 0.09, 0.05, and 8.83 percent net salvage. Based on the range of indications, the Study conservatively recommends retention of the existing negative 5 percent interim net salvage.

FERC Account 342.0 Fuel Holders and Accessory Equipment

Life (IRR 1.30%)

This account consists of pumps, storage tanks, natural gas/fuel oil piping and other related assets at each power plant. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 1.2685 percent. Retirement dates for each unit are found in Appendix D. The Study recommends an IRR of 1.30 percent for interim retirements.

Net Salvage (INS -5%)

This account consists of any gross salvage or removal cost associated with pumps, storage tanks, natural gas/fuel oil piping and other related assets at each power plant. The approved interim net salvage is negative 5 percent. In examining the Company's net salvage history for this function, the most recent five-year and 10-year net salvage percentages are negative 14.68 and negative 98.12 percent, respectively. The more recent 2, 3, and 4-year moving averages are negative 5.93, 5.48, and 4.59 percent net salvage. Based on the more recent indications, the Study recommends retention of the existing negative 5 percent interim net salvage.

FERC Account 343.0 Prime Movers

Life (IRR 3.00%)

This account consists of foundations, chimneys, demineralizers, fire protection systems and other related assets at each power plant. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 3.0037 percent. Retirement dates for each unit are found in Appendix D. The Study recommends an IRR of 3.00 percent for interim retirements.

Net Salvage (INS -5%)

This account consists of any gross salvage or removal cost associated with foundations, chimneys, demineralizers, fire protection systems and other related assets at each power plant. The approved interim net salvage is negative 5 percent. In examining the Company's net salvage history for this function, the most recent five-year and 10-year net salvage percentages are negative 13.04 and negative 9.91 percent, respectively. The more recent 2, 3, and 4-year moving averages are negative 8.92, 8.60, and 8.26 percent net salvage. Giving some consideration to 2014 results of negative 5.86 percent along with the 2, 3, and 4-year moving averages, the Study conservatively recommends retention of the existing negative 5 percent interim net salvage.

FERC Account 344.0 Generators

Life (IRR 0.25%)

This account consists of generators and other related assets at each power plant. Retirement dates for each unit are found in Appendix D. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 0.08520 percent. There has been a small amount of retirements over the past 10 years, which make it statistically small given the investment in the account. However, a higher amount is expected to occur in the future so the Study recommends an IRR of 0.25 percent for interim retirements.

Net Salvage (INS -5%)

This account consists of any gross salvage or removal cost associated with generators and other related assets at each power plant. The approved interim net salvage is negative 5 percent. In examining the Company's net salvage history for this function, the most recent five-year and 10-year net salvage percentages are negative 5.86 and negative 2.90 percent, respectively. The more recent 2, 3, and 4-year moving averages are negative 12.33, 11.93, and 5.05 percent net salvage. Based on the more recent indications, the Study conservatively recommends retention of the existing negative 5 percent interim net salvage.

FERC Account 345.0 Accessory Electric Equipment

Life (IRR 1.50%)

This account consists of power transformers, regulators and related assets at each power plant. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 1.5061 percent. Retirement dates for each unit are found in Appendix D. The Study recommends an IRR of 1.50 percent for interim retirements.

Net Salvage (INS -5%)

This account consists of any gross salvage or removal cost associated with power transformers, regulators and related assets at each power plant. The approved interim net salvage is negative 5 percent. In examining the Company's net salvage history for this function, the most recent five-year and 10-year net salvage percentages are negative 17.15 and negative 21.00 percent, respectively. The more recent 2, 3, and 4-year moving averages are negative 16.95, 25.53, and 23.28 percent net salvage. Despite the recent and overall indications in the analysis, the Study conservatively recommends retention of the existing negative 5 percent interim net salvage at this time.

FERC Account 346.0 Miscellaneous Power Plant Equipment

Life (IRR 1.80%)

This account consists of work equipment, test equipment, pumps, fire protection systems, and other related assets at each power plant. The interim retirement analysis from 2005-2014, as shown in Appendix E-1, indicated an interim retirement ratio of 1.8210 percent. Retirement dates for each unit are found in Appendix D. The Study recommends an IRR of 1.80 percent for interim retirements.

Net Salvage (INS -5%)

This account consists of any gross salvage or removal cost associated with work equipment, test equipment, pumps, fire protection systems, and other related assets at each power plant. The approved interim net salvage is negative 5 percent. In examining the Company's net salvage history for this function, the most recent five-year and 10-year net salvage percentages are negative 5.98 and negative 10.55 percent, respectively. Based on the five-year indications, the Study recommends negative 5 percent interim net salvage.

C. Transmission Plant

The Analysis Results in front of each account discussion below represent Gulf Power's projected depreciable investment in Transmission Plant as of December 31, 2016 and provide an overall summary of the account rate details.

The net changes by year to Transmission Plant investment and depreciation reserves are presented in Appendix G, which summarizes annual changes since the prior study.

In the Analysis Results for Transmission Plant the "average life property" concept is used. The average life property concept is property that is expected to have a continuous life. In other words, additions and retirements will continuingly occur creating an average service life as opposed to the location life referred to in the Production Plant Summary. The average service

life used for average life properties is based in part upon the analysis of historical accounting data using the Actuarial Method.

The Actuarial Method, employed for all Transmission Plant, is used for property that has aged data available. It measures the life of past retirements relative to the original investments. The results of this analysis are fitted to the Iowa- Survivor curves.

The average remaining life ("ARL") is a function of several variables. For example, a change in average service life, a change in the selection of Iowa Survivor curve, or a change in the investment balance, all affect the ARL. A selected Iowa Curve for each account is shown below. The observed life tables for all analyzed placement and experience bands are provided in the workpapers.

The cost of demolition and removal of transmission assets has increased over time. The following help explain some of the pressures that are increasing the cost to remove transmission assets from service. Many general factors have occurred, creating changes that increase removal cost including:

- Time Value of Money. The assets being retired are 40 or more years old in many cases. The original cost of those assets installed that long ago were much lower than the same assets being installed today.
- Environmental Regulations and Restrictions. The cost to remove assets from service and/or the cost of demolition has increased due to increased regulation and restrictions related to environmental impact, mitigation and restoration measures. Equipment, labor and other expenses will increase with hard-to-access locations. Many construction or demolition permits require increased focus on restoration of vegetation to a natural state that spans several growing seasons to restore. All these requirements increase the cost of construction/demolition of transmission assets.
- Change in NERC and FERC requirements. Increased regulation and requirements on operating and planning standards increase the frequency of removal. NERC may issue a ruling that requires assets be removed before they are at the end of their lives.

- Labor Costs. Such costs have increased for the following reasons: (1) more NERC and FERC operating requirements and standards; (2) increased regulation related to operating standards that can require construction to occur in the evening or on weekends, resulting in the need to pay for overtime of crews; (3) higher labor costs since the time that the assets were installed, given that wages have increased for journeyman and apprentices over the years; and (4) an increased demand for resources due to a shortage of licensed workers, causing upwards price pressure on labor costs. The increased demand for resources is the result of a limited number of qualified persons available to perform the work in the face of increased construction and investment in transmission facilities across the country in the last decade. The increases in capital expenditures are such that utilities now have to augment their internal workforces with external contract construction providers, who often come at a higher cost.
- Safety Requirements. The industry has become intolerant of unsafe working practices. The equipment and provisions required today have increased substantially from decades ago. This has increased the cost of doing business.
- Salvage Value. Many of the assets that are removed do not carry a high salvage value. Some of the assets may be sold as scrap but it would not amount to the cost of installation or offset the removal costs. Assets that can be reused are placed into inventory instead of being sold. In several cases, the assets being removed are made of wood, which has no salvage value.
- Asset Renewal. Utilities across the nation are now dealing with an antiquated, aging transmission infrastructure. It is now a necessity for utilities to have proactive asset renewal programs to proactively replace transmission assets before they fail. The frequency of projects requiring removal of existing assets has increased substantially over the last decade, and will continue to increase into the future.

Transmission Plant FERC Accounts 350.2–359.0

FERC Account 350.2 Land Rights

Account 350.2 Easements and Rights of Way			
Item	FPSC Approved	2016	Change
Investment	$12,707,117	$12,654,559	($52,558)
Iowa Curve	SQ	R5	
Average Service Life	60	65	5
Theoretical Reserve	$6,589,648	$7,270,108	$680,460
Book Reserve	$5,925,900	$7,310,897	$1,384,997
Reserve Variance	($663,748)	$40,789	$704,537
Reserve Ratio	46.63%	57.77%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Salvage	0%	0%	0%
Avg. Whole Life Rate	1.7%	1.5%	-0.2%
AWL Expense (2016)	$215,128	$194,880	($20,248)
Average Remaining Life	34.0	27.7	(6.3)
ARL Rate	1.6%	1.5%	-0.1%
ARL Expense (2016)	$202,473	$193,615	($8,858)

Life 65 R5

This account includes the cost of rights of way in connection with transmission plant. The estimated plant balance at December 31, 2016, is approximately $12.7 million. Currently, the life for this account is 60 years with an SQ dispersion. There is limited information on which to perform actuarial analysis. Based on judgment and the type of assets in this account, the Study recommends moving to a 65-year life and an R5 dispersion. Due to limited retirement activity, no curve fits are provided.

Net Salvage (NS 0%)

This account includes any salvage and removal cost of rights of way in connection with transmission plant. The current authorized net salvage for this account is zero percent and is retained.

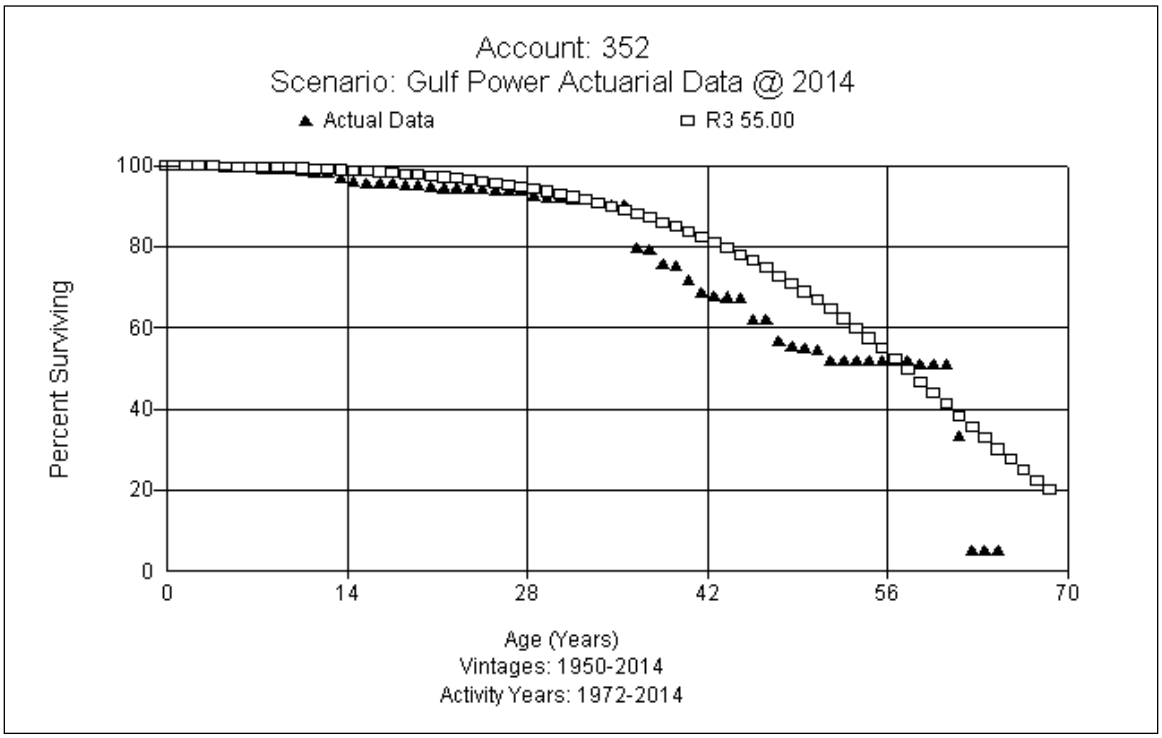
FERC Account 352.0 Structures and Improvements

Account 352 Structures and Improvements			
Item	FPSC Approved	2016	Change
Investment	$8,426,311	$24,391,124	$15,964,813
Iowa Curve	R4	R3	
Average Service Life	50	55	5
Theoretical Reserve	$2,533,378	$3,879,607	$1,346,229
Book Reserve	$2,772,524	$6,029,828	$3,257,304
Reserve Variance	$239,146	$2,150,221	$1,911,075
Reserve Ratio	32.90%	24.72%	
Gross Salvage	0%	0%	0%
Removal Cost	5%	5%	0%
Net Salvage	-5%	-5%	0%
Avg. Whole Life Rate	1.9%	1.9%	0.0%
AWL Expense (2016)	$463,431	$465,870	$2,439
Average Remaining Life	36.0	46.7	10.7
ARL Rate	2.0%	1.7%	-0.3%
ARL Expense (2016)	$487,822	$414,649	($73,173)

Life 55 R3

This account includes the cost of structures and improvements in connection with building station control, security systems, yard improvements, protective fencing and other structures for transmission plant. The projected balance at December 31, 2016, is approximately $24.4 million in this account. The current approved life for this account is 50 years with an R4 dispersion. The

limited actuarial analysis on this account and judgment shows a slightly longer life and flatter dispersion pattern across most of the bands analyzed. Based on the limited indications from the actuarial analysis, judgment, and the type of assets in this account, the Study recommends increasing the life to 55 years and moving the dispersion to an R3. A graph of the observed life table versus the proposed curve is shown below.



Net Salvage (-5%)

This account includes any salvage and removal cost of structures and improvements in connection with transmission plant. The current authorized net salvage for this account is negative 5 percent. In examining the Company's net salvage history for this account, the most recent year is negative 40 percent and is affecting the overall moving averages. Since it appears 2014 is an exception, at this point, the Study recommends retaining the existing negative 5 percent net

salvage. The Company's next depreciation study will examine future trends in this account.

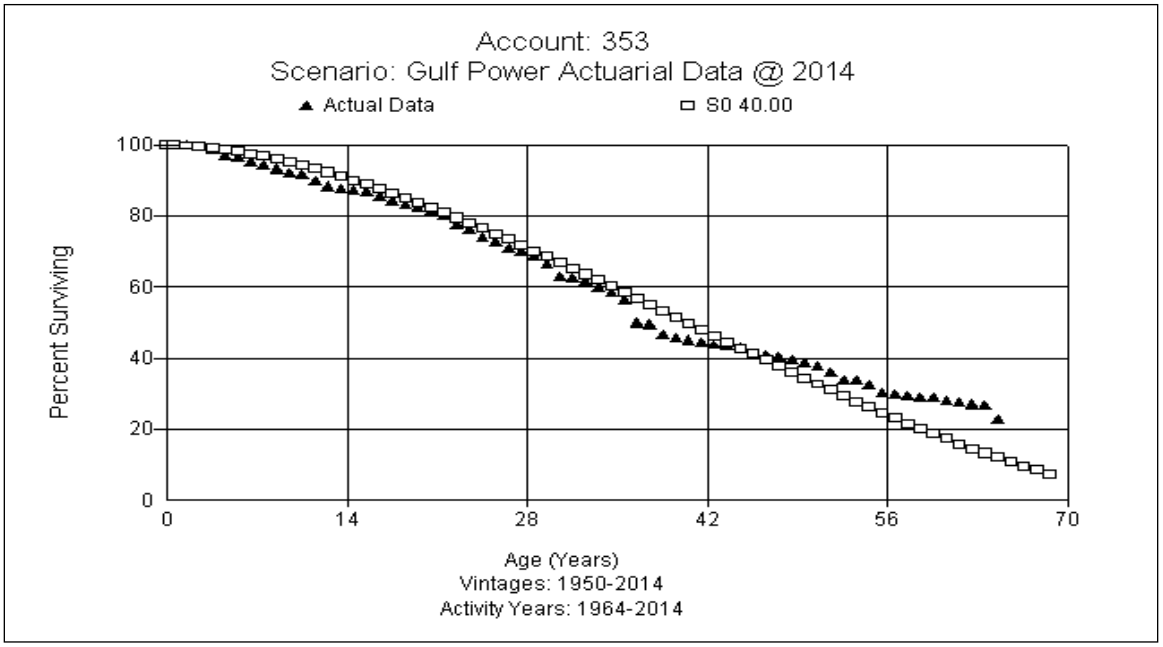
FERC Account 353.0 Station Equipment

Account 353 Station Equipment			
Item	FPSC Approved	2016	Change
Investment	$100,888,004	$250,073,126	$149,185,122
Iowa Curve	S0	S0	
Average Service Life	45	40	(5)
Theoretical Reserve	$24,668,981	$44,761,649	$20,092,668
Book Reserve	$24,777,411	$33,409,988	$8,632,577
Reserve Variance	$108,430	($11,351,661)	($11,460,091)
Reserve Ratio	24.56%	13.36%	
Gross Salvage	2%	0%	-2%
Removal Cost	7%	10%	3%
Net Salvage	-5%	-10%	-5%
Avg. Whole Life Rate	2.3%	2.8%	0.5%
AWL Expense (2016)	$5,751,682	$6,877,011	$1,125,329
Average Remaining Life	35.0	33.5	(1.5)
ARL Rate	2.3%	2.9%	0.6%
ARL Expense (2016)	$5,751,682	$7,227,113	$1,475,431

Life 40 S0

This account includes the cost of transformers, capacitor banks, circuit breakers, cubicle switchgear, equipment foundation, station controls and station wiring for transmission plant. The projected balance at December 31, 2016 is approximately $250.1 million in this account. The current approved life for this account is 45 years with an S0 dispersion. Discussions with Company personnel indicated it moved from oil circuit breakers to SF6 in the 1990s, which have a 50 year life compared to a 35-40 year life, respectively. Gulf primarily has SF6 on its

system. Electromechanical relays lasted 50 years or more; the new electronic relays expected life is 25 years. Nearly all of the electromechanical relays have been replaced. Newer transformers have a smaller margin and a lower expected life. Transformers are now run nearer their rated capacity. We would expect a 40-year life for the composite transmission substation account. Actuarial analysis indicates a slightly shorter life, which supports the information from Company personnel noted above. Based on the actuarial analysis, type and mix of assets, input from Company, and judgment, the Study recommends decreasing the life to 40 years while retaining an S0 dispersion. A graph of the observed life table versus the proposed curve is shown below.



Net Salvage (-10%)

This account includes any salvage and removal cost of transformers, capacitor banks, circuit breakers, cubicle switchgear, equipment foundation, station controls and station wiring for transmission plant. The current authorized net salvage for this account is negative 5 percent. The most recent five-year and 10-year net salvage percentages are negative 22.47 and negative 16.27 percent, respectively. 2014 is impacting the overall moving averages. Using the individual

year indications in the most recent prior years, using the information for the widest 10-year band, and judgment, the Study recommends an increase in negative net salvage but limiting it to negative 10 percent net salvage. The Company's next depreciation study will further examine future trends in this account.

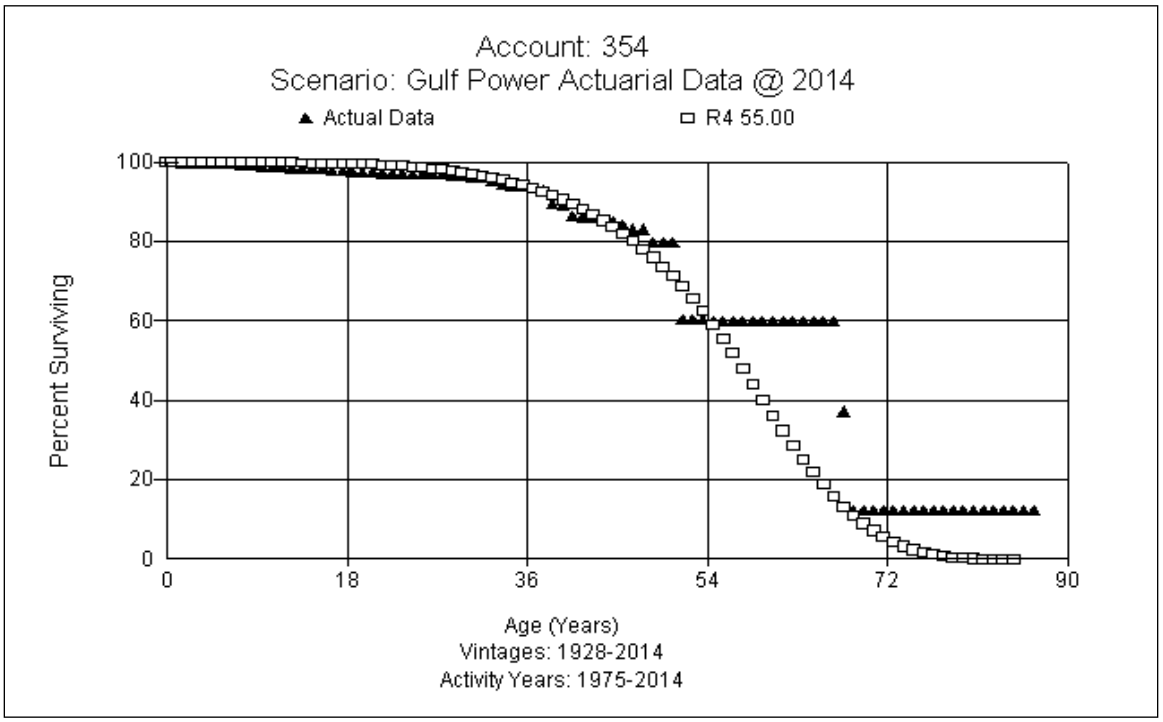
FERC Account 354.0 Towers & Fixtures

Account 354 Towers and Fixtures			
Item	FPSC Approved	2016	Change
Investment	$38,868,886	$42,290,155	$3,421,269
Iowa Curve	R5	R4	
Average Service Life	50	55	5
Theoretical Reserve	$20,718,255	$23,268,888	$2,550,633
Book Reserve	$22,734,772	$24,879,312	$2,144,540
Reserve Variance	$2,016,517	$1,610,424	($406,093)
Reserve Ratio	58.49%	58.83%	
Gross Salvage	0%	0%	0%
Removal Cost	20%	25%	5%
Net Salvage	-20%	-25%	-5%
Avg. Whole Life Rate	2.4%	2.3%	-0.1%
AWL Expense (2016)	$1,014,964	$959,987	($54,977)
Average Remaining Life	27.0	30.8	3.8
ARL Rate	2.3%	2.1%	-0.2%
ARL Expense (2016)	$972,674	$888,093	($84,581)

Life 55 R4

This account includes towers and non-wood poles for transmission plant. The projected balance at December 31, 2016 is approximately $42.3 million in this account. The current approved life for this account is 50 years with an R5 dispersion. Discussions with Company personnel indicated steel poles are also in the tower account. Most of the recent tower replacements in the last few years are

due to NERC clearance issues, a few relocation projects, and also issues with foundations. Many of the towers are aluminum. The design of many of the towers are good but don't lend themselves to modifications. Steel poles rust faster here than in some other areas of the country and galvanization sometimes disappears faster in this environment. The fuller placement bands provide better indication of expected life. In the fuller placement band experience, the expected life is increasing from the existing life. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, the Study recommends an increase in the life to 55 years and moving to a flatter R4 dispersion. A graph of the observed life table versus the proposed curve is shown below.



Net Salvage (-25%)

This account includes any salvage and removal cost for towers, non-wood poles, and equipment foundation for transmission plant. The current authorized net salvage for this account is negative 20 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 38.80 and negative 37.53 percent, respectively.

The analysis indicates erratic activity since 2009, with 2 years over negative 700 percent and two years with nearly zero percent. However, it does appear net salvage has steadily become more negative. As a conservative approach, the Study recommends a change to negative 25 percent net salvage, but the Company's next depreciation study will further examine future trends in this account.

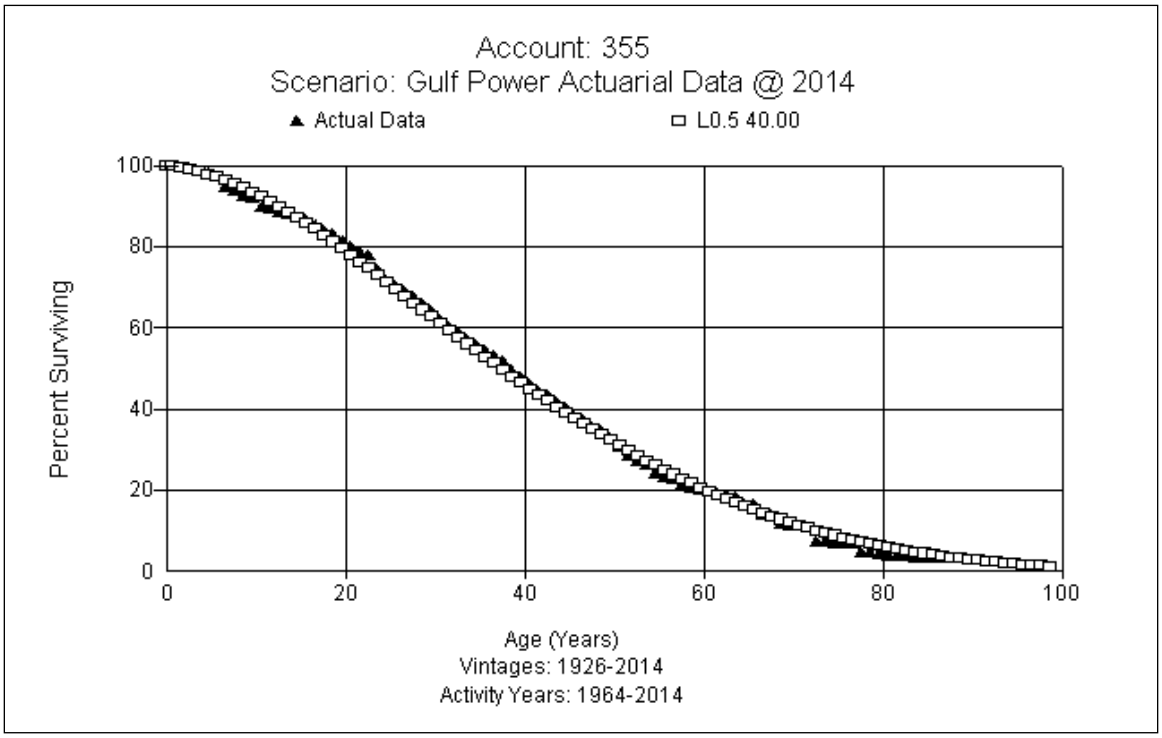
FERC Account 355.0 Poles and Fixtures

ANALYSIS RESULTS Depreciable Property Account 355 Poles and Fixtures			
Item	FPSC Approved	2016	Change
Investment	$76,122,945	$230,339,009	$154,216,064
Iowa Curve	S0	L0.5	
Average Service Life	38	40	2
Theoretical Reserve	$23,541,296	$47,321,011	$23,779,715
Book Reserve	$24,129,546	$28,946,820	$4,817,274
Reserve Variance	$588,250	($18,374,191)	($18,962,441)
Reserve Ratio	31.70%	12.57%	
Gross Salvage	0%	0%	0%
Removal Cost	40%	75%	35%
Net Salvage	-40%	-75%	-35%
Avg. Whole Life Rate	3.7%	4.4%	0.7%
AWL Expense (2016)	$8,522,543	$10,134,916	$1,612,373
Average Remaining Life	30.0	32.7	2.7
ARL Rate	3.6%	4.6%	1.0%
ARL Expense (2016)	$8,292,204	$10,595,594	$2,303,390

Life 40 L0.5

This account includes equipment foundation and poles for transmission plant. The projected plant balance at December 31, 2016 is approximately $230.3 million in this account. The current approved life for this account is 38 years with an S0 dispersion. Discussions with Company personnel indicated that wet

conditions and woodpeckers would create a shorter life for wood poles. Concrete poles would have a much longer life. There have been a number of rebuild projects where the poles and conductors had to be replaced for capacity reasons. The poles purchased today don't last as long as those in the past. The Company is replacing all wooden cross arms on Transmission poles by 2017 with steel based on Commission storm hardening rules (along with adding storm guy wires to wooden H-Frames). The actuarial analysis has consistent life indications from 37-40 years, which supports Company provided information. The fuller placement and experience band provides an excellent fit with the 40-year life and an L0.5 dispersion. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, the Study recommends moving to a 40-year life and an L0.5 dispersion. A graph of the observed life table versus the proposed curve is shown below.



Net Salvage (-75%)

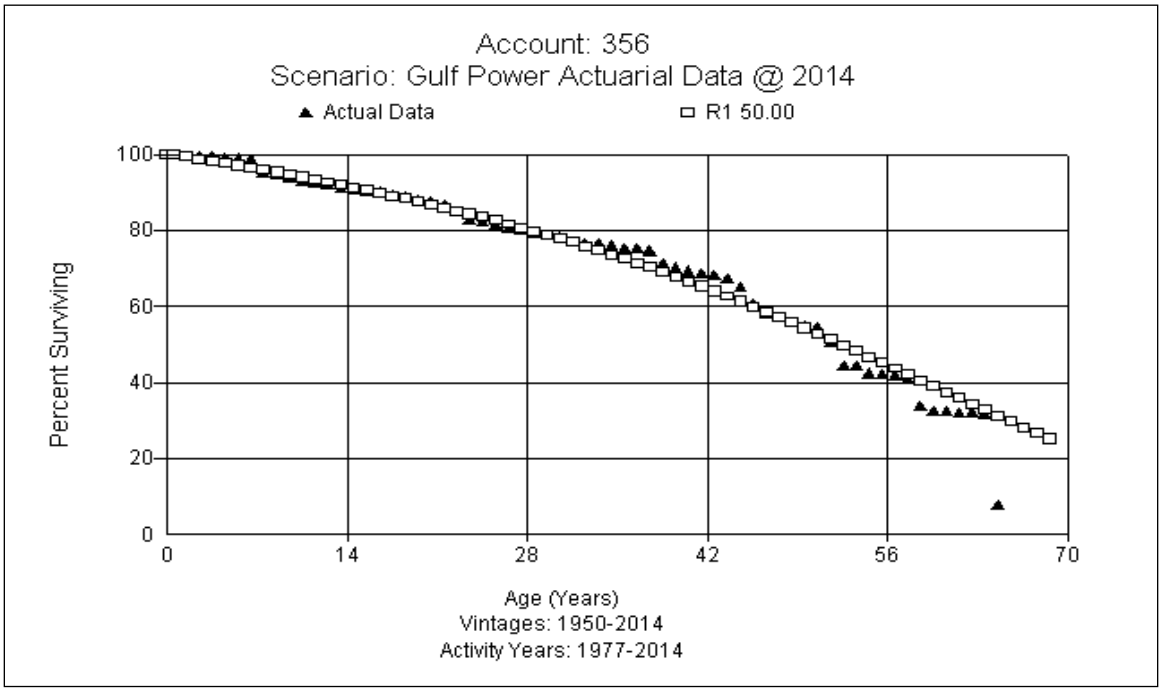
This account includes any salvage and removal cost of equipment foundation and poles for transmission plant. The current authorized net salvage for this account is negative 40 percent. Discussions with Company personnel indicated poles must be cut in 8 foot lengths for disposal. The Company uses an estimating system to determine the time for each task and the appropriate portion of the project that is charged to removal cost. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 199.33 and negative 181.99 percent, respectively. In the analysis, the 2009 25-year moving average is negative 69.57 percent net salvage. The full moving averages of 25, 30, and 34 years have moved to negative 100 percent or higher. As a conservative approach, the Study recommends a change to negative 75 percent net salvage. The Company's next depreciation study will further examine future trends in this account.

FERC Account 356.0 Overhead Conductors & Devices

ANALYSIS RESULTS Depreciable Property Account 356 Overhead Conductor & Devices			
Item	FPSC Approved	2016	Change
Investment	$63,854,915	$123,801,393	$59,946,478
Iowa Curve	R2	R1	
Average Service Life	50	50	0
Theoretical Reserve	$20,911,337	$25,293,966	$4,382,629
Book Reserve	$22,843,042	$27,851,093	$5,008,051
Reserve Variance	$1,931,705	$2,557,127	$625,422
Reserve Ratio	35.77%	22.50%	
Gross Salvage	5%	0%	-5%
Removal Cost	35%	30%	-5%
Net Salvage	-30%	-30%	0%
Avg. Whole Life Rate	2.6%	2.6%	0.0%
AWL Expense (2016)	$3,218,836	$3,218,836	$0
Average Remaining Life	37.0	42.1	5.1
ARL Rate	2.5%	2.6%	0.1%
ARL Expense (2016)	$3,095,035	$3,218,836	$123,801

Life 50 R1

This account includes overhead conductors and devices for transmission plant. The projected balance at December 31, 2016 is approximately $123.8 million in this account. The current approved life for this account is 50 years with an R2 dispersion. Discussions with Company personnel indicate conductors are expected to last longer than poles. Galvanized shield wire is getting to the end of its life, which has the shortest life of any conductors, and comprises close to half of the system. Some deterioration and some capacity increases drive replacements. Insulators have the most problems of any conductor assets. Suspended insulators are rusting out much earlier than expected. The Company expects the polymer insulators to have a much shorter life than ceramic or glass. A 50-year average is reasonable for the transmission conductor account overall in this environment. The actuarial analysis supports the life range of 40-50 years, as does information from Company personnel. Based on the actuarial analysis, Company input, judgment, and the type of assets in this account, the Study recommends retention of the 50-year life and moving to an R1 dispersion. A graph of the observed life table versus the proposed curve is shown below.



Net Salvage (-30%)

This account includes any salvage and removal cost of overhead conductors and devices for transmission plant. The current authorized net salvage for this account is negative 30 percent. In examining the Company's net salvage history for this account, the most recent five-year and 10-year net salvage percentages are negative 43.26 and negative 30.83 percent, respectively. In evaluating the other moving averages and prior years, the Study recommends retention of the negative 30 percent net salvage. The Company's next study will examine future trends in this account.

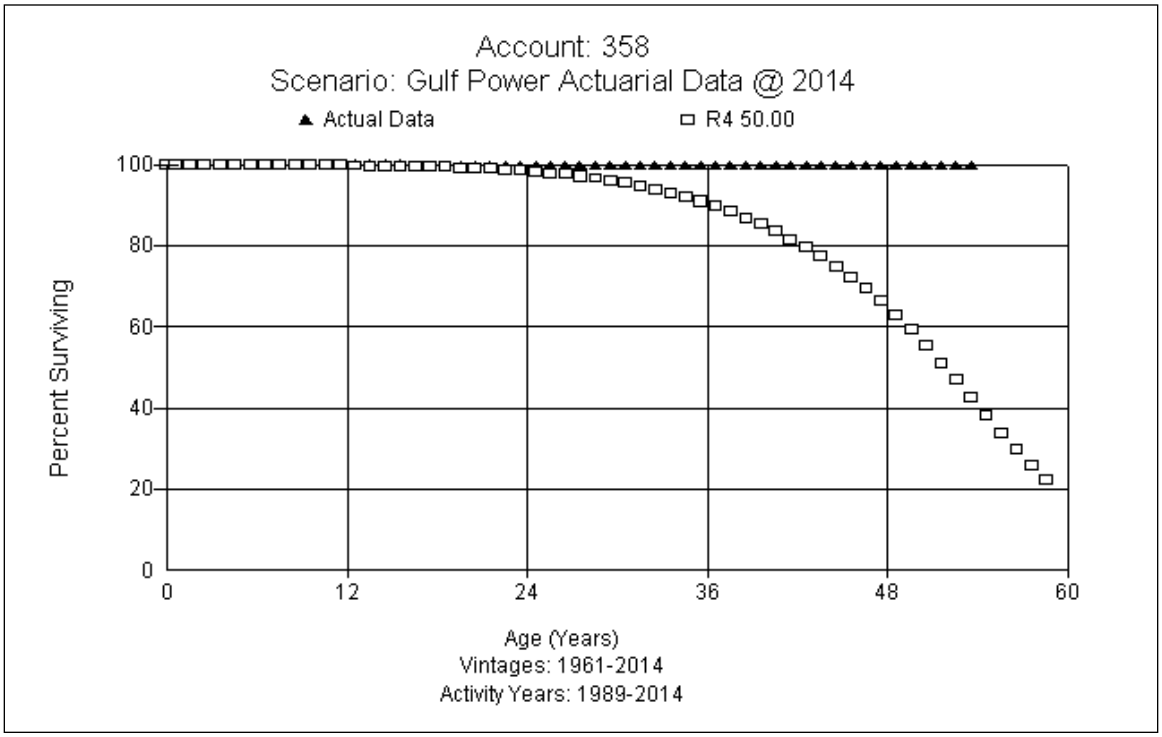
FERC Account 358.0 Underground Conductor & Devices

ANALYSIS RESULTS
Depreciable Property
Account 358
Underground Conductor & Devices

Item	FPSC Approved	2016	Change
Investment	$14,094,502	$14,402,363	$307,861
Iowa Curve	R3	R4	
Average Service Life	45	50	5
Theoretical Reserve	$5,961,692	$7,442,406	$1,480,714
Book Reserve	$6,349,055	$8,392,435	$2,043,380
Reserve Variance	$387,363	$950,029	$562,666
Reserve Ratio	45.05%	58.27%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Salvage	0%	0%	0%
Avg. Whole Life Rate	2.2%	2.0%	-0.2%
AWL Expense (2016)	$316,852	$288,047	($28,805)
Average Remaining Life	26.0	24.2	(1.8)
ARL Rate	2.1%	1.7%	-0.4%
ARL Expense (2016)	$302,450	$249,161	($53,289)

Life 50 R4

This account includes underground conductors and devices for transmission plant. The balance at December 31, 2016 is approximately $14.4 million in this account. The current approved life for this account is 45 years with an R3 dispersion. There is limited data on which to perform life analysis which would not produce meaningful indications. Currently the Company only has submarine cable, two 115kV lines, and limited 46kV lines. There was little activity to analyze, so based on judgment and the type of assets in this account, the Study recommends moving to a 50-year life and an R4 dispersion. A graph of the observed life table versus the proposed curve is shown below even though no analysis was performed.



Net Salvage (0%)

This account includes any salvage and removal cost of underground conductors and devices for transmission plant. The current authorized net salvage for this account is zero percent. In examining the Company's net salvage

history for this account, the most recent 5-year net salvage percentage is zero and the 10-year net salvage percentage is negative 34.27 percent. Since retirement history is limited, the Study recommends retention of the existing zero percent net salvage for this account. Gulf's next depreciation study will examine future trends in this account.

FERC Account 359.0 Roads and Trails

ANALYSIS RESULTS Depreciable Property Account 359 Roads and Trails			
Item	FPSC Approved	2016	Change
Investment	$61,447	$235,918	$174,471
Iowa Curve	SQ	SQ	
Average Service Life	50	55	5
Theoretical Reserve	$61,447	$55,781	($5,666)
Book Reserve	$28,903	$51,951	$23,048
Reserve Variance	($32,544)	($3,830)	$28,714
Reserve Ratio	47.04%	22.02%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Salvage	0%	0%	0%
Avg. Whole Life Rate	2.0%	1.8%	-0.2%
AWL Expense (2016)	$4,718	$4,294	($424)
Average Remaining Life	27.0	42.0	15.0
ARL Rate	2.0%	1.9%	-0.1%
ARL Expense (2016)	$4,718	$4,388	($330)

Life 55 SQ

This account includes bridges, roads, and yard improvements for transmission plant. The projected balance at December 31, 2016 is approximately $236 thousand in this account. The current approved life for this account is 50 years with an SQ dispersion. No retirements have occurred, so no

analysis was performed. Based on judgment, the Study recommends moving to a 55-year life while retaining an SQ dispersion. No graph is provided.

Net Salvage (0%)

This account includes any salvage and removal cost of bridges, roads, and yard improvements for transmission plant. The current authorized net salvage for this account is zero percent. There is no retirement history for this account. The Study recommends retaining the current zero percent net salvage.

D. Distribution Plant

The Analysis Results in front of each account discussion below represent Gulf Power's projected depreciable investment in Distribution Plant as of December 31, 2016 and provides an overall summary of the account rate details.

The net changes by year to Distribution Plant investment and depreciation reserves are presented in Appendix G, which summarizes annual changes to plant-in-service.

The "average life property" concept discussed under Transmission Plant also applies to Distribution Plant. Average life property is that property expected to have a continuous life. In other words, additions and retirements will continuingly occur creating an average service life as opposed to the location life referred to in the Production Plant Summary. The average service life used for average life properties is based in part upon the analysis of historical accounting data using either the Actuarial Method or the SPR-B methods.

The Actuarial Method is used for substations (Accounts 361 and 362). For mass distribution property (Accounts 364 to 373), the SPR-B method is utilized as an aid in estimating the average service life.

Similar to Transmission, the factors outlined previously are also contributing to increases in distribution asset retirement costs. More safety related equipment is required than in the past. Labor costs have increased over time. Travel and other overheads have increased over time also. There are

many general factors that are changing which have the effect of driving removal costs higher and are reflected in the movement of Distribution net salvage to be more negative.

Distribution Plant FERC Accounts 360.2–373.0

FERC Account 360.2 Land Rights

ANALYSIS RESULTS Depreciable Property Account 360.2 Easements and Rights of Way			
Item	FPSC Approved	2016	Change
Investment	$204,176	$204,176	($0)
Iowa Curve	SQ	SQ	
Average Service Life	50	55	5
Theoretical Reserve	$11,587	$38,979	$27,392
Book Reserve	$12,657	$38,383	$25,726
Reserve Variance	$1,070	($596)	($1,666)
Reserve Ratio	6.59%	18.80%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Salvage	0%	0%	0%
Avg. Whole Life Rate	2.0%	1.8%	-0.2%
AWL Expense (2016)	$4,084	$3,716	($368)
Average Remaining Life	52.0	44.5	(7.5)
ARL Rate	1.8%	1.8%	0.0
ARL Expense (2016)	$3,675	$3,716	$41

Life 55 SQ

This account contains rights of way for distribution plant. The projected balance at December 31, 2016 is approximately $204 thousand in this account. The current approved life for this account is 50 years with an SQ dispersion. There has been no retirement activity so no actuarial analysis was performed. Based on the type of assets in this account and judgment, the Study recommends increasing the life to 55 years while retaining an SQ dispersion. Due to no actuarial analysis, no graph of the observed life table versus the proposed curve is shown.

Net Salvage (0%)

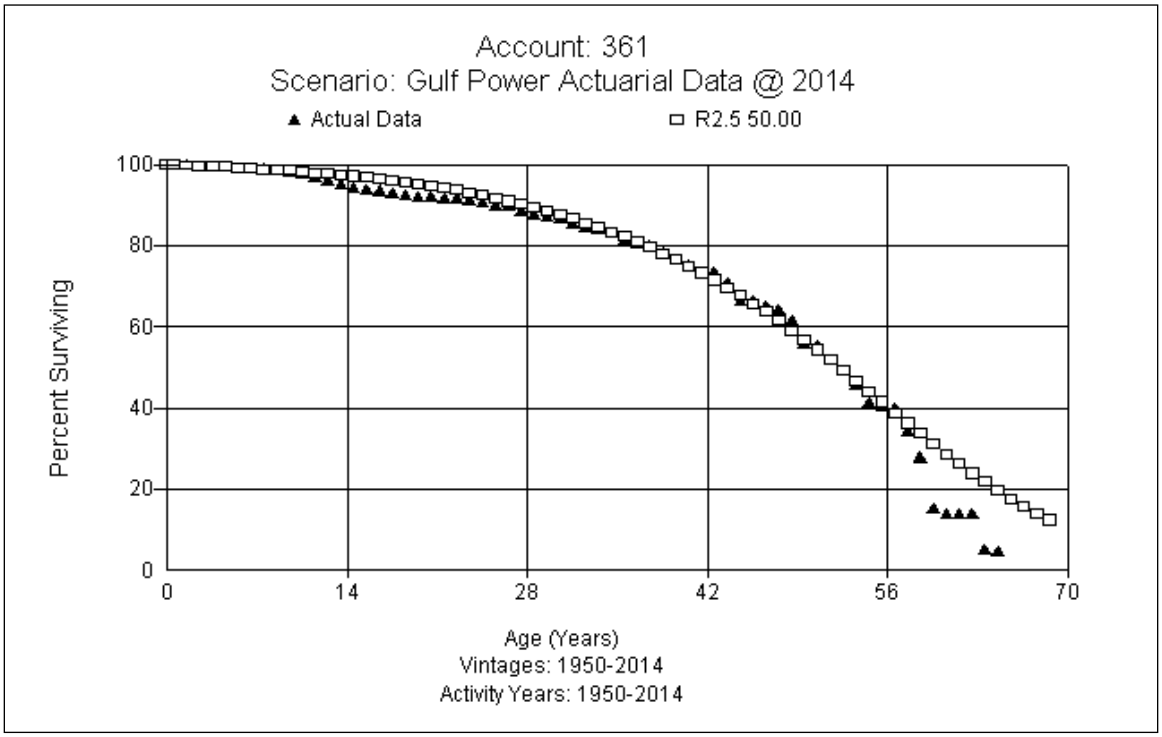
This account contains any gross salvage and cost of removal for rights of way for distribution plant. The current authorized net salvage for this account is zero percent and is recommended to be retained.

FERC Account 361.0 Structures and Improvements

ANALYSIS RESULTS Depreciable Property Account 361 Structures and Improvements			
Item	FPSC Approved	2016	Change
Investment	$16,745,219	$26,412,569	$9,667,350
Iowa Curve	R3	R2.5	
Average Service Life	48	50	2
Theoretical Reserve	$5,406,769	$7,179,948	$1,773,179
Book Reserve	$5,963,267	$8,307,855	$2,344,588
Reserve Variance	$556,498	$1,127,907	$571,409
Reserve Ratio	35.61%	31.45%	
Gross Salvage	0%	0%	0%
Removal Cost	5%	5%	0%
Net Salvage	-5%	-5%	0%
Avg. Whole Life Rate	2.2%	2.1%	-0.1%
AWL Expense (2016)	$581,077	$554,664	($26,413)
Average Remaining Life	32.0	37.1	5.1
ARL Rate	2.2%	2.0%	-0.2%
ARL Expense (2016)	$581,077	$528,251	($52,826)

Life 50 R2.5

This account contains facilities, including building station control, fencing, yard improvements and other structures for distribution plant. The balance at December 31, 2016 is approximately $26.4 million in this account. The approved life and curve is 48 years with an R3 dispersion. Discussions with Company personnel indicated there are some reconfigurations occurring which could affect the life. The actuarial analysis indicates a life between 47-53 years across the various bands analyzed. Based on the actuarial analysis, the type of assets in this account, and judgment, the Study recommends increasing the life to 50 years and moving to an R2.5 dispersion. A graph of the observed life table versus the proposed curve is shown below.



Net Salvage (-5%)

This grouping contains any salvage and removal cost of facilities, including building station control, fencing, yard improvements and other structures for distribution plant. The current authorized net salvage for this account is negative 5 percent. The most recent experience with five-year and 10-year bands are negative 0.48 and negative 9.97 percent net savage, respectively. Analysis indicates cost of removal does exceed salvage and is expected to continue. However, despite the 10-year indications, changing the net salvage is not fully supported at this time. Based on all the analysis, the Study recommends retention of negative 5 percent net salvage. The Company's next depreciation study will examine future trends in this account.

FERC Account 362.0 Station Equipment

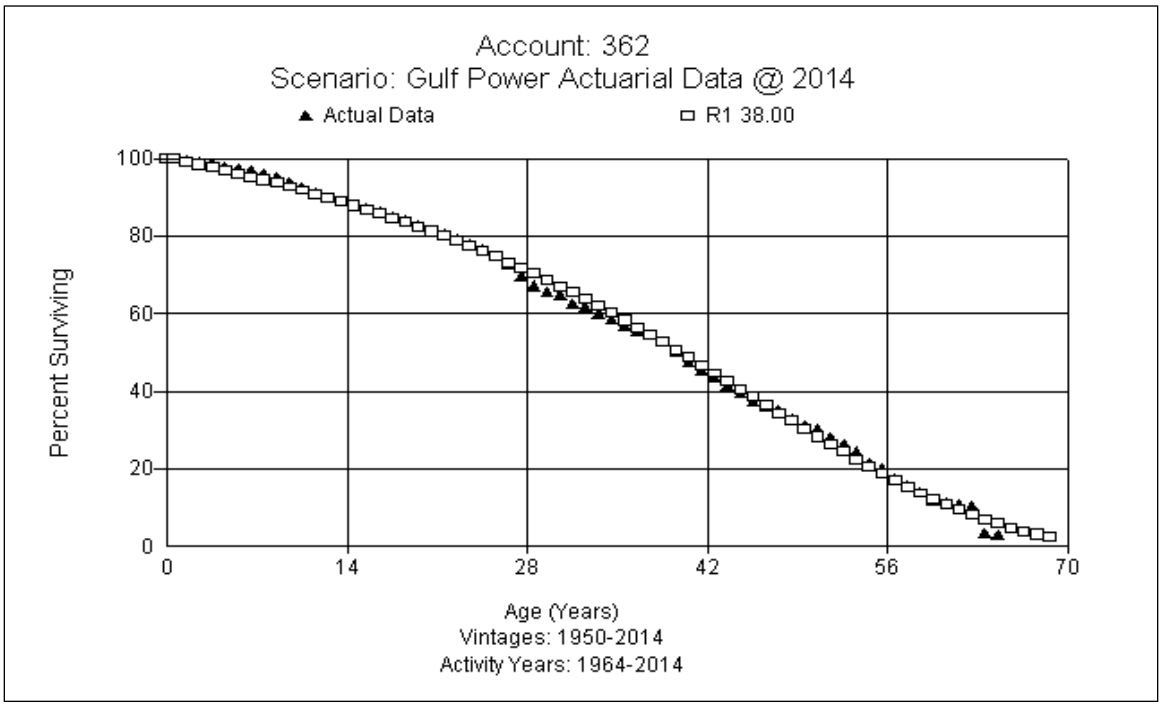
ANALYSIS RESULTS
Depreciable Property

Account 362 Station Equipment			
Item	FPSC Approved	2016	Change
Investment	$159,050,636	$213,071,996	$54,021,360
Iowa Curve	R1.5	R1	
Average Service Life	45	38	(7)
Theoretical Reserve	$44,734,927	$61,464,238	$16,729,311
Book Reserve	$49,617,252	$48,190,373	($1,426,879)
Reserve Variance	$4,882,325	($13,273,865)	($18,156,190)
Reserve Ratio	31.20%	22.62%	
Gross Salvage	2%	0%	-2%
Removal Cost	7%	10%	3%
Net Salvage	-5%	-10%	-5%
Avg. Whole Life Rate	2.3%	2.9%	0.6%
AWL Expense (2016)	$4,900,656	$6,157,781	$1,257,125
Average Remaining Life	33.0	28.0	(5.0)
ARL Rate	2.2%	3.1%	0.9%
ARL Expense (2016)	$4,687,584	$6,605,232	$1,917,648

Life 38 R1

This account contains switchboards, station wiring, transformers, and a wide variety of other equipment, from circuit breakers to switchgear, for distribution plant. The projected balance at December 31, 2016 is approximately $213.1 million in this account. The existing approved life is 45 years with an R1.5 dispersion curve. Discussions with Company personnel indicate a vacuum circuit breaker's life is considerably shorter than an oil circuit breaker (30 versus 45 years). Standard practice is to replace a vacuum breaker if 25 years or older if any project is undertaken in a substation. Electromechanical relays were previously expected to last 50 years or more, but newer electronic relays have an

expected life of 25 years. The older transformers had more margin or safety factor. Newer transformers have a smaller margin and will have a shorter life. Some of the equipment in a distribution substation will not last as long as in a transmission substation (e.g. circuit breakers and regulators). The Company expects a 35-38 year life for the composite distribution substation assets. The fuller to mid-range bands indicate a life of 38-40 years and are an excellent fit with the 38-year life expectancy and an R1 dispersion curve. Based on the analysis, type of assets, and Company input, the Study recommends moving to a life of 38 years and moving to an R1 dispersion curve. A graph of the observed life table versus the proposed curve is shown below.



Net Salvage (-10%)

This grouping contains any salvage and removal costs related to switchboards, station wiring, transformers, and a wide variety of other equipment, including circuit breakers and switchgear. The current authorized net salvage for this account is negative 5 percent. The most recent experience with five-year and 10-year bands are negative 14.72 and negative 13.32 percent net savage,

respectively. Fairly consistent indications exist across the moving averages since 2009, with the majority at around negative 10 percent net salvage. Therefore, the Study recommends a change to negative 10 percent net salvage. The Company's next depreciation study will further examine future trends in this account.

FERC Account 364.0 Poles, Towers and Fixtures

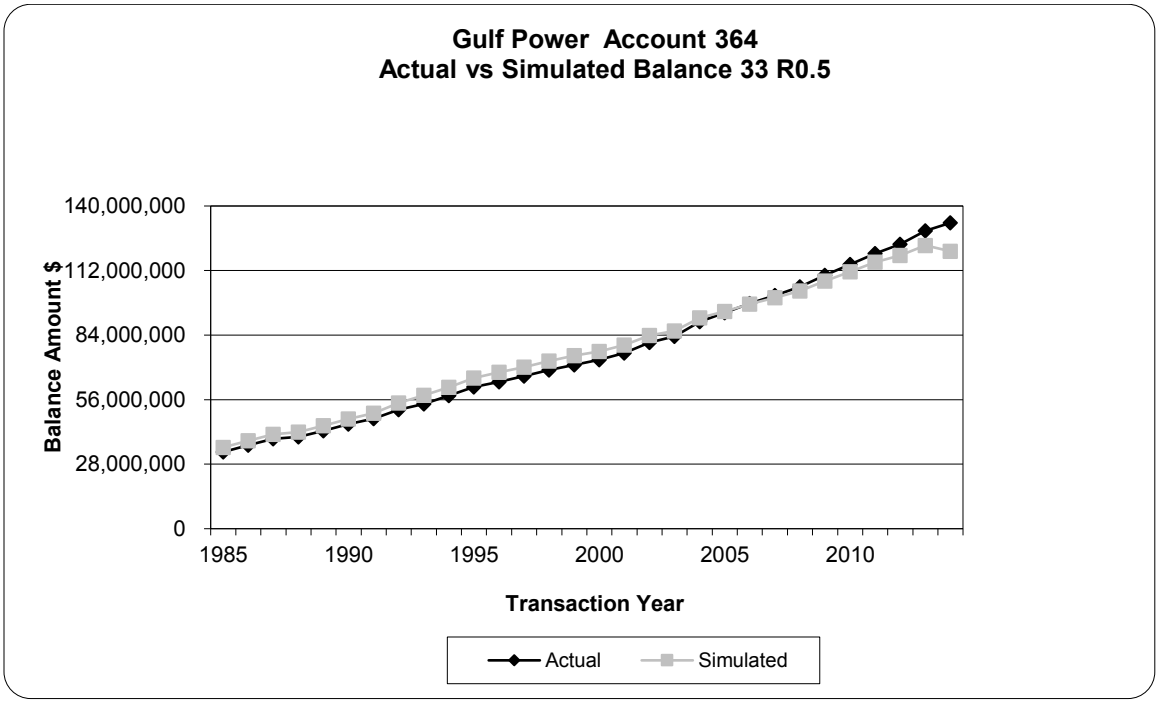
ANALYSIS RESULTS
Depreciable Property

Account 364 Poles, Towers and Fixtures			
Item	FPSC Approved	2016	Change
Investment	$119,993,792	$140,464,604	$20,470,812
Iowa Curve	R1	R0.5	
Average Service Life	34	33	(1)
Theoretical Reserve	$60,148,557	$67,451,759	$7,303,202
Book Reserve	$65,326,472	$79,425,237	$14,098,765
Reserve Variance	$5,177,915	$11,973,478	$6,795,563
Reserve Ratio	54.44%	56.54%	
Gross Salvage	10%	0%	-10%
Removal Cost	85%	75%	-10%
Net Salvage	-75%	-75%	0%
Avg. Whole Life Rate	5.1%	5.3%	0.2%
AWL Expense (2016)	$7,163,695	$7,444,624	$280,929
Average Remaining Life	24.0	23.9	(0.1)
ARL Rate	5.0%	4.9%	-0.1%
ARL Expense (2016)	$7,023,230	$6,882,766	($140,464)

Life 33 R0.5

This account contains poles, towers, and fixtures for distribution plant which are predominantly made of wood. The projected balance at December 31, 2016 is approximately $140.5 million in this account. The approved life is 34 years with an R1 dispersion pattern. Discussion with Company personnel indicate

there are marginally more concrete poles than in the past. The environment is subtropical so it is very wet and hot, decreasing the life of the poles. The SPR-B analysis indicated the 33-year life expectancy and an R0.5 dispersion curve to be in the top two ranked life and dispersion curve through the majority of the bands. The CIs were poor to fair but the REIs were excellent. Based on the analysis, Company input, the type and mix of assets in this account, and judgment, this Study recommends moving to a 33-year life with an R0.5 dispersion. A graph of the actual balances versus the simulated balances using the proposed curve is shown below.



Net Salvage (-75%)

This account contains any salvage and removal cost related to poles, towers and fixtures for distribution plant which are predominantly made of wood. The current authorized net salvage for this account is negative 75 percent. In the most recent bands, the five-year and 10-year averages are negative 133.92 and negative 105.18 percent net savage, respectively. Since 2009, only one year, 2013, has not been above or near negative 100 percent net salvage. The most recent 2-year average is negative 76 percent, which is impacted by the unusually

low negative net salvage in 2013. The most recent moving averages for the past 20-34 years ranges from negative 80 to negative 86 percent. However, as a conservative approach, the Study recommends retention of negative 75 percent net salvage. The Company's next depreciation study will further examine future trends in this account.

FERC Account 365.0 Overhead Conductor & Devices

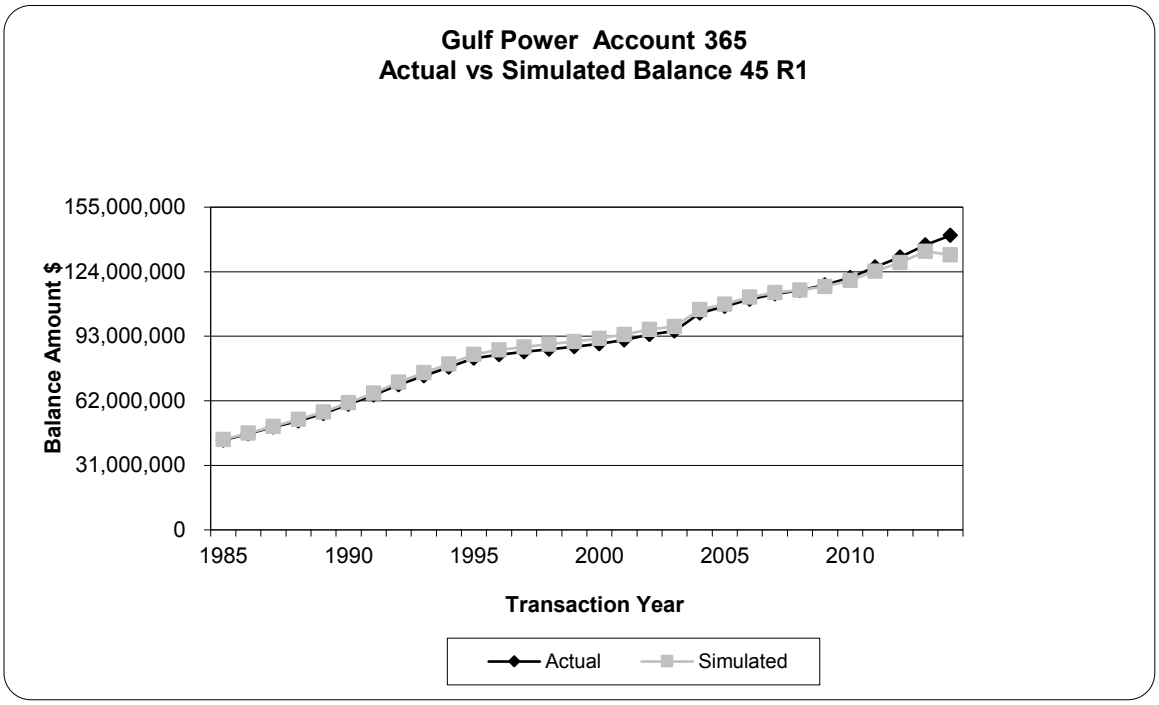
ANALYSIS RESULTS
Depreciable Property

Account 365 Overhead Conductors & Devices			
Item	FPSC Approved	2016	Change
Investment	$118,489,612	$153,061,774	$34,572,162
Iowa Curve	R1	R1	
Average Service Life	38	45	7
Theoretical Reserve	$41,911,989	$63,664,644	$21,752,655
Book Reserve	$42,336,293	$52,068,507	$9,732,214
Reserve Variance	$424,304	($11,596,137)	($12,020,441)
Reserve Ratio	35.73%	34.02%	
Gross Salvage	30%	0%	-30%
Removal Cost	50%	50%	0%
Net Salvage	-20%	-50%	-30%
Avg. Whole Life Rate	3.2%	3.3%	0.1%
AWL Expense (2016)	$4,897,977	$5,096,957	$198,980
Average Remaining Life	27.0	32.5	5.5
ARL Rate	3.1%	3.6%	0.5%
ARL Expense (2016)	$4,744,915	$5,464,305	$719,390

Life 45 R1

This account consists of overhead conductors of various thickness, as well as various switches and reclosers. The projected balance at December 31, 2016 is approximately $153.1 million in this account. The approved life is 38 years with an R1 dispersion curve. Discussions with Company personnel indicate it standardized its conductor on 3 sizes plus neutral in the mid-1980s. Older

conductors were more environmentally sensitive in that the cores of older conductors were more likely to rust or deteriorate. A longer life would not be unreasonable but should be stabilized going forward. The SPR-B analysis indicates a life as long as 50 in the top three ranked life and dispersion curve combinations. The 45 year life and an R1 dispersion curve is ranked in the top three across the bands and has fair CIs with excellent REIs. Based on the analysis, Company input, the type of assets in this account, and judgment, the Study recommends retention of an R1 dispersion curve and increasing the life to 45 years. A graph of the actual balances vs the simulated balances using the proposed curve is shown below.



Net Salvage (-50%)

This account consists of any salvage and removal cost related to overhead conductors as well as various switches and reclosers. The current authorized net salvage for this account is negative 20 percent. In the most recent bands, the five-year and 10-year averages are negative 54.41 and negative 53.42 percent net savage, respectively. The analysis indicates since 2009, the 10-year moving

averages are near negative 50 percent or more. Based on trends in the 10-year bands and judgment, the Study proposes moving toward those indications of more negative net salvage, with negative 50 percent net salvage for this account as the recommendation. The Company's next depreciation study will examine future trends in this account.

FERC Account 366.0 Underground Conduit

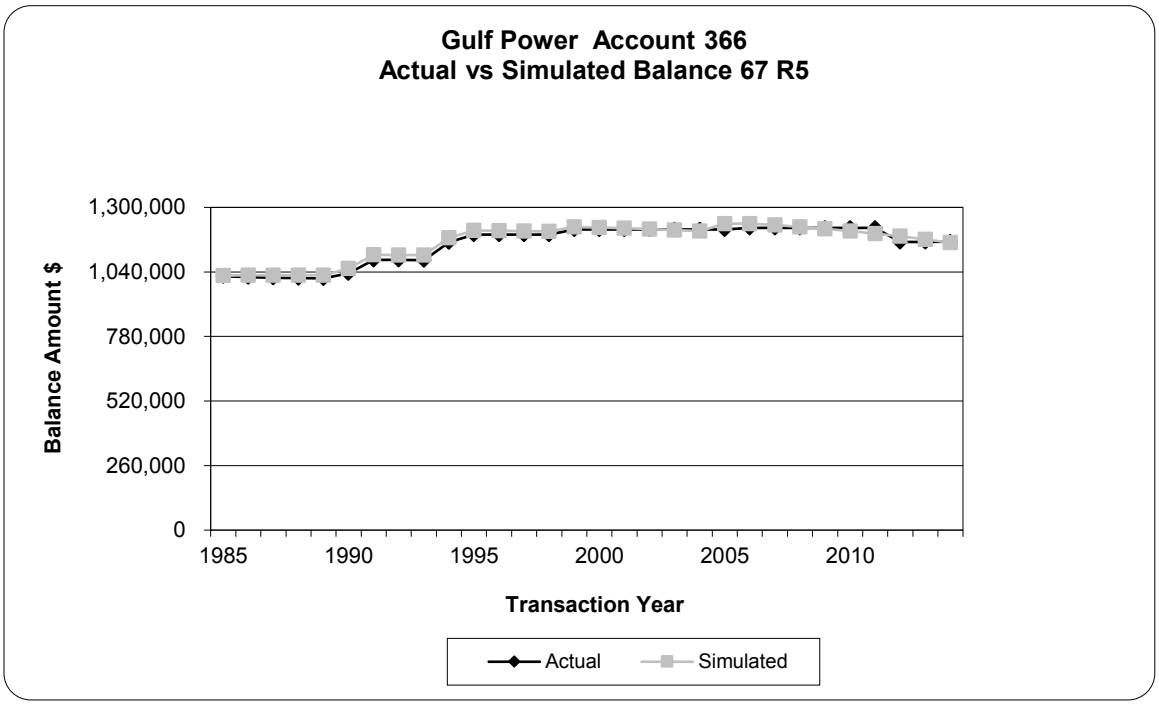
ANALYSIS RESULTS
Depreciable Property

Account 366 Underground Conduit			
Item	FPSC Approved	2016	Change
Investment	$1,217,455	$1,159,696	($57,759)
Iowa Curve	R3	R5	
Average Service Life	60	67	7
Theoretical Reserve	$677,652	$686,392	$8,740
Book Reserve	$787,726	$802,585	$14,859
Reserve Variance	$110,074	$116,194	$6,120
Reserve Ratio	64.70%	69.21%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Salvage	0%	0%	0%
Avg. Whole Life Rate	1.7%	1.5%	-0.2%
AWL Expense (2016)	$19,715	$17,279	($2,435)
Average Remaining Life	27.0	27.3	0.3
ARL Rate	1.3%	1.1%	-0.2%
ARL Expense (2016)	$15,076	$13,105	($1,971)

Life 67 R5

This account consists of underground conduit, duct banks, vaults, and ventilating system equipment. The projected balance at December 31, 2016 is approximately $1.2 million. The approved life is 60 years with an R3 dispersion curve. In the SPR-B analysis, there are two life curve combinations in the top 10 ranked curves that have an excellent CI and REI with lives of 67 and 69 years

with R5 and S4 dispersion curves, respectively, across the majority of the bands. Based on indications from the SPR-B analysis, the type of assets in this account, and judgment, the Study recommends increasing to a 67-year life and moving to an R5 dispersion. A graph of the actual balances vs the simulated balances using the proposed curve is shown below.



Net Salvage (0%)

This account consists of any salvage and removal cost related to underground conduit, duct banks, vaults, and ventilating system equipment. The current authorized net salvage for this account is zero percent. In the most recent bands, the five-year and 10-year averages are negative 10.14 and negative 8.24 percent net savage, respectively. Since retirement history is limited, the Study recommends retention of the existing zero percent net salvage for this account. Gulf's next depreciation study will examine future trends in this account.

FERC Account 367.0 Underground Conductors & Devices

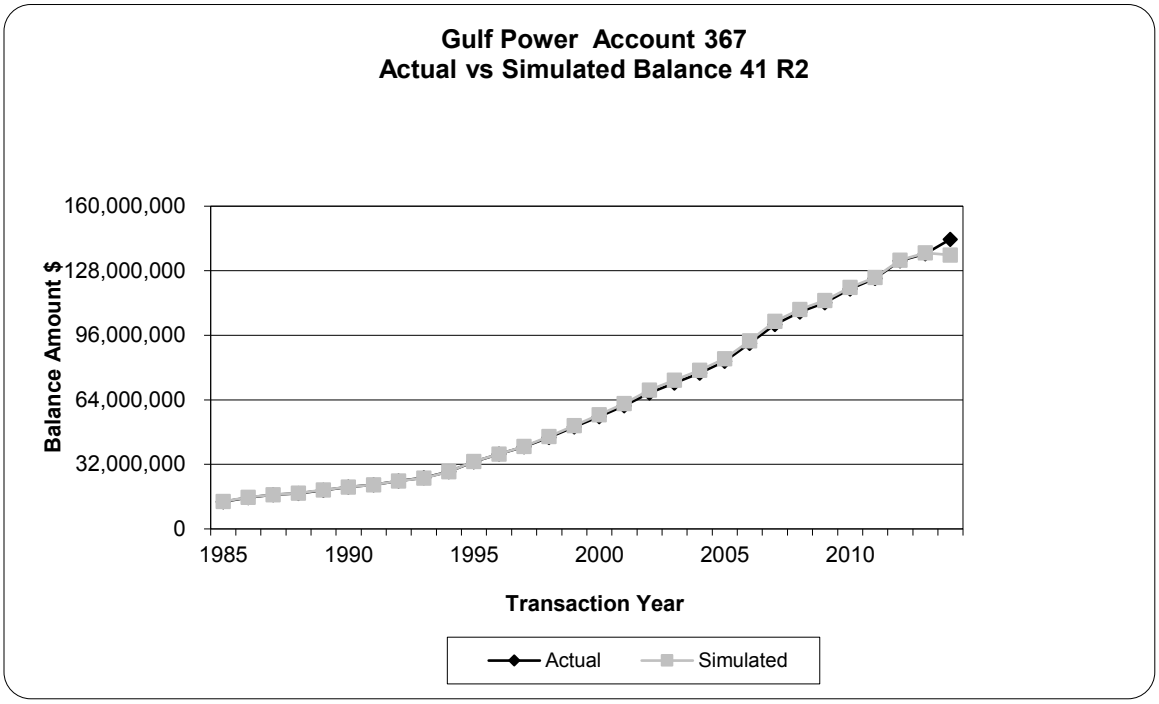
ANALYSIS RESULTS
Depreciable Property

Account 367 Underground Conductors & Devices			
Item	FPSC Approved	2016	Change
Investment	$111,391,188	$158,145,619	$46,754,431
Iowa Curve	S3	R2	
Average Service Life	32	41	9
Theoretical Reserve	$34,908,597	$46,476,590	$11,567,993
Book Reserve	$36,274,835	$63,904,565	$27,629,730
Reserve Variance	$1,366,238	$17,427,975	$16,061,737
Reserve Ratio	32.57%	40.41%	
Gross Salvage	12%	0%	-12%
Removal Cost	20%	15%	-5%
Net Salvage	-8%	-15%	-7%
Avg. Whole Life Rate	3.4%	2.8%	-0.6%
AWL Expense (2016)	$5,376,951	$4,428,077	($948,874)
Average Remaining Life	23.0	30.5	7.5
ARL Rate	3.3%	2.4%	-0.9%
ARL Expense (2016)	$5,218,805	$3,858,753	($1,360,052)

Life 41 R2

This account consists of underground conductors, switches, and switchgear for distribution plant. The projected balance at December 31, 2016 is approximately $158.1 million in this account. The currently approved life estimate is 32 years with an S3 dispersion curve. Discussions with the Company indicated they would expect underground conductor life to go longer. The Company has been putting conductor in conduit for many years. The Company is also moving to newer, better conductors and would expect a life around 40 years to be reasonable. The SPR-B analysis indicated the best ranked life and curve combinations with excellent CIs and REIs to be a 49-year life expectancy with an R1.5 dispersion curve and a 41-year life expectancy with an R2 dispersion curve.

Based on the existing life, the analysis indications of increasing life, the type of assets, and judgment, the Study recommends increasing from 32 to 41 years and changing to an R2 dispersion. A graph of the actual balances vs the simulated balances using the proposed curve is shown below.



Net Salvage (-15%)

This account consists of any salvage and removal cost related to underground conductors, switches, and switchgear for distribution plant. The current authorized net salvage for this account is negative 8 percent. In the most recent bands, the five-year and 10-year averages are negative 13.91 and negative 15.88 percent net savage, respectively. Based on trends in the 10-year band, the Study proposes moving toward the indications of higher negative salvage, with negative 15 percent net salvage for this account as the recommendation. The Company's next depreciation study will examine future trends in this account.

