



Gulf Power®

August 9, 2019

Mr. Adam Teitzman, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Energy Conservation Cost Recovery Clause
Docket No. 20190002-EG

Dear Mr. Teitzman:

Attached for official filing in the above-referenced docket are the following:

1. The Petition of Gulf Power Company.
2. Prepared Direct Testimony and Exhibit of John N. Floyd.

Pursuant to the Order Establishing Procedure in this docket, electronic copies of exhibit JNF-2 will be provided to the parties under separate cover.

Sincerely,

C. Shane Boyett
Regulatory, Forecasting and Pricing Manager

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Attachments

cc: Florida Public Service Commission
Margo DuVal, Sr Attorney, Office of the General Counsel (5 copies)
Gulf Power Company
Russell Badders, Esq., General Counsel
Beggs & Lane

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Conservation Cost Recovery)
) Docket No.: 20190002-EG
) Filed: August 9, 2019
)

**PETITION OF GULF POWER COMPANY FOR APPROVAL OF
THE FINAL CONSERVATION COST RECOVERY TRUE-UP AMOUNTS
FOR JANUARY 2018 THROUGH DECEMBER 2018;
ESTIMATED CONSERVATION COST RECOVERY TRUE-UP AMOUNTS
FOR JANUARY 2019 THROUGH DECEMBER 2019;
PROJECTED CONSERVATION COST RECOVERY AMOUNTS
FOR JANUARY 2020 THROUGH DECEMBER 2020; AND
THE CONSERVATION COST RECOVERY FACTORS TO BE APPLIED BEGINNING
WITH THE PERIOD JANUARY 2020 THROUGH DECEMBER 2020**

Notices and communications with respect to this Petition and docket should be addressed to:

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GULF POWER COMPANY ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned attorneys, and pursuant to section 366.82, Florida Statutes, and Rule 25-17.015