FERC Account 368.0 Line Transformers

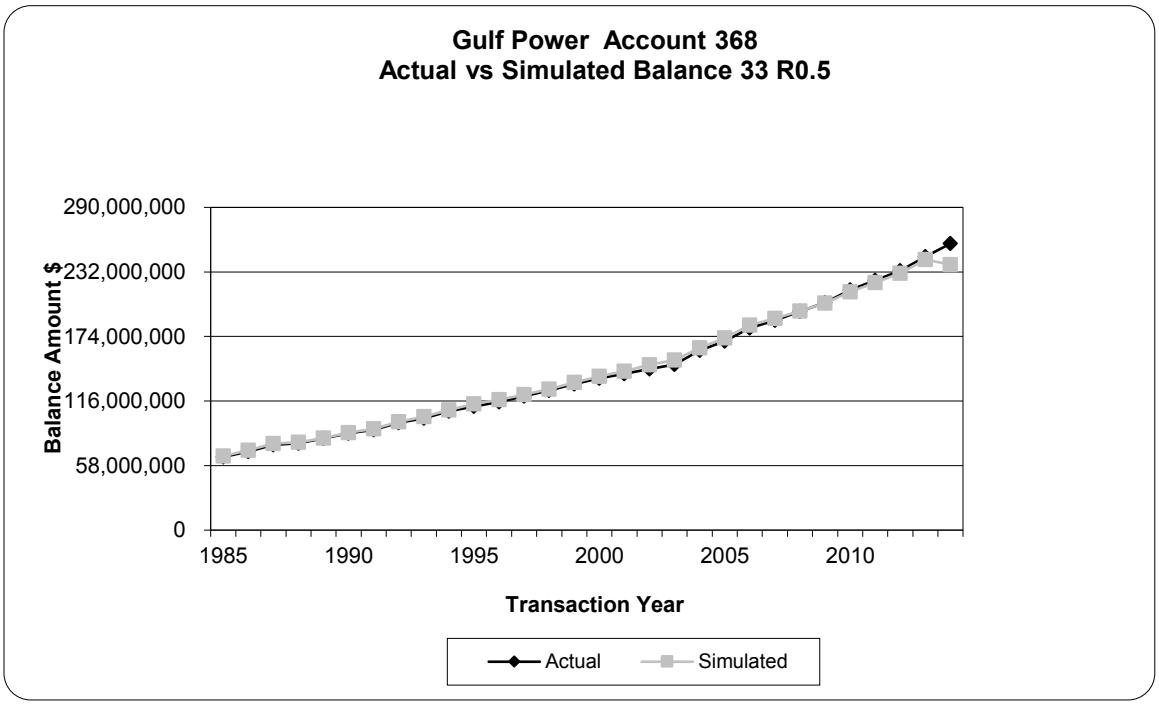
ANALYSIS RESULTS
Depreciable Property

Account 368 Line Transformers			
Item	FPSC Approved	2016	Change
Investment	$208,399,324	$282,436,706	$74,037,382
Iowa Curve	S0	R0.5	
Average Service Life	30	33	3
Theoretical Reserve	$74,341,297	$83,899,805	$9,558,508
Book Reserve	$75,023,758	$104,889,760	$29,866,002
Reserve Variance	$682,461	$20,989,955	$20,307,494
Reserve Ratio	36.00%	37.14%	
Gross Salvage	10%	0%	-10%
Removal Cost	30%	22%	-8%
Net Salvage	-20%	-22%	-2%
Avg. Whole Life Rate	4.0%	3.7%	-0.3%
AWL Expense (2016)	$11,297,468	$10,450,158	($847,310)
Average Remaining Life	21.0	25.0	4.0
ARL Rate	4.0%	3.4%	-0.6%
ARL Expense (2016)	$11,297,468	$9,602,848	($1,694,620)

Life 33 R0.5

This account consists of line transformers, regulators, and capacitors. The projected balance at December 31, 2016 is approximately $282.4 million in this account. The current approved life for this account is 30 years with an S0 dispersion pattern. Transformers are capitalized when purchased. Transformers are retired only if unrepairable as determined by the transformer shop. The Company will rebuild transformers if repairable. The transformers in the coastal areas are all stainless steel. Salt is a problem with transformers. The SPR-B analysis indicates the top five ranked dispersion curve to have a life range of 30-36 years. The REIs are all excellent. The CIs start out fair in the full bands and move to excellent in the shorter bands. The 33-year life expectancy and an R0.5

dispersion curve is in the top two best ranked curves across the bands. Based on the SPR-B analysis, judgment, and the type of assets in this account, the Study recommends an increase to a 33-year life and an R0.5 dispersion. A graph of the actual balances vs the simulated balances using the proposed curve is shown below.



Net Salvage (-22%)

This account consists of any salvage and removal cost related to line transformers, regulators, and capacitors. The current authorized net salvage for this account is negative 20 percent. In the most recent bands, the five-year and 10-year averages are negative 25.71 and negative 22.49 percent net savage, respectively. Net salvage percentages for prior periods show a consistent negative trend. Based on trends in the 10-year band, the Study proposes moving toward the indications of higher negative salvage, with negative 22 percent net salvage for this account as the recommendation. The Company's next depreciation study will examine future trends in this account.

FERC Account 369.1 Services

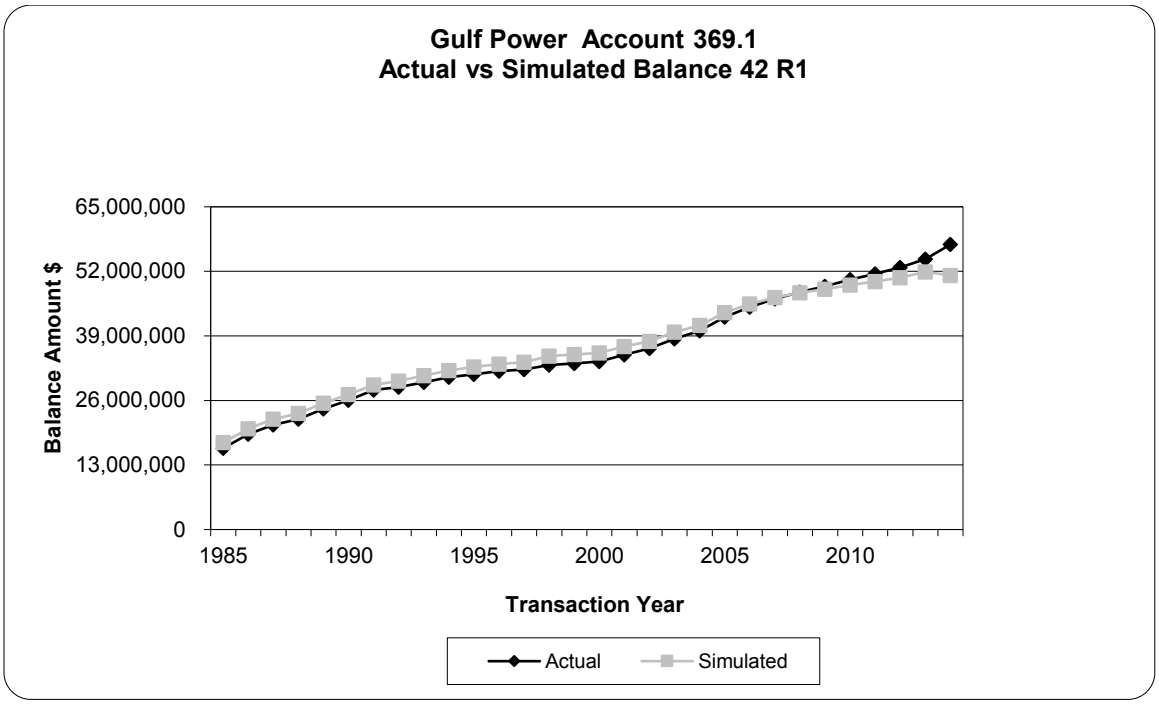
ANALYSIS RESULTS
Depreciable Property

Account 369.1 Overhead Services			
Item	FPSC Approved	2016	Change
Investment	$49,215,769	$61,968,191	$12,752,422
Iowa Curve	R1	R1	
Average Service Life	35	42	7
Theoretical Reserve	$22,894,722	$32,389,783	$9,495,061
Book Reserve	$26,438,495	$38,141,620	$11,703,125
Reserve Variance	$3,543,773	$5,751,837	$2,208,064
Reserve Ratio	53.72%	61.55%	
Gross Salvage	10%	0%	-10%
Removal Cost	55%	75%	20%
Net Salvage	-45%	-75%	-30%
Avg. Whole Life Rate	4.1%	4.2%	0.1%
AWL Expense (2016)	$2,540,696	$2,584,074	$43,378
Average Remaining Life	24.0	29.5	5.5
ARL Rate	3.8%	3.9%	0.1%
ARL Expense (2016)	$2,354,791	$2,385,775	$30,984

Life 42 R1

These accounts include overhead electric services and related equipment. The projected balance at December 31, 2016 is approximately $62 million. The current approved life for these accounts is 35 years with the an R1 dispersion curve. Discussions with Company personnel indicate load and relocations are the primary drivers of retirement for overhead services. The SPR-B analysis shows the top ranked curves have poor to fair CIs but excellent REIs across the bands analyzed. The 42-year life expectancy and an R1 dispersion curve is in the top three ranked curves. Based on the SPR-B analysis, the type of assets in the account, and judgment, the Study recommendation is to move to a 42-year life

and an R1 dispersion curve. A graph of the actual balances vs the simulated balances using the proposed curve is shown below.



Net Salvage (-75%)

These accounts consist of any salvage and removal cost for overhead electric services and related equipment. The current authorized net salvage for these accounts is negative 45 percent. In the most recent bands, the five-year and 10-year averages are negative 110.81 and negative 115.70 percent net savage, respectively. Net salvage percentages for prior periods show a consistent negative trend. The Study proposes moving toward the indications of higher negative net salvage but conservatively, the Study recommends only moving to a negative 75 percent net salvage. The Company's next depreciation study will further examine future trends in this account.

FERC Account 369.2 Underground Services

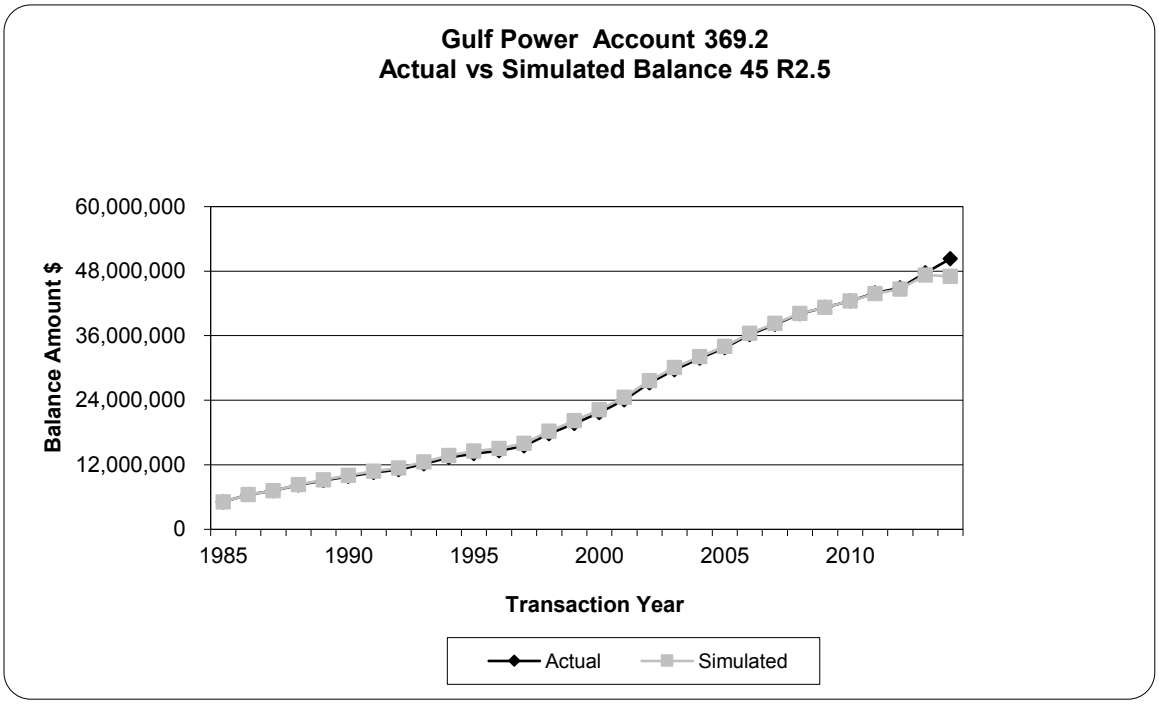
ANALYSIS RESULTS
Depreciable Property

Account 369.2 Underground Services			
Item	FPSC Approved	2016	Change
Investment	$41,248,654	$57,120,322	$15,871,668
Iowa Curve	R1	R2.5	
Average Service Life	40	45	5
Theoretical Reserve	$10,155,904	$18,472,024	$8,316,120
Book Reserve	$12,429,711	$20,106,639	$7,676,928
Reserve Variance	$2,273,807	$1,634,615	($639,192)
Reserve Ratio	30.13%	35.20%	
Gross Salvage	5%	0%	-5%
Removal Cost	10%	20%	10%
Net Salvage	-5%	-20%	-15%
Avg. Whole Life Rate	2.8%	2.7%	-0.1%
AWL Expense (2016)	$1,599,369	$1,525,113	($74,256)
Average Remaining Life	31.0	32.9	1.9
ARL Rate	2.6%	2.6%	0.0%
ARL Expense (2016)	$1,485,128	$1,473,704	($11,424)

Life 45 R2.5

These accounts include underground electric services and related equipment. The projected balance at December 31, 2016 is approximately $57.1 million. The current approved life for these accounts is 40 years with an R1 dispersion curve. Discussions with Company personnel indicate underground has been placed in conduit since the late 1980s. The SPR-B analysis shows the top ranked curves have good to excellent CIs but poor to fair REIs. The 45-year life and an R2.5 dispersion is the first life curve combination to produce excellent REIs and good CIs. Based on the SPR-B analysis, the type of assets in the account, and judgment, the Study recommendation is to move to a 45-year life

and an R2.5 dispersion curve. A graph of the actual balances vs the simulated balances using the proposed curve is shown below.



Net Salvage (-20%)

These accounts consist of any salvage and removal cost for underground electric services and related equipment. The current authorized net salvage for these accounts is negative 10 percent. In the most recent bands, the five-year and 10-year averages are negative 23.43 and negative 24.15 percent net savage, respectively. Net salvage percentages for prior periods show a consistent negative trend. The Study proposes moving toward the indications of higher negative net salvage but conservatively, the Study recommends only moving to a negative 20 percent net salvage. The Company's next depreciation study will further examine future trends in this account as the recommendation.

FERC Account 370.0 Meters

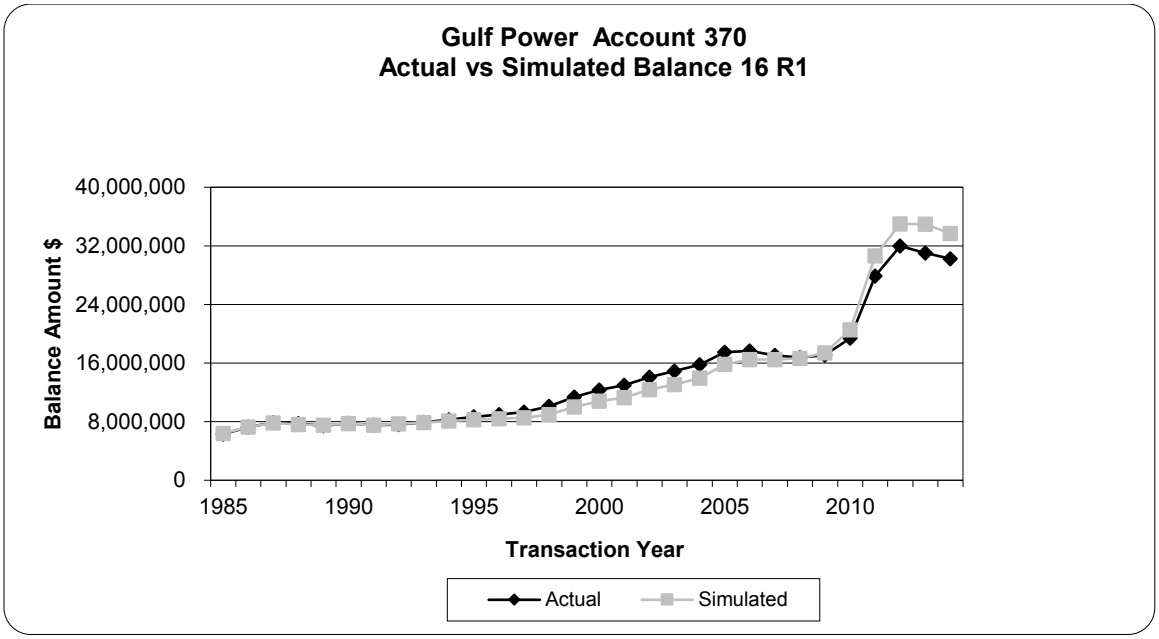
ANALYSIS RESULTS
Depreciable Property

Account 370 Meters			
Item	FPSC Approved	2016	Change
Investment	$51,269,486	$36,567,578	($14,701,908)
Iowa Curve	R1	R1	
Average Service Life	33	16	(17)
Theoretical Reserve	$11,099,516	$9,339,691	($1,759,825)
Book Reserve	$13,148,345	($288,419)	($13,436,764)
Reserve Variance	$2,048,829	($9,628,111)	($11,676,940)
Reserve Ratio	25.65%	-0.79%	
Gross Salvage	25%	10%	-15%
Removal Cost	15%	0%	-15%
Net Salvage	10%	10%	0%
Avg. Whole Life Rate	2.7%	5.6%	2.9%
AWL Expense (2016)	$987,325	$2,047,784	$1,060,460
Average Remaining Life	25.0	11.5	(13.5)
ARL Rate	2.7%	7.9%	5.2%
ARL Expense (2016)	$987,325	$2,888,839	$1,901,514

Life 16 R1

This account includes all distribution meters and meter accessories, excluding Advanced Metering Infrastructure ("AMI") Meters. The projected balance at December 31, 2016 is approximately $36.6 million. The current approved life is 33 years with an R1 dispersion curve. Discussions with Company personnel indicate all meters are AMI except for around 130 customer refusals and 100 industrial customers. Industrial meters are digital meters with communications. Sensus meters have an 8-year warranty. The biggest failure is communications failure. Periodic testing for industrial meters occurs. There was a larger level Advanced Energy Metering (AEM) accessory retirement/replacements during the AMI installation process, which may cause the

life to appear shorter than expected. A 15-year life is reasonable. The SPR-B analysis indicates a decrease in life across the bands, which is expected with the change from electromechanical to electronic metering. The CIs are poor but the REIs are excellent. The 16-year life and an R1 dispersion curve is in the top three ranked curves in the bands analyzed. Based on the SPR-B analysis, the type of assets, Company input, and judgment, the Study recommendation is to decrease the approved life to 16 years but retain an R1 dispersion curve. A graph of the actual balances vs the simulated balances using the proposed curve is shown below.



Net Salvage (10%)

This account consists of any salvage and removal cost for all distribution meters and meter accessories, excluding AMI meters. The current authorized net salvage for this account is positive10 percent. In the most recent bands, the five and 10-year averages are positive 21.20 and positive 23.37 percent net savage, respectively. The most recent years (2013 and 2014) have lower net salvage indications than those in the wider bands. Discussions with Company personnel indicated they have standardized the costing process for installation and removal.

There should be no gross salvage on meters going forward and there are now special disposal requirements for meters. The Company expects there might be slightly negative net salvage as a result of the new disposal requirements. Based on new costing process and disposal requirements along with Company input, the Study recommends retention of the approved positive 10 percent net salvage for this account. Trends in net salvage for this account will be monitored in the Company's next depreciation study.

FERC Account 370.1 Meters - AMI Equipment

ANALYSIS RESULTS
Depreciable Property

Account 370 Meters - AMI			
Item	FPSC Approved	2016	Change
Investment	$34,299,000	$41,794,941	$7,495,941
Iowa Curve	R1	R1	
Average Service Life	15	15	0
Theoretical Reserve	$0	$8,864,118	$8,864,118
Book Reserve	$0	$18,329,633	$18,329,633
Reserve Variance	$0	$9,465,515	$9,465,515
Reserve Ratio	0.00%	43.86%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Salvage	0%	0%	0%
Avg. Whole Life Rate	6.7%	6.7%	0.0%
AWL Expense (2016)	$2,800,261	$2,787,723	($12,538)
Average Remaining Life	15.0	11.8	(3.2)
ARL Rate	6.7%	4.8%	-2.0%
ARL Expense (2016)	$2,800,261	$1,985,260	($815,001)

Life 15 R1

This account includes AMI equipment. The projected balance at December 31, 2016 is approximately $41.8 million in this account. The current approved life

is 15 years with an R1 dispersion curve. Discussions with the Company indicated they started installing in 2008 with a pilot program, full installation began in 2009 and was completed by 2012. A 15-year life is reasonable. The Company has experienced various failure modes for AMI meters. The electronics are sensitive to surges (e.g. lighting and they are in a high lightning area. The analysis of three years is too limited to provide meaningful results. Based on Company input, type of assets, and judgment, the Study recommends retention of the existing 15-year life expectancy and an R1 dispersion curve. No graph is provided.

Net Salvage (0%)

This account consists of any salvage and removal cost for all AMI equipment. The current authorized net salvage for this account is zero percent. No retirements, gross salvage or cost of removal has been recorded since the Company began installing AMI Meters. The Study recommends retention of zero percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

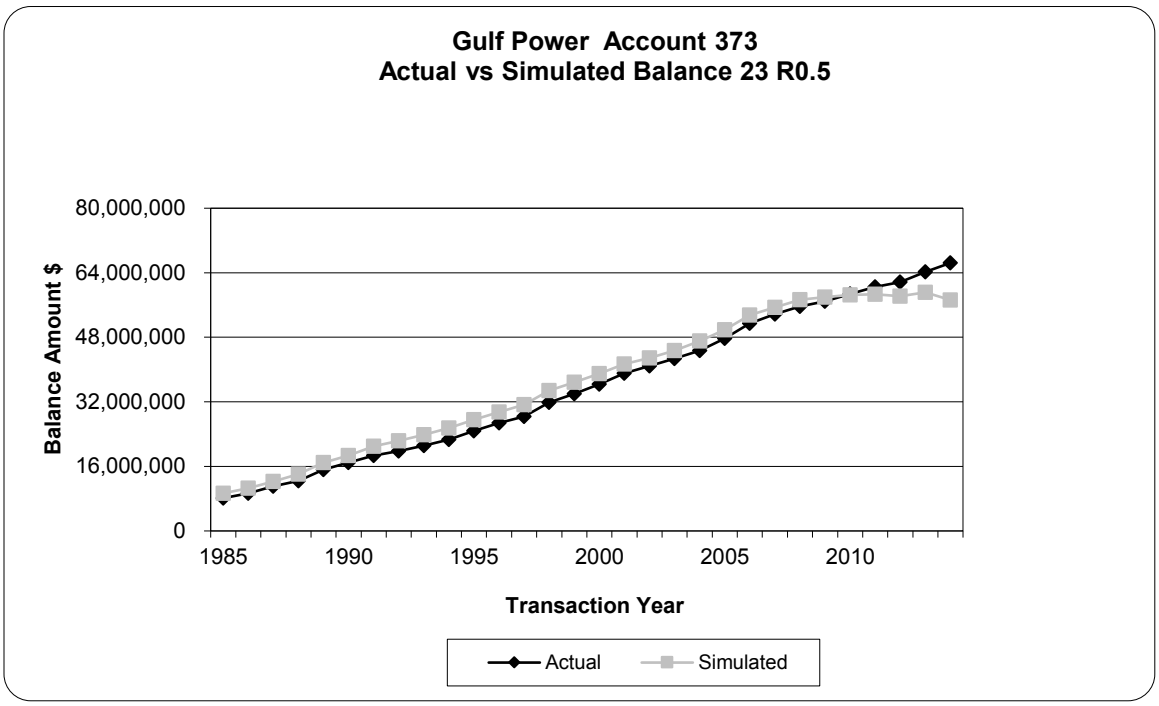
FERC Account 373.0 Street Lighting & Signal Systems

ANALYSIS RESULTS
Depreciable Property

Account 373 Street Lighting & Signal System			
Item	FPSC Approved	2016	Change
Investment	$56,904,425	$75,546,351	$18,641,926
Iowa Curve	L1	R0.5	
Average Service Life	20	23	3
Theoretical Reserve	$19,709,205	$28,184,724	$8,475,519
Book Reserve	$23,219,645	$41,162,451	$17,942,806
Reserve Variance	$3,510,440	$12,977,727	$9,467,287
Reserve Ratio	40.80%	54.49%	
Gross Salvage	5%	0%	-5%
Removal Cost	15%	20%	5%
Net Salvage	-10%	-20%	-10%
Avg. Whole Life Rate	5.5%	5.2%	-0.3%
AWL Expense (2016)	$4,155,049	$3,943,520	($211,529)
Average Remaining Life	13.8	15.9	2.1
ARL Rate	5.0%	4.1%	-0.9%
ARL Expense (2016)	$3,777,318	$3,120,064	($657,254)

Life 23 R0.5

This account includes all distribution streetlights, conductors, conduits, luminaires, and standards. The projected balance at December 31, 2016 is approximately $75.5 million in this account. The current approved life for this account is 20 years with an L1 dispersion curve. The SPR-B analysis has poor CIs across the bands analyzed. The REIs are excellent. The 23-year life expectancy and an R0.5 dispersion is the top ranked curve in the bands analyzed. Based on the analysis, type of assets in this account, and judgment, the current Study recommendation is to move to 23 years and an R0.5 dispersion curve. A graph of the actual balances vs the simulated balances using the proposed curve is shown below.



Net Salvage (-20%)

This account consists of any salvage and removal cost associated with distribution streetlights, conductors, conduits, luminaires, and standards. The current authorized net salvage for this account is negative 10 percent. In the most recent bands, the five and 10-year averages are negative 4.51 and negative 21.98 percent net savage, respectively. Based on the Company history from the most recent 10 years, the Study recommends moving to negative 20 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

E. General Plant and Transportation Equipment

Electric General Plant and Transportation Equipment Depreciated FERC Accounts 390.0, 392.1, 392.21, 392.22, 392.6, 396, and 397

FERC Account 390.0 Structures and Improvements

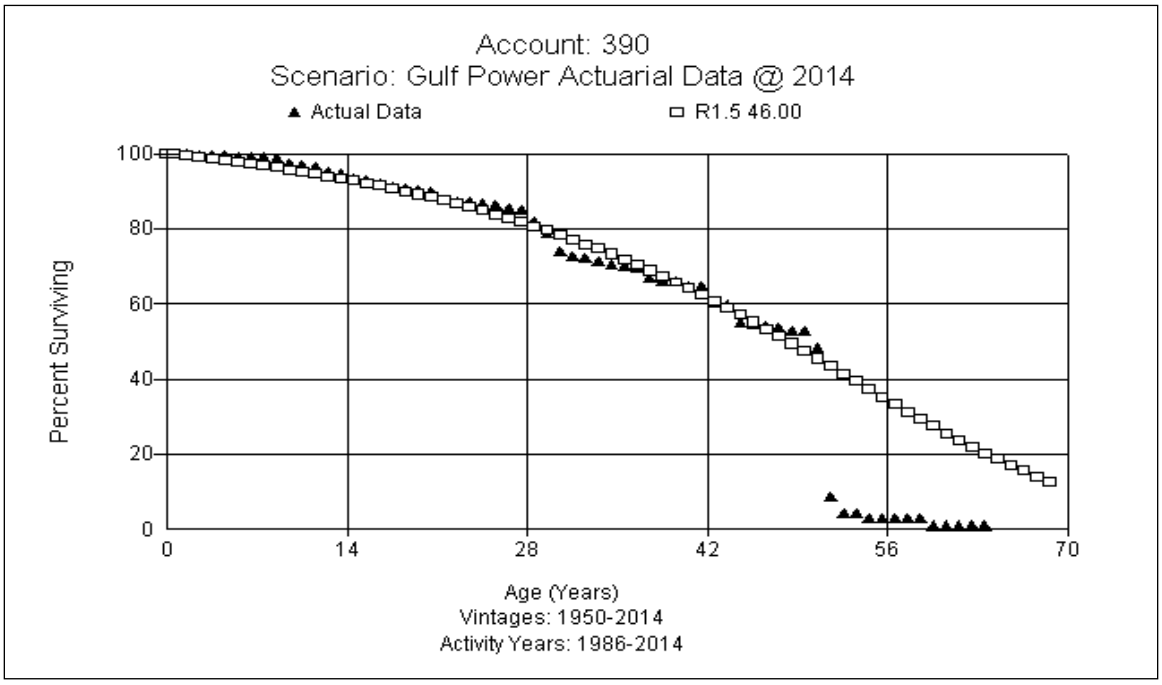
ANALYSIS RESULTS
Depreciable Property

Account 390 Structures and Improvements			
Item	FPSC Approved	2016	Change
Investment	$64,301,504	$84,247,313	$19,945,809
Iowa Curve	S1.5	R1.5	
Average Service Life	45	46	1
Theoretical Reserve	$23,396,748	$28,098,547	$4,701,799
Book Reserve	$22,312,294	$31,641,511	$9,329,217
Reserve Variance	($1,084,454)	$3,542,964	$4,627,418
Reserve Ratio	34.70%	37.56%	
Gross Salvage	0%	0%	0%
Removal Cost	5%	5%	0%
Net Salvage	-5%	-5%	0%
Avg. Whole Life Rate	2.3%	2.3%	0.0%
AWL Expense (2016)	$1,937,688	$1,920,839	($16,849)
Average Remaining Life	29.5	30.7	1.2
ARL Rate	2.3%	2.2%	-0.1%
ARL Expense (2016)	$1,937,688	$1,853,441	($84,247)

Life 46 R1.5

This account consists of general structures and improvements for buildings, including roofing, plumbing, air conditioning systems, electrical and yard improvements. The projected balance at December 31, 2016 is approximately $84.2 million in this account. The current approved life is 45 years with an S1.5 dispersion. Discussions with Company personnel indicated there are over 38 buildings on 15 different campuses. Average age of all is approximately 18 years.

The largest is the corporate office, which was built in 1986. The oldest is about 60 years old and showing its age. The actuarial analysis has a range from 40-48 years across the bands. The Company has replaced roofs, parking lots, generators, and HVAC. Based on the analysis indications, discussions with the Company, type and mix of assets, and judgment, the Study recommends increasing slightly to a 46-year life with an R1.5 dispersion. A graph of the observed life table versus the proposed curve is shown below.



Net Salvage (-5%)

This account consists of any salvage and removal cost associated with buildings including roofing, plumbing, air conditioning systems, electrical, and yard improvements.. The current authorized net salvage is negative 5 percent. Discussions with the Company indicated they ask contractors to break out removal cost from construction costs (e.g. roof tear-off versus new roof). In the most recent bands, the five-year and 10-year averages show negative 17.99 and negative 7.74 percent net salvage, respectively. Based on history and judgment, the Study conservatively recommends retention of negative 5 percent net salvage

for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.1 Transportation Equipment - Automobiles

ANALYSIS RESULTS
Depreciable Property

Account 392.1 Automobiles			
Item	FPSC Approved	2016	Change
Investment	$29,848	$29,848	$0
Iowa Curve	0	R4	
Average Service Life	7.0	7.0	0
Theoretical Reserve	$0	$12,359	$12,359
Book Reserve	$0	$16,553	$16,553
Reserve Variance	$0	$4,194	$4,194
Reserve Ratio	0.00%	55.46%	
Gross Salvage	15%	15%	0%
Removal Cost	0%	0%	0%
Net Salvage	15%	15%	0%
Avg. Whole Life Rate	12.1%	12.1%	0.0%
AWL Expense (2016)	$3,612	$3,624	$13
Average Remaining Life	7.0	3.6	(3.4)
ARL Rate	N/A	8.2%	N/A
ARL Expense (2016)	$0	$2,456	N/A

This account was new in 2012. The FPSC provided approval in Docket No. 1200059-EI, Order No. PSC-12-0300-PAA-EI issued on June 11, 2012.

Life (7 R4)

This account consists of automobiles. The projected plant balance at December 31, 2016 is approximately $30 thousand for this account. The currently approved life is 7 years. 2013 is first vintage of current automobiles. No analysis was performed. The Study recommends retention of a 7 year life and using an R4 dispersion. No graph is provided.

Net Salvage (15%)

This account consists of any salvage and removal cost associated with automobiles. The current authorized net salvage for this account is positive 15 percent. Based on history and judgment, the Study recommends retention of 15 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.2 Transportation Equipment - Light Trucks

ANALYSIS RESULTS
Depreciable Property

Account 392.2 Light Trucks			
Item	FPSC Approved	2016	Change
Investment	$5,939,852	$7,519,254	$1,579,402
Iowa Curve	S3	R4	
Average Service Life	10.0	12.0	2
Theoretical Reserve	$3,298,386	$5,826,541	$2,528,155
Book Reserve	$2,742,329	$4,220,267	$1,477,938
Reserve Variance	($556,057)	($1,606,273)	($1,050,216)
Reserve Ratio	46.17%	56.13%	
Gross Salvage	12%	5%	-7%
Removal Cost	0%	0%	0%
Net Salvage	12%	5%	-7%
Avg. Whole Life Rate	8.8%	7.9%	-0.9%
AWL Expense (2016)	$661,694	$595,525	($66,169)
Average Remaining Life	4.5	2.2	(2.3)
ARL Rate	9.3%	17.6%	8.3%
ARL Expense (2016)	$699,291	$1,321,133	$621,842

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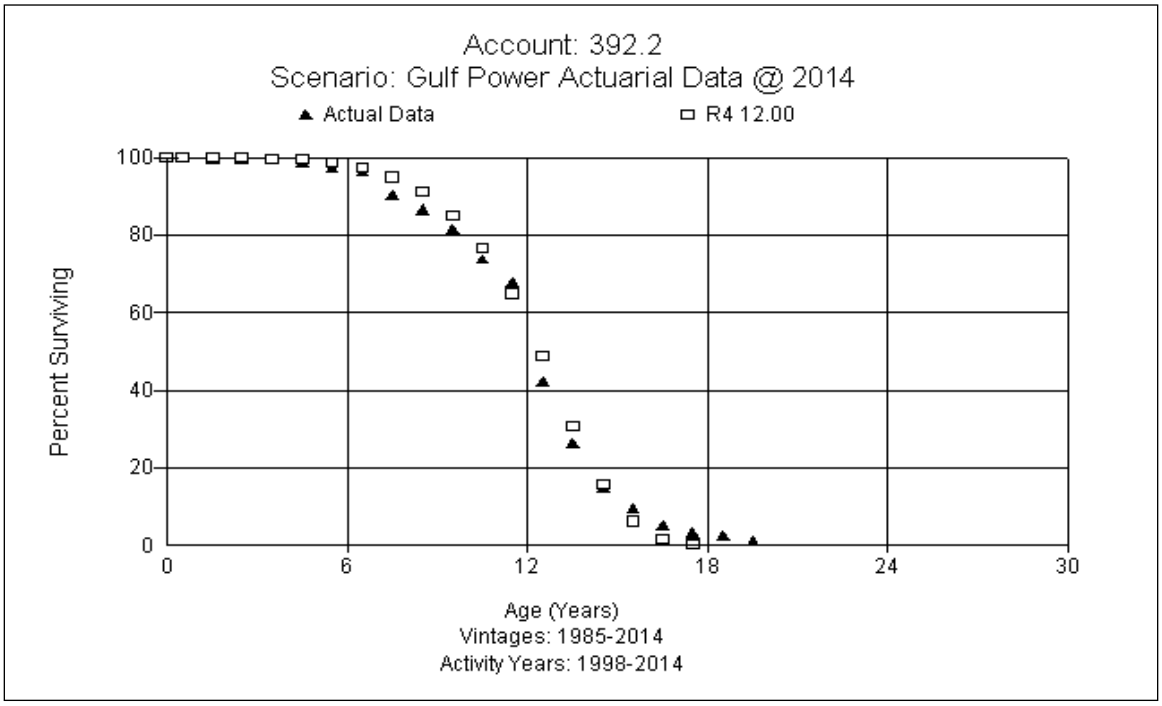
Life (12 R4)

This account consists of light trucks. The projected plant balance at December 31, 2016 is approximately $7.5 million. The currently approved life for this account is 10 years with an L3 dispersion. Discussions with Company

personnel indicated repair costs and condition determine if a vehicle is retired. The actuarial analysis indicated a life range from 11-13 years, with 12 years a predominantly good fit across the bands. The Study recommends increasing the life to 12 years and an R4 dispersion. A graph of the actual data vs the proposed curve is shown below.



Net Salvage (5%)

This account consists of any salvage and removal costs associated with light trucks. The currently authorized net salvage for this account is positive 12 percent. Discussions with Company personnel indicated for light trucks, the residual value is very small with 200 thousand miles. A 10-year old F150 with 200 thousand miles that cost $20 thousand to purchase will only generate $1thousand at sale. The Company thinks that 5 percent is appropriate. In the most recent bands, the five and 10-year averages show positive 5.05 and positive 7.02 percent net salvage, respectively. Based on the more recent five-year history, Company input, and judgment, the Study recommends moving to a lower net

salvage of positive 5 percent for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 392.3 Transportation Equipment - Heavy Trucks

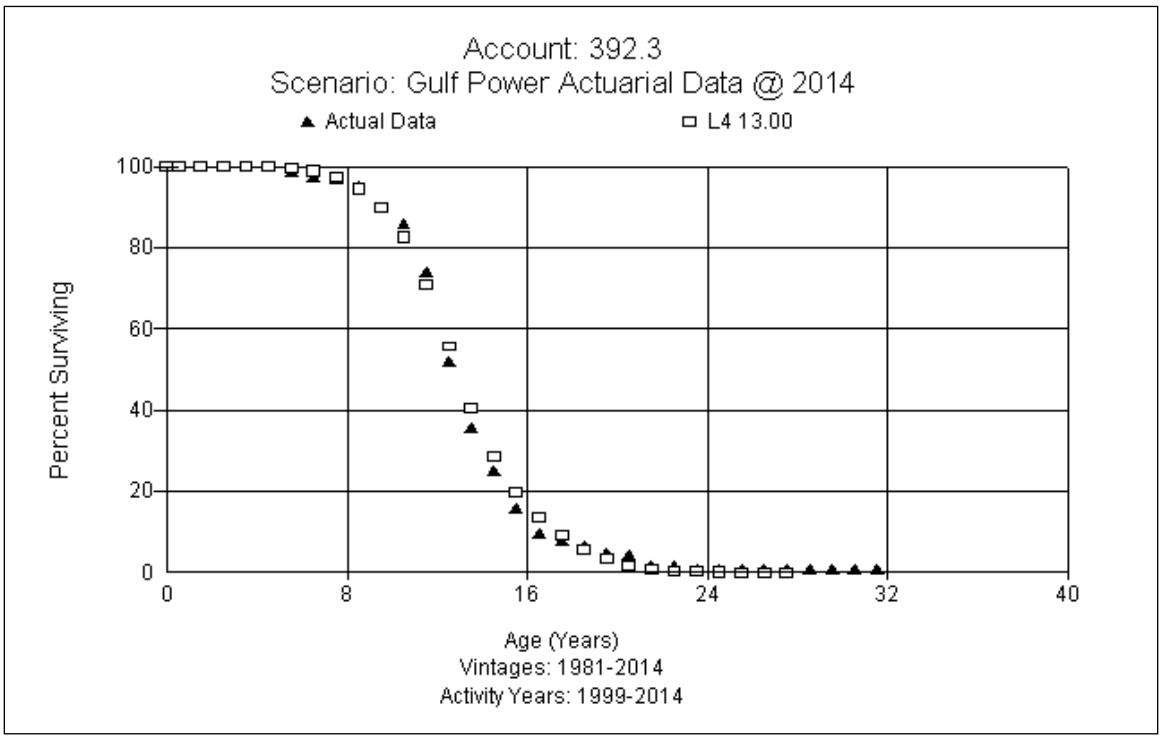
ANALYSIS RESULTS
Depreciable Property

Account 392.3 Heavy Trucks			
Item	FPSC Approved	2016	Change
Investment	$19,768,863	$24,527,733	$4,758,870
Iowa Curve	L4	L4	
Average Service Life	11	13	2
Theoretical Reserve	$8,435,433	$15,745,694	$7,310,261
Book Reserve	$8,827,882	$13,863,301	$5,035,419
Reserve Variance	$392,449	($1,882,392)	($2,274,841)
Reserve Ratio	44.66%	56.52%	
Gross Salvage	15%	15%	0%
Removal Cost	0%	0%	0%
Net Salvage	15%	15%	0%
Avg. Whole Life Rate	7.7%	6.5%	-1.2%
AWL Expense (2016)	$1,888,635	$1,604,114	($284,521)
Average Remaining Life	5.1	3.2	(1.9)
ARL Rate	7.9%	9.0%	1.1%
ARL Expense (2016)	$1,937,691	$2,195,232	$257,541

Life (13 L4)

This account consists of heavy trucks. The projected plant balance at December 31, 2016 is approximately $24.5 million. The currently approved life for this account is 11 years with an L4 dispersion. Discussions with Company personnel indicated repair costs and condition determine if a vehicle is retired. The actuarial analysis indicated life range from 12-14 years, with 13 years a predominantly good fit across the bands. The Study recommends increasing the

life to 13 years but retaining an L4 dispersion. A graph of the actual data vs the proposed curve is shown below.



Net Salvage (15%)

This account consists of any salvage and removal costs associated with heavy trucks. The currently authorized net salvage for this account is positive 15 percent. Discussions with Company personnel indicated that over the last couple of years, the market for used heavy duty trucks and equipment has increased. The Company believes the market will hold fairly steady for the next few years. The Company moved the sales to an outside firm, which appears to be generating more sales proceeds than when company personnel performed the sales (maybe due to the larger market the outside firm can access). The third party sales company will take some of the proceeds as their commission. In the most recent bands, the five-year and 10-year averages show positive 16.24 and positive 13.88 percent net salvage, respectively. Based on history, Company input, and judgment, the Study recommends retention of positive 15 percent net salvage for

this account. The Company's next depreciation study will examine future trends in this account.

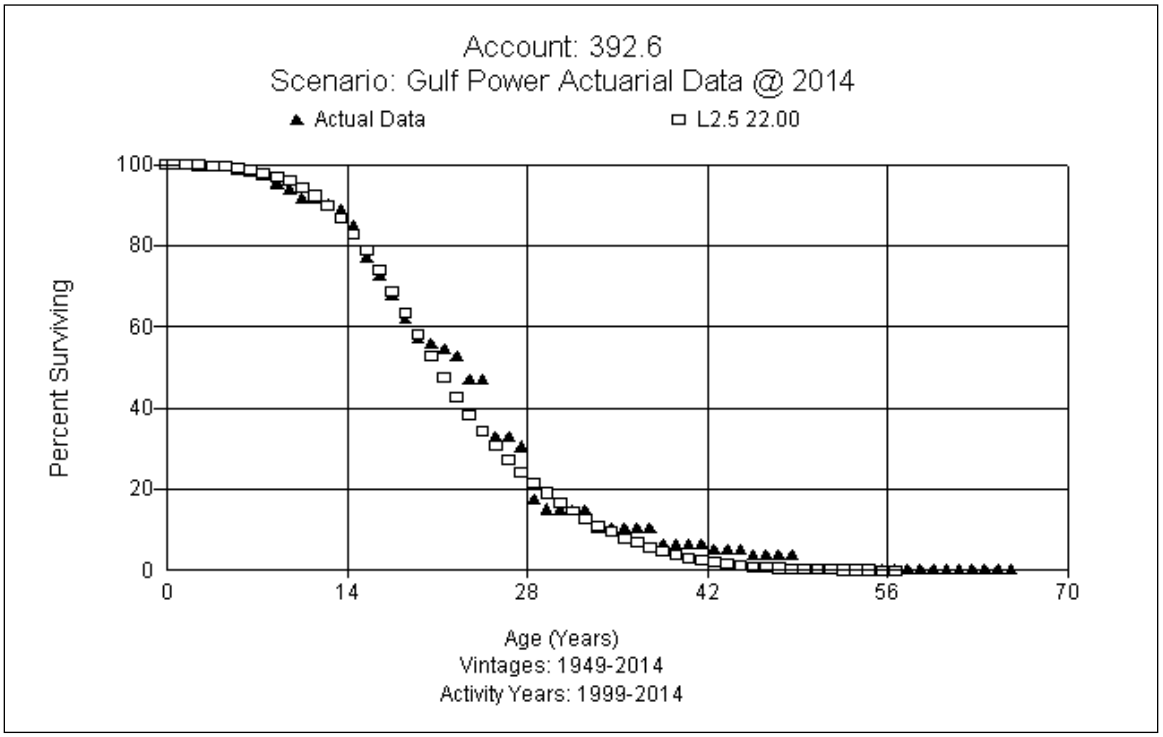
FERC Account 392.4 Transportation Equipment - Trailers

ANALYSIS RESULTS
Depreciable Property

Account 392.4 Trailers			
Item	FPSC Approved	2016	Change
Investment	$1,069,871	$1,320,796	$250,925
Iowa Curve	S1.5	L2.5	
Average Service Life	18	22	4
Theoretical Reserve	$610,770	$648,487	$37,717
Book Reserve	$591,812	$709,817	$118,005
Reserve Variance	($18,958)	$61,329	$80,287
Reserve Ratio	55.32%	53.74%	
Gross Salvage	12%	8%	-4%
Removal Cost	0%	0%	0%
Net Salvage	12%	8%	-4%
Avg. Whole Life Rate	4.9%	4.2%	-0.7%
AWL Expense (2016)	$64,719	$55,209	($9,510)
Average Remaining Life	6.8	10.3	3.5
ARL Rate	4.8%	3.7%	-1.1%
ARL Expense (2016)	$63,398	$49,266	($14,132)

Life (22 L2.5)

This account consists of other transportation equipment such as trailers and miscellaneous. The projected plant balance at December 31, 2016 is approximately $1.3 million. The currently approved life for this account is 18 years with an S1.5 dispersion. The analysis indicates the life range of 20-23 years. The 22-year life and an L2.5 dispersion curve is an excellent fit across the bands analyzed. The Study recommends moving to a 22-year life and an L2.5 dispersion. A graph of the actual data vs. the proposed curve is shown below.



Net Salvage (8%)

This account consists of any salvage and removal cost associated with trailers and miscellaneous. The currently authorized net salvage for this account is positive 12 percent. In the most recent bands, the five-year and 10-year averages show positive 5.02 and positive 8.00 percent net salvage, respectively. Based on the wider 10-year history and judgment, the Study recommends net salvage of positive 8 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

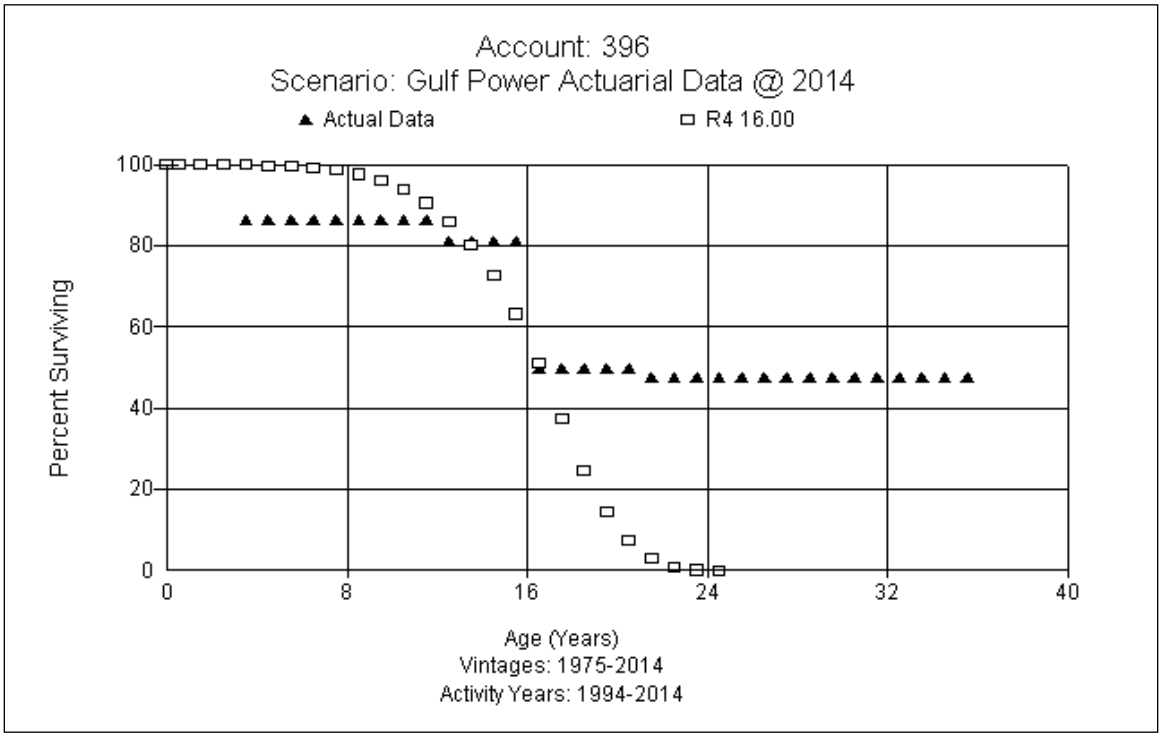
FERC Account 396.0 Power Operated Equipment

ANALYSIS RESULTS
Depreciable Property

Account 396 Power Operated Equipment			
Item	FPSC Approved	2016	Change
Investment	$593,661	$931,916	$338,255
Iowa Curve	R5	R4	
Average Service Life	15	16	1
Theoretical Reserve	$357,892	$532,879	$174,987
Book Reserve	$371,969	$671,383	$299,414
Reserve Variance	$14,077	$138,504	$124,427
Reserve Ratio	62.66%	72.04%	
Gross Salvage	20%	20%	0%
Removal Cost	0%	0%	0%
Net Salvage	20%	20%	0%
Avg. Whole Life Rate	5.3%	5.0%	-0.3%
AWL Expense (2016)	$49,392	$46,596	($2,796)
Average Remaining Life	3.7	4.6	0.9
ARL Rate	4.7%	1.7%	-3.0%
ARL Expense (2016)	$43,800	$16,215	($27,585)

Life (16 R4)

This account consists of power -operated equipment such as bulldozers, forklifts, pile drivers, tractors, and other power operated equipment that cannot be licensed on roadways. The projected plant balance at as of December 31, 2016 is approximately $932 thousand. The currently approved life for this account is 15 years with an R5 dispersion. The life analysis indicated the life was moving out slightly with a range of 16-17 years. The Study recommends moving to a 16-year life and an R4 dispersion. A graph of the actual data versus the proposed curve is shown below.



Net Salvage (20%)

This account consists of any salvage and removal cost associated with bulldozers, forklifts, pile drivers, tractors, and other power operated equipment that cannot be licensed on roadways. The currently authorized net salvage for this account is positive 20 percent. There has been little activity recorded in this account. In 2014 the retirement and salvage received was for a Hydrotrec (amphibious vehicle), which is not likely to reoccur and is considered atypical in the analysis. Based on history, Company input, and judgment, the Study recommends retention of positive 20 percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

FERC Account 397.0 Communication Equipment

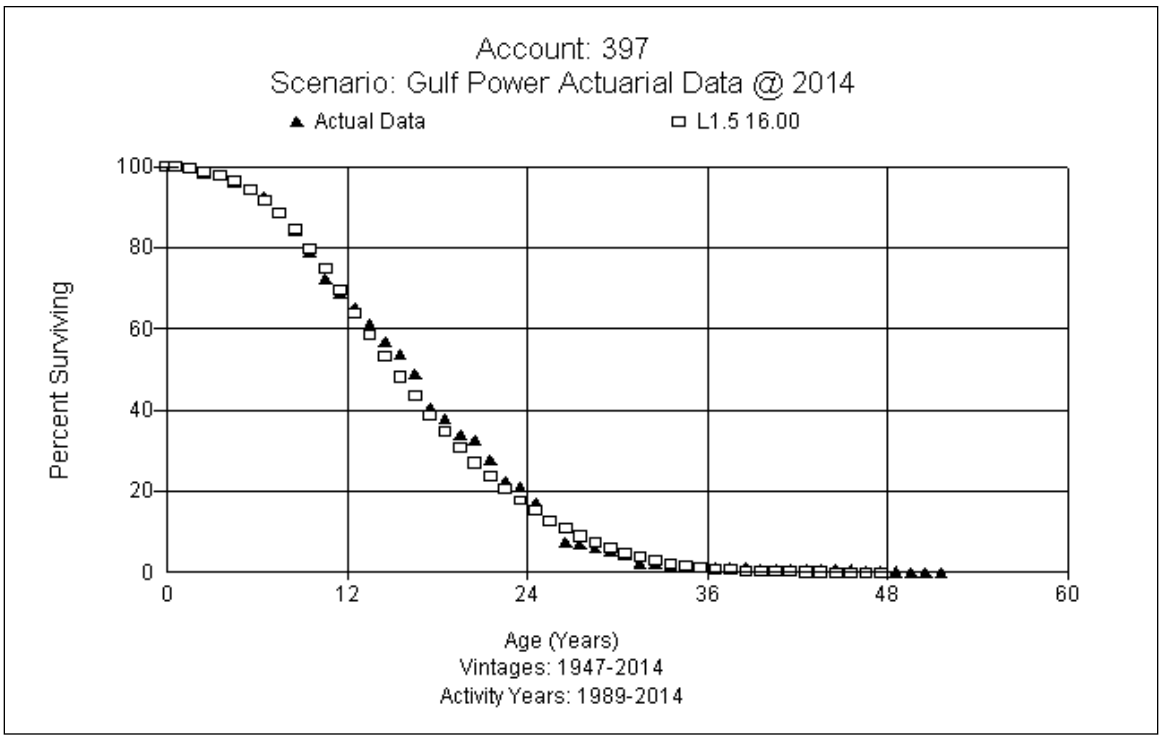
ANALYSIS RESULTS
Depreciable Property

Account 397 Communication Equipment			
Item	FPSC Approved	2016	Change
Investment	$18,363,156	$24,528,470	$6,165,314
Iowa Curve	S1	L1.5	
Average Service Life	16	16	0
Theoretical Reserve	$8,882,026	$8,266,595	($615,431)
Book Reserve	$7,951,248	$9,814,544	$1,863,296
Reserve Variance	($930,778)	$1,547,950	$2,478,728
Reserve Ratio	43.30%	40.01%	
Gross Salvage	3%	0%	-3%
Removal Cost	3%	0%	-3%
Net Salvage	0%	0%	0%
Avg. Whole Life Rate	6.3%	6.3%	-0.1%
AWL Expense (2016)	$1,545,294	$1,533,029	($12,264)
Average Remaining Life	9.0	10.6	1.6
ARL Rate	6.3%	5.7%	-0.6%
ARL Expense (2016)	$1,545,294	$1,388,311	($156,983)

Life (16 L1.5)

This account consists of miscellaneous communication equipment used in general utility service. The projected plant balance at as of December 31, 2016 is approximately $24.5 million. The currently approved life for this account is 16 years with an S1 dispersion. Discussions with Company personnel indicated fiber can have a fairly long life (20-30 years) with most of it in static wire of transmission. Electronic transport gear (e.g. coax, microwave equipment, and DWDM (Dense Wavelength Division Multiplexing) fiber equipment may have a 15-17 year life. The Company owns its transport equipment. Also, some radio equipment is in this account. Power Systems (e.g. DC battery banks) may last 15 years or more. A 15-17 year life for the average of the account is reasonable. Transport gear is moving to shorter lives as technology changes. Based on input

from Company personnel and life analysis results, the Study recommends retention of the 16-year life while moving to an L1.5 dispersion. A graph of the actual data versus the proposed curve is shown below.



Net Salvage (0%)

This account consists of any salvage and removal cost associated with miscellaneous communication equipment used in general utility service. The currently authorized net salvage for this account is zero percent. In the most recent bands, the five-year and 10-year averages show negative 0.71 and negative 1.81 percent net salvage, respectively. Based on Company history and judgment, the Study recommends retaining zero percent net salvage for this account. The Company's next depreciation study will examine future trends in this account.

Electric General Amortized FERC Accounts 391–398 (excludes 392,396 and 397 (depreciable)

Gulf adopted Vintage Group Amortization consistent with FERC Accounting Release No. 15 a number of years ago. The Study recommends the continued use of the existing lives previously approved. A table of the accounts and life for Amortized General plant is shown below.

Table 2 – Electric General Plant Amortized

Acct	Description	Approved Life	Proposed Life
391.1	Office Furniture & Equipment	7	7
391.2	Computer Hardware	5	5
392.5	Marine Equipment	5	5
393.0	Stores Equipment	7	7
394.0	Tools, Shop & Garage Equipment	7	7
395.0	Laboratory Equipment	7	7
397.0	Communication Equipment	7	7
398.0	Miscellaneous Equipment	7	7

Net Salvage General Amortized FERC Accounts 391–398 (excludes 392, 396 and 397)

The Study recommends the continued use of the approved net salvage, which is zero percent.

APPENDIX A - Depreciation Rate Calculations

APPENDIX A-1 - Depreciation Rate Calculations Steam Production

GULF POWER
Computation of Composite Accrual Rate
For Steam Production Plant
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount
CRIST PLANT						
4	312	Boiler Plant Equipment	$ 34,765,256	$ 21,085,292	5.2%	$ 1,817,974
4	314	Turbogenerator Equipment	10,894,270	5,520,254	6.7%	726,335
4	315	Accessory Electric Equipment	3,808,075	1,826,136	6.7%	254,238
5	312	Boiler Plant Equipment	35,572,540	20,126,719	4.7%	1,665,758
5	314	Turbogenerator Equipment	13,297,373	2,004,435	9.2%	1,224,180
5	315	Accessory Electric Equipment	4,147,091	2,016,301	5.3%	220,333
6	312	Boiler Plant Equipment	265,342,980	35,174,223	5.1%	13,531,196
6	314	Turbogenerator Equipment	47,744,495	13,118,901	4.5%	2,155,216
6	315	Accessory Electric Equipment	34,168,446	8,742,892	4.2%	1,422,447
7	312	Boiler Plant Equipment	218,187,178	45,405,542	4.1%	8,939,425
7	314	Turbogenerator Equipment	100,410,669	21,716,000	4.3%	4,299,572
7	315	Accessory Electric Equipment	27,095,838	14,105,733	2.4%	637,519
Common	311	Structures and Improvement	127,423,259	73,610,728	2.0%	2,525,163
Common	312	Boiler Plant Equipment	490,157,683	129,493,866	3.8%	18,728,489
Common	314	Turbogenerator Equipment	26,780,017	14,449,285	2.6%	705,210
Common	315	Accessory Electric Equipment	101,348,754	29,330,511	3.5%	3,511,875
Common	316	Miscellaneous Power Plant Equipment	10,786,966	2,006,363	4.0%	426,452
		Total Crist	**1,551,930,888**	**439,733,184**	**4.0%**	**62,791,383**

GULF POWER
Computation of Composite Accrual Rate
For Steam Production Plant
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount
DANIEL PLANT						
Rail Car	311	Structures and Improvements	**2,828,013**	**1,508,465**	**1.6%**	**45,248**
Easements	310.1	Land Rights	**77,160**	**44,753**	**1.4%**	**1,080**
1	311	Structures and Improvement	8,887,842	8,072,879	0.4%	33,855
1	312	Boiler Plant Equipment	146,254,617	32,853,792	3.5%	5,091,639
1	314	Turbogenerator Equipment	27,688,825	10,860,080	3.0%	822,592
1	315	Accessory Electric Equipment	13,972,309	8,431,568	1.7%	234,582
1	316	Miscellaneous Power Plant Equipment	133,722	(3,252)	4.3%	5,695
2	311	Structures and Improvement	9,337,214	8,581,737	0.3%	27,749
2	312	Boiler Plant Equipment	152,274,745	29,842,725	3.2%	4,867,163
2	314	Turbogenerator Equipment	26,717,999	13,212,346	2.3%	606,184
2	315	Accessory Electric Equipment	12,977,551	8,986,521	1.2%	150,064
2	316	Miscellaneous Power Plant Equipment	190,580	37,369	2.9%	5,593
Common	311	Structures and Improvement	38,605,472	14,868,760	2.1%	823,510
Common	312	Boiler Plant Equipment	182,680,844	25,298,652	3.4%	6,229,757
Common	314	Turbogenerator Equipment	3,483,091	2,486,963	1.4%	49,207
Common	315	Accessory Electric Equipment	17,552,673	1,358,605	3.4%	591,993
Common	316	Miscellaneous Power Plant Equipment	4,684,486	1,566,417	2.4%	114,041
		Total Daniel	**645,441,969**	**166,455,162**	**3.0%**	**19,653,622**

GULF POWER
Computation of Composite Accrual Rate
For Steam Production Plant
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount
SCHERER PLANT						
	311	Structures and Improvement	37,765,761	21,648,703	1.2%	472,031
	312	Boiler Plant Equipment	282,887,490	79,700,704	2.5%	7,029,543
	314	Turbogenerator Equipment	38,601,240	23,275,983	1.6%	630,638
	315	Accessory Electric Equipment	16,036,614	6,121,133	1.9%	310,298
	316	Miscellaneous Power Plant Equipment	5,908,516	3,485,687	1.3%	75,817
		Total Scherer	**381,199,620**	**134,232,210**	**2.2%**	**8,518,327**
SCHOLZ PLANT						
	311	Structures and Improvement	4,386,828	4,792,336	0.0%	0
	312	Boiler Plant Equipment	1,033,193	1,415,336	0.0%	0
	314	Turbogenerator Equipment	1,377,880	2,082,312	0.0%	0
	315	Accessory Electric Equipment	1,682,895	2,116,319	0.0%	0
	316	Miscellaneous Power Plant Equipment	414,408	269,610	0.0%	0
		Total Scholz	**$ 8,895,204.13**	**$ 10,675,913.57**	**0.0%**	**$0**

APPENDIX A-2 - Depreciation Rate Calculations Other Production

GULF POWER
Computation of Composite Accrual Rate
Other Production Plant
As of December 31, 2016

Account	Description	Plant Balance	Book Reserve	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount
PACE PLANT					
343	Prime Movers	7,332,158	5,851,056	10.1%	740,548
344	Generators	3,484,216	2,551,490	13.4%	466,885
345	Accessory Electric Equipment	679,779	453,186	16.7%	113,523
	Total Pace Plant	**11,496,153**	**8,855,731**	**11.5%**	**1,320,956**
PERDIDO LANDFILL					
341	Structures and Improvements	2,221,640	280,795	7.8%	173,288
342	Fuel Holders	797,165	162,851	6.7%	53,410
343	Prime Movers	3,993,649	776,143	7.6%	303,517
345	Accessory Electric Equipment	1,056,282	224,856	6.7%	70,771
346	Misc. Power Plant Equipment	170,350	184,540	0.0%	0
	Total Perdido Landfill	**8,239,086**	**1,629,185**	**7.3%**	**600,986**
SMITH CT					
341	Structures and Improvements	1,369,495	228,002	8.6%	117,777
342	Fuel Holders	946,035	20,635	9.5%	89,873
343	Prime Movers	2,608,493	294,983	9.5%	247,807
344	Generators	3,856,145	3,001,457	2.0%	77,123
345	Accessory Electric Equipment	3,305,588	955,780	7.0%	231,391
346	Misc. Power Plant Equipment	50,915	(10,911)	12.2%	6,212
	Total Smith CT	**12,136,671**	**4,489,946**	**6.3%**	**770,182**

GULF POWER
Computation of Composite Accrual Rate
Other Production Plant
As of December 31, 2016

Account	Description	Plant Balance	Book Reserve	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount
SMITH CC					
341	Structures and Improvements	28,036,877	2,730,556	4.7%	1,317,733
342	Fuel Holders	4,698,022	(569,072)	5.1%	239,599
343	Prime Movers	158,457,670	2,430,265	5.7%	9,032,087
344	Generators	84,589,044	26,301,332	2.7%	2,283,904
345	Accessory Electric Equipment	14,007,856	1,449,565	4.2%	588,330
346	Misc. Power Plant Equipment	2,640,194	(934,984)	6.6%	174,253
	Total Smith CC	**292,429,663**	**31,407,661**	**4.7%**	**13,635,906**
	Total Other Production	**324,301,572**	**46,382,523**	**5.1%**	**16,328,031**

APPENDIX A-3 - Depreciation Rate Calculations Transmission, Distribution, General Plant and Transportation Equipment

GULF POWER
Computation of Depreciation Accrual Rates for Transmission, Distribution, General Plant and Transportation Equipment
At December 31, 2016

Account	Description	Plant In Service 12/31/16	Book Depreciation 12/31/16	Net Salvage %	Net Salvage Amount	Unaccrued Balance	Remaining Life	Annual Accrual Amount	Annual Accrual Rate
Transmission Plant									
350.10	Easements	$ 12,654,559	$ 7,310,897	0%	$ -	$ 5,343,662	27.66	$ 193,211	1.5%
352.00	Structures and Improvements	24,391,124	6,029,828	-5%	(1,219,556)	19,580,852	46.65	419,779	1.7%
353.00	Station Equipment	250,073,126	33,409,988	-10%	(25,007,313)	241,670,450	33.49	7,215,956	2.9%
354.00	Towers and Fixtures	42,290,155	24,879,312	-25%	(10,572,539)	27,983,382	30.79	908,837	2.1%
355.00	Poles and Fixtures	230,339,009	28,946,820	-75%	(172,754,256)	374,146,445	35.30	10,597,785	4.6%
356.00	Overhead Conductors and Devices	123,801,393	27,851,093	-30%	(37,140,418)	133,090,718	42.14	3,158,157	2.6%
358.00	Underground Conductors	14,402,363	8,392,435	0%	0	6,009,928	24.16	248,729	1.7%
359.00	Roads and Trails	235,918	51,951	0%	0	183,967	42.00	4,381	1.9%
	Total Transmission Plant	**698,187,647**	**136,872,324**		**(246,694,082)**	**808,009,404**		**22,746,835**	**3.3%**
Distribution Plant									
360.10	Easements	204,176	38,383	0%	0	165,792	44.50	3,726	1.8%
361.00	Structures and Improvements	26,412,569	8,307,855	-5%	(1,320,628)	19,425,342	37.06	524,225	2.0%
362.00	Station Equipment	213,071,996	48,190,373	-10%	(21,307,200)	186,188,823	28.03	6,641,352	3.1%
364.00	Poles, Towers, and Fixtures	140,464,604	79,425,237	-75%	(105,348,453)	166,387,819	23.94	6,948,834	4.9%
365.00	Overhead Conductors and Devices	153,061,774	52,068,507	-50%	(76,530,887)	177,524,154	32.53	5,458,007	3.6%
366.00	Underground Conduit	1,159,696	802,585	0%	0	357,110	27.34	13,060	1.1%
367.00	Underground Conductors	158,145,619	63,904,565	-15%	(23,721,843)	117,962,897	30.52	3,864,802	2.4%
368.00	Line Transformers	282,436,706	104,889,760	-22%	(62,136,075)	239,683,021	24.96	9,600,819	3.4%
369.10	Overhead Services	61,968,191	38,141,620	-75%	(46,476,143)	70,302,715	29.46	2,386,736	3.9%
369.20	Underground Services	57,120,322	20,106,639	-20%	(11,424,064)	48,437,747	32.87	1,473,483	2.6%
370.00	Meters	36,567,578	(288,419)	10%	3,656,758	33,199,239	11.46	2,897,120	7.9%
370.00	Meters - AMI Equipment	41,794,941	18,329,633	0%	0	23,465,308	11.82	1,985,437	4.8%
373.00	Street Lighting	75,546,351	41,162,451	-20%	(15,109,270)	49,493,171	15.85	3,122,730	4.1%
	Total Distribution Plant	**1,247,954,522**	**475,079,189**		**(359,717,806)**	**1,132,593,139**		**44,920,331**	**3.6%**
General Plant									
390.00	Structures and Improvements	84,247,313	31,641,511	-5%	(4,212,366)	56,818,168	30.71	1,850,197	2.2%
396.00	Power Operated Equipment	931,916	671,383	20%	186,383	74,150	4.56	16,247	1.7%
397.00	Communications Equipment	24,528,470	9,823,909	0%	0	14,704,561	10.61	1,386,219	5.7%
	Total General Plant	**109,707,699**	**42,136,803**		**(4,025,983)**	**71,596,879**		**3,252,664**	**3.0%**
Transportation									
392.10	Automobiles	29,848	16,553	15%	4,477	8,818	3.59	2,456	8.2%
392.20	Light Trucks	7,519,254	4,220,267	5%	375,963	2,923,023	2.21	1,321,436	17.6%
392.30	Heavy Trucks	24,527,733	13,863,301	15%	3,679,160	6,985,272	3.18	2,195,336	9.0%
392.40	Trailers	1,320,796	709,817	8%	105,664	505,316	10.26	49,255	3.7%
	Total Transportation	**33,397,631**	**18,809,939**		**4,165,264**	**10,422,429**		**3,568,483**	**10.7%**
	Total Transmission, Distribution, General and Transportation Plant	**$ 2,089,247,499**	**$ 672,898,255**		**$ (606,272,607)**	**$ 2,022,621,850**		**$ 74,488,313**	**3.6%**

APPENDIX B - Depreciation Expense Comparison

GULF POWER
Comparison of Depreciation Accrual Rates
Total Company Summary
As of December 31, 2016

Account	Description	Plant In Service 12/31/2016	Existing Annual Accrual Rate	Existing Annual Accrual Amount	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount	Difference
Steam Production Plant							
	Crist Plant	$ 1,551,930,888	3.5%	$ 54,317,581	4.0%	$ 62,077,236	$ 7,759,654
	Daniel RR Track	2,828,013	1.5%	42,420	1.6%	45,248	2,828
	Daniel Easement	77,160	1.4%	1,080	1.4%	1,080	0
	Daniel Plant	645,441,969	2.8%	18,072,375	3.0%	19,363,259	1,290,884
	Scherer Plant	381,199,620	2.0%	7,623,992	2.2%	8,386,392	762,399
	Scholz Plant	8,895,204	4.1%	364,703	0.0%	0	(364,703)
	Total Steam Production Plant	**2,590,372,854**	**3.1%**	**80,422,152**	**3.5%**	**89,873,215**	**9,451,062**
Other Production Plant							
	Pace Plant	11,496,153	5.3%	609,296	11.5%	1,322,058	712,761
	Perdido Landfill	8,239,086	5.0%	411,954	7.3%	601,453	189,499
	Smith CT	12,136,671	3.6%	436,920	6.3%	764,610	327,690
	Smith CC	292,429,663	2.8%	8,188,031	4.7%	13,744,194	5,556,164
	Total Other Production Plant	**324,301,572**	**3.0%**	**9,646,201**	**5.1%**	**16,432,315**	**6,786,114**
	Total Production Plant	**2,914,674,427**	**3.1%**	**90,068,354**	**3.6%**	**106,305,530**	**16,237,176**

GULF POWER
Comparison of Depreciation Accrual Rates
Total Company Summary
As of December 31, 2016

Account	Description	Plant In Service 12/31/2016	Existing Annual Accrual Rate	Existing Annual Accrual Amount	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount	Difference
Transmission Plant							
350.1	Easements	12,654,559	1.6%	202,473	1.5%	189,818	(12,655)
352	Structures and Improvements	24,391,124	2.0%	487,822	1.7%	414,649	(73,173)
353	Station Equipment	250,073,126	2.3%	5,751,682	2.9%	7,252,121	1,500,439
354	Towers and Fixtures	42,290,155	2.3%	972,674	2.1%	888,093	(84,580)
355	Poles and Fixtures	230,339,009	3.6%	8,292,204	4.6%	10,595,594	2,303,390
356	Overhead Conductors & Devices	123,801,393	2.5%	3,095,035	2.6%	3,218,836	123,801
358	Underground Conductors	14,402,363	2.1%	302,450	1.7%	244,840	(57,609)
359	Roads and Trails	235,918	2.0%	4,718	1.9%	4,482	(236)
	Total Transmission Plant	**698,187,647**	**2.7%**	**19,109,058**	**3.3%**	**22,808,435**	**3,699,377**
Distribution Plant							
360.1	Easements	204,176	1.8%	3,675	1.8%	3,675	0
361	Structures and Improvements	26,412,569	2.2%	581,077	2.0%	528,251	(52,825)
362	Station Equipment	213,071,996	2.2%	4,687,584	3.1%	6,605,232	1,917,648
364	Poles, Towers, and Fixtures	140,464,604	5.0%	7,023,230	4.9%	6,882,766	(140,465)
365	Overhead Conductors & Devices	153,061,774	3.1%	4,744,915	3.6%	5,510,224	765,309
366	Underground Conduit	1,159,696	1.3%	15,076	1.1%	12,757	(2,319)
367	Underground Conductors	158,145,619	3.3%	5,218,805	2.4%	3,795,495	(1,423,311)
368	Line Transformers	282,436,706	4.0%	11,297,468	3.4%	9,602,848	(1,694,620)
369.1	Overhead Services	61,968,191	3.8%	2,354,791	3.9%	2,416,759	61,968
369.2	Underground Services	57,120,322	2.6%	1,485,128	2.6%	1,485,128	0
370	Meters	36,567,578	2.7%	987,325	7.9%	2,888,839	1,901,514
370 AMI	Meters - AMI Equipment	41,794,941	6.7%	2,800,261	4.8%	2,006,157	(794,104)
373	Street Lighting	75,546,351	5.0%	3,777,318	4.1%	3,097,400	(679,917)
	Total Distribution Plant	**1,247,954,522**	**3.6%**	**44,976,653**	**3.6%**	**44,835,531**	**(141,122)**

GULF POWER
Comparison of Depreciation Accrual Rates
Total Company Summary
As of December 31, 2016

Account	Description	Plant In Service 12/31/2016	Existing Annual Accrual Rate	Existing Annual Accrual Amount	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount	Difference
General Plant							
390	Structures and Improvements	84,247,313	2.3%	1,937,688	2.2%	1,853,441	(84,247)
396	Power Operated Equipment	931,916	4.7%	43,800	1.7%	15,843	(27,957)
397	Communications Equipment	24,528,470	6.3%	1,545,294	5.7%	1,398,123	(147,171)
	Total General Plant	**109,707,699**	**3.2%**	**3,526,782**	**3.0%**	**3,267,406**	**(259,376)**
Transportation							
392.1	Automobiles	29,848	12.1%	3,612	8.2%	2,448	(1,164)
392.2	Light Trucks	7,519,254	9.3%	699,291	17.6%	1,323,389	624,098
392.3	Heavy Trucks	24,527,733	7.9%	1,937,691	9.0%	2,207,496	269,805
392.4	Trailers	1,320,796	4.8%	63,398	3.7%	48,869	(14,529)
	Total Transportation	**33,397,631**	**8.1%**	**2,703,991**	**10.7%**	**3,582,202**	**878,210**
	Total Transmission, Distribution, General, and Transportation Plant	**2,089,247,499**	**3.4%**	**70,316,485**	**3.6%**	**74,493,574**	**4,177,089**
	Total Company Depreciable Plant	**$ 5,003,921,925**	**3.2%**	**$ 160,384,838**	**3.6%**	**$ 180,799,104**	**$ 20,414,266**

APPENDIX C - Depreciation Parameter Comparison for Transmission, Distribution, General Plant and Transportation Equipment

GULF POWER COMPANY
Comparison Schedule of Depreciation Parameters
For Depreciable Transmission, Distribution, General Plant and Transportation Equipment
As of December 31, 2016

		Existing			Proposed			Change	
Account	Description	Curve	ASL	Net Salvage %	Curve	ASL	Net Salvage %	ASL	NS%
Transmission Plant									
350	Easements	SQ	60	0	R5	65	0	5	0
352	Structures & Improvements	R4	50	-5	R3	55	-5	5	0
353	Station Equipment	S0	45	-5	S0	40	-10	-5	-5
354	Towers & Fixtures	R5	50	-20	R4	55	-25	5	-5
355	Poles & Fixtures	S0	38	-40	L0.5	40	-75	2	-35
356	Overhead Conductors & Devices	R2	50	-30	R1	50	-30	0	0
358	Underground Conductors & Devices	R3	45	0	R4	50	0	5	0
359	Roads and Trails	SQ	50	0	SQ	55	0	5	0
Distribution Plant									
360.2	Easements	SQ	50	0	SQ	55	0	5	0
361	Structures & Improvements	R3	48	-5	R2.5	50	-5	2	0
362	Station Equipment	R1.5	45	-5	R1	38	-10	-7	-5
364	Poles & Fixtures	R1	34	-75	R0.5	33	-75	-1	0
365	Overhead Conductors & Devices	R1	38	-20	R1	45	-50	7	-30
366	Underground Conduit	R3	60	0	R5	67	0	7	0
367	Underground Conductors & Devices	S3	32	-8	R2	41	-15	9	-7
368	Line Transformers	S0	30	-20	R0.5	33	-22	3	-2
369.1	Overhead Services	R1	35	-45	R1	42	-75	7	-30
369.2	Underground Services	R1	40	-10	R2.5	45	-20	5	-10
370	Meters	R1	33	10	R1	16	10	-17	0
370	Meters - AMI	R1	15	0	R1	15	0	0	0
373	Street Lighting & Signal Systems	L1	20	-10	R0.5	23	-20	3	-10

GULF POWER COMPANY
Comparison Schedule of Depreciation Parameters
For Depreciable Transmission, Distribution, General Plant and Transportation Equipment
As of December 31, 2016

		Existing			Proposed			Change	
Account	Description	Curve	ASL	Net Salvage %	Curve	ASL	Net Salvage %	ASL	NS%
General Plant									
390	Structures & Improvements	S1.5	45	-5	R1.5	46	-5	1	0
396	Power Operated Equipment	R5	15	20	R4	16	20	1	0
397	Communications Equipment	S1	16	0	L1.5	16	0	0	0
Transportation									
392.1	Automobiles	N/A	7	15	R4	7	15	0	0
392.2	Light Trucks	L3	10	12	R4	12	5	2	-7
392.3	Heavy Trucks	L4	11	15	L4	13	15	2	0
392.4	Trailers	S1.5	18	12	L2.5	22	8	4	-4

APPENDIX D - Production Retirement Dates, Interim Retirement Ratios and Interim Net Salvage

APPENDIX D-1 - Production Retirement Dates

GENERATING UNIT DATES

GULF POWER COMPANY
GENERATING UNIT
DATES
TEN YEAR SITE PLAN
2014 - 2023

PLANT NAME	FUEL TYPE	UNIT IDENTIFIER	PLACED IN SERVICE YEAR	ESTIMATED RETIREMENT YEAR
STEAM PRODUCTION				
Crist	Oil / Gas	2	1949	2011 (1)
Crist	Oil / Gas	3	1952	2011 (1)
Crist	Coal / Gas	4	JUL 1959	DEC 2024
Crist	Coal / Gas	5	JUN 1961	DEC 2026
Crist	Coal / Gas	6	MAY 1970	DEC 2035
Crist	Coal	7	AUG 1973	DEC 2038
Scholz	Coal	1	MAR 1953	APR 2015
Scholz	Coal	2	OCT 1953	APR 2015
Smith	Coal	1	JUN 1965	APR 2016
Smith	Coal	2	JUN 1967	APR 2016
Daniel	Coal / Oil	1	SEP 1977	DEC 2042
Daniel	Coal / Oil	2	JUN 1981	DEC 2046
Scherer	Coal	3	JAN 1987	DEC 2052
OTHER PRODUCTION				
Smith Combustion Turbine	Gas	A	MAY 1971	DEC 2027
Smith Combined Cycle	C.C.	3	APR 2002	DEC 2042
Pace (Pea Ridge)	Gas	1	MAY 1998	DEC 2018
Perdido Landfill	Methane Gas	1	OCT 2010	DEC 2029

(1) Units will be retired on or before May 1, 2006 as part of an agreement with the Florida Department of Environmental Protection.

APPENDIX D-2 - Production Interim Retirement Ratios and Net Salvage

GULF POWER
Proposed Interim Retirement Rates and Interim Net Salvage
At December 31, 2016

Account	Description	Proposed Interim Retirement Ratio	Proposed Interim Net Salvage
All Units Except Scherer			
311	Structures and Improvement	0.21%	-10%
312	Boiler Plant Equipment	0.75%	-30%
314	Turbogenerator Equipment	1.08%	-30%
315	Accessory Electric Equipment	0.53%	-10%
316	Miscellaneous Power Plant Equipment	0.56%	-5%
Scherer			
311	Structures and Improvement	0.21%	-10%
312	Boiler Plant Equipment	0.75%	-30%
314	Turbogenerator Equipment	1.08%	-30%
315	Accessory Electric Equipment	0.53%	-10%
316	Miscellaneous Power Plant Equipment	0.56%	-5%
Combustion Turbines			
341	Structures and Improvements	2.20%	-5%
342	Fuel Holders	1.30%	-5%
343	Prime Movers	3.00%	-5%
344	Generators	0.25%	-5%
345	Accessory Electric Equipment	1.50%	-5%
346	Misc Power Plant Equipment	1.80%	-5%
Combined Cycle Turbines			
341	Structures and Improvements	2.20%	-5%
342	Fuel Holders	1.30%	-5%
343	Prime Movers	3.00%	-5%
344	Generators	0.25%	-5%
345	Accessory Electric Equipment	1.50%	-5%
346	Misc Power Plant Equipment	1.80%	-5%

APPENDIX E - Net Salvage Analysis

APPENDIX E-1 - Production Interim Retirement Ratio Analysis and Interim Net Salvage Analysis

GULF POWER
Production Interim Retirement and Interim Net Salvage Analyiss
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1981	Production Excluding ARO	421,850	9,363	113,237	(103,874)	-24.62%									
1982	Production Excluding ARO	1,647,246	111,433	392,090	(280,657)	-17.04%	-18.58%								
1983	Production Excluding ARO	2,639,895	93,225	828,537	(735,312)	-27.85%	-23.70%	-23.78%							
1984	Production Excluding ARO	3,610,444	195,307	431,556	(236,249)	-6.54%	-15.54%	-15.86%	-16.30%						
1985	Production Excluding ARO	3,781,871	131,573	848,640	(717,067)	-18.96%	-12.90%	-16.83%	-16.86%	-17.13%					
1986	Production Excluding ARO	3,143,870	24,356	724,415	(700,059)	-22.27%	-20.46%	-15.69%	-18.13%	-18.01%	-18.19%				
1987	Production Excluding ARO	3,501,713	15,162	845,803	(830,641)	-23.72%	-23.03%	-21.56%	-17.70%	-19.30%	-19.10%	-19.22%			
1988	Production Excluding ARO	5,455,544	64,801	476,385	(411,583)	-7.54%	-13.87%	-16.05%	-16.74%	-14.85%	-16.40%	-16.45%	-16.59%		
1989	Production Excluding ARO	6,100,196	469,085	870,732	(401,646)	-6.58%	-7.04%	-10.92%	-12.88%	-13.92%	-12.88%	-14.28%	-14.43%	-14.58%	
1990	Production Excluding ARO	8,386,850	188,856	1,826,975	(1,638,119)	-19.53%	-14.08%	-12.29%	-14.00%	-14.98%	-15.47%	-14.52%	-15.49%	-15.55%	-15.65%
1991	Production Excluding ARO	7,624,035	106,113	997,523	(891,410)	-11.69%	-15.80%	-13.26%	-12.13%	-13.43%	-14.24%	-14.71%	-14.01%	-14.83%	-14.91%
1992	Production Excluding ARO	1,033,681	195,148	413,900	(218,752)	-21.16%	-12.82%	-16.12%	-13.61%	-12.45%	-13.68%	-14.45%	-14.88%	-14.18%	-14.98%
1993	Production Excluding ARO	7,078,262	393,496	2,862,980	(2,469,485)	-34.89%	-33.14%	-22.75%	-21.63%	-18.59%	-16.90%	-17.51%	-17.87%	-17.96%	-17.13%
1994	Production Excluding ARO	10,885,104	113,349	3,268,697	(3,155,348)	-28.99%	-31.31%	-30.76%	-25.30%	-23.92%	-21.35%	-19.73%	-20.01%	-20.14%	-20.06%
1995	Production Excluding ARO	8,420,567	35,825	1,596,005	(1,560,180)	-18.53%	-24.43%	-27.23%	-27.00%	-23.67%	-22.87%	-20.87%	-19.54%	-19.79%	-19.92%
1996	Production Excluding ARO	10,162,352	216,671	1,441,516	(1,224,845)	-12.05%	-14.99%	-20.16%	-23.01%	-22.96%	-21.06%	-20.82%	-19.37%	-18.38%	-18.65%
1997	Production Excluding ARO	1,626,119	15,160	248,570	(233,410)	-14.35%	-12.37%	-14.94%	-19.86%	-22.64%	-22.60%	-20.83%	-20.63%	-19.23%	-18.28%
1998	Production Excluding ARO	2,831,929	11,535	1,832,883	(1,821,348)	-64.31%	-46.09%	-22.43%	-21.01%	-23.57%	-25.52%	-25.41%	-23.31%	-22.76%	-21.22%
1999	Production Excluding ARO	10,673,181	86,116	1,916,249	(1,830,133)	-17.15%	-27.04%	-25.67%	-20.20%	-19.78%	-22.03%	-23.79%	-23.74%	-22.22%	-21.89%
2000	Production Excluding ARO	6,416,363	610,276	2,332,998	(1,722,722)	-26.85%	-20.79%	-26.98%	-26.02%	-21.55%	-20.91%	-22.64%	-24.13%	-24.08%	-22.66%
2001	Production Excluding ARO	4,125,742	50,996	2,704,922	(2,653,926)	-64.33%	-41.52%	-29.26%	-33.38%	-32.18%	-26.47%	-24.96%	-25.76%	-26.79%	-26.70%
2002	Production Excluding ARO	14,582,749	310,474	4,225,754	(3,915,281)	-26.85%	-35.11%	-33.00%	-28.28%	-30.92%	-30.25%	-26.58%	-25.43%	-25.98%	-26.80%
2003	Production Excluding ARO	9,741,206	308,678	3,957,644	(3,648,966)	-37.46%	-31.10%	-35.92%	-34.25%	-30.24%	-32.23%	-31.65%	-28.34%	-27.14%	-27.39%
2004	Production Excluding ARO	7,336,958	88,832	1,632,363	(1,543,531)	-21.04%	-30.40%	-28.77%	-32.87%	-31.95%	-28.96%	-30.76%	-30.29%	-27.55%	-26.55%
2005	Production Excluding ARO	17,590,813	346,984	4,847,003	(4,500,019)	-25.58%	-24.24%	-27.96%	-27.63%	-30.47%	-30.08%	-28.12%	-29.52%	-29.19%	-27.14%
2006	Production Excluding ARO	16,269,755	798,620	2,980,102	(2,181,482)	-13.41%	-19.73%	-19.96%	-23.31%	-24.10%	-26.48%	-26.51%	-25.36%	-26.59%	-26.37%
2007	Production Excluding ARO	18,097,592	286,297	6,259,771	(5,973,474)	-33.01%	-23.73%	-24.36%	-23.95%	-25.85%	-26.03%	-27.83%	-27.76%	-26.68%	-27.67%
2008	Production Excluding ARO	12,501,010	1,329,573	7,902,127	(6,572,554)	-52.58%	-41.00%	-31.42%	-29.83%	-28.93%	-29.95%	-29.48%	-30.91%	-30.67%	-29.44%
2009	Production Excluding ARO	19,794,184	216,339	5,548,044	(5,331,705)	-26.94%	-36.86%	-35.48%	-30.09%	-29.15%	-28.50%	-29.36%	-29.04%	-30.26%	-30.08%
2010	Production Excluding ARO	12,004,716	299,685	2,229,989	(1,930,304)	-16.08%	-22.84%	-31.23%	-31.74%	-27.95%	-27.52%	-27.06%	-27.95%	-27.83%	-28.97%
2011	Production Excluding ARO	21,210,903	1,513,427	9,673,053	(8,159,627)	-38.47%	-30.38%	-29.09%	-33.57%	-33.45%	-30.19%	-29.50%	-29.00%	-29.61%	-29.34%
2012	Production Excluding ARO	21,624,054	841,703	17,790,003	(16,948,301)	-78.38%	-58.62%	-49.30%	-43.37%	-44.69%	-42.68%	-38.76%	-37.10%	-36.29%	-36.36%
2013	Production Excluding ARO	18,717,020	381,065	3,978,453	(3,597,389)	-19.22%	-50.93%	-46.64%	-41.65%	-38.53%	-40.19%	-39.14%	-36.15%	-34.98%	-34.36%
2014	Production Excluding ARO	10,403,093	981,400	3,834,703	(2,853,302)	-27.43%	-22.15%	-46.11%	-43.86%	-39.89%	-37.42%	-39.05%	-38.23%	-35.55%	-34.51%
1981	Steam Production Plant	421,850	9,363	113,237	(103,874)	-24.62%									
1982	Steam Production Plant	1,647,246	111,433	392,090	(280,657)	-17.04%	-18.58%								
1983	Steam Production Plant	2,639,895	93,225	828,537	(735,312)	-27.85%	-23.70%	-23.78%							
1984	Steam Production Plant	3,610,444	195,307	431,556	(236,249)	-6.54%	-15.54%	-15.86%	-16.30%						
1985	Steam Production Plant	3,781,871	131,573	848,640	(717,067)	-18.96%	-12.90%	-16.83%	-16.86%	-17.13%					
1986	Steam Production Plant	3,143,870	24,356	724,415	(700,059)	-22.27%	-20.46%	-15.69%	-18.13%	-18.01%	-18.19%				
1987	Steam Production Plant	3,501,713	15,162	845,803	(830,641)	-23.72%	-23.03%	-21.56%	-17.70%	-19.30%	-19.10%	-19.22%			
1988	Steam Production Plant	5,455,544	64,801	476,385	(411,583)	-7.54%	-13.87%	-16.05%	-16.74%	-14.85%	-16.40%	-16.45%	-16.59%		
1989	Steam Production Plant	6,100,196	469,085	870,732	(401,646)	-6.58%	-7.04%	-10.92%	-12.88%	-13.92%	-12.88%	-14.28%	-14.43%	-14.58%	
1990	Steam Production Plant	8,386,850	188,856	1,826,975	(1,638,119)	-19.53%	-14.08%	-12.29%	-14.00%	-14.98%	-15.47%	-14.52%	-15.49%	-15.55%	-15.65%
1991	Steam Production Plant	7,624,035	106,113	997,523	(891,410)	-11.69%	-15.80%	-13.26%	-12.13%	-13.43%	-14.24%	-14.71%	-14.01%	-14.83%	-14.91%
1992	Steam Production Plant	1,033,681	195,148	413,900	(218,752)	-21.16%	-12.82%	-16.12%	-13.61%	-12.45%	-13.68%	-14.45%	-14.88%	-14.18%	-14.98%
1993	Steam Production Plant	7,078,262	393,496	2,862,980	(2,469,485)	-34.89%	-33.14%	-22.75%	-21.63%	-18.59%	-16.90%	-17.51%	-17.87%	-17.96%	-17.13%
1994	Steam Production Plant	10,885,104	113,349	3,268,697	(3,155,348)	-28.99%	-31.31%	-30.76%	-25.30%	-23.92%	-21.35%	-19.73%	-20.01%	-20.14%	-20.06%
1995	Steam Production Plant	8,420,567	35,825	1,596,005	(1,560,180)	-18.53%	-24.43%	-27.23%	-27.00%	-23.67%	-22.87%	-20.87%	-19.54%	-19.79%	-19.92%
1996	Steam Production Plant	10,162,352	216,671	1,441,516	(1,224,845)	-12.05%	-14.99%	-20.16%	-23.01%	-22.96%	-21.06%	-20.82%	-19.37%	-18.38%	-18.65%
1997	Steam Production Plant	1,626,118	15,160	248,570	(233,410)	-14.35%	-12.37%	-14.94%	-19.86%	-22.64%	-22.60%	-20.83%	-20.63%	-19.23%	-18.28%
1998	Steam Production Plant	2,831,930	11,535	1,832,883	(1,821,348)	-64.31%	-46.09%	-22.43%	-21.01%	-23.57%	-25.52%	-25.41%	-23.31%	-22.76%	-21.22%
1999	Steam Production Plant	10,673,812	86,116	1,916,249	(1,830,133)	-17.15%	-27.04%	-25.67%	-20.20%	-19.78%	-22.03%	-23.79%	-23.74%	-22.22%	-21.89%
2000	Steam Production Plant	6,416,363	610,276	2,332,998	(1,722,722)	-26.85%	-20.79%	-26.98%	-26.02%	-21.55%	-20.91%	-22.64%	-24.13%	-24.08%	-22.66%

GULF POWER
Production Interim Retirement and Interim Net Salvage Analyiss
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2001	Steam Production Plant	4,026,491	50,996	2,704,922	(2,653,926)	-65.91%	-41.91%	-29.39%	-33.52%	-32.30%	-26.54%	-25.02%	-25.80%	-26.84%	-26.74%
2002	Steam Production Plant	14,582,749	310,474	4,225,754	(3,915,281)	-26.85%	-35.30%	-33.13%	-28.35%	-31.00%	-30.32%	-26.63%	-25.47%	-26.02%	-26.84%
2003	Steam Production Plant	9,741,206	308,678	3,957,644	(3,648,966)	-37.46%	-31.10%	-36.04%	-34.35%	-30.31%	-32.30%	-31.72%	-28.39%	-27.18%	-27.42%
2004	Steam Production Plant	7,336,958	88,832	1,632,363	(1,543,531)	-21.04%	-30.40%	-28.77%	-32.96%	-32.03%	-29.02%	-30.81%	-30.35%	-27.59%	-26.58%
2005	Steam Production Plant	17,590,812	346,984	4,847,003	(4,500,019)	-25.58%	-24.24%	-27.96%	-27.63%	-30.52%	-30.13%	-28.16%	-29.56%	-29.23%	-27.17%
2006	Steam Production Plant	16,269,755	798,621	2,980,102	(2,181,481)	-13.41%	-19.73%	-19.96%	-23.31%	-24.10%	-26.52%	-26.55%	-25.39%	-26.62%	-26.40%
2007	Steam Production Plant	18,349,337	286,297	6,259,978	(5,973,681)	-32.56%	-23.56%	-24.24%	-23.84%	-25.76%	-25.95%	-27.78%	-27.72%	-26.64%	-27.63%
2008	Steam Production Plant	12,620,134	1,329,574	7,901,935	(6,572,361)	-52.08%	-40.51%	-31.18%	-29.66%	-28.78%	-29.81%	-29.37%	-30.83%	-30.59%	-29.37%
2009	Steam Production Plant	19,897,978	216,339	5,547,820	(5,331,481)	-26.79%	-36.61%	-35.15%	-29.88%	-28.99%	-28.35%	-29.22%	-28.93%	-30.16%	-30.00%
2010	Steam Production Plant	13,035,707	299,685	2,229,989	(1,930,304)	-14.81%	-22.05%	-30.37%	-31.00%	-27.43%	-27.10%	-26.67%	-27.59%	-27.50%	-28.66%
2011	Steam Production Plant	21,815,120	1,513,427	9,673,053	(8,159,627)	-37.40%	-28.95%	-28.17%	-32.65%	-32.63%	-29.56%	-28.98%	-28.52%	-29.15%	-28.93%
2012	Steam Production Plant	21,637,090	841,703	17,790,003	(16,948,301)	-78.33%	-57.78%	-47.87%	-42.38%	-43.75%	-41.84%	-38.10%	-36.54%	-35.77%	-35.88%
2013	Steam Production Plant	19,355,436	381,065	3,978,453	(3,597,389)	-18.59%	-50.12%	-45.70%	-40.39%	-37.57%	-39.26%	-38.29%	-35.46%	-34.37%	-33.79%
2014	Steam Production Plant	10,664,171	981,400	3,834,703	(2,853,302)	-26.76%	-21.49%	-45.30%	-42.95%	-38.71%	-36.48%	-38.14%	-37.39%	-34.85%	-33.90%
1994	311 - Structure & Improvements	787,308	13,023	1,919,867	(1,906,844)	-242.20%									
1995	311 - Structure & Improvements	143,694	1,407	137,109	(135,703)	-94.44%	-219.39%								
1996	311 - Structure & Improvements	733,828	70,732	79,535	(8,803)	-1.20%	-16.47%	-123.22%							
1997	311 - Structure & Improvements	285,810	-	8,615	(8,615)	-3.01%	-1.71%	-13.16%	-105.60%						
1998	311 - Structure & Improvements	108,743	990	11,826	(10,836)	-9.96%	-4.93%	-2.50%	-12.89%	-100.55%					
1999	311 - Structure & Improvements	499,433	-	86,644	(86,644)	-17.35%	-16.03%	-11.87%	-7.06%	-14.15%	-84.31%				
2000	311 - Structure & Improvements	246,555	813	28,781	(27,969)	-11.34%	-15.36%	-14.68%	-11.75%	-7.62%	-13.80%	-77.90%			
2001	311 - Structure & Improvements	51,903	-	311,975	(311,975)	-601.08%	-113.90%	-53.46%	-48.25%	-37.41%	-23.61%	-28.53%	-87.40%		
2002	311 - Structure & Improvements	563,694	-	121,282	(121,282)	-21.52%	-70.38%	-53.50%	-40.24%	-38.00%	-32.30%	-23.14%	-27.03%	-76.55%	
2003	311 - Structure & Improvements	125,341	-	1,106,427	(1,106,427)	-882.73%	-178.18%	-207.80%	-158.75%	-111.26%	-104.35%	-88.96%	-64.33%	-65.90%	-105.04%
2004	311 - Structure & Improvements	2,038,837	-	67,145	(67,145)	-3.29%	-54.23%	-47.47%	-57.80%	-54.02%	-48.82%	-47.66%	-44.41%	-37.59%	-39.30%
2005	311 - Structure & Improvements	637,726	-	654,727	(654,727)	-102.67%	-26.97%	-65.25%	-57.93%	-66.18%	-62.49%	-57.07%	-55.87%	-52.56%	-45.44%
2006	311 - Structure & Improvements	77,333	-	(20,043)	20,043	25.92%	-88.76%	-25.48%	-62.80%	-56.04%	-64.14%	-60.66%	-55.56%	-54.42%	-51.25%
2007	311 - Structure & Improvements	776,592	-	221,221	(221,221)	-28.49%	-23.56%	-57.38%	-26.15%	-55.51%	-50.97%	-57.66%	-55.13%	-51.37%	-50.49%
2008	311 - Structure & Improvements	526,445	-	42,762	(42,762)	-8.12%	-20.26%	-17.67%	-44.53%	-23.81%	-49.55%	-46.22%	-52.22%	-50.22%	-47.26%
2009	311 - Structure & Improvements	430,229	-	1,957,946	(1,957,946)	-455.09%	-209.13%	-128.19%	-121.61%	-116.68%	-65.16%	-87.38%	-80.20%	-85.37%	-82.04%
2010	311 - Structure & Improvements	855,259	-	(1,101,233)	1,101,233	128.76%	-66.64%	-49.64%	-43.29%	-41.29%	-53.14%	-34.11%	-53.57%	-50.57%	-55.27%
2011	311 - Structure & Improvements	1,516,986	-	(30,043)	30,043	1.98%	47.69%	-29.50%	-26.12%	-26.57%	-25.60%	-35.79%	-26.13%	-41.50%	-40.01%
2012	311 - Structure & Improvements	299,316	-	44,560	(44,560)	-14.89%	-0.80%	40.68%	-28.09%	-25.19%	-25.77%	-24.88%	-34.57%	-25.66%	-40.41%
2013	311 - Structure & Improvements	106,209	-	20,301	(20,301)	-19.11%	-15.99%	-1.81%	38.39%	-27.79%	-25.02%	-25.62%	-24.75%	-34.26%	-25.57%
2014	311 - Structure & Improvements	235,179	(782)	12,311	(13,093)	-5.57%	-9.78%	-12.17%	-2.22%	34.96%	-26.27%	-23.87%	-24.62%	-23.81%	-33.02%
	Average Retirement	546,127													
	PIS	248,629,180													
	IRR	0.2197%													
1994	312 - Boiler Plant Equipment	9,158,586	95,674	1,126,642	(1,030,968)	-11.26%									
1995	312 - Boiler Plant Equipment	7,297,326	34,419	1,192,484	(1,158,065)	-15.87%	-13.30%								
1996	312 - Boiler Plant Equipment	7,091,155	144,859	996,210	(851,351)	-12.01%	-13.97%	-12.91%							
1997	312 - Boiler Plant Equipment	980,908	10,500	195,657	(185,157)	-18.88%	-12.84%	-14.28%	-13.15%						
1998	312 - Boiler Plant Equipment	1,496,005	6,175	1,490,570	(1,484,395)	-99.22%	-67.40%	-26.35%	-21.81%	-18.10%					
1999	312 - Boiler Plant Equipment	9,273,992	48,573	1,607,446	(1,558,873)	-16.81%	-28.26%	-27.47%	-21.65%	-20.04%	-17.76%				
2000	312 - Boiler Plant Equipment	5,370,359	417,924	2,052,761	(1,634,837)	-30.44%	-21.81%	-28.98%	-28.40%	-23.60%	-21.81%	-19.43%			
2001	312 - Boiler Plant Equipment	3,486,889	18,996	2,294,544	(2,275,548)	-65.26%	-44.15%	-30.16%	-35.43%	-34.64%	-28.85%	-26.14%	-23.05%		
2002	312 - Boiler Plant Equipment	11,316,705	155,338	3,296,300	(3,140,963)	-27.76%	-36.59%	-34.95%	-29.24%	-32.62%	-32.20%	-28.53%	-26.53%	-24.01%	
2003	312 - Boiler Plant Equipment	7,424,173	255,114	2,724,490	(2,469,376)	-33.26%	-29.94%	-35.48%	-34.50%	-30.05%	-32.75%	-32.40%	-29.29%	-27.46%	-25.10%
2004	312 - Boiler Plant Equipment	(6,327)	88,832	52,221	36,611	-578.67%	-32.80%	-29.75%	-35.32%	-34.37%	-29.95%	-32.66%	-32.31%	-29.21%	-27.40%
2005	312 - Boiler Plant Equipment	14,293,704	258,712	4,592,485	(4,333,772)	-30.32%	-30.08%	-31.17%	-30.00%	-33.36%	-32.99%	-30.06%	-32.02%	-31.78%	-29.47%
2006	312 - Boiler Plant Equipment	6,766,226	371,034	2,072,154	(1,701,120)	-25.14%	-28.66%	-28.49%	-29.73%	-29.17%	-32.08%	-31.90%	-29.48%	-31.24%	-31.04%
2007	312 - Boiler Plant Equipment	11,764,370	166,954	4,564,569	(4,397,614)	-37.38%	-32.91%	-31.78%	-31.68%	-31.97%	-31.04%	-33.21%	-32.97%	-30.82%	-32.25%

GULF POWER
Production Interim Retirement and Interim Net Salvage Analyiss
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Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2008	312 - Boiler Plant Equipment	7,681,069	618,122	5,940,565	(5,322,442)	-69.29%	-49.99%	-43.57%	-38.90%	-38.81%	-37.95%	-36.00%	-37.63%	-37.06%	-34.64%
2009	312 - Boiler Plant Equipment	18,055,310	171,927	2,317,096	(2,145,168)	-11.88%	-29.02%	-31.64%	-30.65%	-30.57%	-30.51%	-30.82%	-30.37%	-31.88%	-31.79%
2010	312 - Boiler Plant Equipment	4,073,597	289,470	1,743,494	(1,454,024)	-35.69%	-16.26%	-29.93%	-32.04%	-31.07%	-30.90%	-30.84%	-31.10%	-30.64%	-32.06%
2011	312 - Boiler Plant Equipment	16,605,451	1,340,397	7,147,791	(5,807,394)	-34.97%	-35.11%	-24.28%	-31.73%	-32.88%	-32.07%	-31.75%	-31.71%	-31.84%	-31.37%
2012	312 - Boiler Plant Equipment	12,306,073	526,599	12,357,219	(11,830,620)	-96.14%	-61.01%	-57.88%	-41.61%	-45.23%	-43.92%	-42.28%	-40.41%	-40.37%	-39.84%
2013	312 - Boiler Plant Equipment	17,318,694	395,218	3,502,099	(3,106,881)	-17.94%	-50.42%	-44.87%	-44.13%	-35.61%	-39.01%	-38.80%	-37.82%	-36.83%	-36.80%
2014	312 - Boiler Plant Equipment	8,214,661	951,911	3,491,553	(2,539,641)	-30.92%	-22.11%	-46.19%	-42.77%	-42.27%	-35.11%	-38.22%	-38.12%	-37.27%	-36.42%
	Average Retirement	11,707,915													
	PIS	1,558,536,473													
	IRR	0.7512%													
1994	314 - Turbogenerator Units	723,398	1,902	218,096	(216,194)	-29.89%									
1995	314 - Turbogenerator Units	657,091	-	260,480	(260,480)	-39.64%	-34.53%								
1996	314 - Turbogenerator Units	1,739,556	-	126,437	(126,437)	-7.27%	-16.14%	-19.33%							
1997	314 - Turbogenerator Units	146,000	-	10,680	(10,680)	-7.31%	-7.27%	-15.64%	-18.79%						
1998	314 - Turbogenerator Units	1,045,045	-	268,813	(268,813)	-25.72%	-23.47%	-13.85%	-18.57%	-20.47%					
1999	314 - Turbogenerator Units	660,155	27,542	187,372	(159,830)	-24.21%	-25.14%	-23.73%	-15.76%	-19.45%	-20.97%				
2000	314 - Turbogenerator Units	404,288	189,572	232,690	(43,118)	-10.67%	-19.07%	-22.36%	-21.39%	-15.24%	-18.69%	-20.19%			
2001	314 - Turbogenerator Units	167,999	32,000	74,945	(42,945)	-25.56%	-15.04%	-19.95%	-22.60%	-21.68%	-15.66%	-18.93%	-20.36%		
2002	314 - Turbogenerator Units	1,996,989	155,136	793,382	(638,246)	-31.96%	-31.46%	-28.19%	-27.38%	-26.97%	-26.32%	-20.94%	-22.74%	-23.43%	
2003	314 - Turbogenerator Units	1,716,763	53,564	72,781	(19,217)	-1.12%	-17.70%	-18.04%	-17.35%	-18.26%	-19.56%	-19.27%	-16.62%	-18.39%	-19.29%
2004	314 - Turbogenerator Units	4,790,385	-	1,353,020	(1,353,020)	-28.24%	-21.09%	-23.64%	-23.68%	-23.10%	-23.17%	-23.42%	-23.21%	-21.02%	-21.94%
2005	314 - Turbogenerator Units	218,391	68,733	(402,154)	470,887	215.62%	-17.61%	-13.40%	-17.65%	-17.80%	-17.49%	-17.94%	-18.68%	-18.53%	-17.01%
2006	314 - Turbogenerator Units	6,909,778	418,449	873,446	(454,998)	-6.58%	0.22%	-11.22%	-9.95%	-12.76%	-12.90%	-12.84%	-13.29%	-14.01%	-13.96%
2007	314 - Turbogenerator Units	4,410,652	118,926	1,345,525	(1,226,599)	-27.81%	-14.85%	-10.49%	-15.70%	-14.31%	-16.07%	-16.15%	-16.04%	-16.30%	-16.74%
2008	314 - Turbogenerator Units	1,141,101	709,908	1,855,080	(1,145,173)	-100.36%	-42.72%	-22.68%	-18.58%	-21.23%	-19.43%	-20.61%	-20.65%	-20.46%	-20.58%
2009	314 - Turbogenerator Units	838,520	44,412	1,141,819	(1,097,408)	-130.87%	-113.28%	-54.29%	-29.50%	-25.55%	-26.25%	-24.10%	-24.81%	-24.82%	-24.56%
2010	314 - Turbogenerator Units	6,249,585	10,215	1,539,471	(1,529,255)	-24.47%	-37.06%	-45.83%	-39.55%	-27.90%	-25.21%	-25.80%	-24.19%	-24.73%	-24.74%
2011	314 - Turbogenerator Units	2,304,259	130,908	2,422,102	(2,291,194)	-99.43%	-44.66%	-52.36%	-57.56%	-48.78%	-35.44%	-32.95%	-32.11%	-30.25%	-30.36%
2012	314 - Turbogenerator Units	8,935,933	315,103	5,304,437	(4,989,334)	-55.83%	-64.77%	-50.37%	-54.05%	-56.77%	-51.42%	-41.36%	-39.55%	-38.04%	-36.35%
2013	314 - Turbogenerator Units	1,158,638	2,775	192,916	(190,141)	-16.41%	-51.31%	-60.25%	-48.26%	-51.82%	-54.50%	-49.80%	-40.45%	-38.71%	-37.36%
2014	314 - Turbogenerator Units	1,398,230	6,771	196,432	(189,661)	-13.56%	-14.85%	-46.72%	-55.52%	-45.84%	-49.26%	-51.90%	-47.88%	-39.33%	-37.67%
	Average Retirement	3,356,509													
	PIS	311,048,014													
	IRR	1.0791%													
1994	315 - Accessory Electric Equipment	79,955	-	283	(283)	-0.35%									
1995	315 - Accessory Electric Equipment	114,270	-	5,850	(5,850)	-5.12%	-3.16%								
1996	315 - Accessory Electric Equipment	564,112	-	239,339	(239,339)	-42.43%	-36.14%	-32.37%							
1997	315 - Accessory Electric Equipment	159,848	-	33,619	(33,619)	-21.03%	-37.70%	-33.26%	-30.40%						
1998	315 - Accessory Electric Equipment	164,139	4,000	61,422	(57,422)	-34.98%	-28.10%	-37.20%	-33.54%	-31.09%					
1999	315 - Accessory Electric Equipment	85,734	-	33,707	(33,707)	-39.32%	-36.47%	-30.45%	-37.39%	-34.00%	-31.70%				
2000	315 - Accessory Electric Equipment	292,477	-	3,275	(3,275)	-1.12%	-9.78%	-17.41%	-18.23%	-29.01%	-27.03%	-25.57%			
2001	315 - Accessory Electric Equipment	17,822	-	2,936	(2,936)	-16.47%	-2.00%	-10.08%	-17.38%	-18.19%	-28.84%	-26.90%	-25.46%		
2002	315 - Accessory Electric Equipment	136,803	-	14,711	(14,711)	-10.75%	-11.41%	-4.68%	-10.25%	-16.08%	-17.00%	-27.10%	-25.46%	-24.22%	
2003	315 - Accessory Electric Equipment	407,103	-	27,667	(27,667)	-6.80%	-7.79%	-8.07%	-5.69%	-8.76%	-12.65%	-13.71%	-22.57%	-21.55%	-20.71%
2004	315 - Accessory Electric Equipment	375,020	-	153,983	(153,983)	-41.06%	-23.23%	-21.37%	-21.28%	-16.48%	-17.97%	-19.86%	-19.97%	-25.72%	-24.71%
2005	315 - Accessory Electric Equipment	2,417,945	17,644	25,210	(7,566)	-0.31%	-5.78%	-5.91%	-6.11%	-6.17%	-5.76%	-6.53%	-7.73%	-8.25%	-12.43%
2006	315 - Accessory Electric Equipment	2,445,073	-	54,336	(54,336)	-2.22%	-1.27%	-4.12%	-4.31%	-4.47%	-4.50%	-4.34%	-4.83%	-5.61%	-5.99%
2007	315 - Accessory Electric Equipment	1,050,657	-	127,916	(127,916)	-12.17%	-5.21%	-3.21%	-5.47%	-5.55%	-5.65%	-5.68%	-5.49%	-5.89%	-6.54%
2008	315 - Accessory Electric Equipment	3,136,935	-	46,533	(46,533)	-1.48%	-4.17%	-3.45%	-2.61%	-4.14%	-4.25%	-4.34%	-4.36%	-4.27%	-4.56%
2009	315 - Accessory Electric Equipment	418,477	-	108,254	(108,254)	-25.87%	-4.35%	-6.14%	-4.78%	-3.64%	-5.06%	-5.13%	-5.21%	-5.23%	-5.11%
2010	315 - Accessory Electric Equipment	622,478	-	51,324	(51,324)	-8.25%	-15.33%	-4.93%	-6.39%	-5.06%	-3.92%	-5.25%	-5.31%	-5.38%	-5.40%
2011	315 - Accessory Electric Equipment	776,929	16,928	103,795	(86,866)	-11.18%	-9.87%	-13.56%	-5.91%	-7.01%	-5.62%	-4.44%	-5.66%	-5.70%	-5.76%

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Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2012	315 - Accessory Electric Equipment	36,292	-	81,184	(81,184)	-223.70%	-20.66%	-15.28%	-17.67%	-7.50%	-8.31%	-6.56%	-5.17%	-6.37%	-6.38%
2013	315 - Accessory Electric Equipment	69,579	(16,928)	259,651	(276,579)	-397.50%	-337.92%	-50.37%	-32.95%	-31.41%	-12.86%	-12.74%	-9.74%	-7.66%	-8.76%
2014	315 - Accessory Electric Equipment	284,989	23,500	99,509	(76,009)	-26.67%	-99.44%	-110.98%	-44.58%	-31.95%	-30.80%	-13.60%	-13.36%	-10.28%	-8.14%
	Average Retirement	1,125,935													
	PIS	214,053,764													
	IRR	0.5260%													
1994	316 - Misc Power Plant Equipment	135,856	2,750	3,810	(1,060)	-0.78%									
1995	316 - Misc Power Plant Equipment	208,186	-	82	(82)	-0.04%	-0.33%								
1996	316 - Misc Power Plant Equipment	33,701	1,079	(5)	1,085	3.22%	0.41%	-0.01%							
1997	316 - Misc Power Plant Equipment	53,553	4,660	-	4,660	8.70%	6.58%	1.92%	1.07%						
1998	316 - Misc Power Plant Equipment	17,997	370	252	118	0.66%	6.68%	5.57%	1.84%	1.05%					
1999	316 - Misc Power Plant Equipment	153,867	10,000	1,079	8,921	5.80%	5.26%	6.08%	5.71%	3.15%	2.26%				
2000	316 - Misc Power Plant Equipment	102,684	1,968	15,490	(13,523)	-13.17%	-1.79%	-1.63%	0.05%	0.35%	0.21%	0.02%			
2001	316 - Misc Power Plant Equipment	401,130	-	20,522	(20,522)	-5.12%	-6.76%	-3.82%	-3.70%	-2.79%	-2.52%	-1.99%	-1.84%		
2002	316 - Misc Power Plant Equipment	568,557	-	79	(79)	-0.01%	-2.12%	-3.18%	-2.06%	-2.02%	-1.57%	-1.45%	-1.26%	-1.22%	
2003	316 - Misc Power Plant Equipment	67,827	-	26,279	(26,279)	-38.74%	-4.14%	-4.52%	-5.30%	-3.98%	-3.91%	-3.42%	-3.26%	-2.84%	-2.68%
2004	316 - Misc Power Plant Equipment	139,043	-	5,995	(5,995)	-4.31%	-15.60%	-4.17%	-4.49%	-5.19%	-4.01%	-3.95%	-3.50%	-3.36%	-2.96%
2005	316 - Misc Power Plant Equipment	23,047	1,895	(23,264)	25,160	109.17%	11.82%	-3.09%	-0.90%	-2.31%	-3.17%	-2.22%	-2.18%	-1.80%	-1.69%
2006	316 - Misc Power Plant Equipment	71,345	9,138	208	8,930	12.52%	36.11%	12.03%	0.60%	0.20%	-1.48%	-2.35%	-1.53%	-1.51%	-1.16%
2007	316 - Misc Power Plant Equipment	95,321	417	540	(123)	-0.13%	5.28%	17.90%	8.51%	0.43%	0.17%	-1.38%	-2.21%	-1.45%	-1.43%
2008	316 - Misc Power Plant Equipment	15,459	1,543	17,187	(15,644)	-101.20%	-14.23%	-3.75%	8.93%	3.58%	-3.39%	-1.43%	-2.50%	-3.24%	-2.39%
2009	316 - Misc Power Plant Equipment	51,648	-	22,930	(22,930)	-44.40%	-57.48%	-23.82%	-12.73%	-1.79%	-2.68%	-7.95%	-3.58%	-4.01%	-4.62%
2010	316 - Misc Power Plant Equipment	203,797	-	(3,066)	3,066	1.50%	-7.78%	-13.11%	-9.73%	-6.10%	-0.33%	-1.26%	-5.07%	-2.74%	-3.32%
2011	316 - Misc Power Plant Equipment	7,279	25,193	29,409	(4,215)	-57.91%	-0.54%	-9.16%	-14.28%	-10.67%	-6.95%	-1.23%	-1.94%	-5.64%	-3.07%
2012	316 - Misc Power Plant Equipment	46,441	-	2,604	(2,604)	-5.61%	-12.69%	-1.46%	-8.63%	-13.04%	-10.11%	-6.82%	-1.63%	-2.20%	-5.63%
2013	316 - Misc Power Plant Equipment	63,900	-	3,487	(3,487)	-5.46%	-5.52%	-8.76%	-2.25%	-8.09%	-11.79%	-9.49%	-6.67%	-2.05%	-2.49%
2014	316 - Misc Power Plant Equipment	270,034	-	34,898	(34,898)	-12.92%	-11.49%	-10.78%	-11.66%	-7.12%	-10.12%	-12.26%	-10.72%	-8.71%	-5.51%
	Average Retirement	84,827													
	PIS	15,059,895													
	IRR	0.5633%													
1981	Other Production	-	-	-	-	NA									
1982	Other Production	222,500	1,000	22,345	(21,345)	-9.59%	-9.59%								
1983	Other Production	-	-	-	-	NA	-9.59%	-9.59%							
1984	Other Production	-	-	-	-	NA	NA	-9.59%	-9.59%						
1985	Other Production	633	-	-	-	0.00%	0.00%	0.00%	-9.57%	-9.57%					
1986	Other Production	42,200	-	-	-	0.00%	0.00%	0.00%	0.00%	-8.04%	-8.04%				
1987	Other Production	-	-	-	-	NA	0.00%	0.00%	0.00%	0.00%	-8.04%	-8.04%			
1988	Other Production	-	-	-	-	NA	NA	0.00%	0.00%	0.00%	0.00%	-8.04%	-8.04%		
1989	Other Production	-	-	-	-	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	-8.04%	-8.04%	
1990	Other Production	10,228	-	200	(200)	-1.96%	-1.96%	-1.96%	-1.96%	-0.38%	-0.38%	-0.38%	-0.38%	-7.82%	-7.82%
1991	Other Production	7,923	-	-	-	0.00%	-1.10%	-1.10%	-1.10%	-1.10%	-0.33%	-0.33%	-0.33%	-0.33%	-7.60%
1992	Other Production	(7,923)	-	-	-	0.00%	NA	-1.96%	-1.96%	-1.96%	-1.96%	-0.38%	-0.38%	-0.38%	-0.38%
1993	Other Production	13,446	-	2,981	(2,981)	-22.17%	-53.97%	-22.17%	-13.44%	-13.44%	-13.44%	-13.44%	-4.83%	-4.78%	-4.78%
1994	Other Production	683	-	96	(96)	-14.02%	-21.78%	-49.58%	-21.78%	-13.45%	-13.45%	-13.45%	-13.45%	-4.92%	-4.88%
1995	Other Production	2,074	-	(1)	1	0.03%	-3.45%	-18.99%	-37.15%	-18.99%	-12.40%	-12.40%	-12.40%	-12.40%	-4.77%
1996	Other Production	-	-	-	-	NA	0.03%	-3.45%	-18.99%	-37.15%	-18.99%	-12.40%	-12.40%	-12.40%	-12.40%
1997	Other Production	-	-	-	-	NA	NA	0.03%	-3.45%	-18.99%	-37.15%	-18.99%	-12.40%	-12.40%	-12.40%
1998	Other Production	16,574	-	-	-	0.00%	0.00%	0.00%	0.00%	-0.49%	-9.39%	-12.38%	-9.39%	-7.62%	-7.62%
1999	Other Production	-	-	-	-	NA	0.00%	0.00%	0.00%	0.00%	-0.49%	-9.39%	-12.38%	-9.39%	-7.62%
2000	Other Production	-	-	-	-	NA	NA	0.00%	0.00%	0.00%	0.00%	-0.49%	-9.39%	-12.38%	-9.39%
2001	Other Production	-	-	-	-	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	-0.49%	-9.39%	-12.38%
2002	Other Production	-	-	-	-	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	-0.49%	-9.39%

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Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2003	Other Production	-	-	10,899	(10,899)	NA	NA	NA	NA	NA	-65.76%	-65.76%	-65.76%	-58.44%	-56.88%
2004	Other Production	3,035,628	-	236,247	(236,247)	-7.78%	-8.14%	-8.14%	-8.14%	-8.14%	-8.14%	-8.10%	-8.10%	-8.10%	-8.09%
2005	Other Production	17,614,936	-	1,630,525	(1,630,525)	-9.26%	-9.04%	-9.09%	-9.09%	-9.09%	-9.09%	-9.09%	-9.09%	-9.09%	-9.09%
2006	Other Production	7,738,683	-	(1,232,583)	1,232,583	15.93%	-1.57%	-2.23%	-2.27%	-2.27%	-2.27%	-2.27%	-2.27%	-2.27%	-2.27%
2007	Other Production	14,249,350	-	809,665	(809,665)	-5.68%	1.92%	-3.05%	-3.39%	-3.41%	-3.41%	-3.41%	-3.41%	-3.41%	-3.41%
2008	Other Production	777,766	-	22,270	(22,270)	-2.86%	-5.54%	1.76%	-3.05%	-3.38%	-3.40%	-3.40%	-3.40%	-3.40%	-3.40%
2009	Other Production	177,530	-	272,612	(272,612)	-153.56%	-30.87%	-7.26%	0.56%	-3.70%	-3.99%	-4.01%	-4.01%	-4.01%	-4.01%
2010	Other Production	20,655,108	4,590,645	2,705,769	1,884,876	9.13%	7.74%	7.36%	2.18%	4.62%	0.62%	0.23%	0.21%	0.21%	0.21%
2011	Other Production	2,423,189	38,737	76,208	(37,471)	-1.55%	8.00%	6.77%	6.46%	1.94%	4.29%	0.54%	0.16%	0.15%	0.15%
2012	Other Production	1,337,860	-	172,995	(172,995)	-12.93%	-5.60%	6.86%	5.70%	5.44%	1.44%	3.81%	0.26%	-0.09%	-0.11%
2013	Other Production	20,720,394	-	1,865,500	(1,865,500)	-9.00%	-9.24%	-8.48%	-0.42%	-1.02%	-1.05%	-2.15%	-0.09%	-1.98%	-2.17%
2014	Other Production	1,451,547	-	143,361	(143,361)	-9.88%	-9.06%	-9.28%	-8.56%	-0.72%	-1.30%	-1.32%	-2.33%	-0.30%	-2.11%
1981	341 - Structures & Improvements														
1982	341 - Structures & Improvements	-	-	-	-	NA									
1983	341 - Structures & Improvements	-	-	-	-	NA	NA								
1984	341 - Structures & Improvements	-	-	-	-	NA	NA	NA							
1985	341 - Structures & Improvements	633	-	-	-	0.00%	0.00%	0.00%	0.00%						
1986	341 - Structures & Improvements	42,200	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%					
1987	341 - Structures & Improvements	-	-	-	-	NA	0.00%	0.00%	0.00%	0.00%	0.00%				
1988	341 - Structures & Improvements	-	-	-	-	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%			
1989	341 - Structures & Improvements	-	-	-	-	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%		
1990	341 - Structures & Improvements	-	-	-	-	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	
1991	341 - Structures & Improvements	-	-	-	-	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
1992	341 - Structures & Improvements	-	-	-	-	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
1993	341 - Structures & Improvements	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%
1994	341 - Structures & Improvements	683	-	96	(96)	-14.02%	-14.02%	-14.02%	-14.02%	-14.02%	-14.02%	-14.02%	-14.02%	-0.22%	-0.22%
1995	341 - Structures & Improvements	2,074	-	(1)	1	0.03%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%	-0.21%
1996	341 - Structures & Improvements	-	-	-	-	NA	0.03%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%
1997	341 - Structures & Improvements	-	-	-	-	NA	NA	0.03%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%	-3.45%
1998	341 - Structures & Improvements	14,083	-	-	-	0.00%	0.00%	0.00%	0.00%	-0.56%	-0.56%	-0.56%	-0.56%	-0.56%	-0.56%
1999	341 - Structures & Improvements	-	-	-	-	NA	0.00%	0.00%	0.00%	0.00%	-0.56%	-0.56%	-0.56%	-0.56%	-0.56%
2000	341 - Structures & Improvements	-	-	-	-	NA	NA	0.00%	0.00%	0.00%	0.00%	-0.56%	-0.56%	-0.56%	-0.56%
2001	341 - Structures & Improvements	-	-	-	-	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	-0.56%	-0.56%	-0.56%
2002	341 - Structures & Improvements	-	-	-	-	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	-0.56%	-0.56%
2003	341 - Structures & Improvements	-	-	-	-	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	-0.56%
2004	341 - Structures & Improvements	-	-	-	-	NA	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%
2005	341 - Structures & Improvements	55,888	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2006	341 - Structures & Improvements	-	-	480	(480)	NA	-0.86%	-0.86%	-0.86%	-0.86%	-0.86%	-0.86%	-0.86%	-0.69%	-0.69%
2007	341 - Structures & Improvements	-	-	35,174	(35,174)	NA	NA	-63.80%	-63.80%	-63.80%	-63.80%	-63.80%	-63.80%	-63.80%	-50.96%
2008	341 - Structures & Improvements	66,193	-	13,117	(13,117)	-19.82%	-72.95%	-73.68%	-39.95%	-39.95%	-39.95%	-39.95%	-39.95%	-39.95%	-39.95%
2009	341 - Structures & Improvements	113,763	-	175,261	(175,261)	-154.06%	-104.68%	-124.23%	-124.49%	-94.99%	-94.99%	-94.99%	-94.99%	-94.99%	-94.99%
2010	341 - Structures & Improvements	669,544	-	238,000	(238,000)	-35.55%	-52.76%	-50.19%	-54.33%	-54.39%	-51.03%	-51.03%	-51.03%	-51.03%	-51.03%
2011	341 - Structures & Improvements	1,297,654	-	43,371	(43,371)	-3.34%	-14.30%	-21.94%	-21.88%	-23.52%	-23.54%	-22.94%	-22.94%	-22.94%	-22.94%
2012	341 - Structures & Improvements	1,022,063	-	151,021	(151,021)	-14.78%	-8.38%	-14.46%	-19.58%	-19.59%	-20.70%	-20.71%	-20.35%	-20.35%	-20.35%
2013	341 - Structures & Improvements	300,805	-	-	-	0.00%	-11.42%	-7.42%	-13.14%	-17.85%	-17.89%	-18.90%	-18.92%	-18.62%	-18.62%
2014	341 - Structures & Improvements	18,545	-	350	(350)	-1.89%	-0.11%	-11.28%	-7.38%	-13.08%	-17.77%	-17.80%	-18.81%	-18.83%	-18.53%
	Average Retirement	354,446				0.00%	-0.09%	-0.05%	-8.93%	-6.51%	-11.81%	-16.10%	-16.16%	-17.08%	-17.09%
	PIS	16,248,806													
	IRR	2.1814%													
1981	342 - Fuel Holders and Accessories	-	-	-	-	NA									
1982	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA								
1983	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA							

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Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1984	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA						
1985	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA					
1986	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA				
1987	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	NA			
1988	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA		
1989	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
1990	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1991	342 - Fuel Holders and Accessories	7,923	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1992	342 - Fuel Holders and Accessories	(7,923)	-	-	-	0.00%	NA	NA	NA	NA	NA	NA	NA	NA	NA
1993	342 - Fuel Holders and Accessories	13,446	-	2,981	(2,981)	-22.17%	-53.97%	-22.17%	-22.17%	-22.17%	-22.17%	-22.17%	-22.17%	-22.17%	-22.17%
1994	342 - Fuel Holders and Accessories	-	-	-	-	NA	-22.17%	-53.97%	-22.17%	-22.17%	-22.17%	-22.17%	-22.17%	-22.17%	-22.17%
1995	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	-22.17%	-53.97%	-22.17%	-22.17%	-22.17%	-22.17%	-22.17%	-22.17%
1996	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	-22.17%	-53.97%	-22.17%	-22.17%	-22.17%	-22.17%	-22.17%
1997	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	-22.17%	-53.97%	-22.17%	-22.17%	-22.17%	-22.17%
1998	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	-22.17%	-53.97%	-22.17%	-22.17%	-22.17%
1999	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	-22.17%	-53.97%	-22.17%	-22.17%
2000	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	-22.17%	-53.97%	-22.17%
2001	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	-22.17%	-53.97%
2002	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	-22.17%
2003	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2004	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2005	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2006	342 - Fuel Holders and Accessories	13,400	-	2,253	(2,253)	-16.81%	-16.81%	-16.81%	-16.81%	-16.81%	-16.81%	-16.81%	-16.81%	-16.81%	-16.81%
2007	342 - Fuel Holders and Accessories	-	-	466,145	(466,145)	NA	-3495.51%	-3495.51%	-3495.51%	-3495.51%	-3495.51%	-3495.51%	-3495.51%	-3495.51%	-3495.51%
2008	342 - Fuel Holders and Accessories	-	-	-	-	NA	NA	-3495.51%	-3495.51%	-3495.51%	-3495.51%	-3495.51%	-3495.51%	-3495.51%	-3495.51%
2009	342 - Fuel Holders and Accessories	-	-	10,349	(10,349)	NA	NA	NA	-3572.74%	-3572.74%	-3572.74%	-3572.74%	-3572.74%	-3572.74%	-3572.74%
2010	342 - Fuel Holders and Accessories	43,147	-	58,289	(58,289)	-135.10%	-159.08%	-159.08%	-1239.45%	-949.72%	-949.72%	-949.72%	-949.72%	-949.72%	-949.72%
2011	342 - Fuel Holders and Accessories	206,845	-	6,769	(6,769)	-3.27%	-26.02%	-30.16%	-30.16%	-216.63%	-206.46%	-206.46%	-206.46%	-206.46%	-206.46%
2012	342 - Fuel Holders and Accessories	23,444	-	-	-	0.00%	-2.94%	-23.79%	-27.58%	-27.58%	-198.05%	-189.59%	-189.59%	-189.59%	-189.59%
2013	342 - Fuel Holders and Accessories	-	-	1,386	(1,386)	NA	-5.91%	-3.54%	-24.30%	-28.08%	-28.08%	-198.56%	-190.07%	-190.07%	-190.07%
2014	342 - Fuel Holders and Accessories	284,576	-	15,494	(15,494)	-5.44%	-5.93%	-5.48%	-4.59%	-14.68%	-16.54%	-16.54%	-100.08%	-98.12%	-98.12%
	Average Retirement	57,141													
	PIS	4,504,704													
	IRR	1.2685%													
1981	343 - Prime Movers	-	-	-	-	NA									
1982	343 - Prime Movers	-	-	-	-	NA	NA								
1983	343 - Prime Movers	-	-	-	-	NA	NA	NA							
1984	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA						
1985	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA					
1986	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA				
1987	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA			
1988	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA		
1989	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
1990	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1991	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1992	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1993	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1994	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1995	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1996	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1997	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1998	343 - Prime Movers	2,491	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1999	343 - Prime Movers	-	-	-	-	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2000	343 - Prime Movers	-	-	-	-	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2001	343 - Prime Movers	-	-	-	-	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2002	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
2003	343 - Prime Movers	-	-	-	-	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
2004	343 - Prime Movers	2,911,960	-	236,247	(236,247)	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%
2005	343 - Prime Movers	(0)	-	-	-	0.00%	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%	-8.11%
2006	343 - Prime Movers	7,704,417	-	0	(0)	0.00%	0.00%	-2.23%	-2.23%	-2.23%	-2.23%	-2.23%	-2.23%	-2.22%	-2.22%
2007	343 - Prime Movers	(0)	-	(157,799)	157,799	-175332366.96%	2.05%	2.05%	-0.74%	-0.74%	-0.74%	-0.74%	-0.74%	-0.74%	-0.74%
2008	343 - Prime Movers	572,207	-	9,077	(9,077)	-1.59%	25.99%	1.80%	1.80%	-0.78%	-0.78%	-0.78%	-0.78%	-0.78%	-0.78%
2009	343 - Prime Movers	61,961	-	1,868	(1,868)	-3.01%	-1.73%	23.16%	1.76%	1.76%	-0.79%	-0.79%	-0.79%	-0.79%	-0.79%
2010	343 - Prime Movers	9,558,591	(0)	2,278,434	(2,278,434)	-23.84%	-23.70%	-22.46%	-20.91%	-11.91%	-11.91%	-11.38%	-11.38%	-11.38%	-11.38%
2011	343 - Prime Movers	769,041	18,330	9,904	8,425	1.10%	-21.98%	-21.87%	-20.81%	-19.37%	-11.37%	-11.37%	-10.93%	-10.93%	-10.93%
2012	343 - Prime Movers	249,094	-	(43,464)	43,464	17.45%	5.10%	-21.05%	-20.95%	-19.96%	-18.55%	-10.99%	-10.99%	-10.61%	-10.61%
2013	343 - Prime Movers	19,660,137	-	1,780,880	(1,780,880)	-9.06%	-8.73%	-8.36%	-13.25%	-13.23%	-13.02%	-12.51%	-10.01%	-10.01%	-9.87%
2014	343 - Prime Movers	916,410	-	53,732	(53,732)	-5.86%	-8.92%	-8.60%	-8.26%	-13.04%	-13.02%	-12.81%	-12.31%	-9.91%	-9.91%
	Average Retirement	3,949,186													
	PIS	131,479,007													
	IRR	3.0037%													
1981	344 - Generators	-	-	-	-	NA									
1982	344 - Generators	222,500	1,000	22,345	(21,345)	-9.59%	-9.59%								
1983	344 - Generators	-	-	-	-	NA	-9.59%	-9.59%							
1984	344 - Generators	-	-	-	-	NA	NA	-9.59%	-9.59%						
1985	344 - Generators	-	-	-	-	NA	NA	NA	-9.59%	-9.59%					
1986	344 - Generators	-	-	-	-	NA	NA	NA	NA	-9.59%	-9.59%				
1987	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	-9.59%	-9.59%			
1988	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	NA	-9.59%	-9.59%		
1989	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	-9.59%	-9.59%	
1990	344 - Generators	10,228	-	200	(200)	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-9.26%	-9.26%
1991	344 - Generators	-	-	-	-	NA	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-9.26%
1992	344 - Generators	-	-	-	-	NA	NA	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%
1993	344 - Generators	-	-	-	-	NA	NA	NA	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%
1994	344 - Generators	-	-	-	-	NA	NA	NA	NA	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%
1995	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	-1.96%	-1.96%	-1.96%	-1.96%	-1.96%
1996	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	NA	-1.96%	-1.96%	-1.96%	-1.96%
1997	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	-1.96%	-1.96%	-1.96%
1998	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	-1.96%	-1.96%
1999	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	-1.96%
2000	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2001	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2002	344 - Generators	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2003	344 - Generators	-	-	10,078	(10,078)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2004	344 - Generators	122,367	-	-	-	0.00%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%
2005	344 - Generators	-	-	-	-	NA	0.00%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%
2006	344 - Generators	-	-	-	-	NA	NA	0.00%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%	-8.24%
2007	344 - Generators	178,881	-	-	-	0.00%	0.00%	0.00%	0.00%	-3.35%	-3.35%	-3.35%	-3.35%	-3.35%	-3.35%
2008	344 - Generators	139,366	-	76	(76)	-0.05%	-0.02%	-0.02%	-0.02%	-0.02%	-2.30%	-2.30%	-2.30%	-2.30%	-2.30%
2009	344 - Generators	1,806	-	-	-	0.00%	-0.05%	-0.02%	-0.02%	-0.02%	-0.02%	-2.30%	-2.30%	-2.30%	-2.30%
2010	344 - Generators	47,896	-	4,943	(4,943)	-10.32%	-9.94%	-2.65%	-1.36%	-1.36%	-1.36%	-1.02%	-3.08%	-3.08%	-3.08%
2011	344 - Generators	29,346	20,407	5,864	14,543	49.56%	12.43%	12.14%	4.36%	2.40%	2.40%	2.40%	1.83%	-0.11%	-0.11%
2012	344 - Generators	7,462	-	-	-	0.00%	39.51%	11.33%	11.10%	4.22%	2.35%	2.35%	2.35%	1.81%	-0.11%
2013	344 - Generators	81,185	-	24,779	(24,779)	-30.52%	-27.95%	-8.67%	-9.15%	-9.05%	-4.97%	-3.14%	-3.14%	-3.14%	-2.51%
2014	344 - Generators	143,956	-	2,982	(2,982)	-2.07%	-12.33%	-11.93%	-5.05%	-5.86%	-5.83%	-4.04%	-2.90%	-2.90%	-2.90%
	Average Retirement	62,990													
	PIS	73,938,902													
	IRR	0.0852%													

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Production Interim Retirement and Interim Net Salvage Analyiss
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1981	345 - Accessory Electric Equipment	-	-	-	-	NA									
1982	345 - Accessory Electric Equipment	-	-	-	-	NA	NA								
1983	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA							
1984	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA						
1985	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA					
1986	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA				
1987	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA			
1988	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA		
1989	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
1990	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1991	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1992	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1993	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1994	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1995	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1996	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1997	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1998	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1999	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2000	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2001	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2002	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2003	345 - Accessory Electric Equipment	-	-	821	(821)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2004	345 - Accessory Electric Equipment	1,301	-	-	-	0.00%	-63.15%	-63.15%	-63.15%	-63.15%	-63.15%	-63.15%	-63.15%	-63.15%	-63.15%
2005	345 - Accessory Electric Equipment	14,838	-	2,611	(2,611)	-17.60%	-16.18%	-21.27%	-21.27%	-21.27%	-21.27%	-21.27%	-21.27%	-21.27%	-21.27%
2006	345 - Accessory Electric Equipment	20,866	-	1,309	(1,309)	-6.27%	-10.98%	-10.59%	-12.81%	-12.81%	-12.81%	-12.81%	-12.81%	-12.81%	-12.81%
2007	345 - Accessory Electric Equipment	-	-	-	-	NA	-6.27%	-10.98%	-10.59%	-12.81%	-12.81%	-12.81%	-12.81%	-12.81%	-12.81%
2008	345 - Accessory Electric Equipment	-	-	-	-	NA	NA	-6.27%	-10.98%	-10.59%	-12.81%	-12.81%	-12.81%	-12.81%	-12.81%
2009	345 - Accessory Electric Equipment	-	-	74,662	(74,662)	NA	NA	NA	-364.09%	-220.10%	-212.36%	-214.58%	-214.58%	-214.58%	-214.58%
2010	345 - Accessory Electric Equipment	964,852	-	111,401	(111,401)	-11.55%	-19.28%	-19.28%	-19.28%	-19.01%	-18.99%	-18.96%	-19.05%	-19.05%	-19.05%
2011	345 - Accessory Electric Equipment	118,001	-	10,299	(10,299)	-8.73%	-11.24%	-18.13%	-18.13%	-18.13%	-17.91%	-17.91%	-17.88%	-17.96%	-17.96%
2012	345 - Accessory Electric Equipment	-	-	65,437	(65,437)	NA	-64.18%	-17.28%	-24.18%	-24.18%	-24.18%	-23.84%	-23.76%	-23.73%	-23.80%
2013	345 - Accessory Electric Equipment	678,268	-	58,455	(58,455)	-8.62%	-18.27%	-16.85%	-13.95%	-18.18%	-18.18%	-18.18%	-18.05%	-18.04%	-18.03%
2014	345 - Accessory Electric Equipment	84,252	-	70,803	(70,803)	-84.04%	-16.95%	-25.53%	-23.28%	-17.15%	-21.19%	-21.19%	-21.19%	-21.02%	-21.00%
	Average Retirement	207,360													
	PIS	13,767,910													
	IRR	1.5061%													
1981	346 - Misc. Equipment	-	-	-	-	NA									
1982	346 - Misc. Equipment	-	-	-	-	NA	NA								
1983	346 - Misc. Equipment	-	-	-	-	NA	NA	NA							
1984	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA						
1985	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA					
1986	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA				
1987	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA			
1988	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA		
1989	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
1990	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1991	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1992	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1993	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1994	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1995	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA

GULF POWER
Production Interim Retirement and Interim Net Salvage Analyiss
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1996	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1997	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1998	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1999	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2000	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2001	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2002	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2003	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2004	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2005	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2006	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2007	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2008	346 - Misc. Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2009	346 - Misc. Equipment	-	-	10,472	(10,472)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2010	346 - Misc. Equipment	187,274	990	14,702	(13,712)	-7.32%	-12.91%	-12.91%	-12.91%	-12.91%	-12.91%	-12.91%	-12.91%	-12.91%	-12.91%
2011	346 - Misc. Equipment	2,302	-	-	-	0.00%	-7.23%	-12.76%	-12.76%	-12.76%	-12.76%	-12.76%	-12.76%	-12.76%	-12.76%
2012	346 - Misc. Equipment	35,797	-	-	-	0.00%	0.00%	-6.08%	-10.73%	-10.73%	-10.73%	-10.73%	-10.73%	-10.73%	-10.73%
2013	346 - Misc. Equipment	-	-	-	-	NA	0.00%	0.00%	-6.08%	-10.73%	-10.73%	-10.73%	-10.73%	-10.73%	-10.73%
2014	346 - Misc. Equipment	3,808	-	-	-	0.00%	0.00%	0.00%	0.00%	-5.98%	-10.55%	-10.55%	-10.55%	-10.55%	-10.55%
	Average Retirement	22,918													
	PIS	1,258,525													
	IRR	1.8210%													

APPENDIX E-2 - Net Salvage Analysis Transmission, Distribution, General Plant and Transportation Equipment

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1981	352 - Structures & Improvements	4,562	-	-	-	0.00%									
1982	352 - Structures & Improvements	644	-	1,892	(1,892)	-293.60%	-36.34%								
1983	352 - Structures & Improvements	-	-	-	-	NA	-293.60%	-36.34%							
1984	352 - Structures & Improvements	1,565	-	46	(46)	-2.94%	-2.94%	-87.70%	-28.62%						
1985	352 - Structures & Improvements	7,130	-	5,446	(5,446)	-76.38%	-63.16%	-63.16%	-79.06%	-53.12%					
1986	352 - Structures & Improvements	-	-	-	-	NA	-76.38%	-63.16%	-63.16%	-79.06%	-53.12%				
1987	352 - Structures & Improvements	2,896	-	36	(36)	-1.23%	-1.23%	-54.68%	-47.69%	-47.69%	-60.64%	-44.17%			
1988	352 - Structures & Improvements	23,456	-	2,762	(2,762)	-11.77%	-10.62%	-10.62%	-24.62%	-23.65%	-23.65%	-28.53%	-25.29%		
1989	352 - Structures & Improvements	1,589	63	1,480	(1,417)	-89.19%	-16.69%	-15.09%	-15.09%	-27.55%	-26.50%	-26.50%	-31.11%	-27.72%	
1990	352 - Structures & Improvements	2,032	-	5,333	(5,333)	-262.45%	-186.42%	-35.13%	-31.86%	-31.86%	-40.41%	-38.90%	-38.90%	-43.07%	-38.59%
1991	352 - Structures & Improvements	23,866	4	78	(74)	-0.31%	-20.88%	-24.83%	-18.82%	-17.87%	-17.87%	-24.71%	-24.17%	-24.17%	-26.92%
1992	352 - Structures & Improvements	17,216	-	2,502	(2,502)	-14.53%	-6.27%	-18.34%	-20.86%	-17.74%	-17.06%	-17.06%	-22.47%	-22.09%	-22.09%
1993	352 - Structures & Improvements	21,328	-	292	(292)	-1.37%	-7.25%	-4.60%	-12.73%	-14.57%	-13.83%	-13.44%	-13.44%	-17.95%	-17.72%
1994	352 - Structures & Improvements	12,877	-	1,258	(1,258)	-9.77%	-4.53%	-7.88%	-5.48%	-12.23%	-13.78%	-13.32%	-12.99%	-12.99%	-17.01%
1995	352 - Structures & Improvements	4,194	-	1,079	(1,079)	-25.73%	-13.69%	-6.85%	-9.23%	-6.55%	-12.93%	-14.39%	-13.81%	-13.48%	-13.48%
1996	352 - Structures & Improvements	6,620	-	176	(176)	-2.66%	-11.61%	-10.61%	-6.23%	-8.53%	-6.25%	-12.16%	-13.52%	-13.16%	-12.86%
1997	352 - Structures & Improvements	40,292	-	1,092	(1,092)	-2.71%	-2.70%	-4.59%	-5.64%	-4.57%	-6.24%	-5.12%	-9.19%	-10.17%	-10.42%
1998	352 - Structures & Improvements	17,650	-	(3)	3	0.02%	-1.88%	-1.96%	-3.41%	-4.41%	-3.78%	-5.32%	-4.49%	-8.08%	-8.95%
1999	352 - Structures & Improvements	10,530	-	454	(454)	-4.31%	-1.60%	-2.25%	-2.29%	-3.53%	-4.40%	-3.83%	-5.24%	-4.48%	-7.83%
2000	352 - Structures & Improvements	-	-	125	(125)	NA	-5.50%	-2.04%	-2.44%	-2.46%	-3.69%	-4.54%	-3.94%	-5.34%	-4.56%
2001	352 - Structures & Improvements	3,215	-	0	(0)	0.00%	-3.89%	-4.21%	-1.84%	-2.33%	-2.36%	-3.54%	-4.38%	-3.83%	-5.21%
2002	352 - Structures & Improvements	14,806	-	308	(308)	-2.08%	-1.71%	-2.40%	-3.11%	-1.91%	-2.28%	-2.31%	-3.32%	-4.07%	-3.64%
2003	352 - Structures & Improvements	-	-	-	-	NA	-2.08%	-1.71%	-2.40%	-3.11%	-1.91%	-2.28%	-2.31%	-3.32%	-4.07%
2004	352 - Structures & Improvements	-	-	151	(151)	NA	NA	-3.10%	-2.55%	-3.24%	-3.64%	-2.24%	-2.46%	-2.47%	-3.48%
2005	352 - Structures & Improvements	9,836	-	820	(820)	-8.34%	-9.87%	-9.87%	-5.19%	-4.59%	-5.04%	-4.84%	-3.31%	-3.06%	-3.03%
2006	352 - Structures & Improvements	14,159	-	847	(847)	-5.98%	-6.95%	-7.58%	-7.58%	-5.48%	-5.06%	-5.36%	-5.15%	-3.85%	-3.43%
2007	352 - Structures & Improvements	6,754	-	-	-	0.00%	-4.05%	-5.42%	-5.91%	-5.91%	-4.67%	-4.36%	-4.62%	-4.56%	-3.51%
2008	352 - Structures & Improvements	8,184	-	434	(434)	-5.30%	-2.91%	-4.40%	-5.40%	-5.78%	-5.78%	-4.76%	-4.49%	-4.71%	-4.65%
2009	352 - Structures & Improvements	921	-	-	-	0.00%	-4.77%	-2.74%	-4.27%	-5.27%	-5.65%	-5.65%	-4.68%	-4.42%	-4.64%
2010	352 - Structures & Improvements	-	-	-	-	NA	0.00%	-4.77%	-2.74%	-4.27%	-5.27%	-5.65%	-5.65%	-4.68%	-4.42%
2011	352 - Structures & Improvements	-	-	-	-	NA	NA	0.00%	-4.77%	-2.74%	-4.27%	-5.27%	-5.65%	-5.65%	-4.68%
2012	352 - Structures & Improvements	17,057	-	-	-	0.00%	0.00%	0.00%	0.00%	-1.66%	-1.32%	-2.72%	-3.69%	-3.96%	-3.96%
2013	352 - Structures & Improvements	214,184	-	11,967	(11,967)	-5.59%	-5.18%	-5.18%	-5.18%	-5.15%	-5.16%	-5.02%	-5.07%	-5.19%	-5.25%
2014	352 - Structures & Improvements	112,693	-	44,993	(44,993)	-39.93%	-17.43%	-16.56%	-16.56%	-16.56%	-16.52%	-16.26%	-15.95%	-15.57%	-15.39%
1981	353 - Station Equipment	115,015	17,799	5,363	12,436	10.81%									
1982	353 - Station Equipment	260,783	-	8,482	(8,482)	-3.25%	1.05%								
1983	353 - Station Equipment	31,707	-	10,611	(10,611)	-33.47%	-6.53%	-1.63%							
1984	353 - Station Equipment	265,053	3,279	1,287	1,992	0.75%	-2.90%	-3.07%	-0.69%						
1985	353 - Station Equipment	253,821	-	1,844	(1,844)	-0.73%	0.03%	-1.90%	-2.34%	-0.70%					
1986	353 - Station Equipment	197,995	-	-	-	0.00%	-0.41%	0.02%	-1.40%	-1.88%	-0.58%				
1987	353 - Station Equipment	193,039	-	9,127	(9,127)	-4.73%	-2.33%	-1.70%	-0.99%	-2.08%	-2.33%	-1.19%			
1988	353 - Station Equipment	409,973	-	306	(306)	-0.07%	-1.56%	-1.18%	-1.07%	-0.70%	-1.47%	-1.76%	-0.92%		
1989	353 - Station Equipment	275,414	-	10,735	(10,735)	-3.90%	-1.61%	-2.30%	-1.87%	-1.65%	-1.25%	-1.88%	-2.07%	-1.33%	
1990	353 - Station Equipment	193,478	-	4,085	(4,085)	-2.11%	-3.16%	-1.72%	-2.26%	-1.91%	-1.71%	-1.35%	-1.91%	-2.08%	-1.40%
1991	353 - Station Equipment	432,431	1,861	96,928	(95,067)	-21.98%	-15.84%	-12.19%	-8.40%	-7.93%	-7.01%	-6.19%	-5.37%	-5.76%	-5.50%
1992	353 - Station Equipment	704,088	4,023	101,527	(97,504)	-13.85%	-16.94%	-14.79%	-12.92%	-10.31%	-9.82%	-9.01%	-8.22%	-7.41%	-7.69%
1993	353 - Station Equipment	476,445	1,468	143,775	(142,307)	-29.87%	-20.31%	-20.76%	-18.76%	-16.80%	-14.05%	-13.38%	-12.46%	-11.51%	-10.55%
1994	353 - Station Equipment	534,600	1,048	88,859	(87,811)	-16.43%	-22.76%	-19.10%	-19.68%	-18.23%	-16.72%	-14.47%	-13.88%	-13.08%	-12.22%
1995	353 - Station Equipment	633,381	105,268	14,137	91,132	14.39%	0.28%	-8.45%	-10.07%	-11.92%	-11.28%	-10.66%	-9.47%	-9.24%	-8.78%
1996	353 - Station Equipment	80,399	23,930	8,660	15,270	18.99%	14.91%	1.49%	-7.17%	-9.11%	-11.05%	-10.49%	-9.94%	-8.86%	-8.66%
1997	353 - Station Equipment	636,398	-	18,713	(18,713)	-2.94%	-0.48%	6.49%	-0.01%	-6.03%	-7.83%	-9.58%	-9.19%	-8.82%	-8.00%
1998	353 - Station Equipment	932,453	5,200	8,818	(3,618)	-0.39%	-1.42%	-0.43%	3.68%	-0.13%	-4.43%	-6.09%	-7.64%	-7.41%	-7.21%
1999	353 - Station Equipment	1,004,952	-	37,430	(37,430)	-3.72%	-2.12%	-2.32%	-1.68%	1.42%	-1.08%	-4.27%	-5.62%	-6.92%	-6.75%
2000	353 - Station Equipment	2,294,660	-	12,188	(12,188)	-0.53%	-1.50%	-1.26%	-1.48%	-1.15%	0.62%	-0.87%	-2.97%	-4.02%	-5.02%
2001	353 - Station Equipment	691,933	125,177	26,842	98,336	14.21%	2.88%	1.22%	0.92%	0.47%	0.74%	2.12%	0.66%	-1.34%	-2.44%

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2002	353 - Station Equipment	222,963	-	48,240	(48,240)	-21.64%	5.48%	1.18%	0.01%	-0.06%	-0.38%	-0.11%	1.30%	-0.05%	-1.94%
2003	353 - Station Equipment	2,403,130	-	348,645	(348,645)	-14.51%	-15.11%	-9.00%	-5.54%	-5.26%	-4.66%	-4.53%	-4.30%	-2.97%	-3.73%
2004	353 - Station Equipment	220,914	40,000	58,197	(18,197)	-8.24%	-13.98%	-14.58%	-8.95%	-5.64%	-5.36%	-4.76%	-4.62%	-4.40%	-3.09%
2005	353 - Station Equipment	974,007	-	84,505	(84,505)	-8.68%	-8.59%	-12.54%	-13.07%	-8.89%	-6.07%	-5.77%	-5.20%	-5.04%	-4.84%
2006	353 - Station Equipment	1,082,433	4,762	100,105	(95,343)	-8.81%	-8.75%	-8.70%	-11.68%	-12.13%	-8.88%	-6.45%	-6.14%	-5.59%	-5.43%
2007	353 - Station Equipment	965,642	4,281	114,940	(110,659)	-11.46%	-10.06%	-9.61%	-9.52%	-11.64%	-12.02%	-9.26%	-6.99%	-6.66%	-6.12%
2008	353 - Station Equipment	1,588,427	20,668	50,957	(30,289)	-1.91%	-5.52%	-6.50%	-6.96%	-7.02%	-9.50%	-9.87%	-7.82%	-6.22%	-6.00%
2009	353 - Station Equipment	2,047,094	23,222	146,025	(122,803)	-6.00%	-4.21%	-5.73%	-6.32%	-6.66%	-6.71%	-8.73%	-9.03%	-7.46%	-6.18%
2010	353 - Station Equipment	451,276	78,814	61,436	17,377	3.85%	-4.22%	-3.32%	-4.88%	-5.57%	-6.00%	-6.06%	-8.15%	-8.45%	-6.98%
2011	353 - Station Equipment	1,478,877	38,040	194,263	(156,223)	-10.56%	-7.19%	-6.58%	-5.25%	-6.16%	-6.54%	-6.78%	-6.82%	-8.47%	-8.72%
2012	353 - Station Equipment	2,574,917	22,701	670,022	(647,321)	-25.14%	-19.82%	-17.45%	-13.87%	-11.54%	-11.53%	-11.24%	-11.02%	-10.96%	-11.58%
2013	353 - Station Equipment	4,455,426	40,003	500,744	(460,740)	-10.34%	-15.76%	-14.86%	-13.92%	-12.44%	-11.11%	-11.14%	-10.97%	-10.82%	-10.79%
2014	353 - Station Equipment	1,356,297	200,216	1,271,409	(1,071,193)	-78.98%	-26.36%	-25.98%	-23.67%	-22.47%	-19.74%	-17.71%	-17.31%	-16.73%	-16.27%
1981	354 - Towers	-	-	-	-	NA									
1982	354 - Towers	-	-	-	-	NA	NA								
1983	354 - Towers	-	-	-	-	NA	NA	NA							
1984	354 - Towers	-	-	-	-	NA	NA	NA	NA						
1985	354 - Towers	-	-	-	-	NA	NA	NA	NA	NA					
1986	354 - Towers	-	-	-	-	NA	NA	NA	NA	NA	NA				
1987	354 - Towers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA			
1988	354 - Towers	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA		
1989	354 - Towers	16,711	-	11,516	(11,516)	-68.91%	-68.91%	-68.91%	-68.91%	-68.91%	-68.91%	-68.91%	-68.91%	-68.91%	
1990	354 - Towers	30,576	8,023	5,775	2,248	7.35%	-19.60%	-19.60%	-19.60%	-19.60%	-19.60%	-19.60%	-19.60%	-19.60%	-19.60%
1991	354 - Towers	16,595	1,067	(5,934)	7,001	42.19%	19.61%	-3.55%	-3.55%	-3.55%	-3.55%	-3.55%	-3.55%	-3.55%	-3.55%
1992	354 - Towers	18,196	-	9,150	(9,150)	-50.29%	-6.18%	0.15%	-13.91%	-13.91%	-13.91%	-13.91%	-13.91%	-13.91%	-13.91%
1993	354 - Towers	69,368	-	(109)	109	0.16%	-10.33%	-1.96%	0.15%	-7.47%	-7.47%	-7.47%	-7.47%	-7.47%	-7.47%
1994	354 - Towers	45,152	-	9,859	(9,859)	-21.83%	-8.51%	-14.24%	-7.97%	-5.37%	-10.77%	-10.77%	-10.77%	-10.77%	-10.77%
1995	354 - Towers	-	-	547	(547)	NA	-23.05%	-8.99%	-14.65%	-8.34%	-5.67%	-11.04%	-11.04%	-11.04%	-11.04%
1996	354 - Towers	50,383	-	(3)	3	0.01%	-1.08%	-10.89%	-6.24%	-10.62%	-6.23%	-4.43%	-8.79%	-8.79%	-8.79%
1997	354 - Towers	80,474	-	1	(1)	0.00%	0.00%	-0.42%	-5.91%	-4.20%	-7.38%	-4.44%	-3.28%	-6.63%	-6.63%
1998	354 - Towers	109,299	-	2,500	(2,500)	-2.29%	-1.32%	-1.04%	-1.27%	-4.52%	-3.61%	-5.89%	-3.84%	-3.02%	-5.54%
1999	354 - Towers	2,632	-	1,915	(1,915)	-72.76%	-3.94%	-2.30%	-1.82%	-2.04%	-5.15%	-4.12%	-6.35%	-4.30%	-3.46%
2000	354 - Towers	145	-	97,498	(97,498)	-67240.00%	-3579.87%	-90.93%	-52.93%	-41.95%	-42.18%	-38.99%	-31.39%	-32.31%	-29.15%
2001	354 - Towers	403,450	-	15,810	(15,810)	-3.92%	-28.07%	-28.36%	-22.84%	-19.75%	-18.21%	-18.30%	-18.53%	-16.82%	-17.61%
2002	354 - Towers	73,540	-	59,342	(59,342)	-80.69%	-15.76%	-36.18%	-36.39%	-30.06%	-26.45%	-24.59%	-24.67%	-24.50%	-22.45%
2003	354 - Towers	189,870	-	49,819	(49,819)	-26.24%	-41.44%	-18.74%	-33.35%	-33.51%	-29.13%	-26.40%	-24.94%	-25.00%	-24.85%
2004	354 - Towers	48,924	-	26,469	(26,469)	-54.10%	-31.95%	-43.42%	-21.16%	-34.77%	-34.91%	-30.60%	-27.89%	-26.43%	-26.48%
2005	354 - Towers	15,924	-	-	-	0.00%	-40.82%	-29.95%	-41.32%	-20.70%	-34.01%	-34.15%	-30.03%	-27.41%	-25.99%
2006	354 - Towers	139,464	4,417	32,253	(27,836)	-19.96%	-17.91%	-26.58%	-26.42%	-34.95%	-20.58%	-31.76%	-31.89%	-28.60%	-26.43%
2007	354 - Towers	344,766	-	52,336	(52,336)	-15.18%	-16.56%	-16.03%	-19.42%	-21.17%	-26.56%	-19.05%	-27.06%	-27.16%	-25.11%
2008	354 - Towers	31,679	-	6,331	(6,331)	-19.98%	-15.58%	-16.77%	-16.27%	-19.45%	-21.12%	-26.31%	-19.07%	-26.88%	-26.98%
2009	354 - Towers	13,427	-	96,590	(96,590)	-719.35%	-228.17%	-39.82%	-34.59%	-33.58%	-35.27%	-33.08%	-37.16%	-26.53%	-34.26%
2010	354 - Towers	19,253	-	140,775	(140,775)	-731.20%	-726.33%	-378.65%	-72.36%	-59.04%	-57.37%	-57.11%	-49.81%	-52.40%	-37.12%
2011	354 - Towers	90,710	-	-	-	0.00%	-128.02%	-192.37%	-157.15%	-59.23%	-50.66%	-49.43%	-49.75%	-44.76%	-47.49%
2012	354 - Towers	1,174,359	7,932	5,518	2,414	0.21%	0.19%	-10.77%	-18.10%	-18.15%	-17.54%	-17.72%	-17.57%	-18.52%	-19.23%
2013	354 - Towers	275,378	-	249,946	(249,946)	-90.76%	-17.07%	-16.07%	-24.90%	-30.82%	-30.61%	-27.88%	-27.35%	-27.15%	-27.76%
2014	354 - Towers	141,378	11,224	282,908	(271,684)	-192.17%	-125.16%	-32.63%	-30.87%	-38.80%	-44.13%	-43.69%	-38.99%	-37.80%	-37.53%
1981	355 - Poles	15,257	-	39,172	(39,172)	-256.74%									
1982	355 - Poles	203,371	6,503	75,396	(68,893)	-33.88%	-49.43%								
1983	355 - Poles	141,355	6,294	35,039	(28,744)	-20.33%	-28.32%	-38.00%							
1984	355 - Poles	93,972	-	52,181	(52,181)	-55.53%	-34.39%	-34.15%	-41.63%						
1985	355 - Poles	218,373	1,903	77,638	(75,735)	-34.68%	-40.95%	-34.53%	-34.33%	-39.37%					
1986	355 - Poles	61,312	-	60,187	(60,187)	-98.17%	-48.60%	-50.34%	-42.11%	-39.78%	-44.29%				

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1987	355 - Poles	239,739	1,456	206,391	(204,934)	-85.48%	-88.07%	-65.62%	-64.08%	-55.88%	-51.21%	-54.43%			
1988	355 - Poles	177,291	-	172,984	(172,984)	-97.57%	-90.62%	-91.59%	-73.75%	-71.59%	-63.81%	-58.45%	-61.08%		
1989	355 - Poles	113,224	1,246	245,740	(244,494)	-215.94%	-143.70%	-117.38%	-115.39%	-93.63%	-89.67%	-80.29%	-72.73%	-74.95%	
1990	355 - Poles	124,449	-	255,862	(255,862)	-205.60%	-210.52%	-162.26%	-134.15%	-131.07%	-108.54%	-103.70%	-93.62%	-84.77%	-86.66%
1991	355 - Poles	234,629	-	166,779	(166,779)	-71.08%	-117.70%	-141.25%	-129.33%	-117.51%	-116.26%	-101.02%	-97.64%	-89.86%	-82.78%
1992	355 - Poles	155,498	12,225	273,856	(261,631)	-168.25%	-109.81%	-132.98%	-147.94%	-136.85%	-125.06%	-123.57%	-108.92%	-105.38%	-97.67%
1993	355 - Poles	430,661	(3,283)	253,660	(256,943)	-59.66%	-88.47%	-83.50%	-99.57%	-112.02%	-109.95%	-105.97%	-105.66%	-96.83%	-94.73%
1994	355 - Poles	136,901	947	192,328	(191,380)	-139.79%	-78.99%	-98.19%	-91.55%	-104.66%	-115.20%	-112.93%	-108.85%	-108.45%	-99.94%
1995	355 - Poles	97,998	-	116,877	(116,877)	-119.26%	-131.23%	-84.92%	-100.70%	-94.12%	-105.88%	-115.51%	-113.35%	-109.44%	-109.05%
1996	355 - Poles	1,664,590	-	76,421	(76,421)	-4.59%	-10.97%	-20.25%	-27.54%	-36.34%	-39.34%	-46.61%	-53.09%	-55.61%	-57.73%
1997	355 - Poles	929,279	297	97,067	(96,770)	-10.41%	-6.68%	-10.78%	-17.02%	-22.65%	-29.28%	-31.97%	-37.70%	-42.89%	-45.27%
1998	355 - Poles	1,744,635	1,500	71,475	(69,975)	-4.01%	-6.24%	-5.60%	-8.12%	-12.06%	-16.15%	-20.74%	-22.93%	-27.05%	-30.84%
1999	355 - Poles	222,086	46,746	432,764	(386,018)	-173.81%	-23.19%	-19.09%	-13.80%	-16.01%	-19.55%	-22.85%	-27.06%	-28.89%	-32.73%
2000	355 - Poles	57,195	488	376,999	(376,511)	-658.29%	-273.03%	-41.13%	-31.47%	-21.78%	-23.80%	-27.08%	-29.73%	-33.69%	-35.24%
2001	355 - Poles	239,259	-	276,227	(276,227)	-115.45%	-220.18%	-200.32%	-48.99%	-37.76%	-26.39%	-28.23%	-31.23%	-33.45%	-37.14%
2002	355 - Poles	676,972	-	906,677	(906,677)	-133.93%	-129.11%	-160.20%	-162.73%	-68.55%	-54.59%	-39.55%	-40.94%	-43.28%	-44.42%
2003	355 - Poles	194,122	-	81,562	(81,562)	-42.02%	-113.45%	-113.88%	-140.55%	-145.87%	-66.90%	-53.99%	-39.63%	-40.97%	-43.24%
2004	355 - Poles	271,507	-	278,599	(278,599)	-102.61%	-77.35%	-110.87%	-111.67%	-133.39%	-138.80%	-69.75%	-57.03%	-42.48%	-43.72%
2005	355 - Poles	293,726	1,042	376,525	(375,483)	-127.83%	-115.72%	-96.88%	-114.34%	-114.50%	-132.45%	-137.15%	-74.36%	-61.52%	-46.47%
2006	355 - Poles	115,485	-	315,939	(315,939)	-273.58%	-168.96%	-142.50%	-120.20%	-126.19%	-124.76%	-141.27%	-144.76%	-80.39%	-66.69%
2007	355 - Poles	425,040	11,133	484,243	(473,110)	-111.31%	-145.98%	-139.59%	-130.51%	-117.29%	-122.99%	-122.18%	-135.67%	-139.06%	-83.49%
2008	355 - Poles	804,023	-	365,164	(365,164)	-45.42%	-68.20%	-85.84%	-93.37%	-94.69%	-89.83%	-100.56%	-101.74%	-112.09%	-116.24%
2009	355 - Poles	560,901	-	1,001,741	(1,001,741)	-178.60%	-100.15%	-102.80%	-113.15%	-115.11%	-113.74%	-108.51%	-113.66%	-113.78%	-122.34%
2010	355 - Poles	420,644	-	2,324,197	(2,324,197)	-552.53%	-338.85%	-206.72%	-188.37%	-192.60%	-185.34%	-177.57%	-169.05%	-162.73%	-159.90%
2011	355 - Poles	327,298	-	1,440,092	(1,440,092)	-439.99%	-503.29%	-364.14%	-242.85%	-220.82%	-223.12%	-213.62%	-204.26%	-195.03%	-184.92%
2012	355 - Poles	3,579,967	262,658	5,970,882	(5,708,224)	-159.45%	-182.95%	-218.87%	-214.25%	-190.40%	-184.91%	-186.55%	-183.91%	-180.66%	-176.81%
2013	355 - Poles	1,048,660	236,383	3,231,566	(2,995,183)	-285.62%	-188.03%	-204.67%	-231.89%	-226.85%	-205.22%	-199.65%	-200.82%	-197.99%	-194.69%
2014	355 - Poles	3,102,713	100,745	4,534,953	(4,434,208)	-142.91%	-178.96%	-169.93%	-180.90%	-199.33%	-198.05%	-185.58%	-182.51%	-183.52%	-181.99%
1981	356 - Overhead Conductors	5,776	-	1,854	(1,854)	-32.10%									
1982	356 - Overhead Conductors	145,880	15,340	16,361	(1,021)	-0.70%	-1.90%								
1983	356 - Overhead Conductors	65,837	521	19,851	(19,330)	-29.36%	-9.61%	-10.21%							
1984	356 - Overhead Conductors	14,693	222	6,783	(6,560)	-44.65%	-32.15%	-11.89%	-12.39%						
1985	356 - Overhead Conductors	33,394	4,401	4,839	(438)	-1.31%	-14.55%	-23.11%	-10.53%	-11.00%					
1986	356 - Overhead Conductors	9,092	-	1,818	(1,818)	-20.00%	-5.31%	-15.42%	-22.88%	-10.85%	-11.29%				
1987	356 - Overhead Conductors	14,810	104	16,065	(15,961)	-107.77%	-74.38%	-31.79%	-34.42%	-32.00%	-15.91%	-16.23%			
1988	356 - Overhead Conductors	5,865	-	7,436	(7,436)	-126.80%	-113.16%	-84.71%	-40.62%	-41.38%	-35.87%	-18.15%	-18.43%		
1989	356 - Overhead Conductors	11,138	2,011	6,070	(4,059)	-36.44%	-67.61%	-86.30%	-71.56%	-39.99%	-40.76%	-35.91%	-18.83%	-19.08%	
1990	356 - Overhead Conductors	52,779	1,992	138,194	(136,202)	-258.06%	-219.44%	-211.66%	-193.47%	-176.63%	-130.56%	-121.66%	-92.39%	-54.55%	-54.19%
1991	356 - Overhead Conductors	117,581	5,740	22,810	(17,070)	-14.52%	-89.97%	-86.68%	-87.94%	-89.39%	-86.41%	-74.79%	-73.08%	-64.23%	-44.56%
1992	356 - Overhead Conductors	25,251	-	127,481	(127,481)	-504.86%	-101.20%	-143.53%	-137.76%	-137.45%	-135.52%	-131.08%	-115.03%	-111.39%	-95.98%
1993	356 - Overhead Conductors	216,323	-	77,657	(77,657)	-35.90%	-84.92%	-61.87%	-87.01%	-85.68%	-86.24%	-86.96%	-85.61%	-79.82%	-78.79%
1994	356 - Overhead Conductors	13,431	-	(7,945)	7,945	59.16%	-30.34%	-77.33%	-57.51%	-82.39%	-81.22%	-81.82%	-82.66%	-81.44%	-76.09%
1995	356 - Overhead Conductors	95,314	-	53,384	(53,384)	-56.01%	-41.78%	-37.87%	-71.53%	-57.20%	-77.56%	-76.70%	-77.25%	-78.07%	-77.13%
1996	356 - Overhead Conductors	768,898	-	59,235	(59,235)	-7.70%	-13.03%	-11.93%	-16.67%	-27.68%	-26.43%	-35.91%	-35.91%	-36.32%	-37.12%
1997	356 - Overhead Conductors	101,822	-	12,859	(12,859)	-12.63%	-8.28%	-12.99%	-12.00%	-16.32%	-26.43%	-25.38%	-34.21%	-34.22%	-34.61%
1998	356 - Overhead Conductors	557,598	-	39,782	(39,782)	-7.13%	-7.98%	-7.83%	-10.85%	-10.23%	-13.40%	-20.38%	-20.01%	-26.46%	-26.52%
1999	356 - Overhead Conductors	68,322	-	549,019	(549,019)	-803.58%	-94.07%	-82.67%	-44.16%	-44.87%	-44.00%	-43.04%	-49.35%	-47.27%	-52.78%
2000	356 - Overhead Conductors	6,900	166,425	460,839	(294,414)	-4266.87%	-1121.26%	-139.57%	-121.97%	-63.54%	-63.09%	-62.07%	-58.97%	-65.05%	-62.03%
2001	356 - Overhead Conductors	481,086	74,742	183,363	(108,621)	-22.58%	-82.59%	-171.14%	-89.04%	-82.64%	-53.61%	-53.72%	-52.99%	-51.39%	-56.30%
2002	356 - Overhead Conductors	326,727	40,609	806,900	(766,291)	-234.54%	-108.31%	-143.53%	-194.60%	-122.04%	-114.82%	-79.18%	-78.27%	-77.50%	-74.09%
2003	356 - Overhead Conductors	162,714	-	104,884	(104,884)	-64.46%	-177.99%	-100.96%	-130.36%	-174.35%	-116.20%	-110.01%	-78.22%	-77.39%	-76.68%
2004	356 - Overhead Conductors	224,236	-	33,482	(33,482)	-14.93%	-35.76%	-126.76%	-84.81%	-108.82%	-146.20%	-103.77%	-98.96%	-72.96%	-72.38%
2005	356 - Overhead Conductors	89,214	-	106,368	(106,368)	-119.23%	-44.62%	-51.40%	-125.92%	-87.20%	-109.54%	-144.43%	-104.49%	-99.86%	-74.44%
2006	356 - Overhead Conductors	123,323	-	3,670	(3,670)	-2.98%	-51.77%	-32.86%	-41.44%	-109.55%	-79.82%	-100.25%	-132.66%	-98.35%	-94.28%
2007	356 - Overhead Conductors	328,179	-	20,059	(20,059)	-6.11%	-5.26%	-24.06%	-21.38%	-28.94%	-82.49%	-65.88%	-82.52%	-109.73%	-85.57%

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2008	356 - Overhead Conductors	1,882,466	-	34,785	(34,785)	-1.85%	-2.48%	-2.51%	-6.80%	-7.49%	-10.79%	-34.10%	-32.56%	-40.62%	-54.74%
2009	356 - Overhead Conductors	466,844	-	80,745	(80,745)	-17.30%	-4.92%	-5.06%	-4.97%	-8.50%	-8.96%	-11.72%	-31.92%	-30.82%	-37.96%
2010	356 - Overhead Conductors	179,744	-	107,482	(107,482)	-59.80%	-29.11%	-8.82%	-8.51%	-8.28%	-11.50%	-11.74%	-14.22%	-33.24%	-32.04%
2011	356 - Overhead Conductors	847,928	-	930,685	(930,685)	-109.76%	-101.02%	-74.87%	-34.16%	-31.68%	-30.75%	-32.77%	-31.80%	-33.04%	-47.25%
2012	356 - Overhead Conductors	2,447,790	7,023	473,804	(466,781)	-19.07%	-42.40%	-43.30%	-40.22%	-27.82%	-26.66%	-26.20%	-27.50%	-27.07%	-27.97%
2013	356 - Overhead Conductors	503,506	5,258	545,823	(540,565)	-107.36%	-34.13%	-51.01%	-51.41%	-47.83%	-34.15%	-32.77%	-32.22%	-33.35%	-32.77%
2014	356 - Overhead Conductors	1,211,232	11,742	211,606	(199,864)	-16.50%	-43.18%	-29.00%	-42.67%	-43.26%	-41.12%	-31.31%	-30.26%	-29.84%	-30.83%
1981	358 - Underground Conductors	-	-	-	-	NA									
1982	358 - Underground Conductors	-	-	-	-	NA	NA								
1983	358 - Underground Conductors	-	-	-	-	NA	NA	NA							
1984	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA						
1985	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA					
1986	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA				
1987	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA			
1988	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA		
1989	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	
1990	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1991	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1992	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1993	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1994	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1995	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1996	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1997	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1998	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
1999	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2000	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2001	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2002	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2003	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2004	358 - Underground Conductors	-	-	8,005	(8,005)	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2005	358 - Underground Conductors	18,423	-	-	-	0.00%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%
2006	358 - Underground Conductors	-	-	-	-	NA	0.00%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%
2007	358 - Underground Conductors	-	-	-	-	NA	NA	0.00%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%
2008	358 - Underground Conductors	-	-	-	-	NA	NA	NA	0.00%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%
2009	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	0.00%	-43.45%	-43.45%	-43.45%	-43.45%	-43.45%
2010	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	0.00%	-43.45%	-43.45%	-43.45%	-43.45%
2011	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	0.00%	-43.45%	-43.45%	-43.45%
2012	358 - Underground Conductors	-	-	2,633	(2,633)	NA	NA	NA	NA	NA	NA	NA	-14.29%	-57.74%	-57.74%
2013	358 - Underground Conductors	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	-14.29%	-57.74%
2014	358 - Underground Conductors	-	-	3,680	(3,680)	NA	NA	NA	NA	NA	NA	NA	NA	NA	-34.27%
1981	361 - Structures & Improvements	13,925	-	380	(380)	-2.73%									
1982	361 - Structures & Improvements	23,341	-	20,418	(20,418)	-87.48%	-55.81%								
1983	361 - Structures & Improvements	11,235	-	121	(121)	-1.08%	-59.40%	-43.13%							
1984	361 - Structures & Improvements	18,025	-	176	(176)	-0.97%	-1.01%	-39.38%	-31.71%						
1985	361 - Structures & Improvements	491	25	245	(220)	-44.83%	-2.14%	-1.74%	-39.43%	-31.81%					
1986	361 - Structures & Improvements	321	-	577	(577)	-180.02%	-98.27%	-5.16%	-3.64%	-40.28%	-32.51%				
1987	361 - Structures & Improvements	54,502	752	10,754	(10,002)	-18.35%	-19.30%	-19.52%	-14.96%	-13.12%	-29.20%	-26.18%			
1988	361 - Structures & Improvements	41,607	20	3,050	(3,030)	-7.28%	-13.56%	-14.11%	-14.27%	-12.18%	-11.20%	-23.10%	-21.37%		
1989	361 - Structures & Improvements	14,862	48	2,578	(2,530)	-17.02%	-9.85%	-14.02%	-14.50%	-14.63%	-12.74%	-11.81%	-22.55%	-21.01%	
1990	361 - Structures & Improvements	58,904	415	8,656	(8,241)	-13.99%	-14.60%	-11.96%	-14.01%	-14.32%	-14.41%	-13.13%	-12.45%	-20.29%	-19.26%
1991	361 - Structures & Improvements	207,417	502	13,044	(12,542)	-6.05%	-7.80%	-8.29%	-8.16%	-9.63%	-9.78%	-9.82%	-9.42%	-9.19%	-13.43%
1992	361 - Structures & Improvements	31,944	-	3,262	(3,262)	-10.21%	-6.60%	-8.06%	-8.49%	-8.35%	-9.68%	-9.81%	-9.85%	-9.48%	-9.26%

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1993	361 - Structures & Improvements	86,776	-	3,649	(3,649)	-4.21%	-5.82%	-5.96%	-7.19%	-7.56%	-7.53%	-8.72%	-8.83%	-8.87%	-8.59%
1994	361 - Structures & Improvements	26,674	-	8,576	(8,576)	-32.15%	-10.78%	-10.65%	-7.94%	-8.81%	-9.10%	-8.93%	-9.92%	-10.02%	-10.05%
1995	361 - Structures & Improvements	25,393	723	456	268	1.05%	-15.96%	-8.61%	-8.91%	-7.34%	-8.24%	-8.53%	-8.42%	-9.41%	-9.51%
1996	361 - Structures & Improvements	6,621	-	1,462	(1,462)	-22.08%	-3.73%	-16.65%	-9.23%	-9.40%	-7.59%	-8.44%	-8.72%	-8.60%	-9.56%
1997	361 - Structures & Improvements	114,903	-	893	(893)	-0.78%	-1.94%	-1.42%	-6.14%	-5.50%	-6.01%	-6.03%	-6.87%	-7.13%	-7.14%
1998	361 - Structures & Improvements	46,129	-	744	(744)	-1.61%	-1.02%	-1.85%	-1.47%	-5.19%	-4.91%	-5.41%	-5.65%	-6.47%	-6.72%
1999	361 - Structures & Improvements	73,738	-	640	(640)	-0.87%	-1.15%	-0.97%	-1.55%	-1.30%	-4.11%	-4.13%	-4.60%	-5.08%	-5.86%
2000	361 - Structures & Improvements	10,842	-	4,576	(4,576)	-42.21%	-6.17%	-4.56%	-2.79%	-3.30%	-2.90%	-5.46%	-5.18%	-5.56%	-5.72%
2001	361 - Structures & Improvements	16,725	-	381	(381)	-2.28%	-17.98%	-5.52%	-4.30%	-2.76%	-3.23%	-2.86%	-5.30%	-5.06%	-5.44%
2002	361 - Structures & Improvements	65,146	-	4,781	(4,781)	-7.34%	-6.31%	-10.50%	-6.23%	-5.23%	-3.67%	-4.03%	-3.67%	-5.64%	-5.38%
2003	361 - Structures & Improvements	33,602	-	1,131	(1,131)	-3.37%	-5.99%	-5.45%	-8.60%	-5.75%	-4.98%	-3.64%	-3.97%	-3.65%	-5.46%
2004	361 - Structures & Improvements	29,781	-	3,142	(3,142)	-10.55%	-6.74%	-7.04%	-6.50%	-8.98%	-6.37%	-5.58%	-4.17%	-4.47%	-4.13%
2005	361 - Structures & Improvements	50,784	-	791	(791)	-1.56%	-4.88%	-4.44%	-5.49%	-5.22%	-7.15%	-5.50%	-4.95%	-3.87%	-4.14%
2006	361 - Structures & Improvements	34,680	-	1,385	(1,385)	-3.99%	-2.55%	-4.61%	-4.33%	-5.25%	-5.03%	-6.70%	-5.34%	-4.86%	-3.88%
2007	361 - Structures & Improvements	19,510	-	-	-	0.00%	-2.56%	-2.07%	-3.95%	-3.83%	-4.81%	-4.64%	-6.20%	-5.03%	-4.61%
2008	361 - Structures & Improvements	12,567	-	11,741	(11,741)	-93.43%	-36.60%	-19.66%	-11.84%	-11.58%	-10.05%	-9.33%	-8.89%	-10.21%	-8.22%
2009	361 - Structures & Improvements	54,009	-	81,931	(81,931)	-151.70%	-140.70%	-108.81%	-78.71%	-55.87%	-49.17%	-42.62%	-34.96%	-33.23%	-33.53%
2010	361 - Structures & Improvements	15,444	-	870	(870)	-5.63%	-119.22%	-115.27%	-93.12%	-70.43%	-51.72%	-46.07%	-40.34%	-33.52%	-31.95%
2011	361 - Structures & Improvements	4,670	-	(153)	153	3.28%	-3.56%	-111.50%	-108.88%	-88.88%	-67.98%	-50.38%	-45.03%	-39.54%	-32.99%
2012	361 - Structures & Improvements	80,558	20,265	827	19,437	24.13%	22.99%	18.60%	-40.86%	-44.81%	-40.13%	-34.47%	-28.33%	-26.58%	-24.25%
2013	361 - Structures & Improvements	379,397	-	9,573	(9,573)	-2.52%	2.14%	2.16%	1.91%	-13.63%	-15.46%	-14.93%	-14.30%	-13.31%	-13.18%
2014	361 - Structures & Improvements	273,189	-	5,502	(5,502)	-2.01%	-2.31%	0.59%	0.61%	0.48%	-9.70%	-10.98%	-10.73%	-10.46%	-9.97%
1981	362 - Station Equipment	385,667	-	14,981	(14,981)	-3.88%									
1982	362 - Station Equipment	569,643	-	67,676	(67,676)	-11.88%	-8.65%								
1983	362 - Station Equipment	338,452	-	14,385	(14,385)	-4.25%	-9.04%	-7.50%							
1984	362 - Station Equipment	745,918	-	10,388	(10,388)	-1.39%	-2.28%	-5.59%	-5.27%						
1985	362 - Station Equipment	176,650	-	4,494	(4,494)	-2.54%	-1.61%	-2.32%	-5.30%	-5.05%					
1986	362 - Station Equipment	118,883	-	2,377	(2,377)	-2.00%	-2.32%	-1.66%	-2.29%	-5.09%	-4.89%				
1987	362 - Station Equipment	487,083	-	24,108	(24,108)	-4.95%	-4.37%	-3.96%	-2.71%	-2.99%	-5.07%	-4.90%			
1988	362 - Station Equipment	860,201	-	19,767	(19,767)	-2.30%	-3.26%	-3.15%	-3.09%	-2.56%	-2.77%	-4.34%	-4.30%		
1989	362 - Station Equipment	601,523	-	160,116	(160,116)	-26.62%	-12.31%	-10.47%	-9.98%	-9.40%	-7.40%	-7.08%	-7.78%	-7.43%	
1990	362 - Station Equipment	630,557	-	71,269	(71,269)	-11.30%	-18.78%	-12.00%	-10.67%	-10.29%	-9.81%	-8.08%	-7.75%	-8.27%	-7.93%
1991	362 - Station Equipment	1,814,875	-	160,866	(160,866)	-8.86%	-9.49%	-12.87%	-10.55%	-9.92%	-9.72%	-9.45%	-8.34%	-8.10%	-8.44%
1992	362 - Station Equipment	1,422,788	-	268,476	(268,476)	-18.87%	-13.26%	-12.94%	-14.78%	-12.77%	-12.11%	-11.91%	-11.64%	-10.53%	-10.23%
1993	362 - Station Equipment	1,047,398	-	284,625	(284,625)	-27.17%	-22.39%	-16.66%	-15.97%	-17.13%	-15.13%	-14.41%	-14.20%	-13.91%	-12.73%
1994	362 - Station Equipment	453,480	-	210,094	(210,094)	-46.33%	-32.96%	-26.10%	-19.50%	-18.54%	-19.35%	-17.20%	-16.39%	-16.16%	-15.84%
1995	362 - Station Equipment	598,512	-	41,219	(41,219)	-6.89%	-23.89%	-25.53%	-22.84%	-18.09%	-17.37%	-18.22%	-16.37%	-15.67%	-15.47%
1996	362 - Station Equipment	494,356	-	28,894	(28,894)	-5.84%	-6.42%	-18.12%	-21.78%	-20.75%	-17.05%	-16.49%	-17.35%	-15.72%	-15.09%
1997	362 - Station Equipment	2,140,446	-	51,512	(51,512)	-2.41%	-3.05%	-3.76%	-9.00%	-13.02%	-14.37%	-13.12%	-12.98%	-13.88%	-12.89%
1998	362 - Station Equipment	515,603	-	39,181	(39,181)	-7.60%	-3.41%	-3.80%	-4.29%	-8.83%	-12.49%	-13.85%	-12.78%	-12.68%	-13.54%
1999	362 - Station Equipment	1,451,604	-	20,008	(20,008)	-1.38%	-3.01%	-2.69%	-3.03%	-3.48%	-6.91%	-10.08%	-11.62%	-11.12%	-11.13%
2000	362 - Station Equipment	1,324,658	-	102,163	(102,163)	-7.71%	-4.40%	-4.90%	-3.92%	-4.08%	-4.34%	-7.07%	-9.69%	-11.07%	-10.72%
2001	362 - Station Equipment	602,130	-	7,550	(7,550)	-1.25%	-5.69%	-3.84%	-4.34%	-3.65%	-3.82%	-4.08%	-6.60%	-9.10%	-10.48%
2002	362 - Station Equipment	872,475	-	112,232	(112,232)	-12.86%	-8.12%	-7.93%	-5.69%	-5.90%	-4.82%	-4.88%	-5.03%	-7.25%	-9.45%
2003	362 - Station Equipment	1,404,145	-	95,432	(95,432)	-6.80%	-9.12%	-7.48%	-7.55%	-5.97%	-6.10%	-5.15%	-5.19%	-5.30%	-7.19%
2004	362 - Station Equipment	805,413	-	138,178	(138,178)	-17.16%	-10.57%	-11.22%	-9.59%	-9.10%	-7.36%	-7.38%	-6.21%	-6.19%	-6.23%
2005	362 - Station Equipment	1,426,223	-	116,847	(116,847)	-8.19%	-11.43%	-9.64%	-10.26%	-9.20%	-8.90%	-7.51%	-7.52%	-6.48%	-6.45%
2006	362 - Station Equipment	1,810,524	250	298,793	(298,543)	-16.49%	-12.83%	-13.69%	-11.92%	-12.05%	-11.11%	-10.56%	-9.19%	-9.11%	-7.95%
2007	362 - Station Equipment	2,378,927	215,931	382,190	(166,259)	-6.99%	-11.09%	-10.36%	-11.21%	-10.42%	-10.66%	-10.05%	-9.76%	-8.75%	-8.71%
2008	362 - Station Equipment	1,597,784	53,838	114,855	(61,017)	-3.82%	-5.72%	-9.09%	-8.91%	-9.74%	-9.30%	-9.60%	-9.14%	-8.99%	-8.18%
2009	362 - Station Equipment	1,272,952	45,118	216,095	(170,977)	-13.43%	-8.08%	-7.59%	-9.87%	-9.59%	-10.24%	-9.79%	-10.02%	-9.59%	-9.40%
2010	362 - Station Equipment	603,627	15,193	130,773	(115,580)	-19.15%	-15.27%	-10.00%	-8.78%	-10.60%	-10.22%	-10.79%	-10.29%	-10.48%	-10.04%
2011	362 - Station Equipment	1,952,133	4,717	358,724	(354,007)	-18.13%	-18.37%	-16.73%	-12.93%	-11.12%	-12.13%	-11.62%	-12.00%	-11.45%	-11.53%
2012	362 - Station Equipment	2,093,739	110,061	288,398	(178,337)	-8.52%	-13.16%	-13.94%	-13.83%	-11.70%	-10.57%	-11.48%	-11.13%	-11.47%	-11.05%
2013	362 - Station Equipment	7,785,861	117,925	1,837,844	(1,719,919)	-22.09%	-19.21%	-19.04%	-19.04%	-18.52%	-16.99%	-15.64%	-15.72%	-15.21%	-15.28%

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2014	362 - Station Equipment	10,130,061	407,775	1,361,328	(953,553)	-9.41%	-14.92%	-14.25%	-14.60%	-14.72%	-14.65%	-13.97%	-13.37%	-13.56%	-13.32%
1981	364 - Poles	389,946	111,714	147,973	(36,259)	-9.30%									
1982	364 - Poles	410,238	157,555	182,138	(24,582)	-5.99%	-7.60%								
1983	364 - Poles	288,346	171,382	84,306	87,076	30.20%	8.95%	2.41%							
1984	364 - Poles	405,117	407,987	160,344	247,643	61.13%	48.27%	28.10%	18.34%						
1985	364 - Poles	691,546	367,319	446,348	(79,029)	-11.43%	15.38%	18.46%	12.87%	8.92%					
1986	364 - Poles	606,641	454,376	788,691	(334,316)	-55.11%	-31.84%	-9.73%	-3.95%	-4.30%	-5.00%				
1987	364 - Poles	631,198	222,448	869,993	(647,545)	-102.59%	-79.32%	-54.99%	-34.84%	-27.69%	-24.75%	-22.99%			
1988	364 - Poles	802,363	100,303	1,252,990	(1,152,688)	-143.66%	-125.58%	-104.62%	-81.03%	-62.67%	-54.85%	-49.63%	-45.91%		
1989	364 - Poles	930,677	245,865	944,145	(698,280)	-75.03%	-106.80%	-105.68%	-95.35%	-79.51%	-65.50%	-59.16%	-54.59%	-51.16%	
1990	364 - Poles	828,727	384,911	1,212,502	(827,591)	-99.86%	-86.73%	-104.56%	-104.17%	-96.34%	-83.26%	-71.32%	-65.67%	-61.29%	-57.91%
1991	364 - Poles	1,022,175	56,981	1,498,194	(1,441,213)	-140.99%	-122.58%	-106.67%	-114.95%	-113.10%	-105.80%	-93.97%	-83.35%	-78.07%	-73.61%
1992	364 - Poles	1,431,686	267,469	1,409,171	(1,141,702)	-79.75%	-105.26%	-103.90%	-97.52%	-104.90%	-104.64%	-99.84%	-91.03%	-82.65%	-78.39%
1993	364 - Poles	1,794,874	682,844	1,259,065	(576,221)	-32.10%	-53.24%	-74.35%	-78.52%	-77.98%	-85.72%	-87.15%	-84.73%	-78.93%	-72.73%
1994	364 - Poles	967,642	218,251	1,321,323	(1,103,072)	-114.00%	-60.79%	-67.26%	-81.71%	-84.20%	-82.97%	-89.23%	-90.24%	-87.87%	-82.43%
1995	364 - Poles	1,347,297	377,808	1,383,841	(1,006,033)	-74.67%	-91.11%	-65.34%	-69.06%	-80.26%	-82.46%	-81.63%	-87.08%	-88.09%	-86.16%
1996	364 - Poles	1,487,291	119,983	1,003,655	(883,672)	-59.41%	-66.67%	-78.71%	-63.77%	-67.02%	-76.41%	-78.60%	-78.26%	-83.21%	-84.29%
1997	364 - Poles	988,241	406,654	888,264	(481,610)	-48.73%	-55.15%	-62.03%	-72.53%	-61.51%	-64.77%	-73.39%	-75.61%	-75.56%	-80.27%
1998	364 - Poles	1,251,492	(218,037)	697,338	(915,375)	-73.14%	-62.37%	-61.19%	-64.77%	-72.65%	-63.37%	-65.90%	-73.36%	-75.33%	-75.31%
1999	364 - Poles	1,475,319	(31,253)	648,318	(679,571)	-46.06%	-58.49%	-55.90%	-56.90%	-60.56%	-67.44%	-60.63%	-63.17%	-69.93%	-71.90%
2000	364 - Poles	981,762	158,136	762,673	(604,537)	-61.58%	-52.26%	-59.31%	-57.08%	-57.64%	-60.69%	-66.76%	-60.72%	-63.04%	-69.29%
2001	364 - Poles	1,387,595	157,312	1,301,443	(1,144,131)	-82.45%	-73.80%	-63.16%	-65.61%	-62.87%	-62.19%	-64.08%	-68.96%	-63.30%	-65.09%
2002	364 - Poles	1,057,425	(178,971)	965,935	(1,144,906)	-108.27%	-93.62%	-84.44%	-72.89%	-72.94%	-69.59%	-67.84%	-68.76%	-72.76%	-67.03%
2003	364 - Poles	903,760	266,992	515,784	(248,793)	-27.53%	-71.06%	-75.78%	-72.56%	-65.83%	-67.13%	-64.87%	-64.02%	-65.34%	-69.31%
2004	364 - Poles	1,041,139	226,192	1,026,212	(800,020)	-76.84%	-53.93%	-73.07%	-76.03%	-73.39%	-67.50%	-68.37%	-66.24%	-65.28%	-66.34%
2005	364 - Poles	740,209	131,630	378,010	(246,380)	-33.29%	-58.74%	-48.24%	-65.20%	-69.87%	-68.53%	-64.17%	-65.44%	-63.76%	-63.19%
2006	364 - Poles	978,568	230,532	706,075	(475,543)	-48.60%	-42.00%	-55.14%	-48.33%	-61.76%	-66.46%	-65.78%	-62.39%	-63.76%	-62.38%
2007	364 - Poles	1,126,261	57,044	816,237	(759,193)	-67.41%	-58.66%	-52.06%	-58.70%	-52.82%	-62.85%	-66.61%	-66.01%	-62.97%	-64.13%
2008	364 - Poles	1,218,361	76,851	1,095,036	(1,018,185)	-83.57%	-75.81%	-67.79%	-61.51%	-64.64%	-59.05%	-66.42%	-69.05%	-68.27%	-65.27%
2009	364 - Poles	1,351,716	23,122	1,178,477	(1,155,355)	-85.47%	-84.57%	-79.34%	-72.91%	-67.49%	-69.00%	-63.91%	-69.48%	-71.32%	-70.43%
2010	364 - Poles	1,506,948	60,795	1,876,185	(1,815,389)	-120.47%	-103.92%	-97.84%	-91.25%	-84.50%	-79.02%	-78.74%	-73.52%	-77.22%	-77.86%
2011	364 - Poles	1,717,685	23,762	2,086,831	(2,063,069)	-120.11%	-120.28%	-110.00%	-104.44%	-98.41%	-92.24%	-87.19%	-86.08%	-81.08%	-83.55%
2012	364 - Poles	1,254,100	(91,434)	3,539,193	(3,630,627)	-289.50%	-191.59%	-167.66%	-148.61%	-137.37%	-127.73%	-119.27%	-112.84%	-109.41%	-103.16%
2013	364 - Poles	955,059	(1,082)	419,715	(420,798)	-44.06%	-183.39%	-155.71%	-145.94%	-133.89%	-126.23%	-118.98%	-112.16%	-106.78%	-104.16%
2014	364 - Poles	1,666,013	552	1,578,780	(1,578,228)	-94.73%	-76.27%	-145.27%	-137.55%	-133.92%	-126.17%	-120.80%	-115.23%	-109.70%	-105.18%
1981	365 - Overhead Conductors	208,373	74,657	112,394	(37,737)	-18.11%									
1982	365 - Overhead Conductors	212,102	110,600	124,735	(14,136)	-6.66%	-12.34%								
1983	365 - Overhead Conductors	153,969	79,409	112,887	(33,478)	-21.74%	-13.01%	-14.86%							
1984	365 - Overhead Conductors	206,121	50,711	224,751	(174,040)	-84.44%	-57.63%	-38.74%	-33.23%						
1985	365 - Overhead Conductors	353,276	131,454	197,232	(65,778)	-18.62%	-42.87%	-38.31%	-31.06%	-28.68%					
1986	365 - Overhead Conductors	392,700	157,595	132,146	25,449	6.48%	-5.41%	-22.52%	-22.41%	-19.87%	-19.63%				
1987	365 - Overhead Conductors	461,841	377,278	161,218	216,060	46.78%	28.26%	14.55%	0.12%	-2.03%	-2.58%	-4.21%			
1988	365 - Overhead Conductors	846,928	578,461	282,415	296,046	34.96%	39.13%	31.59%	22.96%	13.17%	10.94%	9.52%	7.49%		
1989	365 - Overhead Conductors	566,595	514,213	140,319	373,894	65.99%	47.40%	47.24%	40.19%	32.26%	23.75%	21.40%	19.54%	17.23%	
1990	365 - Overhead Conductors	547,143	545,004	206,272	338,732	61.91%	63.99%	51.45%	50.56%	44.41%	37.38%	29.94%	27.68%	25.74%	23.42%
1991	365 - Overhead Conductors	853,717	395,944	269,571	126,373	14.80%	33.20%	42.64%	40.33%	41.24%	37.52%	32.59%	26.88%	25.18%	23.71%
1992	365 - Overhead Conductors	910,350	704,566	847,938	(143,372)	-15.75%	-0.96%	13.92%	24.17%	26.62%	28.85%	26.93%	23.67%	19.33%	18.14%
1993	365 - Overhead Conductors	962,049	330,194	949,996	(619,802)	-64.43%	-40.76%	-23.36%	-9.11%	1.97%	7.93%	11.42%	11.07%	9.29%	6.12%
1994	365 - Overhead Conductors	724,715	546,516	775,754	(229,238)	-31.63%	-50.34%	-38.21%	-25.10%	-13.19%	-3.36%	2.64%	6.11%	6.13%	4.81%
1995	365 - Overhead Conductors	973,550	590,316	632,539	(42,223)	-4.34%	-15.98%	-33.50%	-28.98%	-20.53%	-11.46%	-3.53%	1.57%	4.62%	4.72%
1996	365 - Overhead Conductors	1,419,209	661,312	220,411	440,900	31.07%	16.66%	5.44%	-11.04%	-11.90%	-8.00%	-2.01%	3.53%	6.94%	9.16%
1997	365 - Overhead Conductors	715,609	417,756	274,918	142,838	19.96%	27.34%	17.42%	8.15%	-6.41%	-7.90%	-4.95%	0.20%	5.06%	8.03%
1998	365 - Overhead Conductors	1,079,375	527,615	371,600	156,015	14.45%	16.65%	23.02%	16.66%	9.53%	-2.58%	-4.35%	-2.21%	2.08%	6.22%

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1999	365 - Overhead Conductors	924,677	224,849	306,712	(81,863)	-8.85%	3.70%	7.98%	15.90%	12.04%	6.62%	-3.43%	-4.89%	-2.92%	0.97%
2000	365 - Overhead Conductors	957,158	182,929	413,261	(230,332)	-24.06%	-16.59%	-5.27%	-0.36%	8.39%	6.35%	2.30%	-5.98%	-7.00%	-5.05%
2001	365 - Overhead Conductors	1,001,781	203,270	531,740	(328,470)	-32.79%	-28.53%	-22.22%	-12.23%	-7.31%	1.62%	0.80%	-2.21%	-9.05%	-9.68%
2002	365 - Overhead Conductors	916,215	253,781	620,388	(366,607)	-40.01%	-36.24%	-32.19%	-26.51%	-17.45%	-12.66%	-3.81%	-3.88%	-6.19%	-11.98%
2003	365 - Overhead Conductors	633,603	64,620	525,481	(460,862)	-72.74%	-53.39%	-45.30%	-39.51%	-33.12%	-23.80%	-18.77%	-9.52%	-8.94%	-10.70%
2004	365 - Overhead Conductors	635,967	67,908	528,102	(460,194)	-72.36%	-72.55%	-58.91%	-50.70%	-44.55%	-38.04%	-28.82%	-23.74%	-14.35%	-13.30%
2005	365 - Overhead Conductors	602,103	118,931	345,841	(226,910)	-37.69%	-55.50%	-61.33%	-54.33%	-48.63%	-43.68%	-38.00%	-29.61%	-24.86%	-15.93%
2006	365 - Overhead Conductors	1,324,230	135,184	696,639	(561,455)	-42.40%	-40.93%	-48.73%	-53.49%	-50.49%	-47.02%	-43.40%	-38.83%	-31.71%	-27.50%
2007	365 - Overhead Conductors	793,034	236,807	803,430	(566,623)	-71.45%	-53.28%	-49.83%	-54.10%	-57.06%	-53.87%	-50.30%	-46.64%	-42.15%	-35.26%
2008	365 - Overhead Conductors	736,229	215,155	591,709	(376,554)	-51.15%	-61.68%	-52.73%	-50.11%	-53.57%	-56.14%	-53.52%	-50.39%	-47.08%	-42.93%
2009	365 - Overhead Conductors	449,915	168,889	479,002	(310,113)	-68.93%	-57.89%	-63.32%	-54.94%	-52.28%	-55.09%	-57.25%	-54.66%	-51.57%	-48.30%
2010	365 - Overhead Conductors	945,737	463,793	1,064,145	(600,352)	-63.48%	-65.24%	-60.37%	-63.37%	-56.84%	-54.46%	-56.54%	-58.21%	-55.84%	-52.97%
2011	365 - Overhead Conductors	864,992	936,863	883,326	53,537	6.19%	-30.20%	-37.91%	-41.16%	-47.50%	-46.18%	-45.28%	-47.99%	-50.24%	-49.05%
2012	365 - Overhead Conductors	850,864	138,783	803,751	(664,968)	-78.15%	-35.63%	-45.53%	-48.91%	-49.34%	-53.12%	-50.74%	-49.54%	-51.56%	-53.27%
2013	365 - Overhead Conductors	1,059,692	145,145	1,002,453	(857,308)	-80.90%	-79.68%	-52.92%	-55.60%	-57.04%	-56.15%	-58.28%	-55.29%	-53.90%	-55.32%
2014	365 - Overhead Conductors	785,977	189,051	572,474	(383,422)	-48.78%	-67.22%	-70.67%	-52.00%	-54.41%	-55.73%	-55.14%	-57.13%	-54.63%	-53.42%
1981	366 - Underground Conduit	79	12,089	52	12,037	15221.22%									
1982	366 - Underground Conduit	2,505	2,069	1,791	278	11.12%	476.67%								
1983	366 - Underground Conduit	-	-	-	-	NA	11.12%	476.67%							
1984	366 - Underground Conduit	-	-	-	-	NA	NA	11.12%	476.67%						
1985	366 - Underground Conduit	-	-	-	-	NA	NA	NA	11.12%	476.67%					
1986	366 - Underground Conduit	5,735	-	-	-	0.00%	0.00%	0.00%	0.00%	3.38%	148.05%				
1987	366 - Underground Conduit	3,084	-	8,017	(8,017)	-259.95%	-90.91%	-90.91%	-90.91%	-90.91%	-68.34%	37.69%			
1988	366 - Underground Conduit	1,423	-	4,698	(4,698)	-330.06%	-282.09%	-124.15%	-124.15%	-124.15%	-124.15%	-97.57%	-3.12%		
1989	366 - Underground Conduit	474	-	805	(805)	-169.83%	-290.03%	-271.41%	-126.17%	-126.17%	-126.17%	-126.17%	-100.16%	-9.06%	
1990	366 - Underground Conduit	7,592	-	7,728	(7,728)	-101.79%	-105.79%	-139.43%	-168.99%	-116.06%	-116.06%	-116.06%	-116.06%	-100.75%	-42.76%
1991	366 - Underground Conduit	1,614	-	9,040	(9,040)	-560.10%	-182.14%	-181.54%	-200.58%	-213.49%	-152.03%	-152.03%	-152.03%	-152.03%	-133.81%
1992	366 - Underground Conduit	270	-	(5)	5	1.90%	-479.58%	-176.90%	-176.56%	-195.77%	-209.46%	-149.97%	-149.97%	-149.97%	-149.97%
1993	366 - Underground Conduit	135	-	60	(60)	-44.12%	-13.44%	-450.47%	-175.04%	-174.79%	-194.00%	-207.94%	-149.27%	-149.27%	-149.27%
1994	366 - Underground Conduit	-	-	-	-	NA	-44.12%	-13.44%	-450.47%	-175.04%	-174.79%	-194.00%	-207.94%	-149.27%	-149.27%
1995	366 - Underground Conduit	170	-	-	-	0.00%	0.00%	-19.52%	-9.46%	-415.48%	-171.99%	-171.89%	-191.17%	-205.54%	-148.03%
1996	366 - Underground Conduit	-	-	-	-	NA	0.00%	0.00%	-19.52%	-9.46%	-415.48%	-171.99%	-171.89%	-191.17%	-205.54%
1997	366 - Underground Conduit	-	-	-	-	NA	NA	0.00%	0.00%	-19.52%	-9.46%	-415.48%	-171.99%	-171.89%	-191.17%
1998	366 - Underground Conduit	-	-	-	-	NA	NA	NA	0.00%	0.00%	-19.52%	-9.46%	-415.48%	-171.99%	-171.89%
1999	366 - Underground Conduit	-	-	-	-	NA	NA	NA	NA	0.00%	0.00%	-19.52%	-9.46%	-415.48%	-171.99%
2000	366 - Underground Conduit	-	-	-	-	NA	NA	NA	NA	NA	0.00%	0.00%	-19.52%	-9.46%	-415.48%
2001	366 - Underground Conduit	-	-	-	-	NA	NA	NA	NA	NA	NA	0.00%	0.00%	-19.52%	-9.46%
2002	366 - Underground Conduit	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%	-19.52%
2003	366 - Underground Conduit	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	0.00%	0.00%
2004	366 - Underground Conduit	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	0.00%
2005	366 - Underground Conduit	34,385	-	1,450	(1,450)	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%
2006	366 - Underground Conduit	-	-	-	-	NA	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%	-4.22%
2007	366 - Underground Conduit	-	-	11	(11)	NA	NA	-4.25%	-4.25%	-4.25%	-4.25%	-4.25%	-4.25%	-4.25%	-4.25%
2008	366 - Underground Conduit	-	-	-	-	NA	NA	NA	-4.25%	-4.25%	-4.25%	-4.25%	-4.25%	-4.25%	-4.25%
2009	366 - Underground Conduit	-	-	-	-	NA	NA	NA	NA	-4.25%	-4.25%	-4.25%	-4.25%	-4.25%	-4.25%
2010	366 - Underground Conduit	-	-	-	-	NA	NA	NA	NA	NA	-4.25%	-4.25%	-4.25%	-4.25%	-4.25%
2011	366 - Underground Conduit	-	-	-	-	NA	NA	NA	NA	NA	NA	-4.25%	-4.25%	-4.25%	-4.25%
2012	366 - Underground Conduit	56,769	-	40	(40)	-0.07%	-0.07%	-0.07%	-0.07%	-0.07%	-0.09%	-0.09%	-1.65%	-1.65%	-1.65%
2013	366 - Underground Conduit	-	-	-	-	NA	-0.07%	-0.07%	-0.07%	-0.07%	-0.07%	-0.09%	-0.09%	-1.65%	-1.65%
2014	366 - Underground Conduit	15,633	-	7,300	(7,300)	-46.70%	-46.70%	-10.14%	-10.14%	-10.14%	-10.14%	-10.14%	-10.15%	-10.15%	-8.24%
1981	367 - Underground Conductors	2,221	415	546	(132)	-5.93%									
1982	367 - Underground Conductors	6,946	5,077	4,953	125	1.79%	-0.08%								
1983	367 - Underground Conductors	1,077	1,379	68	1,311	121.74%	17.90%	12.73%							

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1984	367 - Underground Conductors	16,843	3,751	238	3,513	20.86%	26.92%	19.90%	17.78%						
1985	367 - Underground Conductors	51,792	28,354	3,107	25,247	48.75%	41.90%	43.14%	39.39%	38.11%					
1986	367 - Underground Conductors	41,297	14,409	2,475	11,934	28.90%	39.94%	37.02%	37.84%	35.72%	34.95%				
1987	367 - Underground Conductors	41,200	14,123	3,179	10,944	26.56%	27.73%	35.84%	34.17%	34.79%	33.35%	32.81%			
1988	367 - Underground Conductors	84,370	31,705	16,870	14,835	17.58%	20.53%	22.60%	28.79%	28.23%	28.65%	27.89%	27.58%		
1989	367 - Underground Conductors	52,108	26,233	3,314	22,919	43.98%	27.66%	27.41%	27.69%	31.72%	31.08%	31.42%	30.72%	30.45%	
1990	367 - Underground Conductors	29,823	12,056	9,847	2,209	7.41%	30.67%	24.03%	24.53%	25.26%	29.31%	28.86%	29.17%	28.59%	28.35%
1991	367 - Underground Conductors	33,304	14,784	3,935	10,849	32.58%	20.69%	31.22%	25.46%	25.65%	26.12%	29.63%	29.21%	29.49%	28.96%
1992	367 - Underground Conductors	92,797	1,780	10,439	(8,659)	-9.33%	1.74%	2.82%	13.13%	14.42%	15.92%	17.35%	21.16%	21.15%	21.39%
1993	367 - Underground Conductors	70,947	2,131	4,480	(2,349)	-3.31%	-6.72%	-0.08%	0.90%	8.95%	10.95%	12.54%	14.06%	17.67%	17.77%
1994	367 - Underground Conductors	141,689	4,162	25,910	(21,748)	-15.35%	-11.33%	-10.72%	-6.47%	-5.34%	0.77%	3.58%	5.31%	6.97%	10.35%
1995	367 - Underground Conductors	206,658	38,112	97,390	(59,278)	-28.68%	-23.26%	-19.88%	-17.97%	-14.89%	-13.73%	-8.94%	-5.79%	-4.02%	-2.31%
1996	367 - Underground Conductors	165,154	58,246	23,578	34,669	20.99%	-6.62%	-9.03%	-8.33%	-8.47%	-6.55%	-5.98%	-2.70%	-0.75%	0.48%
1997	367 - Underground Conductors	339,553	28,792	45,685	(16,893)	-4.98%	3.52%	-5.83%	-7.41%	-7.10%	-7.30%	-6.04%	-5.67%	-3.38%	-1.93%
1998	367 - Underground Conductors	397,981	102,153	76,568	25,585	6.43%	1.18%	4.80%	-1.43%	-3.01%	-3.03%	-3.44%	-2.61%	-2.41%	-0.83%
1999	367 - Underground Conductors	412,432	69,010	61,324	7,686	1.86%	4.11%	1.42%	3.88%	-0.54%	-1.80%	-1.86%	-2.24%	-1.62%	-1.48%
2000	367 - Underground Conductors	651,004	182,170	85,808	96,362	14.80%	9.78%	8.87%	6.26%	7.50%	4.06%	2.87%	2.68%	2.23%	2.64%
2001	367 - Underground Conductors	380,600	83,526	119,771	(36,245)	-9.52%	5.83%	4.70%	5.07%	3.51%	4.74%	2.03%	1.12%	1.00%	0.67%
2002	367 - Underground Conductors	521,005	138,863	136,261	2,602	0.50%	-3.73%	4.04%	3.58%	4.06%	2.93%	3.97%	1.77%	1.02%	0.92%
2003	367 - Underground Conductors	404,525	23,475	86,679	(63,204)	-15.62%	-6.55%	-7.41%	-0.02%	0.30%	1.18%	0.51%	1.55%	-0.25%	-0.84%
2004	367 - Underground Conductors	293,438	24,695	69,946	(45,252)	-15.42%	-15.54%	-8.68%	-8.88%	-2.03%	-1.43%	-0.41%	-0.86%	0.15%	-1.43%
2005	367 - Underground Conductors	342,060	22,310	73,666	(51,356)	-15.01%	-15.20%	-15.37%	-10.07%	-9.96%	-3.74%	-2.98%	-1.88%	-2.16%	-1.18%
2006	367 - Underground Conductors	723,509	31,539	137,812	(106,273)	-14.69%	-14.79%	-14.93%	-15.09%	-11.53%	-11.25%	-6.13%	-5.25%	-4.12%	-4.19%
2007	367 - Underground Conductors	808,014	72,142	204,519	(132,377)	-16.38%	-15.58%	-15.48%	-15.47%	-15.50%	-12.80%	-12.44%	-8.14%	-7.23%	-6.13%
2008	367 - Underground Conductors	364,300	21,759	141,917	(120,158)	-32.98%	-21.54%	-18.93%	-18.33%	-17.99%	-17.67%	-14.93%	-14.39%	-10.16%	-9.15%
2009	367 - Underground Conductors	526,743	31,546	125,755	(94,209)	-17.89%	-24.06%	-20.41%	-18.70%	-18.24%	-17.97%	-17.70%	-15.32%	-14.81%	-10.97%
2010	367 - Underground Conductors	457,351	29,198	152,497	(123,299)	-26.96%	-22.10%	-25.04%	-21.80%	-20.01%	-19.48%	-19.14%	-18.78%	-16.52%	-15.97%
2011	367 - Underground Conductors	504,490	58,303	138,472	(80,169)	-15.89%	-21.15%	-20.00%	-22.55%	-20.68%	-19.40%	-18.99%	-18.73%	-18.45%	-16.45%
2012	367 - Underground Conductors	755,578	130,090	146,012	(15,922)	-2.11%	-7.63%	-12.77%	-13.97%	-16.63%	-16.57%	-16.24%	-16.15%	-16.10%	-16.07%
2013	367 - Underground Conductors	941,532	73,425	233,937	(160,512)	-17.05%	-10.40%	-11.66%	-14.29%	-14.88%	-16.74%	-16.67%	-16.39%	-16.30%	-16.26%
2014	367 - Underground Conductors	653,793	80,983	161,920	(80,937)	-12.38%	-15.13%	-10.95%	-11.82%	-13.91%	-14.46%	-16.06%	-16.11%	-15.93%	-15.88%
1981	368 - Line Transformers	1,612,039	62,579	316,766	(254,188)	-15.77%									
1982	368 - Line Transformers	985,498	78,527	341,802	(263,275)	-26.71%	-19.92%								
1983	368 - Line Transformers	963,363	84,754	109,885	(25,131)	-2.61%	-14.80%	-15.24%							
1984	368 - Line Transformers	1,013,353	79,858	122,088	(42,230)	-4.17%	-3.41%	-11.16%	-12.79%						
1985	368 - Line Transformers	659,811	89,800	218,821	(129,021)	-19.55%	-10.24%	-7.45%	-12.69%	-13.64%					
1986	368 - Line Transformers	1,292,410	120,205	339,705	(219,500)	-16.98%	-17.85%	-13.18%	-10.59%	-13.82%	-14.30%				
1987	368 - Line Transformers	1,207,643	103,233	301,787	(198,554)	-16.44%	-16.72%	-17.31%	-14.12%	-11.96%	-14.34%	-14.64%			
1988	368 - Line Transformers	983,941	93,117	423,973	(330,857)	-33.63%	-24.16%	-21.50%	-21.19%	-17.84%	-15.44%	-17.01%	-16.78%		
1989	368 - Line Transformers	860,104	134,907	347,108	(212,201)	-24.67%	-29.45%	-24.30%	-22.12%	-21.79%	-18.82%	-16.58%	-17.84%	-17.49%	
1990	368 - Line Transformers	1,588,482	84,850	568,282	(483,432)	-30.43%	-28.41%	-29.90%	-26.40%	-24.35%	-23.87%	-21.24%	-19.15%	-19.93%	-19.33%
1991	368 - Line Transformers	1,742,147	102,119	815,800	(713,681)	-40.97%	-35.94%	-33.63%	-33.63%	-30.38%	-28.12%	-27.44%	-24.92%	-22.84%	-23.17%
1992	368 - Line Transformers	1,692,542	153,332	632,060	(478,727)	-28.28%	-34.72%	-33.36%	-32.09%	-32.31%	-29.94%	-28.15%	-27.59%	-25.44%	-23.60%
1993	368 - Line Transformers	2,206,223	167,374	924,443	(757,069)	-34.32%	-31.70%	-34.56%	-33.65%	-32.70%	-32.80%	-30.88%	-29.33%	-28.80%	-26.91%
1994	368 - Line Transformers	1,479,843	112,017	647,875	(535,858)	-36.21%	-35.08%	-32.94%	-34.90%	-34.09%	-33.24%	-33.28%	-31.55%	-30.11%	-29.60%
1995	368 - Line Transformers	2,709,332	204,291	982,748	(778,457)	-28.73%	-31.37%	-32.39%	-31.53%	-33.20%	-32.82%	-32.25%	-32.35%	-31.02%	-29.87%
1996	368 - Line Transformers	2,001,150	123,915	573,201	(449,286)	-22.45%	-26.06%	-28.49%	-30.02%	-29.73%	-31.38%	-31.27%	-30.87%	-31.05%	-29.98%
1997	368 - Line Transformers	1,377,599	136,515	547,916	(411,401)	-29.86%	-25.47%	-26.92%	-28.74%	-30.00%	-29.75%	-31.23%	-31.14%	-30.78%	-30.95%
1998	368 - Line Transformers	1,980,705	184,346	555,011	(370,665)	-18.71%	-23.29%	-22.98%	-24.91%	-26.66%	-28.10%	-28.12%	-29.59%	-29.67%	-29.43%
1999	368 - Line Transformers	2,355,785	69,238	614,295	(545,057)	-23.14%	-21.12%	-23.23%	-23.02%	-24.51%	-25.96%	-27.27%	-27.38%	-28.73%	-28.87%
2000	368 - Line Transformers	2,555,386	68,603	688,741	(620,138)	-24.27%	-23.73%	-22.29%	-23.55%	-23.33%	-24.46%	-25.66%	-26.81%	-26.94%	-28.16%
2001	368 - Line Transformers	3,309,047	74,745	1,133,286	(1,058,541)	-31.99%	-28.62%	-27.05%	-25.43%	-25.96%	-25.44%	-25.99%	-26.84%	-27.67%	-27.72%
2002	368 - Line Transformers	3,960,667	100,394	830,652	(730,258)	-18.44%	-24.61%	-24.52%	-24.25%	-23.48%	-24.04%	-23.86%	-24.51%	-25.31%	-26.14%
2003	368 - Line Transformers	3,006,665	74,759	992,870	(918,112)	-30.54%	-23.66%	-26.34%	-25.93%	-25.50%	-24.71%	-25.10%	-24.84%	-25.29%	-25.94%
2004	368 - Line Transformers	1,585,092	85,491	660,122	(574,631)	-36.25%	-32.51%	-25.99%	-27.67%	-27.06%	-26.51%	-25.69%	-25.97%	-25.66%	-25.99%

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2005	368 - Line Transformers	3,374,432	399,460	768,292	(368,832)	-10.93%	-19.02%	-23.37%	-21.73%	-23.96%	-24.00%	-23.90%	-23.44%	-23.81%	-23.71%
2006	368 - Line Transformers	3,188,373	308,793	724,277	(415,484)	-13.03%	-11.95%	-16.68%	-20.41%	-19.90%	-22.07%	-22.34%	-22.42%	-22.13%	-22.53%
2007	368 - Line Transformers	2,597,556	240,235	616,133	(375,898)	-14.47%	-13.68%	-12.67%	-16.14%	-19.29%	-19.10%	-21.13%	-21.47%	-21.62%	-21.41%
2008	368 - Line Transformers	2,175,009	380,066	841,019	(460,953)	-21.19%	-17.53%	-15.73%	-14.30%	-16.99%	-19.55%	-19.33%	-21.14%	-21.45%	-21.59%
2009	368 - Line Transformers	2,949,929	157,691	1,124,548	(966,858)	-32.78%	-27.86%	-23.36%	-20.34%	-18.12%	-19.93%	-21.62%	-21.07%	-22.45%	-22.61%
2010	368 - Line Transformers	2,772,338	147,766	1,483,760	(1,335,994)	-48.19%	-40.24%	-35.00%	-29.92%	-25.98%	-23.00%	-24.13%	-25.02%	-24.00%	-24.92%
2011	368 - Line Transformers	3,916,935	219,758	1,152,501	(932,743)	-23.81%	-33.92%	-33.57%	-31.29%	-28.26%	-25.50%	-23.16%	-24.08%	-24.84%	-23.98%
2012	368 - Line Transformers	4,070,873	151,305	1,241,219	(1,089,914)	-26.77%	-25.32%	-31.21%	-31.55%	-30.13%	-27.93%	-25.74%	-23.74%	-24.49%	-25.10%
2013	368 - Line Transformers	4,190,230	211,179	1,006,413	(795,234)	-18.98%	-22.82%	-23.14%	-27.78%	-28.61%	-27.80%	-26.28%	-24.64%	-23.06%	-23.74%
2014	368 - Line Transformers	4,461,636	255,488	1,091,687	(836,199)	-18.74%	-18.86%	-21.39%	-21.96%	-25.71%	-26.64%	-26.16%	-25.04%	-23.78%	-22.49%
1981	369.1 - Overhead Services	230,580	81,379	106,270	(24,891)	-10.80%									
1982	369.1 - Overhead Services	102,601	67,027	66,574	452	0.44%	-7.34%								
1983	369.1 - Overhead Services	232,316	41,068	24,865	16,203	6.97%	4.97%	-1.46%							
1984	369.1 - Overhead Services	141,699	30,769	79,446	(48,677)	-34.35%	-8.68%	-6.72%	-8.05%						
1985	369.1 - Overhead Services	190,330	13,809	30,281	(16,471)	-8.65%	-19.62%	-8.67%	-7.27%	-8.18%					
1986	369.1 - Overhead Services	196,372	16,506	1,520	14,986	7.63%	-0.38%	-9.49%	-4.46%	-3.88%	-5.34%				
1987	369.1 - Overhead Services	198,480	6,255	1,778	4,476	2.26%	4.93%	0.51%	-6.29%	-3.07%	-2.73%	-4.17%			
1988	369.1 - Overhead Services	232,466	3,555	3,463	92	0.04%	1.06%	3.12%	0.38%	-4.75%	-2.47%	-2.24%	-3.53%		
1989	369.1 - Overhead Services	223,737	-	818	(818)	-0.37%	-0.16%	0.57%	2.20%	0.22%	-3.92%	-2.13%	-1.96%	-3.13%	
1990	369.1 - Overhead Services	205,017	-	1,610	(1,610)	-0.79%	-0.57%	-0.35%	0.25%	1.62%	0.05%	-3.46%	-1.96%	-1.82%	-2.88%
1991	369.1 - Overhead Services	235,789	-	1,867	(1,867)	-0.79%	-0.79%	-0.65%	-0.47%	0.02%	1.18%	-0.08%	-3.07%	-1.81%	-1.70%
1992	369.1 - Overhead Services	421,505	-	2,026	(2,026)	-0.48%	-0.59%	-0.64%	-0.58%	-0.47%	-0.12%	0.77%	-0.17%	-2.54%	-1.57%
1993	369.1 - Overhead Services	424,502	-	2,294	(2,294)	-0.54%	-0.51%	-0.57%	-0.61%	-0.57%	-0.49%	-0.21%	0.51%	-0.24%	-2.19%
1994	369.1 - Overhead Services	374,403	-	2,770	(2,770)	-0.74%	-0.63%	-0.58%	-0.62%	-0.64%	-0.60%	-0.53%	-0.29%	0.33%	-0.31%
1995	369.1 - Overhead Services	466,478	1,550	2,057	(507)	-0.11%	-0.39%	-0.44%	-0.45%	-0.49%	-0.52%	-0.51%	-0.46%	-0.26%	0.26%
1996	369.1 - Overhead Services	258,426	-	2,932	(2,932)	-1.13%	-0.47%	-0.56%	-0.56%	-0.54%	-0.57%	-0.59%	-0.57%	-0.52%	-0.34%
1997	369.1 - Overhead Services	402,678	-	89,403	(89,403)	-22.20%	-13.97%	-8.23%	-6.37%	-5.08%	-4.26%	-3.94%	-3.71%	-3.46%	-3.21%
1998	369.1 - Overhead Services	711,123	-	316,292	(316,292)	-44.48%	-36.42%	-29.78%	-22.25%	-18.61%	-15.70%	-13.61%	-12.69%	-11.99%	-11.29%
1999	369.1 - Overhead Services	366,092	41,300	110,861	(69,561)	-19.00%	-35.82%	-32.11%	-27.51%	-21.71%	-18.67%	-16.11%	-14.18%	-13.32%	-12.66%
2000	369.1 - Overhead Services	369,655	72,500	216,048	(143,548)	-38.83%	-28.96%	-36.59%	-33.46%	-29.49%	-24.17%	-21.20%	-18.60%	-16.58%	-15.66%
2001	369.1 - Overhead Services	334,855	101,210	299,546	(198,336)	-59.23%	-48.53%	-38.43%	-40.84%	-37.41%	-33.57%	-28.21%	-25.07%	-22.27%	-20.04%
2002	369.1 - Overhead Services	242,882	61,091	118,096	(57,005)	-23.47%	-44.20%	-42.10%	-35.66%	-38.76%	-36.01%	-32.66%	-27.84%	-24.96%	-22.34%
2003	369.1 - Overhead Services	367,630	50,964	408,086	(357,121)	-97.14%	-67.83%	-64.79%	-57.49%	-49.11%	-47.73%	-44.05%	-40.42%	-35.08%	-31.78%
2004	369.1 - Overhead Services	246,408	53,504	328,039	(274,534)	-111.41%	-102.87%	-80.36%	-74.43%	-66.00%	-57.07%	-53.68%	-49.51%	-45.72%	-40.07%
2005	369.1 - Overhead Services	328,916	28,366	489,712	(461,346)	-140.26%	-127.91%	-115.91%	-96.98%	-88.67%	-78.92%	-69.20%	-63.28%	-58.37%	-54.29%
2006	369.1 - Overhead Services	299,627	17,019	356,610	(339,591)	-113.34%	-127.43%	-122.92%	-115.29%	-100.28%	-92.73%	-83.63%	-74.37%	-67.87%	-62.86%
2007	369.1 - Overhead Services	205,171	48,232	227,157	(178,925)	-87.21%	-102.72%	-117.53%	-116.13%	-111.31%	-98.69%	-92.17%	-83.94%	-75.33%	-69.01%
2008	369.1 - Overhead Services	181,951	14,887	227,245	(212,358)	-116.71%	-101.07%	-106.43%	-117.38%	-116.22%	-111.91%	-100.44%	-94.19%	-86.25%	-77.89%
2009	369.1 - Overhead Services	161,080	15,401	230,140	(214,739)	-133.31%	-124.51%	-110.55%	-111.53%	-119.56%	-118.15%	-113.84%	-103.05%	-96.85%	-89.02%
2010	369.1 - Overhead Services	141,936	16,973	260,393	(243,420)	-171.50%	-151.20%	-138.26%	-123.08%	-120.13%	-125.15%	-122.99%	-118.07%	-107.51%	-101.07%
2011	369.1 - Overhead Services	173,216	59,217	235,363	(176,146)	-101.69%	-133.13%	-133.19%	-128.64%	-118.79%	-117.39%	-122.43%	-120.87%	-116.73%	-107.08%
2012	369.1 - Overhead Services	215,074	57,192	309,068	(251,876)	-117.11%	-110.23%	-126.63%	-128.19%	-125.80%	-118.46%	-117.34%	-121.76%	-120.45%	-116.76%
2013	369.1 - Overhead Services	201,778	39,297	224,884	(185,587)	-91.98%	-104.94%	-103.99%	-117.08%	-120.01%	-119.45%	-114.28%	-114.10%	-118.61%	-117.79%
2014	369.1 - Overhead Services	196,786	38,272	210,460	(172,188)	-87.50%	-89.77%	-99.35%	-99.87%	-110.81%	-114.14%	-114.51%	-110.71%	-111.16%	-115.70%
1981	369.2 - Underground Services	-	-	-	-	NA									
1982	369.2 - Underground Services	-	-	-	-	NA	NA								
1983	369.2 - Underground Services	-	-	-	-	NA	NA	NA							
1984	369.2 - Underground Services	5,077	571	-	571	11.24%	11.24%	11.24%	11.24%						
1985	369.2 - Underground Services	13,195	2	0	2	0.01%	3.13%	3.13%	3.13%	3.13%					
1986	369.2 - Underground Services	12,087	-	0	(0)	0.00%	0.01%	1.89%	1.89%	1.89%	1.89%				
1987	369.2 - Underground Services	37,711	-	-	-	0.00%	0.00%	0.00%	0.84%	0.84%	0.84%	0.84%			
1988	369.2 - Underground Services	83,128	-	-	-	0.00%	0.00%	0.00%	0.00%	0.38%	0.38%	0.38%	0.38%		
1989	369.2 - Underground Services	62,454	1,238	11	1,227	1.96%	0.84%	0.67%	0.63%	0.59%	0.84%	0.84%	0.84%	0.84%	

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1990	369.2 - Underground Services	64,833	406	17	389	0.60%	1.27%	0.77%	0.65%	0.62%	0.59%	0.79%	0.79%	0.79%	0.79%
1991	369.2 - Underground Services	41,254	499	25	474	1.15%	0.81%	1.24%	0.83%	0.72%	0.69%	0.66%	0.83%	0.83%	0.83%
1992	369.2 - Underground Services	145,472	1,389	67	1,322	0.91%	0.96%	0.87%	1.09%	0.86%	0.78%	0.76%	0.74%	0.86%	0.86%
1993	369.2 - Underground Services	69,530	1,009	338	671	0.97%	0.93%	0.96%	0.89%	1.06%	0.87%	0.81%	0.79%	0.77%	0.87%
1994	369.2 - Underground Services	77,510	1,129	631	497	0.64%	0.79%	0.85%	0.89%	0.84%	0.99%	0.84%	0.79%	0.77%	0.75%
1995	369.2 - Underground Services	81,505	3,579	601	2,978	3.65%	2.19%	1.81%	1.46%	1.43%	1.32%	1.39%	1.21%	1.14%	1.12%
1996	369.2 - Underground Services	59,322	4,131	7,748	(3,617)	-6.10%	-0.45%	-0.06%	0.18%	0.43%	0.49%	0.50%	0.65%	0.58%	0.55%
1997	369.2 - Underground Services	51,715	5,804	16,085	(10,281)	-19.88%	-12.52%	-5.67%	-3.86%	-2.87%	-1.74%	-1.51%	-1.28%	-0.97%	-0.86%
1998	369.2 - Underground Services	115,683	14,736	8,090	6,646	5.75%	-2.17%	-3.20%	-1.39%	-0.98%	-0.68%	-0.30%	-0.20%	-0.13%	0.04%
1999	369.2 - Underground Services	65,850	2,776	6,921	(4,145)	-6.29%	1.38%	-3.34%	-3.90%	-2.25%	-1.75%	-1.39%	-0.89%	-0.77%	-0.66%
2000	369.2 - Underground Services	58,633	18,342	10,258	8,084	13.79%	3.16%	4.41%	0.10%	-0.94%	-0.08%	0.03%	0.14%	0.30%	0.34%
2001	369.2 - Underground Services	47,421	4,985	91,715	(86,730)	-182.89%	-74.16%	-48.16%	-26.48%	-25.47%	-22.59%	-18.13%	-15.52%	-13.70%	-10.95%
2002	369.2 - Underground Services	36,118	-	6,305	(6,305)	-17.46%	-111.37%	-59.75%	-42.83%	-25.47%	-24.70%	-22.16%	-18.09%	-15.64%	-13.90%
2003	369.2 - Underground Services	55,822	-	8,402	(8,402)	-15.05%	-16.00%	-72.79%	-47.15%	-36.95%	-23.94%	-23.45%	-21.35%	-17.79%	-15.59%
2004	369.2 - Underground Services	37,324	-	8,164	(8,164)	-21.87%	-17.78%	-17.69%	-62.03%	-43.14%	-35.08%	-23.75%	-23.33%	-21.39%	-18.04%
2005	369.2 - Underground Services	59,213	-	11,147	(11,147)	-18.83%	-20.00%	-18.19%	-18.05%	-51.19%	-38.25%	-32.41%	-23.14%	-22.82%	-21.13%
2006	369.2 - Underground Services	132,131	-	46,146	(46,146)	-34.92%	-29.94%	-28.63%	-25.96%	-25.00%	-45.35%	-37.22%	-33.09%	-25.70%	-25.24%
2007	369.2 - Underground Services	57,288	-	25,188	(25,188)	-43.97%	-37.66%	-33.17%	-31.70%	-28.98%	-27.88%	-45.16%	-38.02%	-34.22%	-27.27%
2008	369.2 - Underground Services	117,471	-	19,668	(19,668)	-16.74%	-25.67%	-29.65%	-27.90%	-27.34%	-25.85%	-25.24%	-39.01%	-33.86%	-31.14%
2009	369.2 - Underground Services	106,445	-	15,898	(15,898)	-14.94%	-15.88%	-21.61%	-25.86%	-24.98%	-24.75%	-23.80%	-23.42%	-35.06%	-31.02%
2010	369.2 - Underground Services	139,069	-	29,417	(29,417)	-21.15%	-18.46%	-17.90%	-21.46%	-24.68%	-24.11%	-23.98%	-23.27%	-22.99%	-32.61%
2011	369.2 - Underground Services	83,255	-	16,667	(16,667)	-20.02%	-20.73%	-18.85%	-18.30%	-21.22%	-24.07%	-23.62%	-23.53%	-22.93%	-22.69%
2012	369.2 - Underground Services	95,269	-	100,020	(100,020)	-104.99%	-65.36%	-46.00%	-38.20%	-33.55%	-34.55%	-34.61%	-33.43%	-32.91%	-31.78%
2013	369.2 - Underground Services	112,851	-	(48,422)	48,422	42.91%	-24.79%	-23.43%	-22.69%	-21.16%	-20.36%	-22.26%	-24.25%	-23.89%	-23.81%
2014	369.2 - Underground Services	121,168	-	31,582	(31,582)	-26.06%	7.20%	-25.26%	-24.20%	-23.43%	-22.06%	-21.25%	-22.82%	-24.47%	-24.15%
1981	370 - Meters	197,293	195	14,761	(14,565)	-7.38%									
1982	370 - Meters	169,622	9,193	11,669	(2,475)	-1.46%	-4.64%								
1983	370 - Meters	188,692	579	8,682	(8,102)	-4.29%	-2.95%	-4.53%							
1984	370 - Meters	149,731	2,415	9,120	(6,705)	-4.48%	-4.38%	-3.40%	-4.52%						
1985	370 - Meters	257,013	12,572	25,055	(12,483)	-4.86%	-4.72%	-4.58%	-3.89%	-4.61%					
1986	370 - Meters	172,104	957	22,999	(22,041)	-12.81%	-8.05%	-7.12%	-6.43%	-5.53%	-5.85%				
1987	370 - Meters	224,580	2,467	12,457	(9,989)	-4.45%	-8.07%	-6.81%	-6.37%	-5.98%	-5.32%	-5.62%			
1988	370 - Meters	200,348	4,075	7,823	(3,748)	-1.87%	-3.23%	-5.99%	-5.65%	-5.48%	-5.29%	-4.81%	-5.14%		
1989	370 - Meters	481,584	9,636	15,293	(5,657)	-1.17%	-1.38%	-2.14%	-3.84%	-4.04%	-4.08%	-4.11%	-3.86%	-4.20%	
1990	370 - Meters	205,553	3,735	9,996	(6,261)	-3.05%	-1.73%	-1.77%	-2.31%	-3.71%	-3.90%	-3.96%	-3.99%	-3.78%	-4.10%
1991	370 - Meters	384,949	5,750	13,589	(7,839)	-2.04%	-2.39%	-1.84%	-1.85%	-2.24%	-3.33%	-3.53%	-3.60%	-3.66%	-3.50%
1992	370 - Meters	434,914	1,982	12,858	(10,876)	-2.50%	-2.28%	-2.44%	-2.03%	-2.01%	-2.30%	-3.16%	-3.34%	-3.41%	-3.47%
1993	370 - Meters	202,527	14,984	10,578	4,406	2.18%	-1.02%	-1.40%	-1.68%	-1.53%	-1.57%	-1.87%	-2.69%	-2.91%	-2.99%
1994	370 - Meters	273,177	28,143	32,786	(4,644)	-1.70%	-0.05%	-1.22%	-1.46%	-1.68%	-1.56%	-1.59%	-1.85%	-2.58%	-2.79%
1995	370 - Meters	199,107	4,777	25,948	(21,171)	-10.63%	-5.47%	-3.17%	-2.91%	-2.68%	-2.73%	-2.39%	-2.34%	-2.52%	-3.16%
1996	370 - Meters	250,797	7,805	22,765	(14,959)	-5.96%	-8.03%	-5.64%	-3.93%	-3.47%	-3.16%	-3.14%	-2.75%	-2.69%	-2.83%
1997	370 - Meters	202,164	1,617	24,698	(23,081)	-11.42%	-8.40%	-9.08%	-6.90%	-5.27%	-4.50%	-4.01%	-3.92%	-3.42%	-3.31%
1998	370 - Meters	160,249	4,272	6,708	(2,436)	-1.52%	-7.04%	-6.60%	-7.59%	-6.11%	-4.80%	-4.22%	-3.82%	-3.75%	-3.31%
1999	370 - Meters	254,307	7,930	11,617	(3,687)	-1.45%	-1.48%	-4.74%	-5.09%	-6.13%	-5.22%	-4.25%	-3.87%	-3.57%	-3.53%
2000	370 - Meters	338,813	17,128	13,987	3,141	0.93%	-0.09%	-0.40%	-2.73%	-3.40%	-4.43%	-3.98%	-3.32%	-3.17%	-3.00%
2001	370 - Meters	434,282	40,330	37,149	3,181	0.73%	0.82%	0.26%	0.02%	-1.65%	-2.31%	-3.21%	-3.01%	-2.56%	-2.55%
2002	370 - Meters	555,576	42,584	58,550	(15,966)	-2.87%	-1.29%	-0.73%	-0.84%	-0.90%	-2.00%	-2.45%	-3.13%	-2.98%	-2.62%
2003	370 - Meters	521,266	20,737	39,245	(18,508)	-3.55%	-3.20%	-2.07%	-1.52%	-1.51%	-1.51%	-2.33%	-2.66%	-3.21%	-3.08%
2004	370 - Meters	633,156	102,283	104,382	(2,099)	-0.33%	-1.79%	-2.14%	-1.56%	-1.22%	-1.24%	-1.26%	-1.92%	-2.22%	-2.69%
2005	370 - Meters	895,191	338,801	169,953	168,848	18.86%	10.91%	7.23%	5.08%	4.46%	4.10%	3.71%	3.49%	2.74%	2.22%
2006	370 - Meters	1,179,287	488,282	108,465	379,817	32.21%	26.45%	20.19%	16.35%	13.53%	12.21%	11.37%	10.70%	10.30%	9.45%
2007	370 - Meters	1,386,296	506,730	224,187	282,543	20.38%	25.82%	24.02%	20.25%	17.56%	15.37%	14.23%	13.48%	12.86%	12.50%
2008	370 - Meters	1,246,424	532,731	266,965	265,766	21.32%	20.83%	24.35%	23.30%	20.50%	18.36%	16.52%	15.52%	14.84%	14.28%
2009	370 - Meters	1,210,783	737,210	246,325	490,885	40.54%	30.79%	27.04%	28.25%	26.83%	24.21%	22.16%	20.34%	19.28%	18.54%
2010	370 - Meters	1,656,366	1,018,127	369,759	648,368	39.14%	39.73%	34.16%	30.68%	30.95%	29.52%	27.22%	25.38%	23.69%	22.67%

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2011	370 - Meters	2,615,250	764,637	247,080	517,557	19.79%	27.29%	30.22%	28.57%	27.17%	27.81%	27.03%	25.42%	24.09%	22.83%
2012	370 - Meters	1,381,326	225,485	(374,836)	600,321	43.46%	27.97%	31.24%	32.88%	31.11%	29.54%	29.84%	28.99%	27.47%	26.20%
2013	370 - Meters	2,066,560	280,402	201,527	78,875	3.82%	19.70%	19.74%	23.90%	26.16%	25.57%	24.94%	25.62%	25.17%	24.04%
2014	370 - Meters	1,674,214	400,188	254,233	145,955	8.72%	6.01%	16.11%	17.35%	21.20%	23.40%	23.19%	22.89%	23.65%	23.37%
2010	370.2 AMI Meters	-	-	-	-	NA									
2011	370.2 AMI Meters	-	-	-	-	NA	NA								
2012	370.2 AMI Meters	83,475	-	-	-	0.00%	0.00%	0.00%							
2013	370.2 AMI Meters	205,764	-	-	-	0.00%	0.00%	0.00%	0.00%						
2014	370.2 AMI Meters	215,328	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%					
		-	-	-	-	NA	0.00%	0.00%	0.00%	0.00%	0.00%				
1981	373 - Street Lighting	179,742	74,096	93,155	(19,059)	-10.60%									
1982	373 - Street Lighting	173,132	97,615	101,524	(3,909)	-2.26%	-6.51%								
1983	373 - Street Lighting	170,076	95,067	26,732	68,335	40.18%	18.77%	8.68%							
1984	373 - Street Lighting	286,958	18,635	37,392	(18,756)	-6.54%	10.85%	7.25%	3.29%						
1985	373 - Street Lighting	286,126	20,371	41,802	(21,431)	-7.49%	-7.01%	3.79%	2.65%	0.47%					
1986	373 - Street Lighting	268,770	14,410	52,316	(37,906)	-14.10%	-10.69%	-9.28%	-0.96%	-1.15%	-2.40%				
1987	373 - Street Lighting	275,197	10,690	65,752	(55,062)	-20.01%	-17.09%	-13.78%	-11.92%	-5.04%	-4.71%	-5.35%			
1988	373 - Street Lighting	799,968	23,051	105,366	(82,315)	-10.29%	-12.78%	-13.04%	-12.07%	-11.24%	-7.05%	-6.68%	-6.97%		
1989	373 - Street Lighting	417,541	14,214	33,443	(19,229)	-4.61%	-8.34%	-10.49%	-11.04%	-10.55%	-10.05%	-6.64%	-6.36%	-6.63%	
1990	373 - Street Lighting	443,090	51,928	84,120	(32,192)	-7.27%	-5.97%	-8.05%	-9.75%	-10.28%	-9.96%	-9.61%	-6.74%	-6.49%	-6.71%
1991	373 - Street Lighting	964,016	41,727	249,126	(207,399)	-21.51%	-17.03%	-14.18%	-13.00%	-13.66%	-13.70%	-13.19%	-12.68%	-10.38%	-10.03%
1992	373 - Street Lighting	716,279	36,569	141,875	(105,307)	-14.70%	-18.61%	-16.24%	-14.33%	-13.36%	-13.87%	-13.88%	-13.45%	-13.00%	-11.05%
1993	373 - Street Lighting	770,698	27,647	111,391	(83,744)	-10.87%	-12.71%	-16.18%	-14.81%	-13.52%	-12.89%	-13.34%	-13.39%	-13.04%	-12.69%
1994	373 - Street Lighting	715,564	26,462	85,116	(58,654)	-8.20%	-9.58%	-11.25%	-14.37%	-13.50%	-12.58%	-12.20%	-12.62%	-12.69%	-12.43%
1995	373 - Street Lighting	620,344	51,509	157,282	(105,773)	-17.05%	-12.31%	-11.78%	-12.52%	-14.81%	-14.02%	-13.17%	-12.75%	-13.10%	-13.15%
1996	373 - Street Lighting	604,115	90,955	95,613	(4,657)	-0.77%	-9.02%	-8.72%	-9.33%	-10.45%	-12.88%	-12.36%	-11.75%	-11.56%	-11.92%
1997	373 - Street Lighting	987,581	20,905	58,016	(37,111)	-3.76%	-2.62%	-6.67%	-7.04%	-7.84%	-8.95%	-11.20%	-10.90%	-10.48%	-10.46%
1998	373 - Street Lighting	778,799	107,221	227,567	(120,346)	-15.45%	-8.91%	-6.84%	-8.96%	-8.81%	-9.16%	-9.93%	-11.74%	-11.44%	-11.03%
1999	373 - Street Lighting	838,788	94,950	23,153	71,797	8.56%	-3.00%	-3.29%	-2.81%	-5.12%	-5.60%	-6.37%	-7.36%	-9.31%	-9.19%
2000	373 - Street Lighting	707,899	157,722	100,979	56,743	8.02%	8.31%	0.35%	-0.87%	-0.86%	-3.07%	-3.77%	-4.68%	-5.74%	-7.72%
2001	373 - Street Lighting	796,837	127,517	127,659	(142)	-0.02%	3.76%	5.48%	0.26%	-0.71%	-0.72%	-2.61%	-3.28%	-4.13%	-5.14%
2002	373 - Street Lighting	675,994	139,388	144,957	(5,568)	-0.82%	-0.39%	2.34%	4.07%	0.07%	-0.72%	-0.73%	-2.41%	-3.03%	-3.83%
2003	373 - Street Lighting	1,221,177	48,140	237,254	(189,113)	-15.49%	-10.26%	-7.23%	-4.06%	-1.56%	-3.72%	-3.72%	-3.45%	-4.62%	-4.94%
2004	373 - Street Lighting	1,556,805	53,975	164,751	(110,776)	-7.12%	-10.80%	-8.84%	-7.19%	-5.02%	-3.05%	-4.52%	-4.42%	-4.15%	-5.06%
2005	373 - Street Lighting	1,126,827	46,296	205,474	(159,178)	-14.13%	-10.06%	-11.76%	-10.14%	-8.64%	-6.70%	-4.86%	-5.93%	-5.68%	-5.36%
2006	373 - Street Lighting	1,308,239	111,772	660,963	(549,191)	-41.98%	-29.09%	-20.52%	-19.34%	-17.22%	-15.17%	-12.95%	-10.76%	-11.16%	-10.43%
2007	373 - Street Lighting	1,175,176	35,337	255,195	(219,858)	-18.71%	-30.97%	-25.71%	-20.11%	-19.22%	-17.46%	-15.70%	-13.74%	-11.75%	-12.03%
2008	373 - Street Lighting	1,497,785	10,626	378,414	(367,788)	-24.56%	-21.98%	-28.56%	-25.37%	-21.11%	-20.24%	-18.70%	-17.11%	-15.35%	-13.51%
2009	373 - Street Lighting	1,054,208	13,010	331,272	(318,262)	-30.19%	-26.88%	-24.31%	-28.90%	-26.20%	-22.35%	-21.41%	-19.96%	-18.44%	-16.75%
2010	373 - Street Lighting	410,414	75,467	161,837	(86,370)	-21.04%	-27.63%	-26.07%	-23.98%	-28.31%	-25.87%	-22.28%	-21.39%	-20.01%	-18.54%
2011	373 - Street Lighting	207,303	111,878	76,663	35,215	16.99%	-8.28%	-22.10%	-23.26%	-22.03%	-26.64%	-24.56%	-21.31%	-20.56%	-19.26%
2012	373 - Street Lighting	247,799	107,004	64,618	42,386	17.10%	17.05%	-1.01%	-17.04%	-20.33%	-19.92%	-24.81%	-23.09%	-20.20%	-19.61%
2013	373 - Street Lighting	247,823	73,582	63,341	10,241	4.13%	10.62%	12.50%	0.13%	-14.62%	-18.68%	-18.68%	-23.64%	-22.17%	-19.51%
2014	373 - Street Lighting	373,855	71,663	140,232	(68,569)	-18.34%	-9.38%	-1.83%	1.79%	-4.51%	-15.16%	-18.65%	-18.66%	-23.34%	-21.98%
1981	Account 390 - Structures & Improvements	147,286	200	31,113	(30,913)	-20.99%									
1982	Account 390 - Structures & Improvements	-	-	-	-	NA	-20.99%								
1983	Account 390 - Structures & Improvements	19,580	100	300	(200)	-1.02%	-1.02%	-18.65%							
1984	Account 390 - Structures & Improvements	66,964	290	15,008	(14,718)	-21.98%	-17.24%	-17.24%	-19.60%						
1985	Account 390 - Structures & Improvements	-	-	-	-	NA	-21.98%	-17.24%	-17.24%	-19.60%					
1986	Account 390 - Structures & Improvements	136,600	195	25,305	(25,110)	-18.38%	-18.38%	-19.56%	-17.94%	-17.94%	-19.15%				
1987	Account 390 - Structures & Improvements	830,914	22,365	96,123	(73,758)	-8.88%	-10.22%	-10.22%	-10.98%	-10.79%	-10.79%	-12.04%			
1988	Account 390 - Structures & Improvements	36,365	-	1,327	(1,327)	-3.65%	-8.66%	-9.98%	-9.98%	-10.73%	-10.56%	-10.56%	-11.80%		

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1989	Account 390 - Structures & Improvements	241,423	5,735	8,506	(2,771)	-1.15%	-1.48%	-7.02%	-8.27%	-8.27%	-8.97%	-8.85%	-8.85%	-10.06%	
1990	Account 390 - Structures & Improvements	83,793	6,900	233	6,667	7.96%	1.20%	0.71%	-5.97%	-7.25%	-7.25%	-7.95%	-7.86%	-7.86%	-9.09%
1991	Account 390 - Structures & Improvements	277,474	23	2,165	(2,142)	-0.77%	1.25%	0.29%	0.07%	-4.99%	-6.13%	-6.13%	-6.76%	-6.70%	-6.70%
1992	Account 390 - Structures & Improvements	234,464	73,332	15,109	58,223	24.83%	10.95%	10.53%	7.16%	6.71%	-0.89%	-2.18%	-2.18%	-2.88%	-2.86%
1993	Account 390 - Structures & Improvements	16,974	-	4,283	(4,283)	-25.23%	21.45%	9.79%	9.54%	6.52%	6.11%	-1.13%	-2.40%	-2.40%	-3.08%
1994	Account 390 - Structures & Improvements	1,690	-	5,397	(5,397)	-319.27%	-51.86%	19.18%	8.74%	8.64%	5.88%	5.49%	-1.44%	-2.68%	-2.68%
1995	Account 390 - Structures & Improvements	168,287	39,838	11,121	28,717	17.06%	13.72%	10.18%	18.33%	10.75%	10.45%	7.72%	7.33%	0.21%	-1.04%
1996	Account 390 - Structures & Improvements	310,396	54,469	2,462	52,007	16.75%	16.86%	15.68%	14.28%	17.66%	12.60%	12.24%	9.82%	9.46%	2.54%
1997	Account 390 - Structures & Improvements	236,660	-	48,595	(48,595)	-20.53%	0.62%	4.49%	3.73%	3.06%	8.33%	6.30%	6.41%	5.25%	5.04%
1998	Account 390 - Structures & Improvements	265,895	-	142,491	(142,491)	-53.59%	-38.02%	-17.11%	-11.25%	-11.78%	-12.01%	-5.01%	-4.23%	-3.59%	-3.27%
1999	Account 390 - Structures & Improvements	610,967	-	22,579	(22,579)	-3.70%	-18.83%	-19.19%	-11.35%	-8.35%	-8.68%	-8.85%	-4.57%	-4.08%	-3.62%
2000	Account 390 - Structures & Improvements	126,909	-	4,598	(4,598)	-3.62%	-3.68%	-16.90%	-17.60%	-10.72%	-8.00%	-8.31%	-8.47%	-4.51%	-4.05%
2001	Account 390 - Structures & Improvements	183,538	-	14,035	(14,035)	-7.65%	-6.00%	-4.47%	-15.47%	-16.31%	-10.40%	-7.97%	-8.24%	-8.39%	-4.78%
2002	Account 390 - Structures & Improvements	554,790	1,864	101,208	(99,345)	-17.91%	-15.36%	-13.64%	-9.52%	-16.25%	-16.76%	-12.22%	-10.21%	-10.42%	-10.52%
2003	Account 390 - Structures & Improvements	301,326	1,000	72,194	(71,194)	-23.63%	-19.92%	-17.75%	-16.22%	-11.91%	-17.34%	-17.67%	-13.54%	-11.68%	-11.86%
2004	Account 390 - Structures & Improvements	209,263	-	109,233	(109,233)	-52.20%	-35.34%	-26.26%	-23.52%	-21.69%	-16.16%	-20.57%	-20.57%	-16.43%	-14.53%
2005	Account 390 - Structures & Improvements	74,931	-	54,578	(54,578)	-72.84%	-57.64%	-40.14%	-29.32%	-26.32%	-24.33%	-18.22%	-22.26%	-22.10%	-17.90%
2006	Account 390 - Structures & Improvements	263,031	76,862	42,439	34,423	13.09%	-5.96%	-23.64%	-23.64%	-21.37%	-19.78%	-18.59%	-14.67%	-18.67%	-18.82%
2007	Account 390 - Structures & Improvements	225,781	-	169,141	(169,141)	-74.91%	-27.56%	-33.58%	-38.62%	-34.41%	-28.79%	-26.65%	-25.14%	-20.01%	-23.18%
2008	Account 390 - Structures & Improvements	5,822,914	-	115,609	(115,609)	-1.99%	-4.71%	-3.97%	-4.77%	-6.28%	-7.04%	-7.85%	-7.84%	-7.77%	-7.47%
2009	Account 390 - Structures & Improvements	324,975	-	60,719	(60,719)	-18.68%	-2.87%	-5.42%	-4.69%	-5.45%	-6.86%	-7.56%	-8.30%	-8.28%	-8.21%
2010	Account 390 - Structures & Improvements	83,198	-	15,561	(15,561)	-18.70%	-18.69%	-3.08%	-5.59%	-4.86%	-5.61%	-7.00%	-7.69%	-8.41%	-8.39%
2011	Account 390 - Structures & Improvements	78,277	5,580	143,043	(137,463)	-175.61%	-94.77%	-43.94%	-5.22%	-7.63%	-6.83%	-7.55%	-8.87%	-9.47%	-10.06%
2012	Account 390 - Structures & Improvements	852,561	-	46,745	(46,745)	-5.48%	-19.79%	-19.70%	-19.45%	-5.25%	-7.38%	-6.68%	-7.32%	-8.50%	-9.06%
2013	Account 390 - Structures & Improvements	236,169	-	13,408	(13,408)	-5.68%	-5.53%	-16.93%	-17.05%	-17.39%	-5.26%	-7.33%	-6.65%	-7.27%	-8.42%
2014	Account 390 - Structures & Improvements	250,129	-	56,770	(56,770)	-22.70%	-14.43%	-8.73%	-17.95%	-17.99%	-18.12%	-5.84%	-7.82%	-7.14%	-7.74%
1981	392.2 - Light Trucks	-	-	-	-	NA									
1982	392.2 - Light Trucks	-	-	-	-	NA	NA								
1983	392.2 - Light Trucks	-	-	-	-	NA	NA	NA							
1984	392.2 - Light Trucks	77,903	17,275	-	17,275	22.17%	22.17%	22.17%	22.17%						
1985	392.2 - Light Trucks	229,981	35,828	-	35,828	15.58%	17.25%	17.25%	17.25%	17.25%					
1986	392.2 - Light Trucks	228,104	54,800	-	54,800	24.02%	19.78%	20.13%	20.13%	20.13%	20.13%				
1987	392.2 - Light Trucks	87,840	13,644	-	13,644	15.53%	21.66%	19.10%	19.48%	19.48%	19.48%	19.48%			
1988	392.2 - Light Trucks	305,428	59,909	-	59,909	19.61%	18.70%	20.66%	19.28%	19.53%	19.53%	19.53%	19.53%		
1989	392.2 - Light Trucks	160,752	10,544	-	10,544	6.56%	15.11%	15.18%	17.76%	17.26%	17.61%	17.61%	17.61%	17.61%	
1990	392.2 - Light Trucks	516,101	109,653	-	109,653	21.25%	17.76%	18.34%	18.11%	19.15%	18.61%	18.78%	18.78%	18.78%	18.78%
1991	392.2 - Light Trucks	440,223	76,495	-	76,495	17.38%	19.46%	17.61%	18.04%	17.89%	18.70%	18.33%	18.48%	18.48%	18.48%
1992	392.2 - Light Trucks	186,796	32,995	-	32,995	17.66%	17.46%	19.17%	17.62%	18.00%	17.87%	18.60%	18.28%	18.41%	18.41%
1993	392.2 - Light Trucks	203,508	44,565	-	44,565	21.90%	19.87%	18.55%	19.58%	18.19%	18.43%	18.30%	18.91%	18.59%	18.70%
1994	392.2 - Light Trucks	108,196	27,467	-	27,467	25.39%	23.11%	21.07%	19.34%	20.01%	18.68%	18.82%	18.68%	19.23%	18.89%
1995	392.2 - Light Trucks	251,529	87,546	-	87,546	34.81%	31.97%	28.33%	25.68%	22.61%	22.19%	20.85%	20.68%	20.48%	20.80%
1996	392.2 - Light Trucks	603,822	78,431	-	78,431	12.99%	19.40%	20.08%	20.39%	20.02%	19.37%	19.79%	18.93%	19.00%	18.90%
1997	392.2 - Light Trucks	460,888	101,172	-	101,172	21.95%	16.87%	20.30%	20.68%	20.83%	20.51%	19.90%	20.15%	19.40%	19.42%
1998	392.2 - Light Trucks	316,061	60,072	-	60,072	19.01%	20.75%	17.36%	20.05%	20.38%	20.54%	20.29%	19.79%	20.03%	19.36%
1999	392.2 - Light Trucks	722,153	67,658	-	67,658	9.37%	12.30%	15.27%	14.61%	16.77%	17.15%	17.51%	17.52%	17.50%	18.01%
2000	392.2 - Light Trucks	186,606	20,740	-	20,740	11.11%	9.73%	12.12%	14.81%	14.33%	16.36%	16.72%	17.09%	17.13%	17.16%
2001	392.2 - Light Trucks	274,993	48,791	-	48,791	17.74%	15.06%	11.59%	13.15%	15.22%	14.70%	16.49%	16.82%	17.15%	17.18%
2002	392.2 - Light Trucks	332,535	42,234	-	42,234	12.70%	14.98%	14.07%	11.83%	13.07%	14.86%	14.47%	16.09%	16.40%	16.72%
2003	392.2 - Light Trucks	137,514	13,451	-	13,451	9.78%	11.85%	14.02%	13.44%	11.66%	12.84%	14.57%	14.25%	15.83%	16.13%
2004	392.2 - Light Trucks	292,104	20,910	-	20,910	7.16%	8.00%	10.05%	12.09%	11.94%	10.99%	12.11%	13.77%	13.63%	15.12%
2005	392.2 - Light Trucks	309,599	42,684	-	42,684	13.79%	10.57%	10.42%	11.13%	12.48%	12.31%	11.37%	12.31%	13.77%	13.64%
2006	392.2 - Light Trucks	158,573	7,636	-	7,636	4.82%	10.75%	9.37%	9.43%	10.32%	11.67%	11.61%	10.94%	11.87%	13.33%
2007	392.2 - Light Trucks	666,102	76,291	-	76,291	11.45%	10.18%	11.16%	10.34%	10.29%	10.72%	11.61%	11.57%	11.05%	11.79%
2008	392.2 - Light Trucks	709,273	49,083	-	49,083	6.92%	9.12%	8.67%	9.53%	9.21%	9.24%	9.68%	10.45%	10.49%	10.28%
2009	392.2 - Light Trucks	293,362	21,377	-	21,377	7.29%	7.03%	8.79%	8.45%	9.22%	8.97%	9.02%	9.44%	10.16%	10.21%

GULF POWER
Retirements, Gross Salvage, and Cost of Removal Net Salvage Analysis
As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
2010	392.2 - Light Trucks	29,037	-	-	-	0.00%	6.63%	6.83%	8.64%	8.32%	9.10%	8.87%	8.92%	9.35%	10.07%
2011	392.2 - Light Trucks	694,883	-	-	-	0.00%	0.00%	2.10%	4.08%	6.13%	6.05%	6.89%	6.91%	7.03%	7.55%
2012	392.2 - Light Trucks	696,122	-	-	-	0.00%	0.00%	0.00%	1.25%	2.91%	4.75%	4.75%	5.54%	5.66%	5.81%
2013	392.2 - Light Trucks	499,155	60,250	-	60,250	12.07%	5.04%	3.19%	3.14%	3.69%	4.47%	5.77%	5.73%	6.34%	6.40%
2014	392.2 - Light Trucks	464,516	60,011	-	60,011	12.92%	12.48%	7.25%	5.11%	5.05%	5.29%	5.63%	6.59%	6.52%	7.02%
1981	392.3 - Heavy Trucks	-	-	-	-	NA									
1982	392.3 - Heavy Trucks	-	-	-	-	NA	NA								
1983	392.3 - Heavy Trucks	-	-	-	-	NA	NA	NA							
1984	392.3 - Heavy Trucks	445,650	28,539	-	28,539	6.40%	6.40%	6.40%	6.40%						
1985	392.3 - Heavy Trucks	99,782	2,995	-	2,995	3.00%	5.78%	5.78%	5.78%	5.78%					
1986	392.3 - Heavy Trucks	989,593	414,541	-	414,541	41.89%	38.33%	29.06%	29.06%	29.06%	29.06%				
1987	392.3 - Heavy Trucks	255,345	82,877	-	82,877	32.46%	39.96%	37.21%	29.54%	29.54%	29.54%	29.54%			
1988	392.3 - Heavy Trucks	61,215	24,641	-	24,641	40.25%	33.96%	39.97%	37.35%	29.90%	29.90%	29.90%	29.90%		
1989	392.3 - Heavy Trucks	586,652	88,459	-	88,459	15.08%	17.46%	21.70%	32.25%	30.79%	26.33%	26.33%	26.33%	26.33%	
1990	392.3 - Heavy Trucks	79,400	2,526	-	2,526	3.18%	13.66%	15.90%	20.20%	31.08%	29.73%	25.60%	25.60%	25.60%	25.60%
1991	392.3 - Heavy Trucks	678,965	46,987	-	46,987	6.92%	6.53%	10.26%	11.56%	14.77%	24.90%	24.10%	21.63%	21.63%	21.63%
1992	392.3 - Heavy Trucks	1,043,543	190,387	-	190,387	18.24%	13.78%	13.31%	13.75%	14.41%	16.11%	23.02%	22.49%	20.80%	20.80%
1993	392.3 - Heavy Trucks	637,533	146,546	-	146,546	22.99%	20.04%	16.27%	15.84%	15.69%	16.18%	17.42%	23.01%	22.56%	21.09%
1994	392.3 - Heavy Trucks	1,686,569	395,055	-	395,055	23.42%	23.30%	21.74%	19.25%	18.94%	18.46%	18.74%	19.44%	23.13%	22.80%
1995	392.3 - Heavy Trucks	697,372	164,620	-	164,620	23.61%	23.48%	23.37%	22.06%	19.89%	19.62%	19.12%	19.36%	19.94%	23.18%
1996	392.3 - Heavy Trucks	1,261,198	267,893	-	267,893	21.24%	22.08%	22.70%	22.75%	21.86%	20.17%	19.95%	19.52%	19.71%	20.18%
1997	392.3 - Heavy Trucks	1,499,306	245,574	-	245,574	16.38%	18.60%	19.61%	20.86%	21.09%	20.66%	19.42%	19.25%	18.95%	19.11%
1998	392.3 - Heavy Trucks	917,266	276,228	-	276,228	30.11%	21.59%	21.47%	21.81%	22.26%	22.33%	21.78%	20.58%	20.42%	20.07%
1999	392.3 - Heavy Trucks	1,891,208	352,268	-	352,268	18.63%	22.38%	20.29%	20.51%	20.85%	21.40%	21.51%	21.16%	20.22%	20.09%
2000	392.3 - Heavy Trucks	427,841	123,399	-	123,399	28.84%	20.51%	23.23%	21.06%	21.10%	21.36%	21.78%	21.86%	21.49%	20.57%
2001	392.3 - Heavy Trucks	183,813	101,760	-	101,760	55.36%	36.81%	23.07%	24.96%	22.34%	22.12%	22.27%	22.50%	22.53%	22.09%
2002	392.3 - Heavy Trucks	1,511,132	223,142	-	223,142	14.77%	19.17%	21.12%	19.94%	21.84%	20.56%	20.67%	20.92%	21.34%	21.44%
2003	392.3 - Heavy Trucks	148,316	20,958	-	20,958	14.13%	14.71%	18.76%	20.66%	19.74%	21.61%	20.42%	20.55%	20.80%	21.23%
2004	392.3 - Heavy Trucks	3,455,161	441,424	-	441,424	12.78%	12.83%	13.40%	14.86%	15.90%	16.58%	18.03%	17.79%	18.17%	18.49%
2005	392.3 - Heavy Trucks	409,337	85,677	-	85,677	20.93%	13.64%	13.66%	13.96%	15.29%	16.24%	16.80%	18.17%	17.91%	18.27%
2006	392.3 - Heavy Trucks	3,410,160	391,635	-	391,635	11.48%	12.50%	12.63%	12.66%	13.02%	13.87%	14.54%	15.22%	16.32%	16.33%
2007	392.3 - Heavy Trucks	2,036,871	290,551	-	290,551	14.26%	12.52%	13.11%	12.99%	13.00%	13.25%	13.94%	14.49%	15.07%	16.03%
2008	392.3 - Heavy Trucks	1,638,026	202,040	-	202,040	12.33%	13.40%	12.48%	12.94%	12.89%	12.91%	13.13%	13.74%	14.22%	14.78%
2009	392.3 - Heavy Trucks	453,682	39,642	-	39,642	8.74%	11.55%	12.89%	12.25%	12.70%	12.72%	12.74%	12.98%	13.56%	14.04%
2010	392.3 - Heavy Trucks	1,322,078	118,319	-	118,319	8.95%	8.90%	10.55%	11.94%	11.76%	12.17%	12.33%	12.35%	12.61%	13.15%
2011	392.3 - Heavy Trucks	208,510	65,705	-	65,705	31.51%	12.02%	11.27%	11.75%	12.66%	12.22%	12.59%	12.64%	12.66%	12.88%
2012	392.3 - Heavy Trucks	294,039	103,723	-	103,723	35.28%	33.71%	15.77%	14.37%	13.52%	13.77%	12.94%	13.27%	13.14%	13.16%
2013	392.3 - Heavy Trucks	1,249,888	246,655	-	246,655	19.73%	22.69%	23.74%	17.38%	16.27%	15.02%	14.81%	13.74%	14.01%	13.71%
2014	392.3 - Heavy Trucks	906,988	112,169	-	112,169	12.37%	16.64%	18.87%	19.86%	16.24%	15.47%	14.63%	14.54%	13.63%	13.88%
1981	392.4 - Trailers	-	-	-	-	NA									
1982	392.4 - Trailers	-	-	-	-	NA	NA								
1983	392.4 - Trailers	-	-	-	-	NA	NA	NA							
1984	392.4 - Trailers	17,658	4,962	-	4,962	28.10%	28.10%	28.10%	28.10%						
1985	392.4 - Trailers	-	-	-	-	NA	28.10%	28.10%	28.10%	28.10%					
1986	392.4 - Trailers	1,398	1,500	-	1,500	107.26%	107.26%	33.91%	33.91%	33.91%	33.91%				
1987	392.4 - Trailers	-	-	-	-	NA	107.26%	107.26%	33.91%	33.91%	33.91%	33.91%			
1988	392.4 - Trailers	-	-	-	-	NA	NA	107.26%	107.26%	33.91%	33.91%	33.91%	33.91%		
1989	392.4 - Trailers	20,547	1,803	-	1,803	8.77%	8.77%	8.77%	15.05%	15.05%	20.87%	20.87%	20.87%	20.87%	
1990	392.4 - Trailers	10,461	380	-	380	3.63%	7.04%	7.04%	7.04%	11.36%	11.36%	17.27%	17.27%	17.27%	17.27%
1991	392.4 - Trailers	24,155	2,690	-	2,690	11.14%	8.87%	8.83%	8.83%	8.83%	11.27%	11.27%	15.27%	15.27%	15.27%
1992	392.4 - Trailers	7,678	4,649	-	4,649	60.55%	23.05%	18.25%	15.15%	15.15%	15.15%	17.16%	17.16%	19.52%	19.52%
1993	392.4 - Trailers	68,640	4,129	-	4,129	6.02%	11.50%	11.41%	10.68%	10.38%	10.38%	10.38%	11.40%	11.40%	13.36%
1994	392.4 - Trailers	38,150	4,985	-	4,985	13.07%	8.53%	12.02%	11.87%	11.29%	10.99%	10.99%	10.99%	11.77%	11.77%

GULF POWER
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As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1995	392.4 - Trailers	31,259	3,530	-	3,530	11.29%	12.27%	9.16%	11.87%	11.76%	11.29%	11.03%	11.03%	11.03%	11.70%
1996	392.4 - Trailers	38,244	5,921	-	5,921	15.48%	13.60%	13.41%	10.53%	12.62%	12.45%	12.02%	11.75%	11.75%	11.75%
1997	392.4 - Trailers	6,814	445	-	445	6.53%	14.13%	12.97%	13.00%	10.38%	12.40%	12.26%	11.86%	11.60%	11.60%
1998	392.4 - Trailers	62,208	41,231	-	41,231	66.28%	60.38%	44.37%	36.91%	31.76%	24.56%	25.65%	24.38%	23.63%	22.64%
1999	392.4 - Trailers	210,006	20,157	-	20,157	9.60%	22.55%	22.16%	21.36%	20.45%	19.72%	17.66%	18.37%	18.01%	17.71%
2000	392.4 - Trailers	(7,631)	2,688	-	2,688	-35.22%	11.29%	24.22%	23.77%	22.75%	21.70%	20.83%	18.56%	19.27%	18.86%
2001	392.4 - Trailers	21,392	5,400	-	5,400	25.24%	58.78%	12.62%	24.29%	23.88%	22.91%	21.91%	21.07%	18.86%	19.54%
2002	392.4 - Trailers	6,707	1,375	-	1,375	20.50%	24.11%	46.23%	12.85%	24.21%	23.81%	22.86%	21.88%	21.06%	18.89%
2003	392.4 - Trailers	7,067	886	-	886	12.53%	16.41%	21.78%	37.58%	12.84%	23.93%	23.55%	22.65%	21.71%	20.91%
2004	392.4 - Trailers	121,474	-	-	-	0.00%	0.69%	1.67%	4.89%	6.95%	8.50%	17.03%	16.86%	16.75%	16.41%
2005	392.4 - Trailers	-	6,090	-	6,090	NA	5.01%	5.43%	6.17%	8.78%	11.03%	10.19%	18.48%	18.29%	18.06%
2006	392.4 - Trailers	68,337	8,436	-	8,436	12.34%	21.26%	7.65%	7.83%	8.25%	9.86%	11.44%	10.54%	17.62%	17.47%
2007	392.4 - Trailers	2,585	4,760	-	4,760	184.14%	18.61%	27.19%	10.02%	10.11%	10.45%	11.84%	13.47%	11.58%	18.50%
2008	392.4 - Trailers	51,539	-	-	-	0.00%	8.79%	10.78%	15.75%	7.91%	8.04%	8.36%	9.65%	10.92%	10.34%
2009	392.4 - Trailers	41,516	-	-	-	0.00%	0.00%	4.98%	8.05%	11.76%	6.76%	6.90%	7.20%	8.40%	9.47%
2010	392.4 - Trailers	-	-	-	-	NA	0.00%	0.00%	4.98%	8.05%	11.76%	6.76%	6.90%	7.20%	8.40%
2011	392.4 - Trailers	7,612	-	-	-	0.00%	0.00%	0.00%	0.00%	4.61%	7.69%	11.24%	6.58%	6.72%	7.02%
2012	392.4 - Trailers	85,900	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	2.52%	5.12%	7.49%	5.09%	5.23%
2013	392.4 - Trailers	106,311	8,075	-	8,075	7.60%	4.20%	4.04%	4.04%	3.35%	2.76%	4.34%	5.85%	7.52%	5.64%
2014	392.4 - Trailers	6,608	2,280	-	2,280	34.50%	9.17%	5.21%	5.02%	5.02%	4.18%	3.46%	5.00%	6.36%	8.00%
1981	396 - Power Operated Equipment	-	-	-	-	NA									
1982	396 - Power Operated Equipment	-	-	-	-	NA	NA								
1983	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA							
1984	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA						
1985	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA					
1986	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA				
1987	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA			
1988	396 - Power Operated Equipment	815	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		
1989	396 - Power Operated Equipment	-	-	-	-	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	
1990	396 - Power Operated Equipment	-	-	-	-	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1991	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1992	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
1993	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	0.00%	0.00%	0.00%	0.00%	0.00%
1994	396 - Power Operated Equipment	19,446	2,500	-	2,500	12.86%	12.86%	12.86%	12.86%	12.86%	12.86%	12.34%	12.34%	12.34%	12.34%
1995	396 - Power Operated Equipment	-	-	-	-	NA	12.86%	12.86%	12.86%	12.86%	12.86%	12.86%	12.34%	12.34%	12.34%
1996	396 - Power Operated Equipment	-	-	-	-	NA	NA	12.86%	12.86%	12.86%	12.86%	12.86%	12.86%	12.34%	12.34%
1997	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	12.86%	12.86%	12.86%	12.86%	12.86%	12.86%	12.34%
1998	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	12.86%	12.86%	12.86%	12.86%	12.86%	12.86%
1999	396 - Power Operated Equipment	290,788	92,383	-	92,383	31.77%	31.77%	31.77%	31.77%	31.77%	30.58%	30.58%	30.58%	30.58%	30.58%
2000	396 - Power Operated Equipment	-	-	-	-	NA	31.77%	31.77%	31.77%	31.77%	31.77%	30.58%	30.58%	30.58%	30.58%
2001	396 - Power Operated Equipment	-	-	-	-	NA	NA	31.77%	31.77%	31.77%	31.77%	31.77%	30.58%	30.58%	30.58%
2002	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	31.77%	31.77%	31.77%	31.77%	31.77%	30.58%	30.58%
2003	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	31.77%	31.77%	31.77%	31.77%	31.77%	30.58%
2004	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	31.77%	31.77%	31.77%	31.77%	31.77%
2005	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	31.77%	31.77%	31.77%	31.77%
2006	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	31.77%	31.77%	31.77%
2007	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	31.77%	31.77%
2008	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	31.77%
2009	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2010	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2011	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2012	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2013	396 - Power Operated Equipment	-	-	-	-	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2014	396 - Power Operated Equipment	110,357	52,250	-	52,250	47.35%	47.35%	47.35%	47.35%	47.35%	47.35%	47.35%	47.35%	47.35%	47.35%

GULF POWER
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As Adjusted December 31, 2014

Transaction Year	Description	Retirements	Gross Salvage	Cost of Removal	Net Salvage	Net Salv. %	2- yr Net Salv. %	3- yr Net Salv. %	4- yr Net Salv. %	5- yr Net Salv. %	6- yr Net Salv. %	7- yr Net Salv. %	8- yr Net Salv. %	9- yr Net Salv. %	10- yr Net Salv. %
1981	397 - Communications Equipment	19,189	130	167	(37)	-0.19%									
1982	397 - Communications Equipment	8,371	-	83	(83)	-0.99%	-0.43%								
1983	397 - Communications Equipment	10,058	25	2,002	(1,977)	-19.66%	-11.18%	-5.57%							
1984	397 - Communications Equipment	3,638	-	449	(449)	-12.33%	-17.71%	-11.37%	-6.17%						
1985	397 - Communications Equipment	7,333	-	2,567	(2,567)	-35.00%	-27.49%	-23.74%	-17.26%	-10.52%					
1986	397 - Communications Equipment	49,092	-	3,493	(3,493)	-7.11%	-10.74%	-10.84%	-12.10%	-10.92%	-8.81%				
1987	397 - Communications Equipment	54,550	-	3,310	(3,310)	-6.07%	-6.56%	-8.44%	-8.57%	-9.46%	-8.93%	-7.83%			
1988	397 - Communications Equipment	3,640	-	1,729	(1,729)	-47.48%	-8.66%	-7.95%	-9.68%	-9.76%	-10.54%	-9.95%	-8.75%		
1989	397 - Communications Equipment	157,545	2,050	1,727	323	0.21%	-0.87%	-2.19%	-3.10%	-3.96%	-4.07%	-4.62%	-4.51%	-4.25%	
1990	397 - Communications Equipment	383,983	(950)	1,614	(2,564)	-0.67%	-0.41%	-0.73%	-1.21%	-1.66%	-2.03%	-2.09%	-2.35%	-2.34%	-2.28%
1991	397 - Communications Equipment	35,982	-	5,504	(5,504)	-15.30%	-1.92%	-1.34%	-1.63%	-2.01%	-2.38%	-2.72%	-2.77%	-3.01%	-2.99%
1992	397 - Communications Equipment	7,924	679	6,693	(6,014)	-75.90%	-26.23%	-3.29%	-2.35%	-2.63%	-2.92%	-3.22%	-3.55%	-3.60%	-3.82%
1993	397 - Communications Equipment	53,165	-	(2,262)	2,262	4.25%	-6.14%	-9.54%	-2.46%	-1.80%	-2.06%	-2.37%	-2.69%	-3.00%	-3.04%
1994	397 - Communications Equipment	216,135	1,550	297	1,253	0.58%	1.31%	-0.90%	-2.56%	-1.52%	-1.20%	-1.39%	-1.67%	-1.95%	-2.20%
1995	397 - Communications Equipment	42,306	-	658	(658)	-1.56%	0.23%	0.92%	-0.99%	-2.44%	-1.52%	-1.22%	-1.40%	-1.67%	-1.93%
1996	397 - Communications Equipment	40,503	1,425	2,173	(748)	-1.85%	-1.70%	-0.05%	0.60%	-1.08%	-2.38%	-1.54%	-1.24%	-1.42%	-1.68%
1997	397 - Communications Equipment	2,989,998	54,605	30,787	23,818	0.80%	0.76%	0.73%	0.72%	0.78%	0.59%	0.43%	0.31%	0.31%	0.27%
1998	397 - Communications Equipment	301,604	43,837	294	43,543	14.44%	2.05%	2.00%	1.95%	1.87%	1.91%	1.74%	1.57%	1.36%	1.32%
1999	397 - Communications Equipment	647,304	(75,616)	854	(76,470)	-11.81%	-3.47%	-0.23%	-0.25%	-0.26%	-0.22%	-0.16%	-0.30%	-0.43%	-0.45%
2000	397 - Communications Equipment	-	-	277	(277)	NA	-11.86%	-3.50%	-0.24%	-0.25%	-0.27%	-0.23%	-0.17%	-0.31%	-0.43%
2001	397 - Communications Equipment	76,424	49,329	1,842	47,487	62.14%	61.77%	-4.04%	1.39%	0.95%	0.92%	0.90%	0.88%	0.92%	0.78%
2002	397 - Communications Equipment	669,896	22,246	21,817	429	0.06%	6.42%	6.38%	-2.07%	0.87%	0.82%	0.80%	0.78%	0.77%	0.81%
2003	397 - Communications Equipment	391,687	29,158	7,429	21,729	5.55%	2.09%	6.12%	6.10%	-0.40%	1.75%	1.19%	1.16%	1.14%	1.12%
2004	397 - Communications Equipment	159,969	-	17,904	(17,904)	-11.19%	0.69%	0.35%	3.99%	3.96%	-1.29%	0.82%	0.81%	0.79%	0.77%
2005	397 - Communications Equipment	302,748	26,587	14,698	11,889	3.93%	-1.30%	1.84%	1.06%	3.98%	3.96%	-0.58%	1.19%	0.98%	0.96%
2006	397 - Communications Equipment	421,147	67,758	37,428	30,330	7.20%	5.83%	2.75%	3.61%	2.39%	4.65%	4.63%	0.64%	2.05%	1.42%
2007	397 - Communications Equipment	731,377	70	29,006	(28,936)	-3.96%	0.12%	0.91%	-0.29%	0.85%	0.66%	2.36%	2.35%	-0.34%	0.86%
2008	397 - Communications Equipment	1,036,081	(7,719)	29,941	(37,660)	-3.63%	-3.77%	-1.66%	-0.98%	-1.59%	-0.68%	-0.54%	0.72%	0.71%	-1.11%
2009	397 - Communications Equipment	1,799,225	8,648	130,704	(122,056)	-6.78%	-5.63%	-5.29%	-3.97%	-3.41%	-3.69%	-2.95%	-2.58%	-1.69%	-1.70%
2010	397 - Communications Equipment	125,508	78,681	62,975	15,706	12.51%	-5.53%	-4.86%	-4.68%	-3.47%	-2.96%	-3.25%	-2.55%	-2.24%	-1.38%
2011	397 - Communications Equipment	558,739	1,086	6,131	(5,045)	-0.90%	1.56%	-4.49%	-4.24%	-4.19%	-3.16%	-2.73%	-2.99%	-2.39%	-2.12%
2012	397 - Communications Equipment	5,076,185	(957)	24,896	(25,853)	-0.51%	-0.55%	-0.26%	-1.82%	-2.03%	-2.19%	-1.78%	-1.61%	-1.76%	-1.49%
2013	397 - Communications Equipment	439,786	592	17,290	(16,697)	-3.80%	-0.77%	-0.78%	-0.51%	-1.92%	-2.12%	-2.26%	-1.87%	-1.70%	-1.84%
2014	397 - Communications Equipment	39,379	13,418	25,626	(12,207)	-31.00%	-6.03%	-0.99%	-0.98%	-0.71%	-2.07%	-2.25%	-2.37%	-1.98%	-1.81%

APPENDIX F - Total Company Reserve and RL versus WL Rates

GULF POWER
Comparison of Book vs Theoretical Reserve and Accrual Rate RL vs WL
Total Company Summary
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Theoretical Reserve	Proposed Remaining Life Accrual Rate	Proposed Whole Life Accrual Rate
STEAM PRODUCTION							
CRIST PLANT							
4	312	Boiler Plant Equipment	$ 34,765,256	$ 21,085,292	$ 25,835,007	5.2%	3.5%
4	314	Turbogenerator Equipment	10,894,270	5,520,254	7,873,471	6.7%	3.9%
4	315	Accessory Electric Equipment	3,808,075	1,826,136	2,805,298	6.7%	3.4%
5	312	Boiler Plant Equipment	35,572,540	20,126,719	24,716,663	4.7%	3.3%
5	314	Turbogenerator Equipment	13,297,373	2,004,435	6,900,724	9.2%	5.3%
5	315	Accessory Electric Equipment	4,147,091	2,016,301	2,593,326	5.3%	3.9%
6	312	Boiler Plant Equipment	265,342,980	35,174,223	80,665,533	5.1%	4.1%
6	314	Turbogenerator Equipment	47,744,495	13,118,901	19,644,133	4.5%	3.7%
6	315	Accessory Electric Equipment	34,168,446	8,742,892	7,746,289	4.2%	4.3%
7	312	Boiler Plant Equipment	218,187,178	45,405,542	89,561,462	5.2%	3.1%
7	314	Turbogenerator Equipment	100,410,669	21,716,000	33,162,598	6.7%	3.7%
7	315	Accessory Electric Equipment	27,095,838	14,105,733	12,313,341	6.7%	2.7%
Common	311	Structures and Improvement	127,423,259	73,610,728	60,689,611	2.0%	2.5%
Common	312	Boiler Plant Equipment	490,157,683	129,493,866	151,740,463	3.8%	3.6%
Common	314	Turbogenerator Equipment	26,780,017	14,449,285	14,833,052	2.6%	2.6%
Common	315	Accessory Electric Equipment	101,348,754	29,330,511	32,007,447	3.5%	3.3%
Common	316	Misc. Power Plant Equipment	10,786,966	2,006,363	2,760,932	4.0%	3.6%
		Total Crist Plant	**1,551,930,888**	**439,733,184**	**575,849,350**	**4.0%**	**3.5%**

GULF POWER
Comparison of Book vs Theoretical Reserve and Accrual Rate RL vs WL
Total Company Summary
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Theoretical Reserve	Proposed Remaining Life Accrual Rate	Proposed Whole Life Accrual Rate
DANIEL PLANT							
Rail Cars	311	Structures and Improvements	**2,828,013**	**1,508,465**	**1,590,770**	**1.6%**	**1.5%**
Easements	310.1	Land Rights	**77,160**	**44,753**	**43,854**	**1.4%**	**1.4%**
1	311	Structures and Improvement	8,887,842	8,072,879	5,338,966	0.4%	1.6%
1	312	Boiler Plant Equipment	146,254,617	32,853,792	44,375,418	3.5%	3.1%
1	314	Turbogenerator Equipment	27,688,825	10,860,080	12,573,970	3.0%	2.7%
1	315	Accessory Electric Equipment	13,972,309	8,431,568	7,021,824	1.7%	2.1%
1	316	Misc. Power Plant Equipment	133,722	(3,252)	16,305	4.3%	3.7%
2	311	Structures and Improvement	9,337,214	8,581,737	5,074,048	0.3%	1.6%
2	312	Boiler Plant Equipment	152,274,745	29,842,725	45,587,249	3.2%	2.8%
2	314	Turbogenerator Equipment	26,717,999	13,212,346	12,936,459	2.3%	3.2%
2	315	Accessory Electric Equipment	12,977,551	8,986,521	6,145,877	1.2%	1.9%
2	316	Misc. Power Plant Equipment	190,580	37,369	41,923	2.9%	2.8%
Common	311	Structures and Improvement	38,605,472	14,868,760	12,168,411	2.1%	2.4%
Common	312	Boiler Plant Equipment	182,680,844	25,298,652	38,194,915	3.4%	3.1%
Common	314	Turbogenerator Equipment	3,483,091	2,486,963	1,998,247	1.4%	2.0%
Common	315	Accessory Electric Equipment	17,552,673	1,358,605	1,648,653	3.4%	3.3%
Common	316	Misc. Power Plant Equipment	4,684,486	1,566,417	1,752,429	2.4%	2.3%
		Total Daniel Plant	**645,441,969**	**166,455,162**	**194,874,693**	**3.0%**	**2.9%**

GULF POWER
Comparison of Book vs Theoretical Reserve and Accrual Rate RL vs WL
Total Company Summary
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Theoretical Reserve	Proposed Remaining Life Accrual Rate	Proposed Whole Life Accrual Rate
SCHERER PLANT							
	311	Structures and Improvement	37,765,761	21,648,703	18,819,636	1.2%	1.7%
	312	Boiler Plant Equipment	282,887,490	79,700,704	108,108,113	2.5%	2.4%
	314	Turbogenerator Equipment	38,601,240	23,275,983	22,419,801	1.6%	1.9%
	315	Accessory Electric Equipment	16,036,614	6,121,133	6,920,342	1.9%	2.0%
	316	Misc. Power Plant Equipment	5,908,516	3,485,687	3,128,630	1.3%	1.7%
		Total Scherer Plant	**381,199,620**	**134,232,210**	**159,396,522**	**2.2%**	**2.2%**
SCHOLZ PLANT							
	311	Structures and Improvement	4,386,828	4,792,336	3,952,184	0.0%	0.0%
	312	Boiler Plant Equipment	1,033,193	1,415,336	343,388	0.0%	0.0%
	314	Turbogenerator Equipment	1,377,880	2,082,312	1,264,978	0.0%	0.0%
	315	Accessory Electric Equipment	1,682,895	2,116,319	1,486,569	0.0%	0.0%
	316	Misc. Power Plant Equipment	414,408	269,610	336,871	0.0%	0.0%
		Total Scholz Plant	**8,895,204**	**10,675,914**	**7,383,989**	**0.0%**	**0.0%**
OTHER PRODUCTION							
PACE PLANT							
	343	Prime Movers	7,332,158	5,851,056	6,507,581	10.1%	5.6%
	344	Generators	3,484,216	2,551,490	3,062,436	13.4%	6.1%
	345	Accessory Electric Equipment	679,779	453,186	591,058	16.7%	6.5%
		Total Pace Plant	**11,496,153**	**8,855,731**	**10,161,075**	**11.5%**	**5.8%**

GULF POWER
Comparison of Book vs Theoretical Reserve and Accrual Rate RL vs WL
Total Company Summary
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Theoretical Reserve	Proposed Remaining Life Accrual Rate	Proposed Whole Life Accrual Rate
PERDIDO LANDFILL							
	341	Structures and Improvements	2,221,640	280,795	474,078	7.8%	7.0%
	342	Fuel Holders	797,165	162,851	230,991	6.7%	6.0%
	343	Prime Movers	3,993,649	776,143	1,210,543	7.6%	6.6%
	345	Accessory Electric Equipment	1,056,282	224,856	317,573	6.7%	6.0%
	346	Misc Power Plant Equipment	170,350	184,540	26,286	0.0%	7.3%
		Total Perdido Landfill	**8,239,086**	**1,629,185**	**2,259,471**	**7.3%**	**6.6%**
SMITH CT							
	341	Structures and Improvements	1,369,495	228,002	510,086	8.6%	6.5%
	342	Fuel Holders	946,035	20,635	243,113	9.5%	7.3%
	343	Prime Movers	2,608,493	294,983	1,008,112	9.5%	6.6%
	344	Generators	3,856,145	3,001,457	2,843,378	2.0%	2.4%
	345	Accessory Electric Equipment	3,305,588	955,780	1,919,810	7.0%	4.2%
	346	Misc Power Plant Equipment	50,915	(10,911)	14,451	12.2%	7.2%
		Total Smith CT	**12,136,671**	**4,489,946**	**6,538,949**	**6.3%**	**4.7%**
SMITH CC							
	341	Structures and Improvements	28,036,877	2,730,556	510,086	4.7%	3.7%
	342	Fuel Holders	4,698,022	(569,072)	243,113	5.1%	3.9%
	343	Prime Movers	158,457,670	2,430,265	1,008,112	5.7%	3.9%
	344	Generators	84,589,044	26,301,332	2,843,378	2.7%	2.7%
	345	Accessory Electric Equipment	14,007,856	1,449,565	1,919,810	4.3%	3.4%
	346	Misc Power Plant Equipment	2,640,194	(934,984)	14,451	6.6%	4.6%
		Total Smith CT	**292,429,663**	**31,407,661**	**6,538,949**	**4.7%**	**3.5%**

GULF POWER
Comparison of Book vs Theoretical Reserve and Accrual Rate RL vs WL
Total Company Summary
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Theoretical Reserve	Proposed Remaining Life Accrual Rate	Proposed Whole Life Accrual Rate
TRANSMISSION							
	350.1	Easements	12,654,559	7,310,897	7,270,108	1.5%	1.5%
	352	Structures and Improvements	24,391,124	6,029,828	3,879,607	1.7%	1.9%
	353	Station Equipment	250,073,126	33,409,988	44,761,649	2.9%	2.8%
	354	Towers and Fixtures	42,290,155	24,879,312	23,268,888	2.1%	2.3%
	355	Poles and Fixtures	230,339,009	28,946,820	47,321,011	4.6%	4.4%
	356	Overhead Conductors & Devices	123,801,393	27,851,093	25,293,966	2.6%	2.6%
	358	Underground Conductors	14,402,363	8,392,435	7,442,406	1.7%	2.0%
	359	Roads and Trails	235,918	51,951	55,781	1.9%	1.8%
		Total Transmission Plant	**698,187,647**	**136,872,324**	**159,293,417**	**3.3%**	**3.2%**
DISTRIBUTION							
	360.1	Easements	204,176	38,383	38,979	1.8%	1.8%
	361	Structures and Improvements	26,412,569	8,307,855	7,179,948	2.0%	2.1%
	362	Station Equipment	213,071,996	48,190,373	61,464,238	3.1%	2.9%
	364	Poles, Towers, and Fixtures	140,464,604	79,425,237	67,451,759	4.9%	5.3%
	365	Overhead Conductors & Devices	153,061,774	52,068,507	63,664,644	3.6%	3.3%
	366	Underground Conduit	1,159,696	802,585	686,392	1.1%	1.5%
	367	Underground Conductors	158,145,619	63,904,565	46,476,590	2.4%	2.8%
	368	Line Transformers	282,436,706	104,889,760	83,899,805	3.4%	3.7%
	369.1	Overhead Services	61,968,191	38,141,620	32,389,783	3.9%	4.2%
	369.2	Underground Services	57,120,322	20,106,639	18,472,024	2.6%	2.7%
	370	Meters	36,567,578	(288,419)	9,339,691	7.9%	5.6%
	370	Meters - AMI Equipment	41,794,941	18,329,633	8,864,118	4.8%	6.7%
	373	Street Lighting	75,546,351	41,162,451	28,184,724	4.1%	5.2%
		Total Distribution Plant	**1,247,954,522**	**475,079,189**	**428,112,693**	**3.6%**	**3.8%**

GULF POWER
Comparison of Book vs Theoretical Reserve and Accrual Rate RL vs WL
Total Company Summary
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Theoretical Reserve	Proposed Remaining Life Accrual Rate	Proposed Whole Life Accrual Rate
GENERAL PLANT							
	390	Structures and Improvements	84,247,313	31,641,511	28,098,547	2.2%	2.3%
	396	Power Operated Equipment	931,916	671,383	532,879	1.7%	5.0%
	397	Communications Equipment	24,528,470	9,823,909	8,266,595	5.7%	6.3%
		Total General Plant	**109,707,699**	**42,136,803**	**36,898,021**	**3.0%**	**3.2%**
	Transportation						
	392.1	Automobiles	29,848	16,553	12,359	8.2%	12.1%
	392.2	Light Trucks	7,519,254	4,220,267	5,826,541	17.6%	7.9%
	392.3	Heavy Trucks	24,527,733	13,863,301	15,745,694	9.0%	6.5%
	392.4	Trailers	1,320,796	709,817	648,487	3.7%	4.2%
		Total Transportation	**33,397,631**	**18,809,939**	**22,233,081**	**10.7%**	**6.8%**

APPENDIX G - Summary of Plant-in-Service and Accumulated Depreciation

APPENDIX G-1 - Summary of Plant-in-Service 2009 – 2016

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
BUDGET: DECEMBER, 2016

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7,417	0	0	0	0	7,417
Franchises and Consents	302	594	0	0	0	0	594
Intangible Software	303	17,447,793	247,324	0	0	0	17,695,117
TOTAL INTANGIBLE:		17,455,804	247,324	0	0	0	17,703,128
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		633,085,698	12,381,097	(24,826)	0	0	645,441,969
Land		4,135,018	0	0	0	0	4,135,018
Easements		77,160	0	0	0	0	77,160
Cooling Lake, 23 Year		8,954,192	0	0	0	0	8,954,192
Rail Track System		2,741,618	86,568	(174)	0	0	2,828,012
Asset Retirement Obligation		11,814,603	0	0	0	0	11,814,603
TOTAL DANIEL PLANT:		660,808,289	12,467,665	(25,000)	0	0	673,250,954
CRIST PLANT:							
Plant		1,523,827,701	34,934,635	(6,831,448)	0	0	1,551,930,888
Land		6,023,266	0	0	0	0	6,023,266
Easements		0	0	0	0	0	0
Base Coal, 5 Year		141,840	0	0	0	0	141,840
- 5 Year		65,066	2,130	0	0	0	67,196
- 7 Year		6,470,232	34,369	(930,621)	0	0	5,573,980
Asset Retirement Obligation		17,563,182	0	0	0	0	17,563,182
TOTAL CRIST PLANT:		1,554,091,287	34,971,134	(7,762,069)	0	0	1,581,300,352
SCHOLZ PLANT:							
Plant		8,895,204	0	0	0	0	8,895,204
Land		44,579	0	0	0	0	44,579
Base Coal, 5 Year		0	0	0	0	0	0
- 5 Year		8,730	0	0	(8,730)	0	0
- 7 Year		52,650	0	0	0	0	52,650
Asset Retirement Obligation		263,712	0	0	0	0	263,712
TOTAL SCHOLZ PLANT:		9,264,875	0	0	(8,730)	0	9,256,145
SMITH PLANT:							
Plant		176,578,873	5,525,000	(129,248,590)	0	(52,855,283)	0
Land		2,074,892	0	0	0	0	2,074,892
Base Coal, 5 Year		108,300	0	0	0	0	108,300
- 5 Year		24,236	0	(21,994)	0	0	2,242
- 7 Year		907,174	0	0	0	0	907,174
Asset Retirement Obligation		49,204,262	0	0	0	0	49,204,262
TOTAL SMITH PLANT:		228,897,737	5,525,000	(129,270,584)	0	(52,855,283)	52,296,870
SCHERER PLANT:							
Plant		379,410,405	2,158,323	(369,108)	0	0	381,199,620
Land		909,045	0	0	0	0	909,045
- 7 Year		205,735	0	(13,716)	0	0	192,019
Asset Retirement Obligation		7,152,626	0	0	0	0	7,152,626
TOTAL SCHERER PLANT:		387,677,811	2,158,323	(382,824)	0	0	389,453,310
TOTAL STEAM PRODUCTION:		2,840,739,999	55,122,122	(137,440,477)	(8,730)	(52,855,283)	2,705,557,631

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
BUDGET: DECEMBER, 2016

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	337,696	0	0	0	0	337,696
TOTAL LAND - NON-DEPRECIABLE:		337,696	0	0	0	0	337,696
SMITH PLANT CT:							
Structures and Improvements	341	1,310,239	121,050	(61,794)	0	0	1,369,495
Fuel Holders and Accessories	342	697,862	506,973	(258,801)	0	0	946,034
Prime Movers	343	2,601,866	13,540	(6,912)	0	0	2,608,494
Generators	344	3,438,921	852,318	(435,094)	0	0	3,856,145
Accessory Electric Equipment	345	3,284,902	42,259	(21,573)	0	0	3,305,588
Miscellaneous Equipment	346	43,147	15,868	(8,101)	0	0	50,914
TOTAL SMITH PLANT CT:		11,376,937	1,552,008	(792,275)	0	0	12,136,670
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	15,746,741	1,850,335	(944,565)	0	11,384,365	28,036,876
Fuel Holders and Accessories	342	3,257,398	2,942,951	(1,502,327)	0	0	4,698,022
Prime Movers	343	120,116,905	18,593,984	(9,491,915)	0	29,238,695	158,457,669
Generators	344	67,727,642	16,612,877	(8,480,593)	0	8,729,118	84,589,044
Accessory Electric Equipment	345	9,200,370	3,705,034	(1,891,357)	0	2,993,809	14,007,856
Miscellaneous Equipment	346	1,173,640	1,955,516	(998,258)	0	509,296	2,640,194
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		217,222,696	45,660,697	(23,309,015)	0	52,855,283	292,429,661
PACE PLANT:							
Prime Movers	343	6,790,595	1,106,321	(564,758)	0	0	7,332,158
Generators	344	3,107,233	770,111	(393,129)	0	0	3,484,215
Accessory Electric Equipment	345	584,090	195,476	(99,787)	0	0	679,779
Asset Retirement Obligation	347	397,194	0	0	0	0	397,194
TOTAL PACE PLANT:		10,879,112	2,071,908	(1,057,674)	0	0	11,893,346
PERDIDO PLANT:							
Structures and Improvements	341	942,440	1,279,200	0	0	0	2,221,640
Fuel Holders and Accessories	342	578,765	218,400	0	0	0	797,165
Prime Movers	343	2,745,649	1,248,000	0	0	0	3,993,649
Accessory Electric Equipment	345	806,682	249,600	0	0	0	1,056,282
Miscellaneous Equipment	346	45,550	124,800	0	0	0	170,350
TOTAL PERDIDO PLANT:		5,119,086	3,120,000	0	0	0	8,239,086
TOTAL OTHER PRODUCTION:		244,935,527	52,404,613	(25,158,964)	0	52,855,283	325,036,459
TOTAL PRODUCTION:		3,085,675,526	107,526,735	(162,599,441)	(8,730)	0	3,030,594,090
TRANSMISSION:							
Land	350.0	8,652,641	1,772	0	0	0	8,654,413
Easements	350.2	12,654,558	0	0	0	0	12,654,558
Structures and Improvements	352	24,391,123	0	0	0	0	24,391,123
Station Equipment	353	244,031,227	8,115,772	(2,073,873)	0	0	250,073,126
Towers and Fixtures	354	42,290,154	0	0	0	0	42,290,154
Poles and Fixtures	355	223,603,160	6,735,849	0	0	0	230,339,009
Overhead Conductors & Devices	356	122,823,628	977,765	0	0	0	123,801,393
Underground Conductors & Devices	358	14,402,363	0	0	0	0	14,402,363
Roads and Trails	359	235,918	0	0	0	0	235,918
Asset Retirement Obligation	359.1	7,232	0	0	0	0	7,232
TOTAL TRANSMISSION:		693,092,004	15,831,158	(2,073,873)	0	0	706,849,289

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
BUDGET: DECEMBER, 2016

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	2,932,977	0	0	0	0	2,932,977
Land Rights	360.1	204,176	0	0	0	0	204,176
Structures and Improvements	361	26,412,571	0	0	0	0	26,412,571
Station Equipment	362	206,538,967	6,543,029	(10,000)	0	0	213,071,996
Poles, Towers & Fixtures	364	136,074,763	5,149,741	(759,900)	0	0	140,464,604
Overhead Conductors & Devices	365	144,748,037	9,856,187	(1,542,450)	0	0	153,061,774
Underground Conduit	366	1,159,696	0	0	0	0	1,159,696
Underground Conductors & Devices	367	152,475,206	6,473,863	(803,450)	0	0	158,145,619
Line Transformers	368	266,882,868	18,791,738	(3,237,900)	0	0	282,436,706
Services:							
- Overhead	369.1	60,280,990	1,747,201	(60,000)	0	0	61,968,191
- Underground	369.2	53,496,441	3,753,881	(130,000)	0	0	57,120,322
Meters	370	33,464,587	3,302,991	(200,000)	0	0	36,567,578
Meters - AMI Equipment	370	41,794,941	0	0	0	0	41,794,941
Meters - FPSC Segregated	370	0	0	0	0	0	0
Meters - Non FPSC Segregated	370	502,150	0	0	0	0	502,150
Street Lighting & Signal Systems	373	68,072,486	8,479,165	(1,005,300)	0	0	75,546,351
Asset Retirement Obligation	374	41,613	0	0	0	0	41,613
TOTAL DISTRIBUTION:		1,195,082,469	64,097,796	(7,749,000)	0	0	1,251,431,265
GENERAL PLANT:							
Land	389.0	7,600,960	4,000,000	0	0	0	11,600,960
Structures and Improvements	390	79,970,460	4,517,074	(240,221)	0	0	84,247,313
Office Furniture & Equipment:							
- Computer, 5 Year	391	3,926,141	144,480	(192,270)	0	0	3,878,351
- Non-Computer, 7 Year	391	3,193,089	524,840	0	0	0	3,717,929
Transportation Equipment:							
- Automobiles	392.1	29,848	0	0	0	0	29,848
- Light Trucks	392.2	7,259,541	851,724	(592,011)	0	0	7,519,254
- Heavy Trucks	392.3	23,820,392	2,319,717	(1,612,376)	0	0	24,527,733
- Trailers	392.4	1,278,851	137,558	(95,613)	0	0	1,320,796
- Marine, 5 Year	392	28,475	0	0	0	0	28,475
Stores Equipment - 7 Year	393	1,465,691	166,934	(190,336)	0	0	1,442,289
Tools, Shop & Garage Equip. - 7 Year	394	3,644,841	485,305	0	0	0	4,130,146
Laboratory Equipment - 7 Year	395	2,496,408	1,069,217	0	0	0	3,565,625
Power Operated Equipment	396	931,916	0	0	0	0	931,916
Communication Equipment:							
- Other	397	20,424,471	4,128,999	(25,000)	0	0	24,528,470
- 7 Year	397	5,624,182	0	0	0	0	5,624,182
Miscellaneous Equipment - 7 year	398	3,128,275	548,156	0	0	0	3,676,431
Asset Retirement Obligation	399.1	195,426	0	0	0	0	195,426
TOTAL GENERAL:		165,018,967	18,894,004	(2,947,827)	0	0	180,965,144
TOTAL ELECTRIC PLANT-IN-SERVICE:		5,156,324,770	206,597,017	(175,370,141)	(8,730)	0	5,187,542,916

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2015

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7,417	0	0	0	0	7,417
Franchises and Consents	302	594	0	0	0	0	594
Intangible Software	303	17,334,783	113,010	0	0	0	17,447,793
TOTAL INTANGIBLE:		17,342,794	113,010	0	0	0	17,455,804
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		261,270,272	373,965,500	(2,170,699)	0	20,625	633,085,698
Land		4,174,393	0	0	(18,750)	(20,625)	4,135,018
Easements		77,160	0	0	0	0	77,160
Cooling Lake, 23 Year		8,954,192	0	0	0	0	8,954,192
Rail Track System		2,741,618	0	0	0	0	2,741,618
Asset Retirement Obligation		306,163	11,508,440	0	0	0	11,814,603
TOTAL DANIEL PLANT:		277,523,798	385,473,940	(2,170,699)	(18,750)	0	660,808,289
CRIST PLANT:							
Plant		1,499,464,171	31,585,988	(7,222,458)	0	0	1,523,827,701
Land		6,023,266	0	0	0	0	6,023,266
Easements		0	0	0	0	0	0
Base Coal, 5 Year		141,840	0	0	0	0	141,840
- 5 Year		122,346	0	(57,280)	0	0	65,066
- 7 Year		5,257,975	1,212,257	0	0	0	6,470,232
Asset Retirement Obligation		1,445,503	16,117,679	0	0	0	17,563,182
TOTAL CRIST PLANT:		1,512,455,101	48,915,924	(7,279,738)	0	0	1,554,091,287
SCHOLZ PLANT:							
Plant		30,829,699	7,101	(21,941,596)	0	0	8,895,204
Land		44,579	0	0	0	0	44,579
Base Coal, 5 Year		71,300	0	(71,300)	0	0	0
- 5 Year		8,730	0	0	0	0	8,730
- 7 Year		105,303	0	(52,653)	0	0	52,650
Asset Retirement Obligation		263,712	0	0	0	0	263,712
TOTAL SCHOLZ PLANT:		31,323,323	7,101	(22,065,549)	0	0	9,264,875
SMITH PLANT:							
Plant		176,520,811	127,027	(68,965)	0	0	176,578,873
Land		1,363,924	0	0	710,968	0	2,074,892
Base Coal, 5 Year		108,300	0	0	0	0	108,300
- 5 Year		24,236	0	0	0	0	24,236
- 7 Year		1,121,748	85,918	(300,492)	0	0	907,174
Asset Retirement Obligation		471,938	48,865,056	(132,732)	0	0	49,204,262
TOTAL SMITH PLANT:		179,610,957	49,078,001	(502,189)	710,968	0	228,897,737
SCHERER PLANT:							
Plant		373,377,966	7,773,154	(1,740,715)	0	0	379,410,405
Land		912,457	0	0	(3,412)	0	909,045
- 7 Year		221,761	(3,697)	(12,329)	0	0	205,735
Asset Retirement Obligation		5,237,406	1,915,596	(376)	0	0	7,152,626
TOTAL SCHERER PLANT:		379,749,590	9,685,053	(1,753,420)	(3,412)	0	387,677,811
TOTAL STEAM PRODUCTION:		2,380,662,769	493,160,019	(33,771,595)	688,806	0	2,840,739,999

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2015

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	337,696	0	0	0	0	337,696
TOTAL LAND - NON-DEPRECIABLE:		337,696	0	0	0	0	337,696
SMITH PLANT CT:							
Structures and Improvements	341	1,310,239	0	0	0	0	1,310,239
Fuel Holders and Accessories	342	697,862	0	0	0	0	697,862
Prime Movers	343	2,579,358	22,508	0	0	0	2,601,866
Generators	344	3,438,921	0	0	0	0	3,438,921
Accessory Electric Equipment	345	3,302,405	21,387	(38,890)	0	0	3,284,902
Miscellaneous Equipment	346	43,147	0	0	0	0	43,147
TOTAL SMITH PLANT CT:		11,371,932	43,895	(38,890)	0	0	11,376,937
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	13,996,126	1,750,615	0	0	0	15,746,741
Fuel Holders and Accessories	342	3,228,076	76,222	(46,900)	0	0	3,257,398
Prime Movers	343	119,363,404	1,010,693	(257,192)	0	0	120,116,905
Generators	344	67,392,749	372,264	(37,371)	0	0	67,727,642
Accessory Electric Equipment	345	9,074,732	238,015	(112,377)	0	0	9,200,370
Miscellaneous Equipment	346	1,169,828	3,812	0	0	0	1,173,640
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		214,224,915	3,451,621	(453,840)	0	0	217,222,696
PACE PLANT:							
Prime Movers	343	6,790,595	0	0	0	0	6,790,595
Generators	344	3,107,233	0	0	0	0	3,107,233
Accessory Electric Equipment	345	584,090	0	0	0	0	584,090
Asset Retirement Obligation	347	397,194	0	0	0	0	397,194
TOTAL PACE PLANT:		10,879,112	0	0	0	0	10,879,112
PERDIDO PLANT:							
Structures and Improvements	341	942,440	0	0	0	0	942,440
Fuel Holders and Accessories	342	578,765	0	0	0	0	578,765
Prime Movers	343	2,745,649	0	0	0	0	2,745,649
Accessory Electric Equipment	345	806,682	0	0	0	0	806,682
Miscellaneous Equipment	346	45,550	0	0	0	0	45,550
TOTAL PERDIDO PLANT:		5,119,086	0	0	0	0	5,119,086
TOTAL OTHER PRODUCTION:		241,932,741	3,495,516	(492,730)	0	0	244,935,527
TOTAL PRODUCTION:		2,622,595,510	496,655,535	(34,264,325)	688,806	0	3,085,675,526
TRANSMISSION:							
Land	350.0	7,385,618	144,537	0	0	1,122,486	8,652,641
Easements	350.2	12,666,130	29,708	0	0	(41,280)	12,654,558
Structures and Improvements	352	15,947,037	7,929,495	(86,215)	0	600,806	24,391,123
Station Equipment	353	181,683,482	64,028,412	(3,258,957)	0	1,578,290	244,031,227
Towers and Fixtures	354	43,842,364	676,230	(2,228,440)	0	0	42,290,154
Poles and Fixtures	355	141,909,396	83,602,864	(1,909,100)	0	0	223,603,160
Overhead Conductors & Devices	356	97,387,869	28,366,312	(2,930,553)	0	0	122,823,628
Underground Conductors & Devices	358	14,589,628	(168,097)	(19,168)	0	0	14,402,363
Roads and Trails	359	235,918	0	0	0	0	235,918
Asset Retirement Obligation	359.1	7,232	0	0	0	0	7,232
TOTAL TRANSMISSION:		515,654,674	184,609,461	(10,432,433)	0	3,260,302	693,092,004

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2015

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	3,928,296	(5,140)	0	(1,550)	(988,629)	2,932,977
Land Rights	360.1	204,176	0	0	0	0	204,176
Structures and Improvements	361	25,899,675	1,262,962	(149,260)	0	(600,806)	26,412,571
Station Equipment	362	203,830,057	7,823,321	(3,494,225)	0	(1,620,186)	206,538,967
Poles, Towers & Fixtures	364	132,684,129	4,773,584	(1,382,892)	(58)	0	136,074,763
Overhead Conductors & Devices	365	141,411,300	5,166,615	(797,114)	0	(1,032,764)	144,748,037
Underground Conduit	366	1,161,760	8,610	(10,674)	0	0	1,159,696
Underground Conductors & Devices	367	143,633,002	8,528,842	(719,402)	0	1,032,764	152,475,206
Line Transformers	368	257,460,199	13,634,759	(4,212,075)	0	(15)	266,882,868
Services:							
- Overhead	369.1	57,418,873	3,033,063	(170,946)	0	0	60,280,990
- Underground	369.2	50,300,841	3,329,489	(133,889)	0	0	53,496,441
Meters	370	30,240,925	4,149,331	(925,546)	0	(123)	33,464,587
Meters - AMI Equipment	370	41,573,506	383,244	(161,809)	0	0	41,794,941
Meters - FPSC Segregated	370	0	0	0	0	0	0
Meters - Non FPSC Segregated	370	506,979	0	(4,829)	0	0	502,150
Street Lighting & Signal Systems	373	66,440,505	3,477,848	(1,845,867)	0	0	68,072,486
Asset Retirement Obligation	374	41,613	0	0	0	0	41,613
TOTAL DISTRIBUTION:		1,156,735,836	55,566,528	(14,008,528)	(1,608)	(3,209,759)	1,195,082,469
GENERAL PLANT:							
Land	389.0	7,112,488	488,472	0	0	0	7,600,960
Structures and Improvements	390	79,298,945	1,139,687	(468,172)	0	0	79,970,460
Office Furniture & Equipment:							
- Computer, 5 Year	391	4,473,860	283,909	(831,628)	0	0	3,926,141
- Non-Computer, 7 Year	391	2,920,503	272,586	0	0	0	3,193,089
Transportation Equipment:							
- Automobiles	392.1	29,848	0	0	0	0	29,848
- Light Trucks	392.2	7,251,889	374,497	(366,845)	0	0	7,259,541
- Heavy Trucks	392.3	23,744,166	2,741,030	(2,664,804)	0	0	23,820,392
- Trailers	392.4	1,279,321	21,709	(22,179)	0	0	1,278,851
- Marine, 5 Year	392	28,476	(1)	0	0	0	28,475
Stores Equipment - 7 Year	393	1,337,166	129,424	(899)	0	0	1,465,691
Tools, Shop & Garage Equip. - 7 Year	394	3,989,622	166,572	(511,353)	0	0	3,644,841
Laboratory Equipment - 7 Year	395	2,688,076	268,433	(460,101)	0	0	2,496,408
Power Operated Equipment	396	931,916	0	0	0	0	931,916
Communication Equipment:							
- Other	397	19,202,414	1,352,555	(172,532)	0	42,034	20,424,471
- 7 Year	397	6,342,058	217,880	(935,756)	0	0	5,624,182
Miscellaneous Equipment - 7 year	398	4,565,022	417,071	(1,853,818)	0	0	3,128,275
Asset Retirement Obligation	399.1	195,426	0	0	0	0	195,426
TOTAL GENERAL:		165,391,196	7,873,824	(8,288,087)	0	42,034	165,018,967
TOTAL ELECTRIC PLANT-IN-SERVICE:		4,477,720,010	744,818,358	(66,993,373)	687,198	92,577	5,156,324,770

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2014

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7,417	0	0	0	0	7,417
Franchises and Consents	302	594	0	0	0	0	594
Intangible Software	303	15,701,991	1,632,792	0	0	0	17,334,783
TOTAL INTANGIBLE:		15,710,002	1,632,792	0	0	0	17,342,794
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		260,749,631	3,213,726	(2,693,608)	523	0	261,270,272
Land		1,159,555	0	0	3,014,838	0	4,174,393
Easements		77,160	0	0	0	0	77,160
Cooling Lake, 23 Year		8,954,192	0	0	0	0	8,954,192
Rail Track System		2,741,618	0	0	0	0	2,741,618
Asset Retirement Obligation		306,163	0	0	0	0	306,163
TOTAL DANIEL PLANT:		273,988,319	3,213,726	(2,693,608)	3,015,361	0	277,523,798
CRIST PLANT:							
Plant		1,476,004,434	29,326,818	(5,867,081)	0	0	1,499,464,171
Land		6,023,266	0	0	0	0	6,023,266
Easements		0	0	0	0	0	0
Base Coal, 5 Year		141,840	0	0	0	0	141,840
- 5 Year		154,002	18,600	(50,256)	0	0	122,346
- 7 Year		3,763,686	1,949,334	(455,045)	0	0	5,257,975
Asset Retirement Obligation		1,703,993	0	(258,490)	0	0	1,445,503
TOTAL CRIST PLANT:		1,487,791,221	31,294,752	(6,630,872)	0	0	1,512,455,101
SCHOLZ PLANT:							
Plant		30,715,453	129,141	(14,895)	0	0	30,829,699
Land		44,579	0	0	0	0	44,579
Base Coal, 5 Year		71,300	0	0	0	0	71,300
- 5 Year		8,730	0	0	0	0	8,730
- 7 Year		136,775	661	(32,133)	0	0	105,303
Asset Retirement Obligation		323,418	(59,706)	0	0	0	263,712
TOTAL SCHOLZ PLANT:		31,300,255	70,096	(47,028)	0	0	31,323,323
SMITH PLANT:							
Plant		175,753,920	950,267	(183,376)	0	0	176,520,811
Land		1,363,924	0	0	0	0	1,363,924
Base Coal, 5 Year		108,300	0	0	0	0	108,300
- 5 Year		27,303	0	(3,067)	0	0	24,236
- 7 Year		1,356,335	12,108	(246,695)	0	0	1,121,748
Asset Retirement Obligation		471,938	0	0	0	0	471,938
TOTAL SMITH PLANT:		179,081,720	962,375	(433,138)	0	0	179,610,957
SCHERER PLANT:							
Plant		368,256,390	6,765,709	(1,644,133)	0	0	373,377,966
Land		914,020	0	0	(1,563)	0	912,457
- 7 Year		209,056	4,118	0	0	8,587	221,761
Asset Retirement Obligation		5,239,995	0	(2,589)	0	0	5,237,406
TOTAL SCHERER PLANT:		374,619,461	6,769,827	(1,646,722)	(1,563)	8,587	379,749,590
TOTAL STEAM PRODUCTION:		2,346,780,976	42,310,776	(11,451,368)	3,013,798	8,587	2,380,662,769

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2014

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	337,696	0	0	0	0	337,696
TOTAL LAND - NON-DEPRECIABLE:		337,696	0	0	0	0	337,696
SMITH PLANT CT:							
Structures and Improvements	341	1,310,239	0	0	0	0	1,310,239
Fuel Holders and Accessories	342	697,862	0	0	0	0	697,862
Prime Movers	343	2,443,215	377,121	(240,978)	0	0	2,579,358
Generators	344	3,438,921	0	0	0	0	3,438,921
Accessory Electric Equipment	345	48,476	80,719	0	0	3,173,210	3,302,405
Miscellaneous Equipment	346	43,147	0	0	0	0	43,147
TOTAL SMITH PLANT CT:		7,981,860	457,840	(240,978)	0	3,173,210	11,371,932
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	21,156,946	(7,142,275)	(18,545)	0	0	13,996,126
Fuel Holders and Accessories	342	3,167,723	344,929	(284,576)	0	0	3,228,076
Prime Movers	343	119,728,752	310,084	(675,432)	0	0	119,363,404
Generators	344	67,334,724	201,981	(143,956)	0	0	67,392,749
Accessory Electric Equipment	345	12,089,080	243,114	(84,252)	0	(3,173,210)	9,074,732
Miscellaneous Equipment	346	1,169,288	4,348	(3,808)	0	0	1,169,828
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		224,646,513	(6,037,819)	(1,210,569)	0	(3,173,210)	214,224,915
PACE PLANT:							
Prime Movers	343	6,790,595	0	0	0	0	6,790,595
Generators	344	3,107,233	0	0	0	0	3,107,233
Accessory Electric Equipment	345	584,090	0	0	0	0	584,090
Asset Retirement Obligation	347	397,194	0	0	0	0	397,194
TOTAL PACE PLANT:		10,879,112	0	0	0	0	10,879,112
PERDIDO PLANT:							
Structures and Improvements	341	942,440	0	0	0	0	942,440
Fuel Holders and Accessories	342	578,765	0	0	0	0	578,765
Prime Movers	343	2,745,649	0	0	0	0	2,745,649
Accessory Electric Equipment	345	806,682	0	0	0	0	806,682
Miscellaneous Equipment	346	45,550	0	0	0	0	45,550
TOTAL PERDIDO PLANT:		5,119,086	0	0	0	0	5,119,086
TOTAL OTHER PRODUCTION:		248,964,267	(5,579,979)	(1,451,547)	0	0	241,932,741
TOTAL PRODUCTION:		2,595,745,243	36,730,797	(12,902,915)	3,013,798	8,587	2,622,595,510
TRANSMISSION:							
Land	350.0	7,177,881	207,737	0	0	0	7,385,618
Easements	350.2	12,666,130	0	0	0	0	12,666,130
Structures and Improvements	352	14,039,278	2,020,452	(112,693)	0	0	15,947,037
Station Equipment	353	173,369,566	9,903,600	(1,356,297)	0	(233,387)	181,683,482
Towers and Fixtures	354	43,303,059	680,683	(141,378)	0	0	43,842,364
Poles and Fixtures	355	125,165,461	19,846,648	(3,102,713)	0	0	141,909,396
Overhead Conductors & Devices	356	82,907,352	15,691,749	(1,211,232)	0	0	97,387,869
Underground Conductors & Devices	358	14,094,502	495,126	0	0	0	14,589,628
Roads and Trails	359	235,918	0	0	0	0	235,918
Asset Retirement Obligation	359.1	7,232	0	0	0	0	7,232
TOTAL TRANSMISSION:		472,966,379	48,845,995	(5,924,313)	0	(233,387)	515,654,674

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2014

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	3,928,296	0	0	0	0	3,928,296
Land Rights	360.1	204,176	0	0	0	0	204,176
Structures and Improvements	361	24,245,231	1,927,633	(273,189)	0	0	25,899,675
Station Equipment	362	201,080,368	12,506,790	(10,130,061)	0	372,960	203,830,057
Poles, Towers & Fixtures	364	129,209,152	5,146,393	(1,669,816)	(1,600)	0	132,684,129
Overhead Conductors & Devices	365	136,905,623	7,373,333	(1,637,216)	0	(1,230,440)	141,411,300
Underground Conduit	366	1,160,686	16,707	(15,633)	0	0	1,161,760
Underground Conductors & Devices	367	136,448,460	6,628,548	(674,446)	0	1,230,440	143,633,002
Line Transformers	368	245,858,131	16,172,617	(4,488,551)	0	(81,998)	257,460,199
Services:							
- Overhead	369.1	54,712,791	3,148,051	(441,969)	0	0	57,418,873
- Underground	369.2	47,684,292	2,737,717	(121,168)	0	0	50,300,841
Meters	370	28,847,610	3,073,541	(1,674,214)	0	(6,012)	30,240,925
Meters - AMI	370	41,788,873	(39)	(215,328)	0	0	41,573,506
Meters - FPSC Segregated	370	0	0	0	0	0	0
Meters - Non FPSC Segregated	370	529,743	0	(28,776)	0	6,012	506,979
Street Lighting & Signal Systems	373	64,209,201	2,605,159	(373,855)	0	0	66,440,505
Asset Retirement Obligation	374	41,613	0	0	0	0	41,613
TOTAL DISTRIBUTION:		1,116,854,246	61,336,450	(21,744,222)	(1,600)	290,962	1,156,735,836
GENERAL PLANT:							
Land	389.0	7,112,488	0	0	0	0	7,112,488
Structures and Improvements	390	69,753,457	9,795,617	(250,129)	0	0	79,298,945
Office Furniture & Equipment:							
- Computer, 5 Year	391	2,637,707	3,097,726	(1,261,573)	0	0	4,473,860
- Non-Computer, 7 Year	391	2,554,771	568,163	(201,994)	0	(437)	2,920,503
Transportation Equipment:							
- Automobiles	392.1	29,848	0	0	0	0	29,848
- Light Trucks	392.2	6,880,577	835,828	(464,516)	0	0	7,251,889
- Heavy Trucks	392.3	22,389,066	2,262,088	(906,988)	0	0	23,744,166
- Trailers	392.4	1,281,082	4,847	(6,608)	0	0	1,279,321
- Marine, 5 Year	392	213,558	28,512	(39,748)	0	(173,846)	28,476
Stores Equipment - 7 Year	393	1,072,023	293,127	(27,984)	0	0	1,337,166
Tools, Shop & Garage Equip. - 7 Year	394	3,886,137	112,303	(8,023)	0	(795)	3,989,622
Laboratory Equipment - 7 Year	395	2,583,928	222,348	(114,021)	0	(4,179)	2,688,076
Power Operated Equipment	396	868,427	0	(110,357)	0	173,846	931,916
Communication Equipment:							
- Other	397	16,717,052	2,582,317	(39,379)	0	(57,576)	19,202,414
- 7 Year	397	5,842,174	677,710	(177,826)	0	0	6,342,058
Miscellaneous Equipment - 7 year	398	4,316,270	564,916	(312,989)	0	(3,175)	4,565,022
Asset Retirement Obligation	399.1	195,426	0	0	0	0	195,426
TOTAL GENERAL:		148,333,991	21,045,502	(3,922,135)	0	(66,162)	165,391,196
TOTAL ELECTRIC PLANT-IN-SERVICE:		4,349,609,861	169,591,536	(44,493,585)	3,012,198	0	4,477,720,010

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2013

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7,417	0	0	0	0	7,417
Franchises and Consents	302	594	0	0	0	0	594
Intangible Software	303	15,643,499	58,492	0	0	0	15,701,991
TOTAL INTANGIBLE:		15,651,510	58,492	0	0	0	15,710,002
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		256,090,550	5,540,319	(881,238)	0	0	260,749,631
Land		1,028,762	130,793	0	0	0	1,159,555
Easements		77,160	0	0	0	0	77,160
Cooling Lake, 23 Year		8,954,192	0	0	0	0	8,954,192
Rail Track System		2,741,618	0	0	0	0	2,741,618
Asset Retirement Obligation		391,149	(84,986)	0	0	0	306,163
TOTAL DANIEL PLANT:		269,283,431	5,586,126	(881,238)	0	0	273,988,319
CRIST PLANT:							
Plant		1,487,072,493	6,212,841	(17,280,900)	0	0	1,476,004,434
Land		6,023,266	0	0	0	0	6,023,266
Easements		0	0	0	0	0	0
Base Coal, 5 Year		141,840	0	0	0	0	141,840
- 5 Year		137,572	16,430	0	0	0	154,002
- 7 Year		5,422,257	507,672	(2,166,243)	0	0	3,763,686
Asset Retirement Obligation		1,132,431	1,187,162	(615,600)	0	0	1,703,993
TOTAL CRIST PLANT:		1,499,929,859	7,924,105	(20,062,743)	0	0	1,487,791,221
SCHOLZ PLANT:							
Plant		30,695,410	20,252	(209)	0	0	30,715,453
Land		44,579	0	0	0	0	44,579
Base Coal, 5 Year		71,300	0	0	0	0	71,300
- 5 Year		8,730	0	0	0	0	8,730
- 7 Year		116,561	19,674	540	0	0	136,775
Asset Retirement Obligation		241,640	82,807	(1,029)	0	0	323,418
TOTAL SCHOLZ PLANT:		31,178,220	122,733	(698)	0	0	31,300,255
SMITH PLANT:							
Plant		175,411,052	454,183	(111,315)	0	0	175,753,920
Land		1,363,924	0	0	0	0	1,363,924
Base Coal, 5 Year		108,300	0	0	0	0	108,300
- 5 Year		31,793	(25)	(4,465)	0	0	27,303
- 7 Year		1,602,231	165,403	(411,299)	0	0	1,356,335
Asset Retirement Obligation		471,938	0	0	0	0	471,938
TOTAL SMITH PLANT:		178,989,238	619,561	(527,079)	0	0	179,081,720
SCHERER PLANT:							
Plant		359,352,385	9,347,363	(443,358)	0	0	368,256,390
Land		915,932	0	0	(1,912)	0	914,020
- 7 Year		195,441	47,085	(33,470)	0	0	209,056
Asset Retirement Obligation		5,156,238	105,544	(21,787)	0	0	5,239,995
TOTAL SCHERER PLANT:		365,619,996	9,499,992	(498,615)	(1,912)	0	374,619,461
TOTAL STEAM PRODUCTION:		2,345,000,744	23,752,517	(21,970,373)	(1,912)	0	2,346,780,976

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2013

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	337,696	0	0	0	0	337,696
TOTAL LAND - NON-DEPRECIABLE:		337,696	0	0	0	0	337,696
SMITH PLANT CT:							
Structures and Improvements	341	1,310,239	0	0	0	0	1,310,239
Fuel Holders and Accessories	342	697,862	0	0	0	0	697,862
Prime Movers	343	2,405,738	37,477	0	0	0	2,443,215
Generators	344	3,438,921	0	0	0	0	3,438,921
Accessory Electric Equipment	345	48,476	0	0	0	0	48,476
Miscellaneous Equipment	346	43,147	0	0	0	0	43,147
TOTAL SMITH PLANT CT:		7,944,383	37,477	0	0	0	7,981,860
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	13,578,006	7,879,745	(300,805)	0	0	21,156,946
Fuel Holders and Accessories	342	3,044,302	123,421	0	0	0	3,167,723
Prime Movers	343	113,930,969	25,457,920	(19,660,137)	0	0	119,728,752
Generators	344	67,250,935	164,973	(81,184)	0	0	67,334,724
Accessory Electric Equipment	345	12,081,947	685,401	(678,268)	0	0	12,089,080
Miscellaneous Equipment	346	1,124,187	45,101	0	0	0	1,169,288
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		211,010,346	34,356,561	(20,720,394)	0	0	224,646,513
PACE PLANT:							
Prime Movers	343	6,790,595	0	0	0	0	6,790,595
Generators	344	3,107,233	0	0	0	0	3,107,233
Accessory Electric Equipment	345	584,090	0	0	0	0	584,090
Asset Retirement Obligation	347	397,194	0	0	0	0	397,194
TOTAL PACE PLANT:		10,879,112	0	0	0	0	10,879,112
PERDIDO PLANT:							
Structures and Improvements	341	942,440	0	0	0	0	942,440
Fuel Holders and Accessories	342	578,765	0	0	0	0	578,765
Prime Movers	343	2,745,649	0	0	0	0	2,745,649
Accessory Electric Equipment	345	806,682	0	0	0	0	806,682
Miscellaneous Equipment	346	45,550	0	0	0	0	45,550
TOTAL PERDIDO PLANT:		5,119,086	0	0	0	0	5,119,086
TOTAL OTHER PRODUCTION:		235,290,623	34,394,038	(20,720,394)	0	0	248,964,267
TOTAL PRODUCTION:		2,580,291,367	58,146,555	(42,690,767)	(1,912)	0	2,595,745,243
TRANSMISSION:							
Land	350.0	7,148,133	44,248	0	(14,500)	0	7,177,881
Easements	350.2	12,666,130	0	0	0	0	12,666,130
Structures and Improvements	352	11,168,790	3,073,689	(214,184)	0	10,983	14,039,278
Station Equipment	353	150,351,861	27,366,762	(4,455,426)	0	106,369	173,369,566
Towers and Fixtures	354	43,368,771	209,666	(275,378)	0	0	43,303,059
Poles and Fixtures	355	112,633,773	13,587,458	(1,048,660)	0	(7,110)	125,165,461
Overhead Conductors & Devices	356	77,416,136	5,976,336	(503,506)	0	18,386	82,907,352
Underground Conductors & Devices	358	14,094,502	0	0	0	0	14,094,502
Roads and Trails	359	235,918	0	0	0	0	235,918
Asset Retirement Obligation	359.1	7,861	0	(629)	0	0	7,232
TOTAL TRANSMISSION:		429,091,875	50,258,159	(6,497,783)	(14,500)	128,628	472,966,379

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2013

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	3,928,297	3,314	0	(3,315)	0	3,928,296
Land Rights	360.1	204,176	0	0	0	0	204,176
Structures and Improvements	361	23,226,892	1,408,718	(379,396)	0	(10,983)	24,245,231
Station Equipment	362	184,730,643	24,223,072	(7,785,861)	0	(87,486)	201,080,368
Poles, Towers & Fixtures	364	123,363,928	6,823,450	(955,059)	0	(23,167)	129,209,152
Overhead Conductors & Devices	365	131,065,268	9,291,988	(2,103,230)	0	(1,348,403)	136,905,623
Underground Conduit	366	1,160,686	0	0	0	0	1,160,686
Underground Conductors & Devices	367	132,897,470	5,864,900	(941,532)	0	(1,372,378)	136,448,460
Line Transformers	368	233,121,664	15,872,379	(4,190,230)	0	1,054,318	245,858,131
Services:							
- Overhead	369.1	53,007,639	1,906,930	(201,778)	0	0	54,712,791
- Underground	369.2	44,910,088	2,404,696	(112,851)	0	482,359	47,684,292
Meters	370	28,388,387	3,912,910	(2,066,560)	0	(1,387,127)	28,847,610
Meters - AMI Equipment	370	40,391,581	215,929	(205,764)	0	1,387,127	41,788,873
Meters - FPSC Segregated	370	1,769,590	0	(1,769,590)	0	0	0
Meters - Non FPSC Segregated	370	3,209,455	0	(2,679,712)	0	0	529,743
Street Lighting & Signal Systems	373	61,650,828	1,745,994	(247,823)	0	1,060,202	64,209,201
Asset Retirement Obligation	374	43,465	0	(1,852)	0	0	41,613
TOTAL DISTRIBUTION:		1,067,070,057	73,674,280	(23,641,238)	(3,315)	(245,538)	1,116,854,246
GENERAL PLANT:							
Land	389.0	7,112,488	0	0	0	0	7,112,488
Structures and Improvements	390	69,535,072	352,500	(236,169)	(10,506)	112,560	69,753,457
Office Furniture & Equipment:							
- Computer, 5 Year	391	3,732,665	219,171	(1,314,129)	0	0	2,637,707
- Non-Computer, 7 Year	391	2,445,329	821,132	(711,690)	0	0	2,554,771
Transportation Equipment:							
- Automobiles	392.1	0	29,848	0	0	0	29,848
- Light Trucks	392.2	6,793,807	585,925	(499,155)	0	0	6,880,577
- Heavy Trucks	392.3	21,541,869	2,097,085	(1,249,888)	0	0	22,389,066
- Trailers	392.4	1,209,613	177,780	(106,311)	0	0	1,281,082
- Marine, 5 Year	392	213,589	(31)	0	0	0	213,558
Stores Equipment - 7 Year	393	1,325,114	231,680	(484,771)	0	0	1,072,023
Tools, Shop & Garage Equip. - 7 Year	394	3,912,415	154,154	(180,432)	0	0	3,886,137
Laboratory Equipment - 7 Year	395	2,494,422	422,511	(333,005)	0	0	2,583,928
Power Operated Equipment	396	864,640	3,787	0	0	0	868,427
Communication Equipment:							
- Other	397	15,903,318	1,249,170	(439,786)	0	4,350	16,717,052
- 7 Year	397	4,847,974	1,246,083	(251,883)	0	0	5,842,174
Miscellaneous Equipment - 7 year	398	3,546,305	769,965	0	0	0	4,316,270
Asset Retirement Obligation	399.1	195,426	0	0	0	0	195,426
TOTAL GENERAL:		145,674,046	8,360,760	(5,807,219)	(10,506)	116,910	148,333,991
TOTAL ELECTRIC PLANT-IN-SERVICE:		4,237,778,855	190,498,246	(78,637,007)	(30,233)	0	4,349,609,861

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2012

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7,417	0	0	0	0	7,417
Franchises and Consents	302	594	0	0	0	0	594
Intangible Software	303	14,680,360	963,139	0	0	0	15,643,499
TOTAL INTANGIBLE:		14,688,371	963,139	0	0	0	15,651,510
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		253,058,388	3,405,590	(373,428)	0	0	256,090,550
Land		1,028,762	0	0	0	0	1,028,762
Easements		77,160	0	0	0	0	77,160
Cooling Lake, 23 Year		8,954,192	0	0	0	0	8,954,192
Rail Track System		2,741,618	0	0	0	0	2,741,618
Asset Retirement Obligation		391,149	0	0	0	0	391,149
TOTAL DANIEL PLANT:		266,251,269	3,405,590	(373,428)	0	0	269,283,431
CRIST PLANT:							
Plant		1,196,885,458	310,007,812	(20,188,802)	0	368,025	1,487,072,493
Land		6,027,470	(4,204)	0	0	0	6,023,266
Easements		5,103	(5,103)	0	0	0	0
Base Coal, 5 Year		141,840	0	0	0	0	141,840
- 5 Year		161,226	0	(23,654)	0	0	137,572
- 7 Year		4,890,421	531,836	0	0	0	5,422,257
Asset Retirement Obligation		1,132,431	0	0	0	0	1,132,431
TOTAL CRIST PLANT:		1,209,243,949	310,530,341	(20,212,456)	0	368,025	1,499,929,859
SCHOLZ PLANT:							
Plant		31,290,784	241,970	(469,319)	0	(368,025)	30,695,410
Land		44,579	0	0	0	0	44,579
Base Coal, 5 Year		71,300	0	0	0	0	71,300
- 5 Year		8,730	0	0	0	0	8,730
- 7 Year		213,933	13,211	(110,583)	0	0	116,561
Asset Retirement Obligation		254,654	0	(13,014)	0	0	241,640
TOTAL SCHOLZ PLANT:		31,883,980	255,181	(592,916)	0	(368,025)	31,178,220
SMITH PLANT:							
Plant		173,958,502	1,556,290	(103,740)	0	0	175,411,052
Land		1,363,924	0	0	0	0	1,363,924
Base Coal, 5 Year		108,300	0	0	0	0	108,300
- 5 Year		29,526	2,267	0	0	0	31,793
- 7 Year		1,576,886	25,345	0	0	0	1,602,231
Asset Retirement Obligation		471,960	0	(22)	0	0	471,938
TOTAL SMITH PLANT:		177,509,098	1,583,902	(103,762)	0	0	178,989,238
SCHERER PLANT:							
Plant		357,421,184	2,419,966	(488,765)	0	0	359,352,385
Land		912,049	3,946	0	(63)	0	915,932
- 7 Year		204,492	(27)	(9,024)	0	0	195,441
Asset Retirement Obligation		230,322	4,925,916	0	0	0	5,156,238
TOTAL SCHERER PLANT:		358,768,047	7,349,801	(497,789)	(63)	0	365,619,996
TOTAL STEAM PRODUCTION:		2,043,656,343	323,124,815	(21,780,351)	(63)	0	2,345,000,744

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2012

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	337,696	0	0	0	0	337,696
TOTAL LAND - NON-DEPRECIABLE:		337,696	0	0	0	0	337,696
SMITH PLANT CT:							
Structures and Improvements	341	1,293,927	16,312	0	0	0	1,310,239
Fuel Holders and Accessories	342	726,111	(4,805)	(23,444)	0	0	697,862
Prime Movers	343	2,405,830	(92)	0	0	0	2,405,738
Generators	344	3,438,921	0	0	0	0	3,438,921
Accessory Electric Equipment	345	48,476	0	0	0	0	48,476
Miscellaneous Equipment	346	53,925	(10,778)	0	0	0	43,147
TOTAL SMITH PLANT CT:		7,967,190	637	(23,444)	0	0	7,944,383
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	12,954,680	1,645,389	(1,022,063)	0	0	13,578,006
Fuel Holders and Accessories	342	3,038,953	5,349	0	0	0	3,044,302
Prime Movers	343	113,697,164	482,899	(249,094)	0	0	113,930,969
Generators	344	67,249,648	8,749	(7,462)	0	0	67,250,935
Accessory Electric Equipment	345	12,063,368	18,579	0	0	0	12,081,947
Miscellaneous Equipment	346	1,113,927	46,057	(35,797)	0	0	1,124,187
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		210,117,740	2,207,022	(1,314,416)	0	0	211,010,346
PACE PLANT:							
Prime Movers	343	6,790,595	0	0	0	0	6,790,595
Generators	344	3,107,233	0	0	0	0	3,107,233
Accessory Electric Equipment	345	584,090	0	0	0	0	584,090
Asset Retirement Obligation	347	397,194	0	0	0	0	397,194
TOTAL PACE PLANT:		10,879,112	0	0	0	0	10,879,112
PERDIDO PLANT:							
Structures and Improvements	341	942,440	0	0	0	0	942,440
Fuel Holders and Accessories	342	578,765	0	0	0	0	578,765
Prime Movers	343	2,745,649	0	0	0	0	2,745,649
Accessory Electric Equipment	345	788,715	17,967	0	0	0	806,682
Miscellaneous Equipment	346	45,550	0	0	0	0	45,550
TOTAL PERDIDO PLANT:		5,101,119	17,967	0	0	0	5,119,086
TOTAL OTHER PRODUCTION:		234,402,857	2,225,626	(1,337,860)	0	0	235,290,623
TOTAL PRODUCTION:		2,278,059,200	325,350,441	(23,118,211)	(63)	0	2,580,291,367
TRANSMISSION:							
Land	350.0	3,453,755	3,761,170	0	(34,622)	(32,170)	7,148,133
Easements	350.2	12,633,960	0	0	0	32,170	12,666,130
Structures and Improvements	352	10,978,788	207,059	(17,057)	0	0	11,168,790
Station Equipment	353	124,993,222	28,034,998	(2,574,917)	0	(101,442)	150,351,861
Towers and Fixtures	354	41,223,038	3,316,103	(1,174,359)	0	3,989	43,368,771
Poles and Fixtures	355	88,692,650	27,519,172	(3,579,967)	0	1,918	112,633,773
Overhead Conductors & Devices	356	72,412,743	7,439,639	(2,447,789)	0	11,543	77,416,136
Underground Conductors & Devices	358	14,094,502	0	0	0	0	14,094,502
Roads and Trails	359	45,800	190,118	0	0	0	235,918
Asset Retirement Obligation	359.1	7,861	0	0	0	0	7,861
TOTAL TRANSMISSION:		368,536,319	70,468,259	(9,794,089)	(34,622)	(83,992)	429,091,875

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2012

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	3,408,450	525,038	0	(5,191)	0	3,928,297
Land Rights	360.1	204,176	0	0	0	0	204,176
Structures and Improvements	361	19,568,845	3,738,605	(80,558)	0	0	23,226,892
Station Equipment	362	172,254,474	14,480,053	(2,093,739)	0	89,855	184,730,643
Poles, Towers & Fixtures	364	130,678,945	5,314,764	(12,625,534)	0	(4,247)	123,363,928
Overhead Conductors & Devices	365	126,166,783	6,056,014	(1,926,632)	0	769,103	131,065,268
Underground Conduit	366	1,217,455	0	(56,769)	0	0	1,160,686
Underground Conductors & Devices	367	124,193,018	8,444,502	(755,578)	0	1,015,528	132,897,470
Line Transformers	368	229,026,046	14,372,935	(8,488,741)	0	(1,788,576)	233,121,664
Services:							
- Overhead	369.1	51,743,562	1,479,151	(215,074)	0	0	53,007,639
- Underground	369.2	43,927,818	1,077,539	(95,269)	0	0	44,910,088
Meters	370	53,839,750	10,228,962	(1,381,325)	0	(34,299,000)	28,388,387
Meters - AMI Equipment	370	0	6,176,056	(83,475)	0	34,299,000	40,391,581
Meters - FPSC Segregated	370	5,826,983	0	(4,057,393)	0	0	1,769,590
Meters - Non FPSC Segregated	370	7,790,030	0	(4,580,575)	0	0	3,209,455
Street Lighting & Signal Systems	373	60,488,452	1,410,175	(247,799)	0	0	61,650,828
Asset Retirement Obligation	374	43,465	0	0	0	0	43,465
TOTAL DISTRIBUTION:		1,030,378,252	73,303,794	(36,688,461)	(5,191)	81,663	1,067,070,057
GENERAL PLANT:							
Land	389.0	6,936,456	176,032	0	0	0	7,112,488
Structures and Improvements	390	69,926,724	460,909	(852,561)	0	0	69,535,072
Office Furniture & Equipment:							
- Computer, 5 Year	391	4,651,411	133,441	(1,052,187)	0	0	3,732,665
- Non-Computer, 7 Year	391	2,560,882	118,716	(234,269)	0	0	2,445,329
Transportation Equipment:							
- Light Trucks	392.2	7,173,020	316,909	(696,122)	0	0	6,793,807
- Heavy Trucks	392.3	19,536,130	2,299,778	(294,039)	0	0	21,541,869
- Trailers	392.4	1,158,484	137,029	(85,900)	0	0	1,209,613
- Marine, 5 Year	392	213,594	(5)	0	0	0	213,589
Stores Equipment - 7 Year	393	1,176,467	148,647	0	0	0	1,325,114
Tools, Shop & Garage Equip. - 7 Year	394	2,507,089	1,556,448	(151,122)	0	0	3,912,415
Laboratory Equipment - 7 Year	395	2,753,789	220,134	(479,501)	0	0	2,494,422
Power Operated Equipment	396	837,382	27,258	0	0	0	864,640
Communication Equipment:							
- Other	397	19,134,175	1,842,999	(5,076,185)	0	2,329	15,903,318
- 7 Year	397	4,428,562	1,227,867	(808,455)	0	0	4,847,974
Miscellaneous Equipment - 7 year	398	3,488,619	193,456	(135,770)	0	0	3,546,305
Asset Retirement Obligation	399.1	195,426	0	0	0	0	195,426
TOTAL GENERAL:		146,678,210	8,859,618	(9,866,111)	0	2,329	145,674,046
TOTAL ELECTRIC PLANT-IN-SERVICE:		3,838,340,352	478,945,251	(79,466,872)	(39,876)	0	4,237,778,855

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2011

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7,418	0	0	0	0	7,418
Franchises and Consents	302	594	0	0	0	0	594
Intangible Software	303	12,848,863	1,831,497	0	0	0	14,680,360
TOTAL INTANGIBLE:		12,856,875	1,831,497	0	0	0	14,688,372
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		249,358,068	7,853,288	(4,152,969)	0	0	253,058,387
Land		967,300	61,461	0	0	0	1,028,761
Easements		77,160	0	0	0	0	77,160
Cooling Lake, 23 Year		8,954,192	0	0	0	0	8,954,192
Rail Track System		2,741,618	0	0	0	0	2,741,618
Asset Retirement Obligation		989,615	0	(598,465)	0	0	391,150
TOTAL DANIEL PLANT:		263,087,953	7,914,749	(4,751,434)	0	0	266,251,268
CRIST PLANT:							
Plant		1,162,438,337	50,121,197	(15,674,076)	0	0	1,196,885,458
Land		6,027,470	0	0	0	0	6,027,470
Easements		5,103	0	0	0	0	5,103
Base Coal, 5 Year		141,840	0	0	0	0	141,840
- 5 Year		131,332	30,036	(142)	0	0	161,226
- 7 Year		4,917,350	442,864	(469,794)	0	0	4,890,420
Asset Retirement Obligation		1,373,417	(235,246)	(5,740)	0	0	1,132,431
TOTAL CRIST PLANT:		1,175,034,849	50,358,851	(16,149,752)	0	0	1,209,243,948
SCHOLZ PLANT:							
Plant		31,082,548	245,753	(37,517)	0	0	31,290,784
Land		44,579	0	0	0	0	44,579
Base Coal, 5 Year		71,300	0	0	0	0	71,300
- 5 Year		5,717	3,014	0	0	0	8,731
- 7 Year		174,495	39,437	0	0	0	213,932
Asset Retirement Obligation		347,535	(92,881)	0	0	0	254,654
TOTAL SCHOLZ PLANT:		31,726,174	195,323	(37,517)	0	0	31,883,980
SMITH PLANT:							
Plant		170,872,163	3,769,258	(682,918)	0	0	173,958,503
Land		1,363,924	0	0	0	0	1,363,924
Base Coal, 5 Year		108,300	0	0	0	0	108,300
- 5 Year		7,532	21,994	0	0	0	29,526
- 7 Year		1,120,532	456,355	0	0	0	1,576,887
Asset Retirement Obligation		471,972	0	(12)	0	0	471,960
TOTAL SMITH PLANT:		173,944,423	4,247,607	(682,930)	0	0	177,509,100
SCHERER PLANT:							
Plant		325,733,620	32,350,988	(663,423)	0	0	357,421,185
Land		861,987	50,227	0	(165)	0	912,049
- 7 Year		183,664	20,828	0	0	0	204,492
Asset Retirement Obligation		122,717	107,605	0	0	0	230,322
TOTAL SCHERER PLANT:		326,901,988	32,529,648	(663,423)	(165)	0	358,768,048
TOTAL STEAM PRODUCTION:		1,970,695,387	95,246,178	(22,285,056)	(165)	0	2,043,656,344

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2011

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	337,696	0	0	0	0	337,696
TOTAL LAND - NON-DEPRECIABLE:		337,696	0	0	0	0	337,696
SMITH PLANT CT:							
Structures and Improvements	341	793,362	1,153,735	(653,170)	0	0	1,293,927
Fuel Holders and Accessories	342	513,015	297,667	(84,571)	0	0	726,111
Prime Movers	343	83,106	2,322,723	0	0	0	2,405,829
Generators	344	3,438,922	0	0	0	0	3,438,922
Accessory Electric Equipment	345	126,273	0	(85,758)	0	7,960	48,475
Miscellaneous Equipment	346	8,803	47,424	(2,302)	0	0	53,925
TOTAL SMITH PLANT CT:		4,963,481	3,821,549	(825,801)	0	7,960	7,967,189
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	12,127,157	1,472,007	(644,484)	0	0	12,954,680
Fuel Holders and Accessories	342	2,978,029	183,198	(122,275)	0	0	3,038,952
Prime Movers	343	114,129,869	336,336	(769,041)	0	0	113,697,164
Generators	344	67,029,417	249,579	(29,346)	0	0	67,249,650
Accessory Electric Equipment	345	11,070,806	1,032,765	(32,243)	0	(7,960)	12,063,368
Miscellaneous Equipment	346	1,084,763	29,163	0	0	0	1,113,926
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		208,420,041	3,303,048	(1,597,389)	0	(7,960)	210,117,740
PACE PLANT:							
Prime Movers	343	6,790,595	0	0	0	0	6,790,595
Generators	344	3,107,233	0	0	0	0	3,107,233
Accessory Electric Equipment	345	584,090	0	0	0	0	584,090
Asset Retirement Obligation	347	397,194	0	0	0	0	397,194
TOTAL PACE PLANT:		10,879,112	0	0	0	0	10,879,112
PERDIDO PLANT:							
Structures and Improvements	341	0	942,440	0	0	0	942,440
Fuel Holders and Accessories	342	0	578,765	0	0	0	578,765
Prime Movers	343	0	2,745,649	0	0	0	2,745,649
Accessory Electric Equipment	345	0	788,715	0	0	0	788,715
Miscellaneous Equipment	346	5,101,729	(5,056,179)	0	0	0	45,550
TOTAL PERDIDO PLANT:		5,101,729	(610)	0	0	0	5,101,119
TOTAL OTHER PRODUCTION:		229,702,059	7,123,987	(2,423,190)	0	0	234,402,856
TOTAL PRODUCTION:		2,200,397,446	102,370,165	(24,708,246)	(165)	0	2,278,059,200
TRANSMISSION:							
Land	350.0	2,697,249	756,505	0	0	0	3,453,754
Easements	350.2	12,266,905	367,056	0	0	0	12,633,961
Structures and Improvements	352	9,290,925	1,687,863	0	0	0	10,978,788
Station Equipment	353	108,836,464	17,696,477	(1,478,877)	0	(60,843)	124,993,221
Towers and Fixtures	354	41,288,014	25,735	(90,710)	0	0	41,223,039
Poles and Fixtures	355	81,514,111	7,505,836	(327,298)	0	0	88,692,649
Overhead Conductors & Devices	356	66,997,220	6,263,450	(847,928)	0	0	72,412,742
Underground Conductors & Devices	358	14,094,502	0	0	0	0	14,094,502
Roads and Trails	359	61,447	(15,647)	0	0	0	45,800
Asset Retirement Obligation	359.1	7,861	0	0	0	0	7,861
TOTAL TRANSMISSION:		337,054,698	34,287,275	(2,744,813)	0	(60,843)	368,536,317

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2011

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	2,536,509	872,644	0	(704)	0	3,408,449
Land Rights	360.1	204,176	0	0	0	0	204,176
Structures and Improvements	361	18,262,773	1,307,990	(4,670)	0	2,752	19,568,845
Station Equipment	362	164,334,932	9,824,279	(1,952,133)	0	47,397	172,254,475
Poles, Towers & Fixtures	364	125,319,939	6,679,121	(1,213,402)	0	(106,712)	130,678,946
Overhead Conductors & Devices	365	121,981,530	7,215,884	(2,203,015)	0	(827,616)	126,166,783
Underground Conduit	366	1,217,455	0	0	0	0	1,217,455
Underground Conductors & Devices	367	118,333,108	5,711,531	(504,490)	0	652,868	124,193,017
Line Transformers	368	220,177,780	12,762,808	(3,671,922)	0	(242,620)	229,026,046
Services:							
- Overhead	369.1	50,597,995	1,318,784	(173,216)	0	0	51,743,563
- Underground	369.2	42,468,271	1,542,802	(83,255)	0	0	43,927,818
Meters	370	35,978,405	20,516,476	(2,655,131)	0	0	53,839,750
Meters - FPSC Segregated	370	12,072,127	0	(6,245,145)	0	0	5,826,982
Meters - Non FPSC Segregated	370	9,496,732	0	(1,706,702)	0	0	7,790,030
Street Lighting & Signal Systems	373	58,772,915	1,926,447	(207,303)	0	(3,608)	60,488,451
Asset Retirement Obligation	374	43,465	0	0	0	0	43,465
TOTAL DISTRIBUTION:		981,798,112	69,678,766	(20,620,384)	(704)	(477,539)	1,030,378,251
GENERAL PLANT:							
Land	389.0	6,858,328	78,349	0	(222)	0	6,936,455
Structures and Improvements	390	66,948,929	2,517,692	(78,277)	0	538,382	69,926,726
Office Furniture & Equipment:							
- Computer, 5 Year	391	4,458,492	192,918	0	0	0	4,651,410
- Non-Computer, 7 Year	391	2,623,438	945,334	(1,007,889)	0	0	2,560,883
Transportation Equipment:							
- Light Trucks	392.2	6,995,416	872,489	(694,883)	0	0	7,173,022
- Heavy Trucks	392.3	19,222,561	522,080	(208,510)	0	0	19,536,131
- Trailers	392.4	1,082,864	83,231	(7,612)	0	0	1,158,483
- Marine, 5 Year	392	191,247	81,107	(58,760)	0	0	213,594
Stores Equipment - 7 Year	393	1,006,018	262,791	(92,343)	0	0	1,176,466
Tools, Shop & Garage Equip. - 7 Year	394	2,799,820	187,760	(480,492)	0	0	2,507,088
Laboratory Equipment - 7 Year	395	2,411,718	342,072	0	0	0	2,753,790
Power Operated Equipment	396	593,661	243,722	0	0	0	837,383
Communication Equipment:							
- Other	397	19,230,093	462,820	(558,739)	0	0	19,134,174
- 7 Year	397	3,687,588	1,163,542	(422,568)	0	0	4,428,562
Miscellaneous Equipment - 7 year	398	3,597,865	435,376	(544,622)	0	0	3,488,619
Asset Retirement Obligation	399.1	196,571	0	(1,145)	0	0	195,426
TOTAL GENERAL:		141,904,609	8,391,283	(4,155,840)	(222)	538,382	146,678,212
TOTAL ELECTRIC PLANT-IN-SERVICE:		3,674,011,740	216,558,986	(52,229,283)	(1,091)	0	3,838,340,352

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2010

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	194,815	0	0	0	(187,397)	7,418
Franchises and Consents	302	594	0	0	0	0	594
Intangible Software	303	0	12,661,466	0	0	187,397	12,848,863
TOTAL INTANGIBLE:		195,409	12,661,466	0	0	0	12,856,875
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		240,203,220	9,341,278	(186,166)	(264)	0	249,358,068
Land		3,884,047	145	0	(2,916,892)	0	967,300
Easements		77,160	0	0	0	0	77,160
Cooling Lake, 23 Year		8,954,192	0	0	0	0	8,954,192
Rail Track System		2,741,618	0	0	0	0	2,741,618
Asset Retirement Obligation		2,020,606	0	-1,030,991	0	0	989,615
TOTAL DANIEL PLANT:		257,880,843	9,341,423	(1,217,157)	(2,917,156)	0	263,087,953
CRIST PLANT:							
Plant		1,109,816,351	64,028,035	(11,406,049)	0	0	1,162,438,337
Land		6,027,470	0	0	0	0	6,027,470
Easements		5,103	0	0	0	0	5,103
Base Coal, 5 Year		141,840	0	0	0	0	141,840
- 5 Year		74,905	57,280	(853)	0	0	131,332
- 7 Year		4,488,860	895,247	(466,757)	0	0	4,917,350
Asset Retirement Obligation		1,373,417	0	0	0	0	1,373,417
TOTAL CRIST PLANT:		1,121,927,946	64,980,562	(11,873,659)	0	0	1,175,034,849
SCHOLZ PLANT:							
Plant		31,074,395	21,661	(13,508)	0	0	31,082,548
Land		44,579	0	0	0	0	44,579
Base Coal, 5 Year		71,300	0	0	0	0	71,300
- 5 Year		0	5,717	0	0	0	5,717
- 7 Year		174,495	0	0	0	0	174,495
Asset Retirement Obligation		347,535	0	0	0	0	347,535
TOTAL SCHOLZ PLANT:		31,712,304	27,378	(13,508)	0	0	31,726,174
SMITH PLANT:							
Plant		170,587,642	385,168	(100,647)	0	0	170,872,163
Land		1,363,924	0	0	0	0	1,363,924
Base Coal, 5 Year		108,300	0	0	0	0	108,300
- 5 Year		7,532	0	0	0	0	7,532
- 7 Year		1,029,934	90,598	0	0	0	1,120,532
Asset Retirement Obligation		471,972	0	0	0	0	471,972
TOTAL SMITH PLANT:		173,569,304	475,766	(100,647)	0	0	173,944,423
SCHERER PLANT:							
Plant		233,800,884	92,231,082	(298,346)	0	0	325,733,620
Land		846,761	16,748	0	(1,522)	0	861,987
- 7 Year		186,463	390	(3,189)	0	0	183,664
Asset Retirement Obligation		122,717	0	0	0	0	122,717
TOTAL SCHERER PLANT:		234,956,825	92,248,220	(301,535)	(1,522)	0	326,901,988
TOTAL STEAM PRODUCTION:		1,820,047,222	167,073,348	(13,506,506)	(2,918,677)	0	1,970,695,387

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2010

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	337,696	0	0	0	0	337,696
TOTAL LAND - NON-DEPRECIABLE:		337,696	0	0	0	0	337,696
SMITH PLANT CT:							
Structures and Improvements	341	793,362	0	0	0	0	793,362
Fuel Holders and Accessories	342	513,015	0	0	0	0	513,015
Prime Movers	343	83,106	0	0	0	0	83,106
Generators	344	3,438,922	0	0	0	0	3,438,922
Accessory Electric Equipment	345	126,273	0	0	0	0	126,273
Miscellaneous Equipment	346	8,803	0	0	0	0	8,803
TOTAL SMITH PLANT CT:		4,963,481	0	0	0	0	4,963,481
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	11,712,849	1,083,852	(669,544)	0	0	12,127,157
Fuel Holders and Accessories	342	2,942,463	78,713	(43,147)	0	0	2,978,029
Prime Movers	343	94,060,650	38,811,613	(18,742,394)	0	0	114,129,869
Generators	344	67,041,343	35,970	(47,896)	0	0	67,029,417
Accessory Electric Equipment	345	11,003,159	1,032,499	(964,852)	0	0	11,070,806
Miscellaneous Equipment	346	710,804	561,233	(187,274)	0	0	1,084,763
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		187,471,268	41,603,880	(20,655,107)	0	0	208,420,041
PACE PLANT:							
Prime Movers	343	6,790,595	0	0	0	0	6,790,595
Generators	344	3,107,233	0	0	0	0	3,107,233
Accessory Electric Equipment	345	584,090	0	0	0	0	584,090
Asset Retirement Obligation	347	397,194	0	0	0	0	397,194
TOTAL PACE PLANT:		10,879,112	0	0	0	0	10,879,112
PERDIDO PLANT:							
Miscellaneous Equipment	346	0	5,101,729	0	0	0	5,101,729
TOTAL PERDIDO PLANT:		0	5,101,729	0	0	0	5,101,729
TOTAL OTHER PRODUCTION:		203,651,557	46,705,609	(20,655,107)	0	0	229,702,059
TOTAL PRODUCTION:		2,023,698,779	213,778,957	(34,161,613)	(2,918,677)	0	2,200,397,446
TRANSMISSION:							
Land	350.0	2,265,485	294,004	0	(148,729)	286,489	2,697,249
Easements	350.2	12,707,117	(153,723)	0	0	(286,489)	12,266,905
Structures and Improvements	352	8,426,310	851,723	0	0	12,892	9,290,925
Station Equipment	353	100,888,004	8,369,268	(451,276)	0	30,468	108,836,464
Towers and Fixtures	354	38,868,886	2,407,904	(19,253)	0	30,477	41,288,014
Poles and Fixtures	355	76,122,945	5,838,331	(420,644)	0	(26,521)	81,514,111
Overhead Conductors & Devices	356	63,854,916	3,322,048	(179,744)	0	0	66,997,220
Underground Conductors & Devices	358	14,094,502	0	0	0	0	14,094,502
Roads and Trails	359	61,447	0	0	0	0	61,447
Asset Retirement Obligation	359.1	7,861	0	0	0	0	7,861
TOTAL TRANSMISSION:		317,297,473	20,929,555	(1,070,917)	(148,729)	47,316	337,054,698

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2010

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	2,553,753	0	0	(17,244)	0	2,536,509
Land Rights	360.1	204,176	0	0	0	0	204,176
Structures and Improvements	361	16,745,219	1,532,998	(15,444)	0	0	18,262,773
Station Equipment	362	159,050,636	5,914,198	(603,627)	0	(26,275)	164,334,932
Poles, Towers & Fixtures	364	119,993,792	6,391,271	(1,065,124)	0	0	125,319,939
Overhead Conductors & Devices	365	118,489,612	6,453,610	(2,151,102)	0	(810,590)	121,981,530
Underground Conduit	366	1,217,455	0	0	0	0	1,217,455
Underground Conductors & Devices	367	111,391,188	6,589,214	(457,884)	0	810,590	118,333,108
Line Transformers	368	208,399,324	14,433,300	(2,633,803)	0	(21,041)	220,177,780
Services:							
- Overhead	369.1	49,215,769	1,524,162	(141,936)	0	0	50,597,995
- Underground	369.2	41,248,654	1,358,686	(139,069)	0	0	42,468,271
- House Power Panel	369.3	1,666,102	0	(1,666,102)	0	0	0
Meters	370	51,269,486	8,327,691	(1,945,380)	0	(21,673,392)	35,978,405
Meters - FPSC Segregated	370	0	0	(104,533)	0	12,176,660	12,072,127
Meters - Non FPSC Segregated	370	0	0	0	0	9,496,732	9,496,732
Street Lighting & Signal Systems	373	56,904,425	2,278,904	(410,414)	0	0	58,772,915
Asset Retirement Obligation	374	43,465	0	0	0	0	43,465
TOTAL DISTRIBUTION:		938,393,056	54,804,034	(11,334,418)	(17,244)	(47,316)	981,798,112
GENERAL PLANT:							
Land	389.0	6,858,328	0	0	0	0	6,858,328
Structures and Improvements	390	64,301,504	2,730,623	(83,198)	0	0	66,948,929
Office Furniture & Equipment:							
- Computer, 5 Year	391	3,968,039	830,605	(340,152)	0	0	4,458,492
- Non-Computer, 7 Year	391	2,595,116	28,322	0	0	0	2,623,438
Transportation Equipment:							
- Light Trucks	392.2	5,939,852	1,084,601	(29,037)	0	0	6,995,416
- Heavy Trucks	392.3	19,768,863	775,776	(1,322,078)	0	0	19,222,561
- Trailers	392.4	1,069,871	12,993	0	0	0	1,082,864
- Marine, 5 Year	392	58,760	132,487	0	0	0	191,247
Stores Equipment - 7 Year	393	796,334	209,684	0	0	0	1,006,018
Tools, Shop & Garage Equip. - 7 Year	394	1,502,346	1,297,474	0	0	0	2,799,820
Laboratory Equipment - 7 Year	395	3,364,134	628,194	(1,580,610)	0	0	2,411,718
Power Operated Equipment	396	593,661	0	0	0	0	593,661
Communication Equipment:							
- Other	397	18,363,156	992,445	(125,508)	0	0	19,230,093
- 7 Year	397	3,010,142	677,446	0	0	0	3,687,588
Miscellaneous Equipment - 7 year	398	4,352,298	220,402	(974,835)	0	0	3,597,865
Asset Retirement Obligation	399.1	196,571	0	0	0	0	196,571
TOTAL GENERAL:		136,738,975	9,621,052	(4,455,418)	0	0	141,904,609
TOTAL ELECTRIC PLANT-IN-SERVICE:		3,416,323,692	311,795,064	(51,022,366)	(3,084,650)	0	3,674,011,740

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2009

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7,418	187,397	0	0	0	194,815
Franchises and Consents	302	594	0	0	0	0	594
TOTAL INTANGIBLE:		8,012	187,397	0	0	0	195,409
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		241,955,417	1,211,340	(2,963,537)	0	0	240,203,220
Land		967,301	2,916,746	0	0	0	3,884,047
Easements		77,160	0	0	0	0	77,160
Cooling Lake, 23 Year		8,954,192	0	0	0	0	8,954,192
Rail Track System		2,741,618	0	0	0	0	2,741,618
Asset Retirement Obligation		2,020,606	0	0	0	0	2,020,606
TOTAL DANIEL PLANT:		256,716,294	4,128,086	(2,963,537)	0	0	257,880,843
CRIST PLANT:							
Plant		586,948,027	536,552,302	(13,683,977)	0	0	1,109,816,352
Land		6,023,266	4,204	0	0	0	6,027,470
Easements		0	5,103	0	0	0	5,103
Base Coal, 5 Year		141,840	0	0	0	0	141,840
- 5 Year		27,486	50,257	(2,838)	0	0	74,905
- 7 Year		4,181,291	931,022	(623,453)	0	0	4,488,860
Asset Retirement Obligation		1,206,809	224,426	(57,819)	0	0	1,373,416
TOTAL CRIST PLANT:		598,528,719	537,767,314	(14,368,087)	0	0	1,121,927,946
SCHOLZ PLANT:							
Plant		30,943,848	168,028	(37,481)	0	0	31,074,395
Land		44,579	0	0	0	0	44,579
Base Coal, 5 Year		71,300	0	0	0	0	71,300
- 7 Year		175,035	(540)	0	0	0	174,495
Asset Retirement Obligation		350,800	0	(3,265)	0	0	347,535
TOTAL SCHOLZ PLANT:		31,585,562	167,488	(40,746)	0	0	31,712,304
SMITH PLANT:							
Plant		164,847,877	6,643,606	(903,841)	0	0	170,587,642
Land		1,363,924	0	0	0	0	1,363,924
Base Coal, 5 Year		108,300	0	0	0	0	108,300
- 5 Year		27,351	3,067	(22,886)	0	0	7,532
- 7 Year		1,378,772	71,447	(420,285)	0	0	1,029,934
Asset Retirement Obligation		514,683	0	(42,711)	0	0	471,972
TOTAL SMITH PLANT:		168,240,907	6,718,120	(1,389,723)	0	0	173,569,304
SCHERER PLANT:							
Plant		183,285,568	52,720,663	(2,205,347)	0	0	233,800,884
Land		826,259	21,799	0	(1,297)	0	846,761
- 7 Year		74,837	114,963	(3,337)	0	0	186,463
Asset Retirement Obligation		122,717	0	0	0	0	122,717
TOTAL SCHERER PLANT:		184,309,381	52,857,425	(2,208,684)	(1,297)	0	234,956,825
TOTAL STEAM PRODUCTION:		1,239,380,863	601,638,433	(20,970,777)	(1,297)	0	1,820,047,222

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2009

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	337,696	0	0	0	0	337,696
TOTAL LAND - NON-DEPRECIABLE:		337,696	0	0	0	0	337,696
SMITH PLANT CT:							
Structures and Improvements	341	793,362	0	0	0	0	793,362
Fuel Holders and Accessories	342	513,015	0	0	0	0	513,015
Prime Movers	343	83,106	0	0	0	0	83,106
Generators	344	3,438,922	0	0	0	0	3,438,922
Accessory Electric Equipment	345	126,273	0	0	0	0	126,273
Miscellaneous Equipment	346	8,803	0	0	0	0	8,803
TOTAL SMITH PLANT CT:		4,963,481	0	0	0	0	4,963,481
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	11,453,415	373,197	(113,763)	0	0	11,712,849
Fuel Holders and Accessories	342	2,913,767	28,696	0	0	0	2,942,463
Prime Movers	343	94,143,829	(21,218)	(61,961)	0	0	94,060,650
Generators	344	67,013,354	29,795	(1,806)	0	0	67,041,343
Accessory Electric Equipment	345	10,983,321	19,838	0	0	0	11,003,159
Miscellaneous Equipment	346	710,804	0	0	0	0	710,804
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		187,218,490	430,308	(177,530)	0	0	187,471,268
PACE PLANT:							
Prime Movers	343	6,790,595	0	0	0	0	6,790,595
Generators	344	3,107,233	0	0	0	0	3,107,233
Accessory Electric Equipment	345	584,090	0	0	0	0	584,090
Asset Retirement Obligation	347	397,194	0	0	0	0	397,194
TOTAL PACE PLANT:		10,879,112	0	0	0	0	10,879,112
TOTAL OTHER PRODUCTION:		203,398,779	430,308	(177,530)	0	0	203,651,557
TOTAL PRODUCTION:		1,442,779,642	602,068,741	(21,148,307)	(1,297)	0	2,023,698,779
TRANSMISSION:							
Land	350.0	2,270,399	1	0	0	(4,915)	2,265,485
Easements	350.2	12,647,665	53,082	0	6,370	0	12,707,117
Structures and Improvements	352	8,346,543	211,487	(921)	0	(130,798)	8,426,311
Station Equipment	353	97,865,003	5,837,647	(2,047,094)	0	(767,552)	100,888,004
Towers and Fixtures	354	37,945,128	1,438,336	(13,427)	0	(501,151)	38,868,886
Poles and Fixtures	355	70,906,224	6,671,201	(560,901)	0	(893,579)	76,122,945
Overhead Conductors & Devices	356	61,084,181	1,835,361	(466,844)	0	1,402,217	63,854,915
Underground Conductors & Devices	358	14,094,502	0	0	0	0	14,094,502
Roads and Trails	359	61,447	0	0	0	0	61,447
Asset Retirement Obligation	359.1	7,861	0	0	0	0	7,861
TOTAL TRANSMISSION:		305,228,953	16,047,115	(3,089,187)	6,370	(895,778)	317,297,473

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2009

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	2,491,471	83,026	0	(20,744)	0	2,553,753
Land Rights	360.1	204,176	0	0	0	0	204,176
Structures and Improvements	361	15,480,941	1,318,287	(54,009)	0	0	16,745,219
Station Equipment	362	149,588,918	10,627,063	(1,272,952)	0	107,607	159,050,636
Poles, Towers & Fixtures	364	114,389,598	6,559,069	(954,875)	0	0	119,993,792
Overhead Conductors & Devices	365	115,818,580	4,089,858	(671,570)	0	(747,256)	118,489,612
Underground Conduit	366	1,217,455	0	0	0	0	1,217,455
Underground Conductors & Devices	367	106,833,192	4,337,483	(526,743)	0	747,256	111,391,188
Line Transformers	368	200,184,624	10,956,476	(2,765,404)	(769)	24,397	208,399,324
Services:							
- Overhead	369.1	48,092,721	1,284,128	(161,080)	0	0	49,215,769
- Underground	369.2	40,047,031	1,308,068	(106,445)	0	0	41,248,654
- House Power Panel	369.3	1,962,387	0	(296,285)	0	0	1,666,102
Meters	370	48,773,807	4,228,352	(1,732,673)	0	0	51,269,486
Street Lighting & Signal Systems	373	55,664,375	2,294,258	(1,054,208)	0	0	56,904,425
Asset Retirement Obligation	374	43,465	0	0	0	0	43,465
TOTAL DISTRIBUTION:		900,792,741	47,086,068	(9,596,244)	(21,513)	132,004	938,393,056
GENERAL PLANT:							
Land	389.0	6,853,413	0	0	0	4,915	6,858,328
Structures and Improvements	390	61,105,303	2,762,317	(324,975)	0	758,859	64,301,504
Office Furniture & Equipment:							
- Computer, 5 Year	391	4,308,859	168,082	(713,583)	0	204,681	3,968,039
- Non-Computer, 7 Year	391	2,802,092	439,273	(441,568)	0	(204,681)	2,595,116
Transportation Equipment:							
- Light Trucks	392.2	5,974,467	258,747	(293,362)	0	0	5,939,852
- Heavy Trucks	392.3	19,028,444	1,194,101	(453,682)	0	0	19,768,863
- Trailers	392.4	1,111,387	0	(41,516)	0	0	1,069,871
- Marine, 5 Year	392	69,612	0	(10,852)	0	0	58,760
Stores Equipment - 7 Year	393	673,035	190,336	(67,037)	0	0	796,334
Tools, Shop & Garage Equip. - 7 Year	394	2,481,908	170,924	(1,150,486)	0	0	1,502,346
Laboratory Equipment - 7 Year	395	2,971,303	396,895	(4,064)	0	0	3,364,134
Power Operated Equipment	396	593,661	0	0	0	0	593,661
Communication Equipment:							
- Other	397	17,913,968	2,248,413	(1,799,225)	0	0	18,363,156
- 7 Year	397	2,639,443	413,655	(42,956)	0	0	3,010,142
Miscellaneous Equipment - 7 year	398	4,005,879	530,263	(183,844)	0	0	4,352,298
Asset Retirement Obligation	399.1	196,571	0	0	0	0	196,571
TOTAL GENERAL:		132,729,345	8,773,006	(5,527,150)	0	763,774	136,738,975
TOTAL ELECTRIC PLANT-IN-SERVICE:		2,781,538,693	674,162,327	(39,360,888)	(16,440)	0	3,416,323,692

APPENDIX G-2 - Summary of Depreciation Reserve 2009 – 2016

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
BUDGET: DECEMBER, 2016

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
Intangible Plant:							
Intangible Software	10,784,634	2,492,539	0	0	0	0	13,277,173
Total Intangible Plant:	10,784,634	2,492,539	0	0	0	0	13,277,173
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	148,522,900	17,992,343	(24,826)	(35,254)	0	0	166,455,163
Easements	43,671	1,080	0	0	0	0	44,751
Cooling Lake, 23 Year	8,954,192	0	0	0	0	0	8,954,192
Rail Track System	1,466,764	42,120	(174)	(246)	0	0	1,508,464
Dismantlement - Fixed	21,205,148	684,446	0	0	0	0	21,889,594
Asset Retirement Obligation	283,145	0	0	0	0	0	283,145
TOTAL DANIEL PLANT:	180,475,820	18,719,989	(25,000)	(35,500)	0	0	199,135,309
CRIST PLANT:							
Plant	395,659,596	53,434,228	(6,831,448)	(2,825,192)	296,000	0	439,733,184
Easements	0	0	0	0	0	0	0
Base Coal, 5 Year	141,840	0	0	0	0	0	141,840
- 5 Year	34,319	13,013	0	0	0	0	47,332
- 7 Year	2,341,998	814,433	(930,621)	0	0	0	2,225,810
Dismantlement - Fixed	86,923,165	6,458,948	0	0	0	0	93,382,113
Asset Retirement Obligation	664,430	0	0	0	0	0	664,430
TOTAL CRIST PLANT:	485,765,348	60,720,622	(7,762,069)	(2,825,192)	296,000	0	536,194,709
SCHOLZ PLANT:							
Plant	10,675,915	0	0	0	0	0	10,675,915
Base Coal, 5 Year	0	0	0	0	0	0	0
- 5 Year	8,127	603	(8,730)	0	0	0	0
- 7 Year	13,810	7,521	0	0	0	0	21,331
Dismantlement - Fixed	15,175,691	799,767	0	0	0	0	15,975,458
Asset Retirement Obligation	287,630	0	0	0	0	0	287,630
TOTAL SCHOLZ PLANT:	26,161,173	807,891	(8,730)	0	0	0	26,960,334
SMITH PLANT:							
Plant	101,653,638	2,991,918	(129,248,590)	(50,000)	0	24,653,034	0
Base Coal, 5 Year	108,300	0	0	0	0	0	108,300
- 5 Year	18,945	4,847	(21,994)	0	0	0	1,798
- 7 Year	446,578	129,596	0	0	0	0	576,174
Dismantlement - Fixed	23,558,517	1,249,287	0	0	0	0	24,807,804
Asset Retirement Obligation	1,487,302	0	0	0	0	0	1,487,302
TOTAL SMITH PLANT:	127,273,280	4,375,648	(129,270,584)	(50,000)	0	24,653,034	26,981,378
SCHERER PLANT:							
Plant	127,143,293	7,607,968	(369,108)	(149,938)	0	0	134,232,215
Dismantlement - Fixed	139,647	98,878	0	0	0	0	238,525
- 7 Year	5,341,397	27,464	(13,716)	0	0	0	5,355,145
Asset Retirement Obligation	520,177	0	0	0	0	0	520,177
TOTAL SCHERER PLANT:	133,144,514	7,734,310	(382,824)	(149,938)	0	0	140,346,062
TOTAL STEAM PRODUCTION:	952,820,135	92,358,460	(137,449,207)	(3,060,630)	296,000	24,653,034	929,617,792

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
BUDGET: DECEMBER, 2016

		Balance End of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	243,455	48,613	(61,794)	(2,272)	0	0	228,002
Fuel Holders and Accessories	342	257,778	31,172	(258,801)	(9,515)	0	0	20,634
Prime Movers	343	208,319	93,829	(6,912)	(254)	0	0	294,982
Generators	344	3,318,576	133,971	(435,094)	(15,997)	0	0	3,001,456
Accessory Electric Equipment	345	859,386	118,761	(21,573)	(793)	0	0	955,781
Miscellaneous Equipment	346	(4,256)	1,743	(8,101)	(298)	0	0	(10,912)
Dismantlement - Fixed		183,296	3,258	0	0	0	0	186,554
TOTAL SMITH PLANT CT:		5,066,554	431,347	(792,275)	(29,129)	0	0	4,676,497
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	2,241,846	458,080	(944,565)	(34,728)	0	1,009,922	2,730,555
Fuel Holders and Accessories	342	869,970	118,519	(1,502,327)	(55,235)	0	0	(569,073)
Prime Movers	343	(15,271,760)	3,535,832	(9,491,915)	(348,982)	0	24,007,089	2,430,264
Generators	344	25,129,828	2,050,547	(8,480,593)	(311,799)	0	7,913,349	26,301,332
Accessory Electric Equipment	345	1,936,809	291,994	(1,891,357)	(69,538)	0	1,181,657	1,449,565
Miscellaneous Equipment	346	108,408	51,010	(998,258)	(36,702)	0	(59,442)	(934,984)
Dismantlement - Fixed		3,587,073	280,020	0	0	0	0	3,867,093
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		18,602,174	6,786,002	(23,309,015)	(856,984)	0	34,052,575	35,274,752
PACE PLANT:								
Prime Movers	343	6,057,244	379,336	(564,758)	(20,764)	0	0	5,851,058
Generators	344	2,780,860	178,211	(393,129)	(14,454)	0	0	2,551,488
Accessory Electric Equipment	345	522,252	34,391	(99,787)	(3,669)	0	0	453,187
Asset Retirement Obligation	347	349,201	0	0	0	0	0	349,201
Dismantlement - Fixed		(26,980)	17,334	0	0	0	0	(9,646)
TOTAL PACE PLANT:		9,682,577	609,272	(1,057,674)	(38,887)	0	0	9,195,288
PERDIDO PLANT:								
Structures and Improvements	341	212,045	68,749	0	0	0	0	280,794
Fuel Holders and Accessories	342	130,219	32,631	0	0	0	0	162,850
Prime Movers	343	617,762	158,382	0	0	0	0	776,144
Accessory Electric Equipment	345	180,302	44,554	0	0	0	0	224,856
Miscellaneous Equipment	346	180,152	4,387	0	0	0	0	184,539
		1,320,480	308,703	0	0	0	0	1,629,183
TOTAL OTHER PRODUCTION:		34,671,785	8,135,324	(25,158,964)	(925,000)	0	34,052,575	50,775,720
TOTAL PRODUCTION:		987,491,920	100,493,784	(162,608,171)	(3,985,630)	296,000	58,705,609	980,393,512
TRANSMISSION:								
Land	350	0	0	0	0	0	0	0
Easements	350.2	7,108,424	202,473	0	0	0	0	7,310,897
Structures and Improvements	352	4,070,129	487,823	0	0	0	1,471,875	6,029,827
Station Equipment	353	29,885,564	5,594,125	(2,073,873)	4,171	0	0	33,409,987
Towers and Fixtures	354	23,906,638	972,674	0	0	0	0	24,879,312
Poles and Fixtures	355	20,762,023	8,184,797	0	0	0	0	28,946,820
Overhead Conductors & Devices	356	24,775,272	3,075,821	0	0	0	0	27,851,093
Underground Conductors & Devices	358	8,089,988	302,448	0	0	0	0	8,392,436
Roads and Trails	359	47,232	4,719	0	0	0	0	51,951
Asset Retirement Obligation	359.1	4,356	0	0	0	0	0	4,356
TOTAL TRANSMISSION:		118,649,626	18,824,880	(2,073,873)	4,171	0	1,471,875	136,876,679

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
BUDGET: DECEMBER, 2016

		Balance End of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:								
Easements	360.1	34,708	3,675	0	0	0	0	38,383
Structures and Improvements	361	7,726,782	581,075	0	0	0	0	8,307,857
Station Equipment	362	43,641,951	4,575,224	(10,000)	(16,802)	0	0	48,190,373
Poles, Towers & Fixtures	364	73,698,103	6,908,833	(759,900)	(633,850)	212,050	0	79,425,236
Overhead Conductors & Devices	365	49,746,039	4,608,489	(1,542,450)	(843,596)	100,024	0	52,068,506
Underground Conduit	366	787,509	15,076	0	0	0	0	802,585
Underground Conductors & Devices	367	59,926,792	5,109,334	(803,450)	(335,053)	6,942	0	63,904,565
Line Transformers	368	97,977,136	10,971,044	(3,237,900)	(1,350,340)	529,820	0	104,889,760
Services:								
- Overhead	369.1	35,970,423	2,321,196	(60,000)	(90,000)	0	0	38,141,619
- Underground	369.2	18,881,386	1,433,253	(130,000)	(78,000)	0	0	20,106,639
Meters	370	(1,031,884)	943,465	(200,000)	0	0	0	(288,419)
Meters - AMI	370	15,529,372	2,800,261	0	0	0	0	18,329,633
Meters - FPSC Segregated	370	0	0	0	0	0	0	0
Meters - Non FPSC Segregated	370	868,574	0	0	0	0	0	868,574
Street Lighting & Signal Systems	373	38,695,797	3,580,006	(1,005,300)	(112,936)	4,884	0	41,162,451
Asset Retirement Obligation	374	26,535	0	0	0	0	0	26,535
TOTAL DISTRIBUTION:		442,479,223	43,850,931	(7,749,000)	(3,460,577)	853,720	0	475,974,297
GENERAL PLANT:								
Structures and Improvements	390	30,074,356	1,850,416	(240,221)	(43,040)	0	0	31,641,511
Office Furniture & Equipment:								
- Computer, 5 Year	391	1,434,211	785,228	(192,270)	0	0	0	2,027,169
- Non-Computer, 7 Year	391	1,303,498	456,155	0	0	0	0	1,759,653
Transportation Equipment:								
- Automobile	392.1	12,942	3,611	0	0	0	0	16,553
- Light Trucks	392.2	4,005,300	698,872	(592,011)	0	108,106	0	4,220,267
- Heavy Trucks	392.3	13,244,516	1,936,727	(1,612,376)	0	294,434	0	13,863,301
- Trailers	392.4	724,605	63,364	(95,613)	0	17,460	0	709,816
- Marine, 5 Year	392	10,104	5,695	0	0	0	0	15,799
Stores Equipment - 7 Year	393	634,861	209,384	(190,336)	0	0	0	653,909
Tools, Shop & Garage Equip. - 7 Year	394	1,907,568	520,691	0	0	0	0	2,428,259
Laboratory Equipment - 7 Year	395	1,230,491	356,629	0	0	0	0	1,587,120
Power Operated Equipment	396	627,584	43,799	0	0	0	0	671,383
Communication Equipment:								
- Other	397	8,463,522	1,388,886	(25,000)	(10,500)	7,000	0	9,823,908
- 7 Year	397	2,481,985	803,454	0	0	0	0	3,285,439
Miscellaneous Equipment - 7 Year	398	1,231,902	446,896	0	0	0	0	1,678,798
Asset Retirement Obligation	399.1	130,590	0	0	0	0	0	130,590
TOTAL GENERAL:		67,518,035	9,569,807	(2,947,827)	(53,540)	427,000	0	74,513,475
TOTAL ELECTRIC PLANT-IN-SERVICE:		1,626,923,438	175,231,941	(175,378,871)	(7,495,576)	1,576,720	60,177,484	1,681,035,136

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2015

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
Intangible Plant:							
Intangible Software	8,410,664	2,373,970	0	0	0	0	10,784,634
Total Intangible Plant:	8,410,664	2,373,970	0	0	0	0	10,784,634
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	143,112,530	8,271,577	(2,170,699)	(1,563,243)	872,735	0	148,522,900
Easements	42,591	1,080	0	0	0	0	43,671
Cooling Lake, 23 Year	8,954,192	0	0	0	0	0	8,954,192
Rail Track System	1,425,640	41,124	0	0	0	0	1,466,764
Dismantlement - Fixed	20,538,054	667,094	0	0	0	0	21,205,148
Asset Retirement Obligation	128,028	155,117	0	0	0	0	283,145
TOTAL DANIEL PLANT:	174,201,035	9,135,992	(2,170,699)	(1,563,243)	872,735	0	180,475,820
CRIST PLANT:							
Plant	353,837,445	52,642,834	(7,222,458)	(4,115,073)	516,848	0	395,659,596
Easements	0	0	0	0	0	0	0
Base Coal, 5 Year	141,840	0	0	0	0	0	141,840
- 5 Year	67,130	24,469	(57,280)	0	0	0	34,319
- 7 Year	1,590,859	751,139	0	0	0	0	2,341,998
Dismantlement - Fixed	80,713,661	6,209,504	0	0	0	0	86,923,165
Asset Retirement Obligation	202,384	398,239	0	0	0	63,807	664,430
TOTAL CRIST PLANT:	436,553,319	60,026,185	(7,279,738)	(4,115,073)	516,848	63,807	485,765,348
SCHOLZ PLANT:							
Plant	31,952,985	664,525	(21,941,595)	0	0	0	10,675,915
Base Coal, 5 Year	71,300	0	(71,300)	0	0	0	0
- 5 Year	6,381	1,746	0	0	0	0	8,127
- 7 Year	51,421	15,043	(52,654)	0	0	0	13,810
Dismantlement - Fixed	14,463,476	712,215	0	0	0	0	15,175,691
Asset Retirement Obligation	292,414	(4,784)	0	0	0	0	287,630
TOTAL SCHOLZ PLANT:	46,837,977	1,388,745	(22,065,549)	0	0	0	26,161,173
SMITH PLANT:							
Plant	95,901,421	5,825,623	(68,965)	(4,441)	0	0	101,653,638
Base Coal, 5 Year	108,300	0	0	0	0	0	108,300
- 5 Year	14,098	4,847	0	0	0	0	18,945
- 7 Year	586,820	160,250	(300,492)	0	0	0	446,578
Dismantlement - Fixed	22,608,150	950,367	0	0	0	0	23,558,517
Asset Retirement Obligation	361,639	1,225,872	(132,732)	0	0	32,523	1,487,302
TOTAL SMITH PLANT:	119,580,428	8,166,959	(502,189)	(4,441)	0	32,523	127,273,280
SCHERER PLANT:							
Plant	121,956,296	7,532,641	(1,740,714)	(1,032,063)	427,133	0	127,143,293
Dismantlement - Fixed	121,562	30,415	(12,330)	0	0	0	139,647
- 7 Year	5,242,519	98,878	0	0	0	0	5,341,397
Asset Retirement Obligation	350,004	170,549	(376)	0	0	0	520,177
TOTAL SCHERER PLANT:	127,670,381	7,832,483	(1,753,420)	(1,032,063)	427,133	0	133,144,514
TOTAL STEAM PRODUCTION:	904,843,140	86,550,364	(33,771,595)	(6,714,820)	1,816,716	96,330	952,820,135

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2015

		Balance End of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	196,286	47,169	0	0	0	0	243,455
Fuel Holders and Accessories	342	232,655	25,123	0	0	0	0	257,778
Prime Movers	343	116,211	93,577	0	(1,469)	0	0	208,319
Generators	344	3,194,775	123,801	0	0	0	0	3,318,576
Accessory Electric Equipment	345	781,319	118,067	(38,890)	(1,110)	0	0	859,386
Miscellaneous Equipment	346	(5,809)	1,553	0	0	0	0	(4,256)
Dismantlement - Fixed		180,038	3,258	0	0	0	0	183,296
TOTAL SMITH PLANT CT:		4,695,475	412,548	(38,890)	(2,579)	0	0	5,066,554
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	1,849,762	392,084	0	0	0	0	2,241,846
Fuel Holders and Accessories	342	827,294	90,450	(46,900)	(874)	0	0	869,970
Prime Movers	343	(18,355,639)	3,359,873	(257,192)	(18,802)	0	0	(15,271,760)
Generators	344	23,283,791	1,889,091	(37,371)	(5,683)	0	0	25,129,828
Accessory Electric Equipment	345	1,806,705	254,872	(112,377)	(12,391)	0	0	1,936,809
Miscellaneous Equipment	346	75,599	32,809	0	0	0	0	108,408
Dismantlement - Fixed		3,307,053	280,020	0	0	0	0	3,587,073
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		12,794,565	6,299,199	(453,840)	(37,750)	0	0	18,602,174
PACE PLANT:								
Prime Movers	343	5,697,342	359,902	0	0	0	0	6,057,244
Generators	344	2,616,177	164,683	0	0	0	0	2,780,860
Accessory Electric Equipment	345	491,295	30,957	0	0	0	0	522,252
Asset Retirement Obligation	347	329,341	19,860	0	0	0	0	349,201
Dismantlement - Fixed		(25,042)	(1,938)	0	0	0	0	(26,980)
TOTAL PACE PLANT:		9,109,113	573,464	0	0	0	0	9,682,577
PERDIDO PLANT:								
Structures and Improvements	341	164,923	47,122	0	0	0	0	212,045
Fuel Holders and Accessories	342	101,281	28,938	0	0	0	0	130,219
Prime Movers	343	480,479	137,283	0	0	0	0	617,762
Accessory Electric Equipment	345	139,968	40,334	0	0	0	0	180,302
Miscellaneous Equipment	346	177,875	2,277	0	0	0	0	180,152
		1,064,526	255,954	0	0	0	0	1,320,480
TOTAL OTHER PRODUCTION:		27,663,679	7,541,165	(492,730)	(40,329)	0	0	34,671,785
TOTAL PRODUCTION:		932,506,819	94,091,529	(34,264,325)	(6,755,149)	1,816,716	96,330	987,491,920
TRANSMISSION:								
Land	350	0	0	0	0	0	0	0
Easements	350.2	6,906,127	202,297	0	0	0	0	7,108,424
Structures and Improvements	352	3,527,262	457,453	(86,214)	(1,293)	0	172,921	4,070,129
Station Equipment	353	28,193,076	5,106,215	(3,258,957)	(512,997)	22,669	335,558	29,885,564
Towers and Fixtures	354	25,181,255	991,247	(2,228,440)	(38,725)	1,301	0	23,906,638
Poles and Fixtures	355	16,955,140	6,978,213	(1,909,101)	(1,429,280)	167,051	0	20,762,023
Overhead Conductors & Devices	356	24,922,426	2,846,723	(2,930,553)	(74,638)	11,314	0	24,775,272
Underground Conductors & Devices	358	7,822,667	304,014	(19,168)	(17,525)	0	0	8,089,988
Roads and Trails	359	42,514	4,718	0	0	0	0	47,232
Asset Retirement Obligation	359.1	4,213	143	0	0	0	0	4,356
TOTAL TRANSMISSION:		113,554,680	16,891,023	(10,432,433)	(2,074,458)	202,335	508,479	118,649,626

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2015

		Balance End of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:								
Easements	360.1	31,033	3,675	0	0	0	0	34,708
Structures and Improvements	361	7,513,493	575,184	(149,261)	(39,714)	0	(172,920)	7,726,782
Station Equipment	362	43,438,420	4,533,188	(3,494,225)	(572,331)	73,146	(336,247)	43,641,951
Poles, Towers & Fixtures	364	70,179,789	6,694,170	(1,382,891)	(1,790,638)	(2,327)	0	73,698,103
Overhead Conductors & Devices	365	46,676,656	4,433,505	(797,114)	(357,082)	131,966	(341,892)	49,746,039
Underground Conduit	366	785,650	15,092	(10,674)	(2,559)	0	0	787,509
Underground Conductors & Devices	367	55,564,727	4,836,019	(719,402)	(148,670)	52,226	341,892	59,926,792
Line Transformers	368	92,567,987	10,462,313	(4,212,075)	(1,140,793)	306,709	(7,005)	97,977,136
Services:								
- Overhead	369.1	34,128,221	2,227,517	(170,946)	(252,267)	37,898	0	35,970,423
- Underground	369.2	17,709,603	1,344,189	(133,889)	(38,517)	0	0	18,881,386
Meters	370	(1,253,127)	840,291	(925,546)	(166,705)	473,200	3	(1,031,884)
Meters - AMI	370	12,910,700	2,780,481	(161,809)	0	0	0	15,529,372
Meters - FPSC Segregated	370	0	0	0	0	0	0	0
Meters - Non FPSC Segregated	370	869,371	0	(4,829)	0	4,032	0	868,574
Street Lighting & Signal Systems	373	37,276,908	3,336,923	(1,845,867)	(143,073)	70,906	0	38,695,797
Asset Retirement Obligation	374	25,530	1,005	0	0	0	0	26,535
TOTAL DISTRIBUTION:		418,424,961	42,083,552	(14,008,528)	(4,652,349)	1,147,756	(516,169)	442,479,223
GENERAL PLANT:								
Structures and Improvements	390	28,808,901	1,831,881	(468,172)	(98,254)	0	0	30,074,356
Office Furniture & Equipment:								
- Computer, 5 Year	391	1,371,067	894,772	(831,628)	0	0	0	1,434,211
- Non-Computer, 7 Year	391	886,283	417,215	0	0	0	0	1,303,498
Transportation Equipment:								
- Automobile	392.1	9,330	3,612	0	0	0	0	12,942
- Light Trucks	392.2	3,678,149	652,390	(366,845)	0	41,606	0	4,005,300
- Heavy Trucks	392.3	13,627,840	1,883,003	(2,664,804)	0	398,477	0	13,244,516
- Trailers	392.4	681,381	60,796	(22,179)	0	4,607	0	724,605
- Marine, 5 Year	392	4,409	5,695	0	0	0	0	10,104
Stores Equipment - 7 Year	393	444,737	191,023	(899)	0	0	0	634,861
Tools, Shop & Garage Equip. - 7 Year	394	1,848,976	569,945	(511,353)	0	0	0	1,907,568
Laboratory Equipment - 7 Year	395	1,306,582	384,010	(460,101)	0	0	0	1,230,491
Power Operated Equipment	396	583,784	43,800	0	0	0	0	627,584
Communication Equipment:								
- Other	397	7,394,531	1,239,732	(172,532)	(2,074)	(3,825)	7,690	8,463,522
- 7 Year	397	2,511,733	906,008	(935,756)	0	0	0	2,481,985
Miscellaneous Equipment - 7 Year	398	2,529,525	556,195	(1,853,818)	0	0	0	1,231,902
Asset Retirement Obligation	399.1	126,537	4,053	0	0	0	0	130,590
TOTAL GENERAL:		65,813,765	9,644,130	(8,288,087)	(100,328)	440,865	7,690	67,518,035
TOTAL ELECTRIC PLANT-IN-SERVICE:		1,538,710,889	165,084,204	(66,993,373)	(13,582,284)	3,607,672	96,330	1,626,923,438

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2014

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
Intangible Plant:							
Intangible Software	6,167,525	2,243,139	0	0	0	0	8,410,664
Total Intangible Plant:	6,167,525	2,243,139	0	0	0	0	8,410,664
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	139,091,667	7,312,552	(2,693,608)	(830,646)	232,565	0	143,112,530
Easements	41,511	1,080	0	0	0	0	42,591
Cooling Lake, 23 Year	8,954,192	0	0	0	0	0	8,954,192
Rail Track System	1,384,516	41,124	0	0	0	0	1,425,640
Dismantlement - Fixed	19,870,960	667,094	0	0	0	0	20,538,054
Asset Retirement Obligation	122,461	5,567	0	0	0	0	128,028
TOTAL DANIEL PLANT:	169,465,307	8,027,417	(2,693,608)	(830,646)	232,565	0	174,201,035
CRIST PLANT:							
Plant	310,129,631	51,784,763	(5,867,080)	(2,923,937)	582,782	131,286	353,837,445
Easements	0	0	0	0	0	0	0
Base Coal, 5 Year	141,840	0	0	0	0	0	141,840
- 5 Year	86,586	30,800	(50,256)	0	0	0	67,130
- 7 Year	1,508,235	537,669	(455,045)	0	0	0	1,590,859
Dismantlement - Fixed	73,819,160	6,183,920	0	0	0	710,581	80,713,661
Asset Retirement Obligation	408,275	51,821	(258,491)	0	0	779	202,384
TOTAL CRIST PLANT:	386,093,727	58,588,973	(6,630,872)	(2,923,937)	582,782	842,646	436,553,319
SCHOLZ PLANT:							
Plant	30,707,084	1,261,383	(14,895)	(587)	0	0	31,952,985
Base Coal, 5 Year	71,300	0	0	0	0	0	71,300
- 5 Year	4,635	1,746	0	0	0	0	6,381
- 7 Year	64,015	19,539	(32,133)	0	0	0	51,421
Dismantlement - Fixed	13,751,261	712,215	0	0	0	0	14,463,476
Asset Retirement Obligation	284,572	7,842	0	0	0	0	292,414
TOTAL SCHOLZ PLANT:	44,882,867	2,002,725	(47,028)	(587)	0	0	46,837,977
SMITH PLANT:							
Plant	90,292,070	5,809,680	(183,376)	(16,953)	0	0	95,901,421
Base Coal, 5 Year	108,300	0	0	0	0	0	108,300
- 5 Year	11,705	5,460	(3,067)	0	0	0	14,098
- 7 Year	669,544	163,971	(246,695)	0	0	0	586,820
Dismantlement - Fixed	21,657,783	950,367	0	0	0	0	22,608,150
Asset Retirement Obligation	356,843	4,796	0	0	0	0	361,639
TOTAL SMITH PLANT:	113,096,245	6,934,274	(433,138)	(16,953)	0	0	119,580,428
SCHERER PLANT:							
Plant	116,083,804	7,413,151	(1,644,133)	(62,580)	166,054	0	121,956,296
Dismantlement - Fixed	91,482	29,865	0	0	0	215	121,562
- 7 Year	5,143,641	98,878	0	0	0	0	5,242,519
Asset Retirement Obligation	208,524	144,069	(2,589)	0	0	0	350,004
TOTAL SCHERER PLANT:	121,527,451	7,685,963	(1,646,722)	(62,580)	166,054	215	127,670,381
TOTAL STEAM PRODUCTION:	835,065,597	83,239,352	(11,451,368)	(3,834,703)	981,401	842,861	904,843,140

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2014

		Balance End of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	149,117	47,169	0	0	0	0	196,286
Fuel Holders and Accessories	342	207,532	25,123	0	0	0	0	232,655
Prime Movers	343	305,352	89,102	(240,978)	(37,265)	0	0	116,211
Generators	344	3,070,974	123,801	0	0	0	0	3,194,775
Accessory Electric Equipment	345	(36,512)	1,745	0	(10,486)	0	826,572	781,319
Miscellaneous Equipment	346	(7,362)	1,553	0	0	0	0	(5,809)
Dismantlement - Fixed		176,780	3,258	0	0	0	0	180,038
TOTAL SMITH PLANT CT:		3,865,881	291,751	(240,978)	(47,751)	0	826,572	4,695,475
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	1,495,053	373,604	(18,545)	(350)	0	0	1,849,762
Fuel Holders and Accessories	342	1,039,474	87,890	(284,576)	(15,494)	0	0	827,294
Prime Movers	343	(21,005,559)	3,341,820	(675,432)	(16,468)	0	0	(18,355,639)
Generators	344	21,547,395	1,883,333	(143,955)	(2,982)	0	0	23,283,791
Accessory Electric Equipment	345	2,436,704	341,142	(84,252)	(60,317)	0	(826,572)	1,806,705
Miscellaneous Equipment	346	46,667	32,740	(3,808)	0	0	0	75,599
Dismantlement - Fixed		3,027,033	280,020	0	0	0	0	3,307,053
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		8,586,767	6,340,549	(1,210,568)	(95,611)	0	(826,572)	12,794,565
PACE PLANT:								
Prime Movers	343	5,337,440	359,902	0	0	0	0	5,697,342
Generators	344	2,451,494	164,683	0	0	0	0	2,616,177
Accessory Electric Equipment	345	460,338	30,957	0	0	0	0	491,295
Asset Retirement Obligation	347	309,481	19,860	0	0	0	0	329,341
Dismantlement - Fixed		(23,104)	(1,938)	0	0	0	0	(25,042)
TOTAL PACE PLANT:		8,535,649	573,464	0	0	0	0	9,109,113
PERDIDO PLANT:								
Structures and Improvements	341	117,801	47,122	0	0	0	0	164,923
Fuel Holders and Accessories	342	72,343	28,938	0	0	0	0	101,281
Prime Movers	343	343,196	137,283	0	0	0	0	480,479
Accessory Electric Equipment	345	99,634	40,334	0	0	0	0	139,968
Miscellaneous Equipment	346	175,598	2,277	0	0	0	0	177,875
		808,572	255,954	0	0	0	0	1,064,526
TOTAL OTHER PRODUCTION:		21,796,869	7,461,718	(1,451,546)	(143,362)	0	0	27,663,679
TOTAL PRODUCTION:		856,862,466	90,701,070	(12,902,914)	(3,978,065)	981,401	842,861	932,506,819
TRANSMISSION:								
Land	350	0	0	0	0	0	0	0
Easements	350.2	6,703,469	202,658	0	0	0	0	6,906,127
Structures and Improvements	352	3,374,315	310,634	(112,693)	(44,994)	0	0	3,527,262
Station Equipment	353	26,538,139	4,125,061	(1,356,298)	(1,271,409)	200,216	(42,633)	28,193,076
Towers and Fixtures	354	24,594,646	999,671	(141,378)	(282,908)	11,224	0	25,181,255
Poles and Fixtures	355	19,672,282	4,819,779	(3,102,713)	(4,534,953)	100,745	0	16,955,140
Overhead Conductors & Devices	356	24,048,636	2,284,886	(1,211,232)	(211,606)	11,742	0	24,922,426
Underground Conductors & Devices	358	7,530,362	295,985	0	(3,680)	0	0	7,822,667
Roads and Trails	359	37,796	4,718	0	0	0	0	42,514
Asset Retirement Obligation	359.1	4,069	143	1	0	0	0	4,213
TOTAL TRANSMISSION:		112,503,714	13,043,535	(5,924,313)	(6,349,550)	323,927	(42,633)	113,554,680

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2014

		Balance End of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:								
Easements	360.1	27,358	3,675	0	0	0	0	31,033
Structures and Improvements	361	7,242,298	549,885	(273,188)	(5,502)	0	0	7,513,493
Station Equipment	362	50,032,398	4,420,340	(10,130,061)	(1,361,328)	407,775	69,296	43,438,420
Poles, Towers & Fixtures	364	66,897,622	6,532,112	(1,669,816)	(1,580,681)	552	0	70,179,789
Overhead Conductors & Devices	365	44,858,318	4,316,621	(1,637,216)	(573,859)	189,051	(476,259)	46,676,656
Underground Conduit	366	793,487	15,096	(15,633)	(7,300)	0	0	785,650
Underground Conductors & Devices	367	51,274,602	4,569,781	(674,446)	(162,452)	80,983	476,259	55,564,727
Line Transformers	368	87,888,408	10,034,410	(4,488,551)	(1,101,930)	255,488	(19,838)	92,567,987
Services:								
- Overhead	369.1	32,719,364	2,115,392	(441,969)	(302,838)	38,272	0	34,128,221
- Underground	369.2	16,595,286	1,267,067	(121,168)	(31,582)	0	0	17,709,603
Meters	370	(518,358)	782,973	(1,674,214)	(254,233)	400,188	10,517	(1,253,127)
Meters - AMI	370	10,294,746	2,831,282	(215,328)	0	0	0	12,910,700
Meters - FPSC Segregated	370	0	0	0	0	0	0	0
Meters - Non FPSC Segregated	370	898,407	0	(28,775)	0	10,256	(10,517)	869,371
Street Lighting & Signal Systems	373	34,464,045	3,255,287	(373,855)	(140,232)	71,663	0	37,276,908
Asset Retirement Obligation	374	24,525	1,005	0	0	0	0	25,530
TOTAL DISTRIBUTION:		403,492,506	40,694,926	(21,744,220)	(5,521,937)	1,454,228	49,458	418,424,961
GENERAL PLANT:								
Structures and Improvements	390	27,354,022	1,761,778	(250,129)	(56,770)	0	0	28,808,901
Office Furniture & Equipment:								
- Computer, 5 Year	391	1,790,107	842,533	(1,261,573)	0	0	0	1,371,067
- Non-Computer, 7 Year	391	735,883	352,404	(201,994)	0	0	(10)	886,283
Transportation Equipment:								
- Automobile	392.1	5,718	3,612	0	0	0	0	9,330
- Light Trucks	392.2	3,416,281	666,373	(464,516)	0	60,011	0	3,678,149
- Heavy Trucks	392.3	12,645,976	1,776,683	(906,988)	0	112,169	0	13,627,840
- Trailers	392.4	624,127	61,582	(6,608)	0	2,280	0	681,381
- Marine, 5 Year	392	89,853	41,227	(39,748)	0	0	(86,923)	4,409
Stores Equipment - 7 Year	393	319,576	153,146	(27,985)	0	0	0	444,737
Tools, Shop & Garage Equip. - 7 Year	394	1,302,092	554,925	(8,022)	0	0	(19)	1,848,976
Laboratory Equipment - 7 Year	395	1,051,581	369,132	(114,021)	0	0	(110)	1,306,582
Power Operated Equipment	396	513,340	41,628	(110,357)	0	52,250	86,923	583,784
Communication Equipment:								
- Other	397	6,384,953	1,067,990	(39,379)	(25,626)	13,418	(6,825)	7,394,531
- 7 Year	397	1,876,183	813,376	(177,826)	0	0	0	2,511,733
Miscellaneous Equipment - 7 Year	398	2,225,980	616,609	(312,989)	0	0	(75)	2,529,525
Asset Retirement Obligation	399.1	122,485	4,052	0	0	0	0	126,537
TOTAL GENERAL:		60,458,157	9,127,050	(3,922,135)	(82,396)	240,128	(7,039)	65,813,765
TOTAL ELECTRIC PLANT-IN-SERVICE:		1,439,484,368	155,809,720	(44,493,582)	(15,931,948)	2,999,684	842,647	1,538,710,889

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2013

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
Intangible Plant:							
Intangible Software	3,932,742	2,234,783	0	0	0	0	6,167,525
Total Intangible Plant:	3,932,742	2,234,783	0	0	0	0	6,167,525
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	132,751,422	7,233,511	(881,238)	(162,929)	150,901	0	139,091,667
Easements	40,431	1,080	0	0	0	0	41,511
Cooling Lake, 23 Year	8,954,192	0	0	0	0	0	8,954,192
Rail Track System	1,343,392	41,124	0	0	0	0	1,384,516
Dismantlement - Fixed	19,203,866	667,094	0	0	0	0	19,870,960
Asset Retirement Obligation	115,044	7,417	0	0	0	0	122,461
TOTAL DANIEL PLANT:	162,408,347	7,950,226	(881,238)	(162,929)	150,901	0	169,465,307
CRIST PLANT:							
Plant	275,537,126	51,636,875	(17,280,900)	(3,382,703)	199,587	3,419,646	310,129,631
Easements	419	0	0	0	0	(419)	0
Base Coal, 5 Year	141,840	0	0	0	0	0	141,840
- 5 Year	59,072	27,514	0	0	0	0	86,586
- 7 Year	3,108,617	565,861	(2,166,243)	0	0	0	1,508,235
Dismantlement - Fixed	70,997,923	6,151,868	0	0	0	(3,330,631)	73,819,160
Asset Retirement Obligation	730,741	44,741	(615,600)	0	0	248,393	408,275
TOTAL CRIST PLANT:	350,575,738	58,426,859	(20,062,743)	(3,382,703)	199,587	336,989	386,093,727
SCHOLZ PLANT:							
Plant	29,440,395	1,258,624	(209)	8,274	0	0	30,707,084
Base Coal, 5 Year	71,300	0	0	0	0	0	71,300
- 5 Year	2,889	1,746	0	0	0	0	4,635
- 7 Year	46,823	16,652	540	0	0	0	64,015
Dismantlement - Fixed	13,039,046	712,215	0	0	0	0	13,751,261
Asset Retirement Obligation	281,754	3,847	(1,029)	0	0	0	284,572
TOTAL SCHOLZ PLANT:	42,882,207	1,993,084	(698)	8,274	0	0	44,882,867
SMITH PLANT:							
Plant	84,618,636	5,790,959	(111,315)	(6,210)	0	0	90,292,070
Base Coal, 5 Year	108,300	0	0	0	0	0	108,300
- 5 Year	9,811	6,359	(4,465)	0	0	0	11,705
- 7 Year	903,389	177,454	(411,299)	0	0	0	669,544
Dismantlement - Fixed	20,707,416	950,367	0	0	0	0	21,657,783
Asset Retirement Obligation	352,047	4,796	0	0	0	0	356,843
TOTAL SMITH PLANT:	106,699,599	6,929,935	(527,079)	(6,210)	0	0	113,096,245
SCHERER PLANT:							
Plant	109,712,590	7,218,881	(443,358)	(434,885)	30,576	0	116,083,804
Dismantlement - Fixed	97,033	27,919	(33,470)	0	0	0	91,482
- 7 Year	5,044,763	98,878	0	0	0	0	5,143,641
Asset Retirement Obligation	81,314	138,189	(21,787)	0	0	10,808	208,524
TOTAL SCHERER PLANT:	114,935,700	7,483,867	(498,615)	(434,885)	30,576	10,808	121,527,451
TOTAL STEAM PRODUCTION:	777,501,591	82,783,971	(21,970,373)	(3,978,453)	381,064	347,797	835,065,597

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2013

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	101,948	47,169	0	0	0	0	149,117
Fuel Holders and Accessories	342	182,409	25,123	0	0	0	0	207,532
Prime Movers	343	217,878	87,474	0	0	0	0	305,352
Generators	344	2,947,173	123,801	0	0	0	0	3,070,974
Accessory Electric Equipment	345	(38,257)	1,745	0	0	0	0	(36,512)
Miscellaneous Equipment	346	(8,915)	1,553	0	0	0	0	(7,362)
Dismantlement - Fixed		173,522	3,258	0	0	0	0	176,780
TOTAL SMITH PLANT CT:		3,575,758	290,123	0	0	0	0	3,865,881
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	1,398,143	397,715	(300,805)	0	0	0	1,495,053
Fuel Holders and Accessories	342	955,620	85,240	0	(1,386)	0	0	1,039,474
Prime Movers	343	(2,810,104)	3,245,562	(19,660,137)	(1,780,880)	0	0	(21,005,559)
Generators	344	19,770,745	1,882,613	(81,184)	(24,779)	0	0	21,547,395
Accessory Electric Equipment	345	2,831,678	341,749	(678,268)	(58,455)	0	0	2,436,704
Miscellaneous Equipment	346	14,545	32,122	0	0	0	0	46,667
Dismantlement - Fixed		2,747,013	280,020	0	0	0	0	3,027,033
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		24,907,640	6,265,021	(20,720,394)	(1,865,500)	0	0	8,586,767
PACE PLANT:								
Prime Movers	343	4,977,538	359,902	0	0	0	0	5,337,440
Generators	344	2,286,811	164,683	0	0	0	0	2,451,494
Accessory Electric Equipment	345	429,381	30,957	0	0	0	0	460,338
Asset Retirement Obligation	347	289,621	19,860	0	0	0	0	309,481
Dismantlement - Fixed		(21,166)	(1,938)	0	0	0	0	(23,104)
TOTAL PACE PLANT:		7,962,185	573,464	0	0	0	0	8,535,649
PERDIDO PLANT:								
Structures and Improvements	341	70,679	47,122	0	0	0	0	117,801
Fuel Holders and Accessories	342	43,405	28,938	0	0	0	0	72,343
Prime Movers	343	205,913	137,283	0	0	0	0	343,196
Accessory Electric Equipment	345	59,300	40,334	0	0	0	0	99,634
Miscellaneous Equipment	346	173,321	2,277	0	0	0	0	175,598
		552,618	255,954	0	0	0	0	808,572
TOTAL OTHER PRODUCTION:		36,998,201	7,384,562	(20,720,394)	(1,865,500)	0	0	21,796,869
TOTAL PRODUCTION:		814,499,792	90,168,533	(42,690,767)	(5,843,953)	381,064	347,797	856,862,466
TRANSMISSION:								
Land	350	0	0	0	0	0	0	0
Easements	350.2	6,500,811	202,658	0	0	0	0	6,703,469
Structures and Improvements	352	3,343,529	249,675	(214,184)	(11,967)	0	7,262	3,374,315
Station Equipment	353	27,672,424	3,710,903	(4,455,426)	(500,744)	40,003	70,979	26,538,139
Towers and Fixtures	354	24,125,582	994,388	(275,378)	(249,946)	0	0	24,594,646
Poles and Fixtures	355	19,511,252	4,207,783	(1,048,660)	(3,231,566)	236,383	(2,910)	19,672,282
Overhead Conductors & Devices	356	23,083,800	2,008,546	(503,506)	(545,823)	5,258	361	24,048,636
Underground Conductors & Devices	358	7,234,377	295,985	0	0	0	0	7,530,362
Roads and Trails	359	33,078	4,718	0	0	0	0	37,796
Asset Retirement Obligation	359.1	4,555	143	(629)	0	0	0	4,069
TOTAL TRANSMISSION:		111,509,408	11,674,799	(6,497,783)	(4,540,046)	281,644	75,692	112,503,714

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2013

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:								
Easements	360.1	23,683	3,675	0	0	0	0	27,358
Structures and Improvements	361	7,129,505	509,024	(379,396)	(9,573)	0	(7,262)	7,242,298
Station Equipment	362	55,490,517	4,122,249	(7,785,861)	(1,837,844)	117,925	(74,588)	50,032,398
Poles, Towers & Fixtures	364	61,990,340	6,294,949	(955,059)	(419,716)	(1,082)	(11,810)	66,897,622
Overhead Conductors & Devices	365	44,523,731	4,165,333	(2,103,230)	(1,040,198)	72,434	(759,752)	44,858,318
Underground Conduit	366	778,398	15,089	0	0	0	0	793,487
Underground Conductors & Devices	367	47,928,087	4,424,171	(941,532)	(233,937)	73,425	24,388	51,274,602
Line Transformers	368	83,014,391	9,563,606	(4,190,230)	(1,006,413)	211,179	295,875	87,888,408
Services:								
- Overhead	369.1	31,059,876	2,046,853	(201,778)	(224,884)	39,297	0	32,719,364
- Underground	369.2	15,330,058	1,199,711	(112,851)	48,422	0	129,946	16,595,286
Meters	370	735,473	749,439	(2,066,560)	(201,527)	280,402	(15,585)	(518,358)
Meters - AMI	370	7,693,664	2,791,261	(205,764)	0	0	15,585	10,294,746
Meters - FPSC Segregated	370	1,769,590	0	(1,769,590)	0	0	0	0
Meters - Non FPSC Segregated	370	3,572,493	0	(2,679,712)	0	5,626	0	898,407
Street Lighting & Signal Systems	373	31,277,534	3,138,479	(247,823)	(63,341)	73,582	285,614	34,464,045
Asset Retirement Obligation	374	25,372	1,005	(1,852)	0	0	0	24,525
TOTAL DISTRIBUTION:		392,342,712	39,024,844	(23,641,238)	(4,989,011)	872,788	(117,589)	403,492,506
GENERAL PLANT:								
Structures and Improvements	390	25,962,559	1,600,279	(236,169)	(13,408)	0	40,761	27,354,022
Office Furniture & Equipment:								
- Computer, 5 Year	391	2,613,750	490,486	(1,314,129)	0	0	0	1,790,107
- Non-Computer, 7 Year	391	1,098,241	349,332	(711,690)	0	0	0	735,883
Transportation Equipment:								
- Automobile	392.1	0	2,017	0	0	0	3,701	5,718
- Light Trucks	392.2	3,213,189	645,698	(499,155)	0	60,250	(3,701)	3,416,281
- Heavy Trucks	392.3	11,961,927	1,687,282	(1,249,888)	0	246,655	0	12,645,976
- Trailers	392.4	658,655	63,708	(106,311)	0	8,075	0	624,127
- Marine, 5 Year	392	47,135	42,718	0	0	0	0	89,853
Stores Equipment - 7 Year	393	615,146	189,201	(484,771)	0	0	0	319,576
Tools, Shop & Garage Equip. - 7 Year	394	939,717	542,807	(180,432)	0	0	0	1,302,092
Laboratory Equipment - 7 Year	395	1,028,240	356,346	(333,005)	0	0	0	1,051,581
Power Operated Equipment	396	472,539	40,801	0	0	0	0	513,340
Communication Equipment:								
- Other	397	5,788,123	1,052,177	(439,786)	(17,290)	592	1,137	6,384,953
- 7 Year	397	1,435,499	692,567	(251,883)	0	0	0	1,876,183
Miscellaneous Equipment - 7 Year	398	1,719,365	506,615	0	0	0	0	2,225,980
Asset Retirement Obligation	399.1	118,432	4,053	0	0	0	0	122,485
TOTAL GENERAL:		57,672,517	8,266,087	(5,807,219)	(30,698)	315,572	41,898	60,458,157
TOTAL ELECTRIC PLANT-IN-SERVICE:		1,379,957,171	151,369,046	(78,637,007)	(15,403,708)	1,851,068	347,798	1,439,484,368

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2012

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
Intangible Plant:							
Intangible Software	1,835,550	2,097,192	0	0	0	0	3,932,742
Total Intangible Plant:	1,835,550	2,097,192	0	0	0	0	3,932,742
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	126,208,950	7,115,896	(373,428)	(255,690)	55,694	0	132,751,422
Easements	39,351	1,080	0	0	0	0	40,431
Cooling Lake, 23 Year	8,954,192	0	0	0	0	0	8,954,192
Rail Track System	1,302,268	41,124	0	0	0	0	1,343,392
Dismantlement - Fixed	18,536,772	667,094	0	0	0	0	19,203,866
Asset Retirement Obligation	95,322	19,722	0	0	0	0	115,044
TOTAL DANIEL PLANT:	155,136,855	7,844,916	(373,428)	(255,690)	55,694	0	162,408,347
CRIST PLANT:							
Plant	265,302,539	47,176,066	(20,188,802)	(17,481,397)	674,720	54,000	275,537,126
Easements	347	72	0	0	0	0	419
Base Coal, 5 Year	141,840	0	0	0	0	0	141,840
- 5 Year	50,481	32,245	(23,654)	0	0	0	59,072
- 7 Year	2,409,986	698,631	0	0	0	0	3,108,617
Dismantlement - Fixed	64,849,907	6,148,016	0	0	0	0	70,997,923
Asset Retirement Obligation	692,262	38,479	0	0	0	0	730,741
TOTAL CRIST PLANT:	333,447,362	54,093,509	(20,212,456)	(17,481,397)	674,720	54,000	350,575,738
SCHOLZ PLANT:							
Plant	28,681,056	1,260,918	(469,319)	21,740	0	(54,000)	29,440,395
Base Coal, 5 Year	71,300	0	0	0	0	0	71,300
- 5 Year	1,143	1,746	0	0	0	0	2,889
- 7 Year	126,844	30,562	(110,583)	0	0	0	46,823
Dismantlement - Fixed	12,326,831	712,215	0	0	0	0	13,039,046
Asset Retirement Obligation	315,697	(20,929)	(13,014)	0	0	0	281,754
TOTAL SCHOLZ PLANT:	41,522,871	1,984,512	(592,916)	21,740	0	(54,000)	42,882,207
SMITH PLANT:							
Plant	79,007,343	5,779,342	(103,740)	(64,309)	0	0	84,618,636
Base Coal, 5 Year	108,300	0	0	0	0	0	108,300
- 5 Year	3,906	5,905	0	0	0	0	9,811
- 7 Year	678,120	225,269	0	0	0	0	903,389
Dismantlement - Fixed	19,757,049	950,367	0	0	0	0	20,707,416
Asset Retirement Obligation	347,274	4,795	(22)	0	0	0	352,047
TOTAL SMITH PLANT:	99,901,992	6,965,678	(103,762)	(64,309)	0	0	106,699,599
SCHERER PLANT:							
Plant	102,942,269	7,158,145	(488,765)	(10,347)	111,288	0	109,712,590
Dismantlement - Fixed	77,803	28,254	(9,024)	0	0	0	97,033
- 7 Year	4,945,885	98,878	0	0	0	0	5,044,763
Asset Retirement Obligation	62,839	18,475	0	0	0	0	81,314
TOTAL SCHERER PLANT:	108,028,796	7,303,752	(497,789)	(10,347)	111,288	0	114,935,700
TOTAL STEAM PRODUCTION:	738,037,876	78,192,367	(21,780,351)	(17,790,003)	841,702	0	777,501,591

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2012

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	54,862	47,086	0	0	0	0	101,948
Fuel Holders and Accessories	342	180,576	25,277	(23,444)	0	0	0	182,409
Prime Movers	343	65,832	86,609	0	65,437	0	0	217,878
Generators	344	2,823,372	123,801	0	0	0	0	2,947,173
Accessory Electric Equipment	345	25,435	1,745	0	(65,437)	0	0	(38,257)
Miscellaneous Equipment	346	(10,533)	1,618	0	0	0	0	(8,915)
Dismantlement - Fixed		170,264	3,258	0	0	0	0	173,522
TOTAL SMITH PLANT CT:		3,309,808	289,394	(23,444)	0	0	0	3,575,758
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	2,197,841	373,386	(1,022,063)	(151,021)	0	0	1,398,143
Fuel Holders and Accessories	342	870,405	85,215	0	0	0	0	955,620
Prime Movers	343	(5,725,172)	3,186,136	(249,094)	(21,974)	0	0	(2,810,104)
Generators	344	17,895,277	1,882,930	(7,462)	0	0	0	19,770,745
Accessory Electric Equipment	345	2,493,438	338,240	0	0	0	0	2,831,678
Miscellaneous Equipment	346	19,067	31,275	(35,797)	0	0	0	14,545
Dismantlement - Fixed		2,466,993	280,020	0	0	0	0	2,747,013
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		20,217,849	6,177,202	(1,314,416)	(172,995)	0	0	24,907,640
PACE PLANT:								
Prime Movers	343	4,617,636	359,902	0	0	0	0	4,977,538
Generators	344	2,122,128	164,683	0	0	0	0	2,286,811
Accessory Electric Equipment	345	398,424	30,957	0	0	0	0	429,381
Asset Retirement Obligation	347	269,761	19,860	0	0	0	0	289,621
Dismantlement - Fixed		(19,228)	(1,938)	0	0	0	0	(21,166)
TOTAL PACE PLANT:		7,388,721	573,464	0	0	0	0	7,962,185
PERDIDO PLANT:								
Structures and Improvements	341	23,557	47,122	0	0	0	0	70,679
Fuel Holders and Accessories	342	14,467	28,938	0	0	0	0	43,405
Prime Movers	343	68,630	137,283	0	0	0	0	205,913
Accessory Electric Equipment	345	19,715	39,585	0	0	0	0	59,300
Miscellaneous Equipment	346	171,043	2,278	0	0	0	0	173,321
		297,412	255,206	0	0	0	0	552,618
TOTAL OTHER PRODUCTION:		31,213,790	7,295,266	(1,337,860)	(172,995)	0	0	36,998,201
TOTAL PRODUCTION:		769,251,666	85,487,633	(23,118,211)	(17,962,998)	841,702	0	814,499,792
TRANSMISSION:								
Land	350	0	0	0	0	0	0	0
Easements	350.2	6,298,410	202,401	0	0	0	0	6,500,811
Structures and Improvements	352	3,145,327	215,259	(17,057)	0	0	0	3,343,529
Station Equipment	353	27,841,962	3,054,548	(2,574,917)	(670,022)	22,701	(1,848)	27,672,424
Towers and Fixtures	354	24,344,172	950,675	(1,174,359)	(5,518)	7,932	2,680	24,125,582
Poles and Fixtures	355	25,459,041	3,340,249	(3,579,967)	(5,970,882)	262,658	153	19,511,252
Overhead Conductors & Devices	356	24,120,643	1,870,348	(2,447,789)	(473,804)	7,022	7,380	23,083,800
Underground Conductors & Devices	358	6,941,024	295,985	0	(2,632)	0	0	7,234,377
Roads and Trails	359	31,226	1,852	0	0	0	0	33,078
Asset Retirement Obligation	359.1	4,412	143	0	0	0	0	4,555
TOTAL TRANSMISSION:		118,186,217	9,931,460	(9,794,089)	(7,122,858)	300,313	8,365	111,509,408

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2012

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:								
Easements	360.1	20,008	3,675	0	0	0	0	23,683
Structures and Improvements	361	6,748,108	442,517	(80,558)	(827)	20,265	0	7,129,505
Station Equipment	362	53,879,861	3,889,922	(2,093,739)	(288,398)	110,061	(7,190)	55,490,517
Poles, Towers & Fixtures	364	71,605,798	6,642,566	(12,625,534)	(3,540,740)	(91,434)	(316)	61,990,340
Overhead Conductors & Devices	365	43,974,414	3,945,385	(1,926,632)	(970,501)	(479,161)	(19,774)	44,523,731
Underground Conduit	366	819,380	15,827	(56,769)	(40)	0	0	778,398
Underground Conductors & Devices	367	43,830,984	4,209,020	(755,578)	(146,012)	130,090	659,583	47,928,087
Line Transformers	368	83,877,311	9,370,880	(8,488,741)	(1,255,533)	151,305	(640,831)	83,014,391
Services:								
- Overhead	369.1	29,540,037	1,986,789	(215,074)	(309,068)	57,192	0	31,059,876
- Underground	369.2	14,367,970	1,157,378	(95,269)	(100,021)	0	0	15,330,058
- House Power Panel	369.3	0	0	0	0	0	0	0
Meters	370	6,550,483	997,597	(1,381,325)	374,836	225,485	(6,031,603)	735,473
Meters - AMI	370	0	1,745,536	(83,475)	0	0	6,031,603	7,693,664
Meters - FPSC Segregated	370	5,826,983	0	(4,057,393)	0	0	0	1,769,590
Meters - Non FPSC Segregated	370	993,577	48,695	(4,580,575)	(248,729)	271,525	7,088,000	3,572,493
Street Lighting & Signal Systems	373	28,419,862	3,063,085	(247,799)	(64,618)	107,004	0	31,277,534
Asset Retirement Obligation	374	24,367	1,005	0	0	0	0	25,372
TOTAL DISTRIBUTION:		390,479,143	37,519,877	(36,688,461)	(6,549,651)	502,332	7,079,472	392,342,712
GENERAL PLANT:								
Structures and Improvements	390	25,264,509	1,597,356	(852,561)	(46,745)	0	0	25,962,559
Office Furniture & Equipment:								
- Computer, 5 Year	391	2,878,568	787,369	(1,052,187)	0	0	0	2,613,750
- Non-Computer, 7 Year	391	968,116	364,394	(234,269)	0	0	0	1,098,241
Transportation Equipment:								
- Light Trucks	392.2	3,257,105	652,206	(696,122)	0	0	0	3,213,189
- Heavy Trucks	392.3	10,553,315	1,598,928	(294,039)	0	103,723	0	11,961,927
- Trailers	392.4	687,599	56,956	(85,900)	0	0	0	658,655
- Marine, 5 Year	392	4,416	42,719	0	0	0	0	47,135
Stores Equipment - 7 Year	393	447,079	168,067	0	0	0	0	615,146
Tools, Shop & Garage Equip. - 7 Year	394	732,684	358,155	(151,122)	0	0	0	939,717
Laboratory Equipment - 7 Year	395	1,160,926	346,815	(479,501)	0	0	0	1,028,240
Power Operated Equipment	396	432,879	39,660	0	0	0	0	472,539
Communication Equipment:								
- Other	397	9,628,528	1,261,470	(5,076,185)	(24,896)	(957)	163	5,788,123
- 7 Year	397	1,646,444	597,510	(808,455)	0	0	0	1,435,499
Miscellaneous Equipment - 7 Year	398	1,359,819	495,316	(135,770)	0	0	0	1,719,365
Asset Retirement Obligation	399.1	114,379	4,053	0	0	0	0	118,432
TOTAL GENERAL:		59,136,366	8,370,974	(9,866,111)	(71,641)	102,766	163	57,672,517
TOTAL ELECTRIC PLANT-IN-SERVICE:		1,338,888,942	143,407,136	(79,466,872)	(31,707,148)	1,747,113	7,088,000	1,379,957,171

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2011

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
Intangible Plant:							
Intangible Software	0	1,835,550	0	0	0	0	1,835,550
Total Intangible Plant:	0	1,835,550	0	0	0	0	1,835,550
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	124,428,913	7,062,665	(4,152,969)	(1,321,671)	192,011	0	126,208,949
Easements	38,271	1,080	0	0	0	0	39,351
Cooling Lake, 23 Year	8,954,192	0	0	0	0	0	8,954,192
Rail Track System	1,261,143	41,124	0	0	0	0	1,302,267
Dismantlement - Fixed	17,869,678	667,094	0	0	0	0	18,536,772
Asset Retirement Obligation	674,066	19,722	(598,465)	0	0	0	95,323
TOTAL DANIEL PLANT:	153,226,263	7,791,685	(4,751,434)	(1,321,671)	192,011	0	155,136,854
CRIST PLANT:							
Plant	246,618,249	41,110,787	(15,674,076)	(8,047,628)	1,295,206	0	265,302,538
Easements	174	174	0	0	0	0	348
Base Coal, 5 Year	141,840	0	0	0	0	0	141,840
- 5 Year	24,357	26,266	(142)	0	0	0	50,481
- 7 Year	2,181,197	698,582	(469,794)	0	0	0	2,409,985
Dismantlement - Fixed	58,701,891	6,148,016	0	0	0	0	64,849,907
Asset Retirement Obligation	887,292	(189,289)	(5,740)	0	0	0	692,263
TOTAL CRIST PLANT:	308,555,000	47,794,536	(16,149,752)	(8,047,628)	1,295,206	0	333,447,362
SCHOLZ PLANT:							
Plant	27,538,886	1,277,043	(37,517)	(97,957)	600	0	28,681,055
Base Coal, 5 Year	71,300	0	0	0	0	0	71,300
- 5 Year	0	1,143	0	0	0	0	1,143
- 7 Year	101,917	24,928	0	0	0	0	126,845
Dismantlement - Fixed	11,614,616	712,215	0	0	0	0	12,326,831
Asset Retirement Obligation	338,398	(22,701)	0	0	0	0	315,697
TOTAL SCHOLZ PLANT:	39,665,117	1,992,628	(37,517)	(97,957)	600	0	41,522,871
SMITH PLANT:							
Plant	74,076,014	5,709,165	(682,918)	(95,515)	600	0	79,007,346
Base Coal, 5 Year	108,300	0	0	0	0	0	108,300
- 5 Year	2,399	1,506	0	0	0	0	3,905
- 7 Year	518,044	160,076	0	0	0	0	678,120
Dismantlement - Fixed	18,806,681	950,367	0	0	0	0	19,757,048
Asset Retirement Obligation	342,490	4,795	(12)	0	0	0	347,273
TOTAL SMITH PLANT:	93,853,928	6,825,909	(682,930)	(95,515)	600	0	99,901,992
SCHERER PLANT:							
Plant	97,015,732	6,675,231	(663,423)	(110,282)	25,010	0	102,942,268
Dismantlement - Fixed	4,847,007	98,878	0	0	0	0	4,945,885
- 7 Year	51,566	26,238	0	0	0	0	77,804
Asset Retirement Obligation	56,895	5,944	0	0	0	0	62,839
TOTAL SCHERER PLANT:	101,971,200	6,806,291	(663,423)	(110,282)	25,010	0	108,028,796
TOTAL STEAM PRODUCTION:	697,271,508	71,211,049	(22,285,056)	(9,673,053)	1,513,427	0	738,037,875

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2011

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	535,420	45,991	(653,170)	126,621	0	0	54,862
Fuel Holders and Accessories	342	241,306	23,842	(84,571)	0	0	0	180,577
Prime Movers	343	7,623	64,966	0	(6,757)	0	0	65,832
Generators	344	2,699,571	123,801	0	0	0	0	2,823,372
Accessory Electric Equipment	345	106,461	2,912	(85,758)	0	0	1,819	25,434
Miscellaneous Equipment	346	(9,698)	1,466	(2,302)	0	0	0	(10,534)
Dismantlement - Fixed		167,006	3,258	0	0	0	0	170,264
TOTAL SMITH PLANT CT:		3,747,689	266,236	(825,801)	119,864	0	1,819	3,309,807
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	2,658,657	353,660	(644,484)	(169,992)	0	0	2,197,841
Fuel Holders and Accessories	342	914,355	85,093	(122,275)	(6,769)	0	0	870,404
Prime Movers	343	(8,157,485)	3,186,173	(769,041)	(3,148)	18,330	0	(5,725,171)
Generators	344	16,029,751	1,880,330	(29,346)	(5,864)	20,407	0	17,895,278
Accessory Electric Equipment	345	2,212,619	325,180	(32,243)	(10,299)	0	(1,819)	2,493,438
Miscellaneous Equipment	346	(11,708)	30,776	0	0	0	0	19,068
Dismantlement - Fixed		2,186,973	280,020	0	0	0	0	2,466,993
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		15,833,162	6,141,232	(1,597,389)	(196,072)	38,737	(1,819)	20,217,851
PACE PLANT:								
Prime Movers	343	4,257,735	359,902	0	0	0	0	4,617,637
Generators	344	1,957,444	164,683	0	0	0	0	2,122,127
Accessory Electric Equipment	345	367,468	30,957	0	0	0	0	398,425
Asset Retirement Obligation	347	249,902	19,860	0	0	0	0	269,762
Dismantlement - Fixed		(17,290)	(1,938)	0	0	0	0	(19,228)
TOTAL PACE PLANT:		6,815,259	573,464	0	0	0	0	7,388,723
PERDIDO PLANT:								
Structures and Improvements	341	0	23,557	0	0	0	0	23,557
Fuel Holders and Accessories	342	0	14,467	0	0	0	0	14,467
Prime Movers	343	0	68,630	0	0	0	0	68,630
Accessory Electric Equipment	345	0	19,715	0	0	0	0	19,715
Miscellaneous Equipment	346	42,340	128,703	0	0	0	0	171,043
		42,340	255,072	0	0	0	0	297,412
TOTAL OTHER PRODUCTION:		26,438,450	7,236,004	(2,423,190)	(76,208)	38,737	0	31,213,793
TOTAL PRODUCTION:		723,709,958	78,447,053	(24,708,246)	(9,749,261)	1,552,164	0	769,251,668
TRANSMISSION:								
Land	350	0	0	0	0	0	0	0
Easements	350.2	6,096,993	201,417	0	0	0	0	6,298,410
Structures and Improvements	352	2,950,620	194,706	0	0	0	0	3,145,326
Station Equipment	353	26,802,876	2,681,166	(1,478,877)	(194,263)	38,040	(6,978)	27,841,964
Towers and Fixtures	354	23,487,834	947,048	(90,710)	0	0	0	24,344,172
Poles and Fixtures	355	24,173,822	3,052,608	(327,298)	(1,440,092)	0	0	25,459,040
Overhead Conductors & Devices	356	24,187,414	1,711,842	(847,928)	(930,685)	0	0	24,120,643
Underground Conductors & Devices	358	6,645,040	295,985	0	0	0	0	6,941,025
Roads and Trails	359	30,132	1,094	0	0	0	0	31,226
Asset Retirement Obligation	359.1	4,269	143	0	0	0	0	4,412
TOTAL TRANSMISSION:		114,379,000	9,086,009	(2,744,813)	(2,565,040)	38,040	(6,978)	118,186,218

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2011

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:								
Easements	360.1	16,332	3,675	0	0	0	0	20,007
Structures and Improvements	361	6,335,690	416,817	(4,670)	153	0	118	6,748,108
Station Equipment	362	52,460,645	3,731,333	(1,952,133)	(358,724)	4,717	(5,977)	53,879,861
Poles, Towers & Fixtures	364	68,571,187	6,368,553	(1,213,402)	(2,086,831)	23,762	(57,471)	71,605,798
Overhead Conductors & Devices	365	42,687,724	3,838,916	(2,203,015)	(883,326)	936,863	(402,747)	43,974,415
Underground Conduit	366	803,553	15,827	0	0	0	0	819,380
Underground Conductors & Devices	367	40,115,036	3,956,949	(504,490)	(138,472)	58,303	343,658	43,830,984
Line Transformers	368	79,582,936	8,977,932	(3,671,922)	(1,152,501)	219,758	(78,890)	83,877,313
Services:								
- Overhead	369.1	27,946,557	1,942,842	(173,216)	(235,363)	59,217	0	29,540,037
- Underground	369.2	13,347,867	1,120,026	(83,255)	(16,667)	0	0	14,367,971
- House Power Panel	369.3	0	0	0	0	0	0	0
Meters	370	8,110,704	1,176,591	(2,655,131)	(846,319)	764,637	0	6,550,482
Meters - FPSC Segregated	370	12,072,127	0	(6,245,145)	0	0	0	5,826,982
Meters - Non FPSC Segregated	370	2,512,450	242,133	(1,706,702)	(323,602)	269,299	0	993,578
Street Lighting & Signal Systems	373	25,616,182	2,977,431	(207,303)	(76,663)	111,878	(1,665)	28,419,860
Asset Retirement Obligation	374	23,361	1,005	0	0	0	0	24,366
TOTAL DISTRIBUTION:		380,202,351	34,770,030	(20,620,384)	(6,118,315)	2,448,434	(202,974)	390,479,142
GENERAL PLANT:								
Structures and Improvements	390	23,724,677	1,545,620	(78,277)	(143,043)	5,580	209,952	25,264,509
Office Furniture & Equipment:								
- Computer, 5 Year	391	1,986,869	891,699	0	0	0	0	2,878,568
- Non-Computer, 7 Year	391	1,702,348	273,659	(1,007,890)	0	0	0	968,117
Transportation Equipment:								
- Light Trucks	392.2	3,305,809	646,179	(694,883)	0	0	0	3,257,105
- Heavy Trucks	392.3	9,184,399	1,511,722	(208,510)	0	65,705	0	10,553,316
- Trailers	392.4	643,440	51,771	(7,612)	0	0	0	687,599
- Marine, 5 Year	392	49,188	13,987	(58,760)	0	0	0	4,415
Stores Equipment - 7 Year	393	403,345	136,076	(92,343)	0	0	0	447,078
Tools, Shop & Garage Equip. - 7 Year	394	813,203	399,974	(480,492)	0	0	0	732,685
Laboratory Equipment - 7 Year	395	816,395	344,530	0	0	0	0	1,160,925
Power Operated Equipment	396	399,871	33,008	0	0	0	0	432,879
Communication Equipment:								
- Other	397	9,005,102	1,187,210	(558,739)	(6,131)	1,086	0	9,628,528
- 7 Year	397	1,560,286	508,725	(422,568)	0	0	0	1,646,443
Miscellaneous Equipment - 7 Year	398	1,416,197	488,244	(544,623)	0	0	0	1,359,818
Asset Retirement Obligation	399.1	111,472	4,053	(1,145)	0	0	0	114,380
TOTAL GENERAL:		55,122,601	8,036,457	(4,155,842)	(149,174)	72,371	209,952	59,136,365
TOTAL ELECTRIC PLANT-IN-SERVICE:		1,273,413,910	132,175,099	(52,229,285)	(18,581,790)	4,111,009	0	1,338,888,943

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2010

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	117,975,435	6,875,451	(186,166)	(235,894)	87	0	124,428,913
Easements	54,144	1,080	0	0	0	(16,953)	38,271
Cooling Lake, 23 Year	8,954,192	0	0	0	0	0	8,954,192
Rail Track System	1,974,384	41,124	0	0	0	(754,365)	1,261,143
Dismantlement - Fixed	17,202,584	667,094	0	0	0	0	17,869,678
Asset Retirement Obligation	1,685,335	19,722	(1,030,991)	0	0	0	674,066
TOTAL DANIEL PLANT:	147,846,074	7,604,471	(1,217,157)	(235,894)	87	(771,318)	153,226,263
CRIST PLANT:							
Plant	219,121,519	40,019,514	(11,406,049)	(1,355,424)	238,689	0	246,618,249
Easements	0	174	0	0	0	0	174
Base Coal, 5 Year	141,840	0	0	0	0	0	141,840
- 5 Year	10,229	14,981	(853)	0	0	0	24,357
- 7 Year	2,029,800	618,154	(466,757)	0	0	0	2,181,197
Dismantlement - Fixed	52,553,875	6,148,016	0	0	0	0	58,701,891
Asset Retirement Obligation	808,014	79,278	0	0	0	0	887,292
TOTAL CRIST PLANT:	274,665,277	46,880,117	(11,873,659)	(1,355,424)	238,689	0	308,555,000
SCHOLZ PLANT:							
Plant	28,719,477	1,273,974	(13,508)	5,020	0	(2,446,077)	27,538,886
Base Coal, 5 Year	71,300	0	0	0	0	0	71,300
- 5 Year	(6,020)	6,020	0	0	0	0	0
- 7 Year	83,009	18,908	0	0	0	0	101,917
Dismantlement - Fixed	10,902,401	712,215	0	0	0	0	11,614,616
Asset Retirement Obligation	329,261	9,137	0	0	0	0	338,398
TOTAL SCHOLZ PLANT:	40,099,428	2,020,254	(13,508)	5,020	0	(2,446,077)	39,665,117
SMITH PLANT:							
Plant	68,777,167	5,632,644	(100,647)	(233,150)	0	0	74,076,014
Base Coal, 5 Year	108,300	0	0	0	0	0	108,300
- 5 Year	893	1,506	0	0	0	0	2,399
- 7 Year	370,911	147,133	0	0	0	0	518,044
Dismantlement - Fixed	17,856,314	950,367	0	0	0	0	18,806,681
Asset Retirement Obligation	337,695	4,795	0	0	0	0	342,490
TOTAL SMITH PLANT:	87,451,280	6,736,445	(100,647)	(233,150)	0	0	93,853,928
SCHERER PLANT:							
Plant	92,987,673	4,676,038	(298,346)	(410,542)	60,909	0	97,015,732
Dismantlement - Fixed	4,748,129	98,878	0	0	0	0	4,847,007
- 7 Year	28,117	26,638	(3,189)	0	0	0	51,566
Asset Retirement Obligation	55,105	1,790	0	0	0	0	56,895
TOTAL SCHERER PLANT:	97,819,024	4,803,344	(301,535)	(410,542)	60,909	0	101,971,200
TOTAL STEAM PRODUCTION:	647,881,083	68,044,631	(13,506,506)	(2,229,990)	299,685	(3,217,395)	697,271,508

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2010

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	635,029	28,561	0	(128,170)	0	0	535,420
Fuel Holders and Accessories	342	240,584	18,469	0	(17,747)	0	0	241,306
Prime Movers	343	65,455	2,992	0	(60,824)	0	0	7,623
Generators	344	2,716,282	123,801	0	0	0	(140,512)	2,699,571
Accessory Electric Equipment	345	101,915	4,546	0	0	0	0	106,461
Miscellaneous Equipment	346	4,587	317	0	(14,602)	0	0	(9,698)
Dismantlement - Fixed		163,748	3,258	0	0	0	0	167,006
TOTAL SMITH PLANT CT:		3,927,600	181,944	0	(221,343)	0	(140,512)	3,747,689
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	3,100,565	337,466	(669,544)	(109,830)	0	0	2,658,657
Fuel Holders and Accessories	342	914,889	83,155	(43,147)	(40,542)	0	0	914,355
Prime Movers	343	(3,295,811)	3,082,195	(18,742,394)	(2,217,610)	4,589,655	8,426,480	(8,157,485)
Generators	344	14,205,539	1,877,051	(47,896)	(4,943)	0	0	16,029,751
Accessory Electric Equipment	345	2,977,729	311,143	(964,852)	(111,401)	0	0	2,212,619
Miscellaneous Equipment	346	147,725	26,950	(187,274)	(99)	990	0	(11,708)
Dismantlement - Fixed		1,906,953	280,020	0	0	0	0	2,186,973
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		19,957,589	5,997,980	(20,655,107)	(2,484,425)	4,590,645	8,426,480	15,833,162
PACE PLANT:								
Prime Movers	343	3,917,927	359,902	0	0	0	(20,094)	4,257,735
Generators	344	1,792,761	164,683	0	0	0	0	1,957,444
Accessory Electric Equipment	345	336,511	30,957	0	0	0	0	367,468
Asset Retirement Obligation	347	230,042	19,860	0	0	0	0	249,902
Dismantlement - Fixed		(15,352)	(1,938)	0	0	0	0	(17,290)
TOTAL PACE PLANT:		6,261,889	573,464	0	0	0	(20,094)	6,815,259
PERDIDO PLANT:								
Miscellaneous Equipment	346	0	42,340	0	0	0	0	42,340
TOTAL PERDIDO PLANT:		0	42,340	0	0	0	0	42,340
TOTAL OTHER PRODUCTION:		30,147,078	6,795,728	(20,655,107)	(2,705,768)	4,590,645	8,265,874	26,438,450
TOTAL PRODUCTION:		678,028,161	74,840,359	(34,161,613)	(4,935,758)	4,890,330	5,048,479	723,709,958
TRANSMISSION:								
Land	350	0	(26,501)	0	0	0	26,501	0
Easements	350.2	5,925,900	197,594	0	0	0	(26,501)	6,096,993
Structures and Improvements	352	2,772,524	177,882	0	0	0	214	2,950,620
Station Equipment	353	24,777,411	2,444,988	(451,276)	(61,436)	78,814	14,375	26,802,876
Towers and Fixtures	354	22,734,772	908,447	(19,253)	(140,775)	0	4,643	23,487,834
Poles and Fixtures	355	24,129,546	2,793,211	(420,644)	(2,324,197)	0	(4,094)	24,173,822
Overhead Conductors & Devices	356	22,843,042	1,631,598	(179,744)	(107,482)	0	0	24,187,414
Underground Conductors & Devices	358	6,349,055	295,985	0	0	0	0	6,645,040
Roads and Trails	359	28,903	1,229	0	0	0	0	30,132
Asset Retirement Obligation	359.1	4,126	143	0	0	0	0	4,269
TOTAL TRANSMISSION:		109,565,279	8,424,576	(1,070,917)	(2,633,890)	78,814	15,138	114,379,000

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2010

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:								
Easements	360.1	12,657	3,675	0	0	0	0	16,332
Structures and Improvements	361	5,963,267	388,737	(15,444)	(870)	0	0	6,335,690
Station Equipment	362	49,617,252	3,569,410	(603,627)	(130,773)	15,193	(6,810)	52,460,645
Poles, Towers & Fixtures	364	65,326,472	6,125,229	(1,065,124)	(1,876,185)	60,795	0	68,571,187
Overhead Conductors & Devices	365	42,336,293	3,721,507	(2,151,102)	(1,064,145)	463,793	(618,622)	42,687,724
Underground Conduit	366	787,726	15,827	0	0	0	0	803,553
Underground Conductors & Devices	367	36,274,835	3,802,853	(457,884)	(152,588)	29,198	618,622	40,115,036
Line Transformers	368	82,633,307	8,537,304	(2,633,803)	(1,483,760)	147,766	(7,617,878)	79,582,936
Services:								
- Overhead	369.1	26,438,495	1,893,418	(141,936)	(260,393)	16,973	0	27,946,557
- Underground	369.2	12,429,711	1,086,642	(139,069)	(29,417)	0	0	13,347,867
- House Power Panel	369.3	1,431,512	0	(1,666,102)	0	0	234,590	0
Meters	370	14,679,119	1,286,818	(1,945,380)	(394,578)	1,019,061	(6,534,336)	8,110,704
Meters - FPSC Segregated	370	0	0	(104,533)	0	0	12,176,660	12,072,127
Meters - Non FPSC Segregated	370	0	64,103	0	(52,754)	23,499	2,477,602	2,512,450
Street Lighting & Signal Systems	373	23,964,612	2,893,321	(410,414)	(161,837)	75,467	(744,967)	25,616,182
Asset Retirement Obligation	374	22,356	1,005	0	0	0	0	23,361
TOTAL DISTRIBUTION:		361,917,614	33,389,849	(11,334,418)	(5,607,300)	1,851,745	(15,139)	380,202,351
GENERAL PLANT:								
Structures and Improvements	390	22,312,294	1,511,142	(83,198)	(15,561)	0	0	23,724,677
Office Furniture & Equipment:								
- Computer, 5 Year	391	1,539,898	787,123	(340,152)	0	0	0	1,986,869
- Non-Computer, 7 Year	391	1,331,618	370,730	0	0	0	0	1,702,348
Transportation Equipment:								
- Light Trucks	392.2	2,742,329	592,517	(29,037)	0	0	0	3,305,809
- Heavy Trucks	392.3	7,684,549	1,560,276	(1,322,078)	0	118,319	1,143,333	9,184,399
- Trailers	392.4	591,812	51,628	0	0	0	0	643,440
- Marine, 5 Year	392	37,436	11,752	0	0	0	0	49,188
Stores Equipment - 7 Year	393	289,583	113,762	0	0	0	0	403,345
Tools, Shop & Garage Equip. - 7 Year	394	598,582	214,621	0	0	0	0	813,203
Laboratory Equipment - 7 Year	395	1,935,232	461,773	(1,580,610)	0	0	0	816,395
Power Operated Equipment	396	371,969	27,902	0	0	0	0	399,871
Communication Equipment:								
- Other	397	9,094,581	1,163,656	(125,508)	(62,975)	78,681	(1,143,333)	9,005,102
- 7 Year	397	1,130,266	430,020	0	0	0	0	1,560,286
Miscellaneous Equipment - 7 Year	398	1,776,420	614,612	(974,835)	0	0	0	1,416,197
Asset Retirement Obligation	399.1	107,419	4,053	0	0	0	0	111,472
TOTAL GENERAL:		51,543,988	7,915,567	(4,455,418)	(78,536)	197,000	0	55,122,601
TOTAL ELECTRIC PLANT-IN-SERVICE:		1,201,055,042	124,570,351	(51,022,366)	(13,255,484)	7,017,889	5,048,478	1,273,413,910

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2009

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	115,358,661	7,477,977	(2,963,537)	(1,970,630)	72,964	0	117,975,435
Easements	53,295	849	0	0	0	0	54,144
Cooling Lake, 23 Year	8,954,192	0	0	0	0	0	8,954,192
Rail Track System	1,946,968	27,416	0	0	0	0	1,974,384
Dismantlement - Fixed	16,464,536	738,048	0	0	0	0	17,202,584
Asset Retirement Obligation	1,665,613	19,722	0	0	0	0	1,685,335
TOTAL DANIEL PLANT:	144,443,265	8,264,012	(2,963,537)	(1,970,630)	72,964	0	147,846,074
CRIST PLANT:							
Plant	216,251,354	19,058,088	(13,683,977)	(3,265,686)	70,464	691,276	219,121,519
Base Coal, 5 Year	141,840	0	0	0	0	0	141,840
- 5 Year	8,137	4,930	(2,838)	0	0	0	10,229
- 7 Year	2,108,160	545,093	(623,453)	0	0	0	2,029,800
Dismantlement - Fixed	50,905,746	2,339,405	0	0	0	(691,276)	52,553,875
Asset Retirement Obligation	755,926	109,907	(57,819)	0	0	0	808,014
TOTAL CRIST PLANT:	270,171,163	22,057,423	(14,368,087)	(3,265,686)	70,464	0	274,665,277
SCHOLZ PLANT:							
Plant	27,492,166	1,301,788	(37,481)	(36,996)	0	0	28,719,477
Base Coal, 5 Year	71,300	0	0	0	0	0	71,300
- 5 Year	0	(6,020)	0	0	0	0	(6,020)
- 7 Year	66,843	16,166	0	0	0	0	83,009
Dismantlement - Fixed	10,438,695	463,706	0	0	0	0	10,902,401
Asset Retirement Obligation	323,389	9,137	(3,265)	0	0	0	329,261
TOTAL SCHOLZ PLANT:	38,392,393	1,784,777	(40,746)	(36,996)	0	0	40,099,428
SMITH PLANT:							
Plant	65,729,444	4,194,907	(903,841)	(243,343)	0	0	68,777,167
Base Coal, 5 Year	108,300	0	0	0	0	0	108,300
- 5 Year	22,674	1,105	(22,886)	0	0	0	893
- 7 Year	608,686	182,510	(420,285)	0	0	0	370,911
Dismantlement - Fixed	17,155,584	700,730	0	0	0	0	17,856,314
Asset Retirement Obligation	375,611	4,795	(42,711)	0	0	0	337,695
TOTAL SMITH PLANT:	84,000,299	5,084,047	(1,389,723)	(243,343)	0	0	87,451,280
SCHERER PLANT:							
Plant	90,881,145	4,270,353	(2,205,347)	(31,389)	72,911	0	92,987,673
Dismantlement - Fixed	4,640,810	107,319	0	0	0	0	4,748,129
- 7 Year	20,763	10,691	(3,337)	0	0	0	28,117
Asset Retirement Obligation	53,091	1,790	0	224	0	0	55,105
TOTAL SCHERER PLANT:	95,595,809	4,390,153	(2,208,684)	(31,165)	72,911	0	97,819,024
TOTAL STEAM PRODUCTION:	632,602,929	41,580,412	(20,970,777)	(5,547,820)	216,339	0	647,881,083

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2009

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	631,856	3,173	0	0	0	0	635,029
Fuel Holders and Accessories	342	238,532	2,052	0	0	0	0	240,584
Prime Movers	343	65,123	332	0	0	0	0	65,455
Generators	344	2,702,526	13,756	0	0	0	0	2,716,282
Accessory Electric Equipment	345	101,410	505	0	0	0	0	101,915
Miscellaneous Equipment	346	4,552	35	0	0	0	0	4,587
Dismantlement - Fixed		159,136	4,612	0	0	0	0	163,748
TOTAL SMITH PLANT CT:		3,903,135	24,465	0	0	0	0	3,927,600
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	3,035,655	353,934	(113,763)	(175,261)	0	0	3,100,565
Fuel Holders and Accessories	342	834,911	90,327	0	(10,349)	0	0	914,889
Prime Movers	343	(6,148,075)	2,916,093	(61,961)	(1,868)	0	0	(3,295,811)
Generators	344	12,129,248	2,078,097	(1,806)	0	0	0	14,205,539
Accessory Electric Equipment	345	2,711,908	340,483	0	(74,662)	0	0	2,977,729
Miscellaneous Equipment	346	136,162	22,035	0	(10,472)	0	0	147,725
Dismantlement - Fixed		1,672,884	234,069	0	0	0	0	1,906,953
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		14,372,693	6,035,038	(177,530)	(272,612)	0	0	19,957,589
PACE PLANT:								
Prime Movers	343	3,578,397	339,530	0	0	0	0	3,917,927
Generators	344	1,637,399	155,362	0	0	0	0	1,792,761
Accessory Electric Equipment	345	307,306	29,205	0	0	0	0	336,511
Asset Retirement Obligation	347	210,182	19,860	0	0	0	0	230,042
Dismantlement - Fixed		(14,254)	(1,098)	0	0	0	0	(15,352)
TOTAL PACE PLANT:		5,719,030	542,859	0	0	0	0	6,261,889
TOTAL OTHER PRODUCTION:		23,994,858	6,602,362	(177,530)	(272,612)	0	0	30,147,078
TOTAL PRODUCTION:		656,597,787	48,182,774	(21,148,307)	(5,820,432)	216,339	0	678,028,161
TRANSMISSION:								
Easements	350.2	5,571,057	215,843	0	0	139,000	0	5,925,900
Structures and Improvements	352	2,650,861	191,332	(921)	0	0	(68,748)	2,772,524
Station Equipment	353	25,121,649	2,189,233	(2,047,094)	(146,025)	23,222	(363,574)	24,777,411
Towers and Fixtures	354	22,022,552	882,738	(13,427)	(96,590)	0	(60,501)	22,734,772
Poles and Fixtures	355	22,675,019	2,997,140	(560,901)	(1,001,741)	0	20,029	24,129,546
Overhead Conductors & Devices	356	21,740,038	1,608,887	(466,844)	(80,745)	0	41,706	22,843,042
Underground Conductors & Devices	358	6,038,976	310,079	0	0	0	0	6,349,055
Roads and Trails	359	27,551	1,352	0	0	0	0	28,903
Asset Retirement Obligation	359.1	3,983	143	0	0	0	0	4,126
TOTAL TRANSMISSION:		105,851,686	8,396,747	(3,089,187)	(1,325,101)	162,222	(431,088)	109,565,279

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2009

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:								
Easements	360.1	8,574	4,083	0	0	0	0	12,657
Structures and Improvements	361	5,735,680	363,527	(54,009)	(81,931)	0	0	5,963,267
Station Equipment	362	47,406,184	3,668,892	(1,272,952)	(216,095)	45,118	(13,895)	49,617,252
Poles, Towers & Fixtures	364	61,132,973	6,303,729	(954,875)	(1,178,477)	23,122	0	65,326,472
Overhead Conductors & Devices	365	40,381,593	3,282,966	(671,570)	(479,002)	168,889	(346,583)	42,336,293
Underground Conduit	366	770,682	17,044	0	0	0	0	787,726
Underground Conductors & Devices	367	32,971,193	3,578,011	(526,743)	(125,755)	31,546	346,583	36,274,835
Line Transformers	368	77,793,914	8,553,204	(2,765,404)	(1,124,548)	157,691	18,450	82,633,307
Services:								
- Overhead	369.1	25,014,537	1,799,777	(161,080)	(230,140)	15,401	0	26,438,495
- Underground	369.2	11,575,848	976,206	(106,445)	(15,898)	0	0	12,429,711
- House Power Panel	369.3	1,677,417	50,380	(296,285)	0	0	0	1,431,512
Meters	370	14,561,511	1,384,138	(1,732,673)	(274,373)	740,516	0	14,679,119
Street Lighting & Signal Systems	373	22,476,226	2,860,856	(1,054,208)	(331,272)	13,010	0	23,964,612
Asset Retirement Obligation	374	21,351	1,005	0	0	0	0	22,356
TOTAL DISTRIBUTION:		341,527,683	32,843,818	(9,596,244)	(4,057,491)	1,195,293	4,555	361,917,614
GENERAL PLANT:								
Structures and Improvements	390	20,828,991	1,442,464	(324,975)	(60,719)	0	426,533	22,312,294
Office Furniture & Equipment:								
- Computer, 5 Year	391	1,508,889	739,719	(713,583)	0	0	4,873	1,539,898
- Non-Computer, 7 Year	391	1,416,535	361,524	(441,568)	0	0	(4,873)	1,331,618
Transportation Equipment:								
- Light Trucks	392.2	2,531,376	482,938	(293,362)	0	21,377	0	2,742,329
- Heavy Trucks	392.3	6,737,324	1,361,265	(453,682)	0	39,642	0	7,684,549
- Trailers	392.4	583,323	50,005	(41,516)	0	0	0	591,812
- Marine, 5 Year	392	34,366	13,922	(10,852)	0	0	0	37,436
Stores Equipment - 7 Year	393	260,472	96,148	(67,037)	0	0	0	289,583
Tools, Shop & Garage Equip. - 7 Year	394	1,464,864	284,204	(1,150,486)	0	0	0	598,582
Laboratory Equipment - 7 Year	395	1,515,405	423,891	(4,064)	0	0	0	1,935,232
Power Operated Equipment	396	342,880	29,089	0	0	0	0	371,969
Communication Equipment:								
- Other	397	10,167,496	848,366	(1,799,225)	(130,704)	8,648	0	9,094,581
- 7 Year	397	802,296	370,926	(42,956)	0	0	0	1,130,266
Miscellaneous Equipment - 7 Year	398	1,414,259	546,005	(183,844)	0	0	0	1,776,420
Asset Retirement Obligation	399.1	103,366	4,053	0	0	0	0	107,419
TOTAL GENERAL:		49,711,842	7,054,519	(5,527,150)	(191,423)	69,667	426,533	51,543,988
TOTAL ELECTRIC PLANT-IN-SERVICE:		1,153,688,998	96,477,858	(39,360,888)	(11,394,447)	1,643,521	0	1,201,055,042

GULF POWER COMPANY

ELECTRIC UTILITY PLANT

DEPRECIATION RATE STUDY

AT DECEMBER 31, 2016

http://www.utilityalliance.com

GULF POWER COMPANY
ELECTRIC UTILITY PLANT
DEPRECIATION RATE STUDY
AT DECEMBER 31, 2016
EXECUTIVE SUMMARY

Gulf Power Company ("Gulf Power", "Gulf" or "Company") engaged Alliance Consulting Group to conduct a depreciation study of the Company's electric utility plant depreciable assets using actual plant asset balances as of December 31, 2014 and projected plant and depreciation reserve balances as of December 31, 2016 ("Study"). To determine depreciation rates for the projected time period of December 31, 2016, the following process occurred: 1) historic data through December 31, 2014 and judgment were used to estimate life and net salvage parameters; 2) the Company provided Alliance a walk-forward of projected plant and depreciation reserve activity from January 1, 2015 to December 31, 2016; 3) additions were projected as of the transaction year the asset went into service; 4) retirements were based on a first-in, first-out approach where the oldest vintages were retired; and 5) the projected vintage balances and reserves at December 31, 2016 were used to compute the proposed depreciation accrual. The total proposed increase in depreciation expense in the Study is $20.4 million based on projected plant balances as of December 31, 2016.

The Study uses the Straight-Line, Broad (Average Life) Group, Remaining Life ("RL") depreciation system. The net salvage analysis in the Study parallels the approach previously used in developing the depreciation rates adopted by the Florida Public Service Commission ("Commission" or "FPSC") in Docket No. 090319-EI.

For Production accounts, the Company provided the current terminal retirement dates for generating units consistent with current expectations, environmental legislation, and resource plans. Terminal demolition costs are provided in a Dismantlement Cost Study performed by Southern Company

Services for all production facilities. These costs are treated separately from the Study as required by the FPSC. The changes in proposed depreciation expense in the production area are mainly due to additional investment in the generating units, changes in the interim retirement ratios and interim net salvage estimates related to electric production plant facilities. The terminal retirement dates of the Steam Production plants remained the same. The proposed increases in depreciation expense by function within Electric Production are $9.5 million and $6.8 million for Steam and Other, respectively, based on projected account balances as of December 31, 2016. The total proposed increase in depreciation expense for all Production is $16.2 million. Appendix B demonstrates the change in depreciation expense for the various accounts based on projected plant balances as of December 31, 2016.

For Transmission, Distribution, General Plant, and Transportation Equipment accounts, the lives of the accounts and net salvage parameters are reviewed in the Study. The Study recommends changes in depreciation in accounts for each function based on the estimated account balances as of December 31, 2016 as follows: an increase of $3.7 million for Transmission, a decrease of $141 thousand for Distribution, a decrease of $259 thousand for General Plant, and an increase of $878 thousand for Transportation Equipment. The total proposed change in depreciation expense for Transmission, Distribution, General Plant, and Transportation Equipment is an increase of $4.2 million based on projected account balances as of December 31, 2016. Appendix B demonstrates the change in depreciation expense for the various accounts based on projected plant balances as of December 31, 2016.

For Transmission, Distribution, General Plant, and Transportation Equipment accounts there are twenty (20) accounts that have increasing lives and four accounts that have decreasing lives, while four have no change. There is a trend toward slightly higher negative net salvage ,where the projected cost of removal exceeds projected salvage value, with ten (10) accounts increasing their negative net salvage (i.e., decrease in net salvage), no accounts with increasing positive net salvage, and sixteen (16) accounts had no change.

III. STUDY RESULTS WITH PROPOSED RATES

Depreciation rates for all Gulf depreciable property are shown in Appendix A. As shown in Appendix B, these rates translate into an annual depreciation expense of $180.8 million based on Gulf's depreciable investment for the projected plant balances as of December 31, 2016. This reflects an increase of $20.4 million as compared to the equivalent annual depreciation expense of $160.4 million calculated using the currently approved rates. The proposed depreciation rates translate into an annual depreciation accrual for Steam Production of $89.9 million, Other Production of $16.4 million, Transmission of $22.8 million, Distribution of $44.8 million, General Plant of $3.3 million, and Transportation Equipment of $3.6 million. The changes in proposed depreciation expense in each production area are mainly due to the interim retirement and interim net salvage changes and additional investment in the generating units. Changes due to updated dismantling estimates related to electric production plant facilities have an impact on the overall depreciation expense of Gulf Power, but are not included in the above amounts and are addressed separately. The changes in proposed depreciation expense for Transmission, Distribution, General Plant and Transportation Equipment are due to a mix of life and net salvage changes.

Appendix A shows the development of the annual depreciation rates and accruals. Appendix B presents a comparison of approved rates versus proposed rates by account. Appendix C presents a summary of average service lives and net salvage estimates by account. Appendix D presents the terminal retirement dates, interim retirement ratios and net salvage percentages for production facilities. Appendix E presents the net salvage analysis for all accounts. Appendix F presents a comparison between the total book reserves and the theoretical depreciation reserves based on the whole life and remaining life basis. Appendix G is a summary of Plant-in-Service and the Accumulated Depreciation and presents annual activity by function and account.

The depreciation rates proposed in the Study are based on Gulf's estimated depreciable investment as of December 31, 2016. The proposed

rates will provide for the systematic and rational allocation of capital costs over the expected useful life of the property. Capital costs include the acquisition cost of the property in addition to the estimated cost of retirement (salvage and cost of removal).

The majority of Gulf's current depreciation rates were approved by the Florida Public Service Commission under Docket No. 090319-EI. As a result of the Study, the following accrual rates are proposed:

Table 1
Total Company Comparison
Depreciation Accrual Rates at December 31, 2016

Account	Description	Existing	Proposed
Steam Production		**Annual Accrual Rate**	
	Crist Plant	3.5%	4.0%
	Daniel Rail Road (RR) Track	1.5%	1.6%
	Daniel Easement	1.4%	1.4%
	Daniel Plant	2.8%	3.0%
	Scherer Plant	2.0%	2.2%
	Scholz Plant	4.1%	0.0%
	Total Steam Production Plant	3.1%	3.5%
Other Production			
	Pace (Pea Ridge) Plant	5.3%	11.5%
	Perdido Landfill	5.0%	7.3%
	Smith Combustion Turbine (CT)	3.6%	6.3%
	Smith Combined Cycle (CC)	2.8%	4.7%
	Total Other Production Plant	3.0%	5.1%
Transmission Plant			
350.1	Easements	1.6%	1.5%
352.0	Structures & Improvements	2.0%	1.7%
353.0	Station Equipment	2.3%	2.9%
354.0	Towers & Fixtures	2.3%	2.1%
355.0	Poles & Fixtures	3.6%	4.6%
356.0	Overhead Conductors & Devices	2.5%	2.6%
358.0	Underground Conductors	2.1%	1.7%
359.0	Roads and Trails	2.0%	1.9%
	Total Transmission Plant	2.7%	3.3%

Distribution Plant			
360.1	Easements	1.8%	1.8%
361.0	Structures & Improvements	2.2%	2.0%
362.0	Station Equipment	2.2%	3.1%
364.0	Poles, Towers, & Fixtures	5.0%	4.9%
365.0	Overhead Conductors & Devices	3.1%	3.6%
366.0	Underground Conduit	1.3%	1.1%
367.0	Underground Conductors	3.3%	2.4%
368.0	Line Transformers	4.0%	3.4%
369.1	Overhead Services	3.8%	3.9%
369.2	Underground Services	2.6%	2.6%
370.0	Meters	2.7%	7.9%
370.0	Meters - AMI Equipment	6.7%	4.8%
373.0	Street Lighting	5.0%	4.1%
	Total Distribution Plant	3.6%	3.6%
General Plant			
390.0	Structures & Improvements	2.3%	2.2%
396.0	Power Operated Equipment	4.7%	1.7%
397.0	Communication Equipment	6.3%	5.7%
	Total General Plant	3.2%	3.0%
Transportation Equipment			
392.1	Automobiles	12.1%	8.2%
392.21	Light Trucks	9.3%	17.6%
392.22	Heavy Trucks	7.9%	9.0%
392.6	Trailers	4.8%	3.7%
	Total Transportation	8.1%	10.7%
	COMPANY GRAND TOTAL	3.2%	3.6%

Gulf Power's annual depreciation expense shown in this report has excluded amounts for the amortization of general plant property.

Plant Smith Combined Cycle						
Item				2009 FPSC	2016	Change
Total Investment				187,471,268	292,429,663	104,958,395
Retirement Dates:						
Unit	MW	Fuel Type	In-Serv.			
3		Gas	2002	2042	2042	
Life Span (Years):						
Unit 3				40	40	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				37.1	28.9	
Theoretical Reserve				29,255,448	6,538,949	(22,716,499)
Book/Allocated Reserve (excl dismantlement)				21,384,117	31,407,661	10,023,544
Reserve Variance				(7,871,331)	24,868,712	32,740,043
Book Reserve Ratio				11.41%	10.74%	
Gross Salvage				0.0%	0.0%	
Removal Cost excl Dismantlement				0.1%	1.7%	
Net Removal Cost				-0.1%	-1.7%	
				Current	2016	
Annual Dismantlement				280,020	N/A	N/A
Avg Whole Life Rate				2.7%	3.5%	
AWL 2016 Expense excl Dismantlement				7,895,601	10,235,038	2,339,437
Average Remaining Life				32.0	19.3	
ARL Rate				2.8%	4.7%	
ARL 2016 Expense excl Dismantlement				8,188,031	13,744,194	5,556,163

Net Salvage (NS 0%)

This account includes any salvage and removal cost of rights of way in connection with transmission plant. The current authorized net salvage for this account is zero percent and is retained.

FERC Account 352.0 Structures and Improvements

Account 352 Structures and Improvements			
Item	FPSC Approved	2016	Change
Investment	$8,426,311	$24,391,124	$15,964,813
Iowa Curve	R4	R3	
Average Service Life	50	55	5
Theoretical Reserve	$2,533,378	$3,879,607	$1,346,229
Book Reserve	$2,772,524	$6,029,828	$3,257,304
Reserve Variance	$239,146	$2,150,221	$1,911,075
Reserve Ratio	32.90%	24.72%	
Gross Salvage	0%	0%	0%
Removal Cost	5%	5%	0%
Net Salvage	-5%	-5%	0%
Avg. Whole Life Rate	1.9%	1.9%	0.0%
AWL Expense (2016)	$463,431	$465,870	$2,439
Average Remaining Life	36.0	46.7	10.7
ARL Rate	2.0%	1.7%	-0.3%
ARL Expense (2016)	$487,822	$414,649	($73,173)

Life 55 R3

This account includes the cost of structures and improvements in connection with building station control, security systems, yard improvements, protective fencing and other structures for transmission plant. The projected balance at December 31, 2016, is approximately $24.4 million in this account. The current approved life for this account is 50 years with an R4 dispersion. The

GULF POWER
Computation of Composite Accrual Rate
Other Production Plant
As of December 31, 2016

Account	Description	Plant Balance	Book Reserve	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount
SMITH CC					
341	Structures and Improvements	28,036,877	2,730,556	4.7%	1,317,733
342	Fuel Holders	4,698,022	(569,072)	5.1%	239,599
343	Prime Movers	158,457,670	2,430,265	5.7%	9,032,087
344	Generators	84,589,044	26,301,332	2.7%	2,283,904
345	Accessory Electric Equipment	14,007,856	1,449,565	4.2%	588,330
346	Misc. Power Plant Equipment	2,640,194	(934,984)	6.6%	174,253
	Total Smith CC	**292,429,663**	**31,407,661**	**4.7%**	**13,635,906**
	Total Other Production	**324,301,572**	**46,382,523**	**5.1%**	**16,328,031**

GULF POWER
Computation of Depreciation Accrual Rates for Transmission, Distribution, General Plant and Transportation Equipment
At December 31, 2016

Account	Description	Plant In Service 12/31/16	Book Depreciation 12/31/16	Net Salvage %	Net Salvage Amount	Unaccrued Balance	Remaining Life	Annual Accrual Amount	Annual Accrual Rate
Transmission Plant									
350.10	Easements	$ 12,654,559	$ 7,310,897	0%	$ -	$ 5,343,662	27.66	$ 193,211	1.5%
352.00	Structures and Improvements	24,391,124	6,029,828	-5%	(1,219,556)	19,580,852	46.65	419,779	1.7%
353.00	Station Equipment	250,073,126	33,409,988	-10%	(25,007,313)	241,670,450	33.49	7,215,956	2.9%
354.00	Towers and Fixtures	42,290,155	24,879,312	-25%	(10,572,539)	27,983,382	30.79	908,837	2.1%
355.00	Poles and Fixtures	230,339,009	28,946,820	-75%	(172,754,256)	374,146,445	35.30	10,597,785	4.6%
356.00	Overhead Conductors and Devices	123,801,393	27,851,093	-30%	(37,140,418)	133,090,718	42.14	3,158,157	2.6%
358.00	Underground Conductors	14,402,363	8,392,435	0%	0	6,009,928	24.16	248,729	1.7%
359.00	Roads and Trails	235,918	51,951	0%	0	183,967	42.00	4,381	1.9%
	Total Transmission Plant	**698,187,647**	**136,872,324**		**(246,694,082)**	**808,009,404**		**22,746,835**	**3.3%**
Distribution Plant									
360.10	Easements	204,176	38,383	0%	0	165,792	44.50	3,726	1.8%
361.00	Structures and Improvements	26,412,569	8,307,855	-5%	(1,320,628)	19,425,342	37.06	524,225	2.0%
362.00	Station Equipment	213,071,996	48,190,373	-10%	(21,307,200)	186,188,823	28.03	6,641,352	3.1%
364.00	Poles, Towers, and Fixtures	140,464,604	79,425,237	-75%	(105,348,453)	166,387,819	23.94	6,948,834	4.9%
365.00	Overhead Conductors and Devices	153,061,774	52,068,507	-50%	(76,530,887)	177,524,154	32.53	5,458,007	3.6%
366.00	Underground Conduit	1,159,696	802,585	0%	0	357,110	27.34	13,060	1.1%
367.00	Underground Conductors	158,145,619	63,904,565	-15%	(23,721,843)	117,962,897	30.52	3,864,802	2.4%
368.00	Line Transformers	282,436,706	104,889,760	-22%	(62,136,075)	239,683,021	24.96	9,600,819	3.4%
369.10	Overhead Services	61,968,191	38,141,620	-75%	(46,476,143)	70,302,715	29.46	2,386,736	3.9%
369.20	Underground Services	57,120,322	20,106,639	-20%	(11,424,064)	48,437,747	32.87	1,473,483	2.6%
370.00	Meters	36,567,578	(288,419)	10%	3,656,758	33,199,239	11.46	2,897,120	7.9%
370.00	Meters - AMI Equipment	41,794,941	18,329,633	0%	0	23,465,308	11.82	1,985,437	4.8%
373.00	Street Lighting	75,546,351	41,162,451	-20%	(15,109,270)	49,493,171	15.85	3,122,730	4.1%
	Total Distribution Plant	**1,247,954,522**	**475,079,189**		**(359,717,806)**	**1,132,593,139**		**44,920,331**	**3.6%**
General Plant									
390.00	Structures and Improvements	84,247,313	31,641,511	-5%	(4,212,366)	56,818,168	30.71	1,850,197	2.2%
396.00	Power Operated Equipment	931,916	671,383	20%	186,383	74,150	4.56	16,247	1.7%
397.00	Communications Equipment	24,528,470	9,823,909	0%	0	14,704,561	10.61	1,386,219	5.7%
	Total General Plant	**109,707,699**	**42,136,803**		**(4,025,983)**	**71,596,879**		**3,252,664**	**3.0%**
Transportation									
392.10	Automobiles	29,848	16,553	15%	4,477	8,818	3.59	2,456	8.2%
392.20	Light Trucks	7,519,254	4,220,267	5%	375,963	2,923,023	2.21	1,321,436	17.6%
392.30	Heavy Trucks	24,527,733	13,863,301	15%	3,679,160	6,985,272	3.18	2,195,336	9.0%
392.40	Trailers	1,320,796	709,817	8%	105,664	505,316	10.26	49,255	3.7%
	Total Transportation	**33,397,631**	**18,809,939**		**4,165,264**	**10,422,429**		**3,568,483**	**10.7%**
	Total Transmission, Distribution, General and Transportation Plant	**$ 2,089,247,499**	**$ 672,898,255**		**$ (606,272,607)**	**$ 2,022,621,850**		**$ 74,488,313**	**3.6%**

GULF POWER
Comparison of Depreciation Accrual Rates
Total Company Summary
As of December 31, 2016

Account	Description	Plant In Service 12/31/2016	Existing Annual Accrual Rate	Existing Annual Accrual Amount	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount	Difference
Steam Production Plant							
	Crist Plant	$ 1,551,930,888	3.5%	$ 54,317,581	4.0%	$ 62,077,236	$ 7,759,654
	Daniel RR Track	2,828,013	1.5%	42,420	1.6%	45,248	2,828
	Daniel Easement	77,160	1.4%	1,080	1.4%	1,080	0
	Daniel Plant	645,441,969	2.8%	18,072,375	3.0%	19,363,259	1,290,884
	Scherer Plant	381,199,620	2.0%	7,623,992	2.2%	8,386,392	762,399
	Scholz Plant	8,895,204	4.1%	364,703	0.0%	0	(364,703)
	Total Steam Production Plant	**2,590,372,854**	**3.1%**	**80,422,152**	**3.5%**	**89,873,215**	**9,451,062**
Other Production Plant							
	Pace Plant	11,496,153	5.3%	609,296	11.5%	1,322,058	712,761
	Perdido Landfill	8,239,086	5.0%	411,954	7.3%	601,453	189,499
	Smith CT	12,136,671	3.6%	436,920	6.3%	764,610	327,690
	Smith CC	292,429,663	2.8%	8,188,031	4.7%	13,744,194	5,556,164
	Total Other Production Plant	**324,301,572**	**3.0%**	**9,646,201**	**5.1%**	**16,432,315**	**6,786,114**
	Total Production Plant	**2,914,674,427**	**3.1%**	**90,068,354**	**3.6%**	**106,305,530**	**16,237,176**

GULF POWER
Comparison of Depreciation Accrual Rates
Total Company Summary
As of December 31, 2016

Account	Description	Plant In Service 12/31/2016	Existing Annual Accrual Rate	Existing Annual Accrual Amount	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount	Difference
Transmission Plant							
350.1	Easements	12,654,559	1.6%	202,473	1.5%	189,818	(12,655)
352	Structures and Improvements	24,391,124	2.0%	487,822	1.7%	414,649	(73,173)
353	Station Equipment	250,073,126	2.3%	5,751,682	2.9%	7,252,121	1,500,439
354	Towers and Fixtures	42,290,155	2.3%	972,674	2.1%	888,093	(84,580)
355	Poles and Fixtures	230,339,009	3.6%	8,292,204	4.6%	10,595,594	2,303,390
356	Overhead Conductors & Devices	123,801,393	2.5%	3,095,035	2.6%	3,218,836	123,801
358	Underground Conductors	14,402,363	2.1%	302,450	1.7%	244,840	(57,609)
359	Roads and Trails	235,918	2.0%	4,718	1.9%	4,482	(236)
	Total Transmission Plant	**698,187,647**	**2.7%**	**19,109,058**	**3.3%**	**22,808,435**	**3,699,377**
Distribution Plant							
360.1	Easements	204,176	1.8%	3,675	1.8%	3,675	0
361	Structures and Improvements	26,412,569	2.2%	581,077	2.0%	528,251	(52,825)
362	Station Equipment	213,071,996	2.2%	4,687,584	3.1%	6,605,232	1,917,648
364	Poles, Towers, and Fixtures	140,464,604	5.0%	7,023,230	4.9%	6,882,766	(140,465)
365	Overhead Conductors & Devices	153,061,774	3.1%	4,744,915	3.6%	5,510,224	765,309
366	Underground Conduit	1,159,696	1.3%	15,076	1.1%	12,757	(2,319)
367	Underground Conductors	158,145,619	3.3%	5,218,805	2.4%	3,795,495	(1,423,311)
368	Line Transformers	282,436,706	4.0%	11,297,468	3.4%	9,602,848	(1,694,620)
369.1	Overhead Services	61,968,191	3.8%	2,354,791	3.9%	2,416,759	61,968
369.2	Underground Services	57,120,322	2.6%	1,485,128	2.6%	1,485,128	0
370	Meters	36,567,578	2.7%	987,325	7.9%	2,888,839	1,901,514
370 AMI	Meters - AMI Equipment	41,794,941	6.7%	2,800,261	4.8%	2,006,157	(794,104)
373	Street Lighting	75,546,351	5.0%	3,777,318	4.1%	3,097,400	(679,917)
	Total Distribution Plant	**1,247,954,522**	**3.6%**	**44,976,653**	**3.6%**	**44,835,531**	**(141,122)**

GULF POWER
Comparison of Depreciation Accrual Rates
Total Company Summary
As of December 31, 2016

Account	Description	Plant In Service 12/31/2016	Existing Annual Accrual Rate	Existing Annual Accrual Amount	Proposed Annual Accrual Rate	Proposed Annual Accrual Amount	Difference
General Plant							
390	Structures and Improvements	84,247,313	2.3%	1,937,688	2.2%	1,853,441	(84,247)
396	Power Operated Equipment	931,916	4.7%	43,800	1.7%	15,843	(27,957)
397	Communications Equipment	24,528,470	6.3%	1,545,294	5.7%	1,398,123	(147,171)
	Total General Plant	**109,707,699**	**3.2%**	**3,526,782**	**3.0%**	**3,267,406**	**(259,376)**
Transportation							
392.1	Automobiles	29,848	12.1%	3,612	8.2%	2,448	(1,164)
392.2	Light Trucks	7,519,254	9.3%	699,291	17.6%	1,323,389	624,098
392.3	Heavy Trucks	24,527,733	7.9%	1,937,691	9.0%	2,207,496	269,805
392.4	Trailers	1,320,796	4.8%	63,398	3.7%	48,869	(14,529)
	Total Transportation	**33,397,631**	**8.1%**	**2,703,991**	**10.7%**	**3,582,202**	**878,210**
	Total Transmission, Distribution, General, and Transportation Plant	**2,089,247,499**	**3.4%**	**70,316,485**	**3.6%**	**74,493,574**	**4,177,089**
	Total Company Depreciable Plant	**$ 5,003,921,925**	**3.2%**	**$ 160,384,838**	**3.6%**	**$ 180,799,104**	**$ 20,414,266**

GULF POWER
Comparison of Book vs Theoretical Reserve and Accrual Rate RL vs WL
Total Company Summary
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Theoretical Reserve	Proposed Remaining Life Accrual Rate	Proposed Whole Life Accrual Rate
PERDIDO LANDFILL							
	341	Structures and Improvements	2,221,640	280,795	474,078	7.8%	7.0%
	342	Fuel Holders	797,165	162,851	230,991	6.7%	6.0%
	343	Prime Movers	3,993,649	776,143	1,210,543	7.6%	6.6%
	345	Accessory Electric Equipment	1,056,282	224,856	317,573	6.7%	6.0%
	346	Misc Power Plant Equipment	170,350	184,540	26,286	0.0%	7.3%
		Total Perdido Landfill	**8,239,086**	**1,629,185**	**2,259,471**	**7.3%**	**6.6%**
SMITH CT							
	341	Structures and Improvements	1,369,495	228,002	510,086	8.6%	6.5%
	342	Fuel Holders	946,035	20,635	243,113	9.5%	7.3%
	343	Prime Movers	2,608,493	294,983	1,008,112	9.5%	6.6%
	344	Generators	3,856,145	3,001,457	2,843,378	2.0%	2.4%
	345	Accessory Electric Equipment	3,305,588	955,780	1,919,810	7.0%	4.2%
	346	Misc Power Plant Equipment	50,915	(10,911)	14,451	12.2%	7.2%
		Total Smith CT	**12,136,671**	**4,489,946**	**6,538,949**	**6.3%**	**4.7%**
SMITH CC							
	341	Structures and Improvements	28,036,877	2,730,556	510,086	4.7%	3.7%
	342	Fuel Holders	4,698,022	(569,072)	243,113	5.1%	3.9%
	343	Prime Movers	158,457,670	2,430,265	1,008,112	5.7%	3.9%
	344	Generators	84,589,044	26,301,332	2,843,378	2.7%	2.7%
	345	Accessory Electric Equipment	14,007,856	1,449,565	1,919,810	4.3%	3.4%
	346	Misc Power Plant Equipment	2,640,194	(934,984)	14,451	6.6%	4.6%
		Total Smith CT	**292,429,663**	**31,407,661**	**6,538,949**	**4.7%**	**3.5%**

GULF POWER
Comparison of Book vs Theoretical Reserve and Accrual Rate RL vs WL
Total Company Summary
As of December 31, 2016

Unit	Acct	Description	Plant Balance	Book Reserve	Theoretical Reserve	Proposed Remaining Life Accrual Rate	Proposed Whole Life Accrual Rate
TRANSMISSION							
	350.1	Easements	12,654,559	7,310,897	7,270,108	1.5%	1.5%
	352	Structures and Improvements	24,391,124	6,029,828	3,879,607	1.7%	1.9%
	353	Station Equipment	250,073,126	33,409,988	44,761,649	2.9%	2.8%
	354	Towers and Fixtures	42,290,155	24,879,312	23,268,888	2.1%	2.3%
	355	Poles and Fixtures	230,339,009	28,946,820	47,321,011	4.6%	4.4%
	356	Overhead Conductors & Devices	123,801,393	27,851,093	25,293,966	2.6%	2.6%
	358	Underground Conductors	14,402,363	8,392,435	7,442,406	1.7%	2.0%
	359	Roads and Trails	235,918	51,951	55,781	1.9%	1.8%
		Total Transmission Plant	**698,187,647**	**136,872,324**	**159,293,417**	**3.3%**	**3.2%**
DISTRIBUTION							
	360.1	Easements	204,176	38,383	38,979	1.8%	1.8%
	361	Structures and Improvements	26,412,569	8,307,855	7,179,948	2.0%	2.1%
	362	Station Equipment	213,071,996	48,190,373	61,464,238	3.1%	2.9%
	364	Poles, Towers, and Fixtures	140,464,604	79,425,237	67,451,759	4.9%	5.3%
	365	Overhead Conductors & Devices	153,061,774	52,068,507	63,664,644	3.6%	3.3%
	366	Underground Conduit	1,159,696	802,585	686,392	1.1%	1.5%
	367	Underground Conductors	158,145,619	63,904,565	46,476,590	2.4%	2.8%
	368	Line Transformers	282,436,706	104,889,760	83,899,805	3.4%	3.7%
	369.1	Overhead Services	61,968,191	38,141,620	32,389,783	3.9%	4.2%
	369.2	Underground Services	57,120,322	20,106,639	18,472,024	2.6%	2.7%
	370	Meters	36,567,578	(288,419)	9,339,691	7.9%	5.6%
	370	Meters - AMI Equipment	41,794,941	18,329,633	8,864,118	4.8%	6.7%
	373	Street Lighting	75,546,351	41,162,451	28,184,724	4.1%	5.2%
		Total Distribution Plant	**1,247,954,522**	**475,079,189**	**428,112,693**	**3.6%**	**3.8%**

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
BUDGET: DECEMBER, 2016

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7,417	0	0	0	0	7,417
Franchises and Consents	302	594	0	0	0	0	594
Intangible Software	303	17,447,793	247,324	0	0	0	17,695,117
TOTAL INTANGIBLE:		17,455,804	247,324	0	0	0	17,703,128
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		633,085,698	12,381,097	(24,826)	0	0	645,441,969
Land		4,135,018	0	0	0	0	4,135,018
Easements		77,160	0	0	0	0	77,160
Cooling Lake, 23 Year		8,954,192	0	0	0	0	8,954,192
Rail Track System		2,741,618	86,568	(174)	0	0	2,828,012
Asset Retirement Obligation		11,814,603	0	0	0	0	11,814,603
TOTAL DANIEL PLANT:		660,808,289	12,467,665	(25,000)	0	0	673,250,954
CRIST PLANT:							
Plant		1,523,827,701	34,934,635	(6,831,448)	0	0	1,551,930,888
Land		6,023,266	0	0	0	0	6,023,266
Easements		0	0	0	0	0	0
Base Coal, 5 Year		141,840	0	0	0	0	141,840
- 5 Year		65,066	2,130	0	0	0	67,196
- 7 Year		6,470,232	34,369	(930,621)	0	0	5,573,980
Asset Retirement Obligation		17,563,182	0	0	0	0	17,563,182
TOTAL CRIST PLANT:		1,554,091,287	34,971,134	(7,762,069)	0	0	1,581,300,352
SCHOLZ PLANT:							
Plant		8,895,204	0	0	0	0	8,895,204
Land		44,579	0	0	0	0	44,579
Base Coal, 5 Year		0	0	0	0	0	0
- 5 Year		8,730	0	0	(8,730)	0	0
- 7 Year		52,650	0	0	0	0	52,650
Asset Retirement Obligation		263,712	0	0	0	0	263,712
TOTAL SCHOLZ PLANT:		9,264,875	0	0	(8,730)	0	9,256,145
SMITH PLANT:							
Plant		176,578,873	5,525,000	(129,248,590)	0	(52,855,283)	0
Land		2,074,892	0	0	0	0	2,074,892
Base Coal, 5 Year		108,300	0	0	0	0	108,300
- 5 Year		24,236	0	(21,994)	0	0	2,242
- 7 Year		907,174	0	0	0	0	907,174
Asset Retirement Obligation		49,204,262	0	0	0	0	49,204,262
TOTAL SMITH PLANT:		228,897,737	5,525,000	(129,270,584)	0	(52,855,283)	52,296,870
SCHERER PLANT:							
Plant		379,410,405	2,158,323	(369,108)	0	0	381,199,620
Land		909,045	0	0	0	0	909,045
- 7 Year		205,735	0	(13,716)	0	0	192,019
Asset Retirement Obligation		7,152,626	0	0	0	0	7,152,626
TOTAL SCHERER PLANT:		387,677,811	2,158,323	(382,824)	0	0	389,453,310
TOTAL STEAM PRODUCTION:		2,840,739,999	55,122,122	(137,440,477)	(8,730)	(52,855,283)	2,705,557,631

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
BUDGET: DECEMBER, 2016

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	337,696	0	0	0	0	337,696
TOTAL LAND - NON-DEPRECIABLE:		337,696	0	0	0	0	337,696
SMITH PLANT CT:							
Structures and Improvements	341	1,310,239	121,050	(61,794)	0	0	1,369,495
Fuel Holders and Accessories	342	697,862	506,973	(258,801)	0	0	946,034
Prime Movers	343	2,601,866	13,540	(6,912)	0	0	2,608,494
Generators	344	3,438,921	852,318	(435,094)	0	0	3,856,145
Accessory Electric Equipment	345	3,284,902	42,259	(21,573)	0	0	3,305,588
Miscellaneous Equipment	346	43,147	15,868	(8,101)	0	0	50,914
TOTAL SMITH PLANT CT:		11,376,937	1,552,008	(792,275)	0	0	12,136,670
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	15,746,741	1,850,335	(944,565)	0	11,384,365	28,036,876
Fuel Holders and Accessories	342	3,257,398	2,942,951	(1,502,327)	0	0	4,698,022
Prime Movers	343	120,116,905	18,593,984	(9,491,915)	0	29,238,695	158,457,669
Generators	344	67,727,642	16,612,877	(8,480,593)	0	8,729,118	84,589,044
Accessory Electric Equipment	345	9,200,370	3,705,034	(1,891,357)	0	2,993,809	14,007,856
Miscellaneous Equipment	346	1,173,640	1,955,516	(998,258)	0	509,296	2,640,194
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		217,222,696	45,660,697	(23,309,015)	0	52,855,283	292,429,661
PACE PLANT:							
Prime Movers	343	6,790,595	1,106,321	(564,758)	0	0	7,332,158
Generators	344	3,107,233	770,111	(393,129)	0	0	3,484,215
Accessory Electric Equipment	345	584,090	195,476	(99,787)	0	0	679,779
Asset Retirement Obligation	347	397,194	0	0	0	0	397,194
TOTAL PACE PLANT:		10,879,112	2,071,908	(1,057,674)	0	0	11,893,346
PERDIDO PLANT:							
Structures and Improvements	341	942,440	1,279,200	0	0	0	2,221,640
Fuel Holders and Accessories	342	578,765	218,400	0	0	0	797,165
Prime Movers	343	2,745,649	1,248,000	0	0	0	3,993,649
Accessory Electric Equipment	345	806,682	249,600	0	0	0	1,056,282
Miscellaneous Equipment	346	45,550	124,800	0	0	0	170,350
TOTAL PERDIDO PLANT:		5,119,086	3,120,000	0	0	0	8,239,086
TOTAL OTHER PRODUCTION:		244,935,527	52,404,613	(25,158,964)	0	52,855,283	325,036,459
TOTAL PRODUCTION:		3,085,675,526	107,526,735	(162,599,441)	(8,730)	0	3,030,594,090
TRANSMISSION:							
Land	350.0	8,652,641	1,772	0	0	0	8,654,413
Easements	350.2	12,654,558	0	0	0	0	12,654,558
Structures and Improvements	352	24,391,123	0	0	0	0	24,391,123
Station Equipment	353	244,031,227	8,115,772	(2,073,873)	0	0	250,073,126
Towers and Fixtures	354	42,290,154	0	0	0	0	42,290,154
Poles and Fixtures	355	223,603,160	6,735,849	0	0	0	230,339,009
Overhead Conductors & Devices	356	122,823,628	977,765	0	0	0	123,801,393
Underground Conductors & Devices	358	14,402,363	0	0	0	0	14,402,363
Roads and Trails	359	235,918	0	0	0	0	235,918
Asset Retirement Obligation	359.1	7,232	0	0	0	0	7,232
TOTAL TRANSMISSION:		693,092,004	15,831,158	(2,073,873)	0	0	706,849,289

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
BUDGET: DECEMBER, 2016

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
Intangible Plant:							
Intangible Software	10,784,634	2,492,539	0	0	0	0	13,277,173
Total Intangible Plant:	10,784,634	2,492,539	0	0	0	0	13,277,173
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	148,522,900	17,992,343	(24,826)	(35,254)	0	0	166,455,163
Easements	43,671	1,080	0	0	0	0	44,751
Cooling Lake, 23 Year	8,954,192	0	0	0	0	0	8,954,192
Rail Track System	1,466,764	42,120	(174)	(246)	0	0	1,508,464
Dismantlement - Fixed	21,205,148	684,446	0	0	0	0	21,889,594
Asset Retirement Obligation	283,145	0	0	0	0	0	283,145
TOTAL DANIEL PLANT:	180,475,820	18,719,989	(25,000)	(35,500)	0	0	199,135,309
CRIST PLANT:							
Plant	395,659,596	53,434,228	(6,831,448)	(2,825,192)	296,000	0	439,733,184
Easements	0	0	0	0	0	0	0
Base Coal, 5 Year	141,840	0	0	0	0	0	141,840
- 5 Year	34,319	13,013	0	0	0	0	47,332
- 7 Year	2,341,998	814,433	(930,621)	0	0	0	2,225,810
Dismantlement - Fixed	86,923,165	6,458,948	0	0	0	0	93,382,113
Asset Retirement Obligation	664,430	0	0	0	0	0	664,430
TOTAL CRIST PLANT:	485,765,348	60,720,622	(7,762,069)	(2,825,192)	296,000	0	536,194,709
SCHOLZ PLANT:							
Plant	10,675,915	0	0	0	0	0	10,675,915
Base Coal, 5 Year	0	0	0	0	0	0	0
- 5 Year	8,127	603	(8,730)	0	0	0	0
- 7 Year	13,810	7,521	0	0	0	0	21,331
Dismantlement - Fixed	15,175,691	799,767	0	0	0	0	15,975,458
Asset Retirement Obligation	287,630	0	0	0	0	0	287,630
TOTAL SCHOLZ PLANT:	26,161,173	807,891	(8,730)	0	0	0	26,960,334
SMITH PLANT:							
Plant	101,653,638	2,991,918	(129,248,590)	(50,000)	0	24,653,034	0
Base Coal, 5 Year	108,300	0	0	0	0	0	108,300
- 5 Year	18,945	4,847	(21,994)	0	0	0	1,798
- 7 Year	446,578	129,596	0	0	0	0	576,174
Dismantlement - Fixed	23,558,517	1,249,287	0	0	0	0	24,807,804
Asset Retirement Obligation	1,487,302	0	0	0	0	0	1,487,302
TOTAL SMITH PLANT:	127,273,280	4,375,648	(129,270,584)	(50,000)	0	24,653,034	26,981,378
SCHERER PLANT:							
Plant	127,143,293	7,607,968	(369,108)	(149,938)	0	0	134,232,215
Dismantlement - Fixed	139,647	98,878	0	0	0	0	238,525
- 7 Year	5,341,397	27,464	(13,716)	0	0	0	5,355,145
Asset Retirement Obligation	520,177	0	0	0	0	0	520,177
TOTAL SCHERER PLANT:	133,144,514	7,734,310	(382,824)	(149,938)	0	0	140,346,062
TOTAL STEAM PRODUCTION:	952,820,135	92,358,460	(137,449,207)	(3,060,630)	296,000	24,653,034	929,617,792

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
BUDGET: DECEMBER, 2016

		Balance End of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	243,455	48,613	(61,794)	(2,272)	0	0	228,002
Fuel Holders and Accessories	342	257,778	31,172	(258,801)	(9,515)	0	0	20,634
Prime Movers	343	208,319	93,829	(6,912)	(254)	0	0	294,982
Generators	344	3,318,576	133,971	(435,094)	(15,997)	0	0	3,001,456
Accessory Electric Equipment	345	859,386	118,761	(21,573)	(793)	0	0	955,781
Miscellaneous Equipment	346	(4,256)	1,743	(8,101)	(298)	0	0	(10,912)
Dismantlement - Fixed		183,296	3,258	0	0	0	0	186,554
TOTAL SMITH PLANT CT:		5,066,554	431,347	(792,275)	(29,129)	0	0	4,676,497
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	2,241,846	458,080	(944,565)	(34,728)	0	1,009,922	2,730,555
Fuel Holders and Accessories	342	869,970	118,519	(1,502,327)	(55,235)	0	0	(569,073)
Prime Movers	343	(15,271,760)	3,535,832	(9,491,915)	(348,982)	0	24,007,089	2,430,264
Generators	344	25,129,828	2,050,547	(8,480,593)	(311,799)	0	7,913,349	26,301,332
Accessory Electric Equipment	345	1,936,809	291,994	(1,891,357)	(69,538)	0	1,181,657	1,449,565
Miscellaneous Equipment	346	108,408	51,010	(998,258)	(36,702)	0	(59,442)	(934,984)
Dismantlement - Fixed		3,587,073	280,020	0	0	0	0	3,867,093
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		18,602,174	6,786,002	(23,309,015)	(856,984)	0	34,052,575	35,274,752
PACE PLANT:								
Prime Movers	343	6,057,244	379,336	(564,758)	(20,764)	0	0	5,851,058
Generators	344	2,780,860	178,211	(393,129)	(14,454)	0	0	2,551,488
Accessory Electric Equipment	345	522,252	34,391	(99,787)	(3,669)	0	0	453,187
Asset Retirement Obligation	347	349,201	0	0	0	0	0	349,201
Dismantlement - Fixed		(26,980)	17,334	0	0	0	0	(9,646)
TOTAL PACE PLANT:		9,682,577	609,272	(1,057,674)	(38,887)	0	0	9,195,288
PERDIDO PLANT:								
Structures and Improvements	341	212,045	68,749	0	0	0	0	280,794
Fuel Holders and Accessories	342	130,219	32,631	0	0	0	0	162,850
Prime Movers	343	617,762	158,382	0	0	0	0	776,144
Accessory Electric Equipment	345	180,302	44,554	0	0	0	0	224,856
Miscellaneous Equipment	346	180,152	4,387	0	0	0	0	184,539
		1,320,480	308,703	0	0	0	0	1,629,183
TOTAL OTHER PRODUCTION:		34,671,785	8,135,324	(25,158,964)	(925,000)	0	34,052,575	50,775,720
TOTAL PRODUCTION:		987,491,920	100,493,784	(162,608,171)	(3,985,630)	296,000	58,705,609	980,393,512
TRANSMISSION:								
Land	350	0	0	0	0	0	0	0
Easements	350.2	7,108,424	202,473	0	0	0	0	7,310,897
Structures and Improvements	352	4,070,129	487,823	0	0	0	1,471,875	6,029,827
Station Equipment	353	29,885,564	5,594,125	(2,073,873)	4,171	0	0	33,409,987
Towers and Fixtures	354	23,906,638	972,674	0	0	0	0	24,879,312
Poles and Fixtures	355	20,762,023	8,184,797	0	0	0	0	28,946,820
Overhead Conductors & Devices	356	24,775,272	3,075,821	0	0	0	0	27,851,093
Underground Conductors & Devices	358	8,089,988	302,448	0	0	0	0	8,392,436
Roads and Trails	359	47,232	4,719	0	0	0	0	51,951
Asset Retirement Obligation	359.1	4,356	0	0	0	0	0	4,356
TOTAL TRANSMISSION:		118,649,626	18,824,880	(2,073,873)	4,171	0	1,471,875	136,876,679

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
BUDGET: DECEMBER, 2016

		Balance End of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:								
Easements	360.1	34,708	3,675	0	0	0	0	38,383
Structures and Improvements	361	7,726,782	581,075	0	0	0	0	8,307,857
Station Equipment	362	43,641,951	4,575,224	(10,000)	(16,802)	0	0	48,190,373
Poles, Towers & Fixtures	364	73,698,103	6,908,833	(759,900)	(633,850)	212,050	0	79,425,236
Overhead Conductors & Devices	365	49,746,039	4,608,489	(1,542,450)	(843,596)	100,024	0	52,068,506
Underground Conduit	366	787,509	15,076	0	0	0	0	802,585
Underground Conductors & Devices	367	59,926,792	5,109,334	(803,450)	(335,053)	6,942	0	63,904,565
Line Transformers	368	97,977,136	10,971,044	(3,237,900)	(1,350,340)	529,820	0	104,889,760
Services:								
- Overhead	369.1	35,970,423	2,321,196	(60,000)	(90,000)	0	0	38,141,619
- Underground	369.2	18,881,386	1,433,253	(130,000)	(78,000)	0	0	20,106,639
Meters	370	(1,031,884)	943,465	(200,000)	0	0	0	(288,419)
Meters - AMI	370	15,529,372	2,800,261	0	0	0	0	18,329,633
Meters - FPSC Segregated	370	0	0	0	0	0	0	0
Meters - Non FPSC Segregated	370	868,574	0	0	0	0	0	868,574
Street Lighting & Signal Systems	373	38,695,797	3,580,006	(1,005,300)	(112,936)	4,884	0	41,162,451
Asset Retirement Obligation	374	26,535	0	0	0	0	0	26,535
TOTAL DISTRIBUTION:		442,479,223	43,850,931	(7,749,000)	(3,460,577)	853,720	0	475,974,297
GENERAL PLANT:								
Structures and Improvements	390	30,074,356	1,850,416	(240,221)	(43,040)	0	0	31,641,511
Office Furniture & Equipment:								
- Computer, 5 Year	391	1,434,211	785,228	(192,270)	0	0	0	2,027,169
- Non-Computer, 7 Year	391	1,303,498	456,155	0	0	0	0	1,759,653
Transportation Equipment:								
- Automobile	392.1	12,942	3,611	0	0	0	0	16,553
- Light Trucks	392.2	4,005,300	698,872	(592,011)	0	108,106	0	4,220,267
- Heavy Trucks	392.3	13,244,516	1,936,727	(1,612,376)	0	294,434	0	13,863,301
- Trailers	392.4	724,605	63,364	(95,613)	0	17,460	0	709,816
- Marine, 5 Year	392	10,104	5,695	0	0	0	0	15,799
Stores Equipment - 7 Year	393	634,861	209,384	(190,336)	0	0	0	653,909
Tools, Shop & Garage Equip. - 7 Year	394	1,907,568	520,691	0	0	0	0	2,428,259
Laboratory Equipment - 7 Year	395	1,230,491	356,629	0	0	0	0	1,587,120
Power Operated Equipment	396	627,584	43,799	0	0	0	0	671,383
Communication Equipment:								
- Other	397	8,463,522	1,388,886	(25,000)	(10,500)	7,000	0	9,823,908
- 7 Year	397	2,481,985	803,454	0	0	0	0	3,285,439
Miscellaneous Equipment - 7 Year	398	1,231,902	446,896	0	0	0	0	1,678,798
Asset Retirement Obligation	399.1	130,590	0	0	0	0	0	130,590
TOTAL GENERAL:		67,518,035	9,569,807	(2,947,827)	(53,540)	427,000	0	74,513,475
TOTAL ELECTRIC PLANT-IN-SERVICE:		1,626,923,438	175,231,941	(175,378,871)	(7,495,576)	1,576,720	60,177,484	1,681,035,136

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: **Petition for approval of 2016 depreciation and dismantlement studies, approval of proposed depreciation rates and annual dismantlement accruals and Plant Smith Units 1 and 2 regulatory asset amortization, by Gulf Power Company**	)	Docket No.: **160170-EI**

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 20th day of September, 2016 to the following:

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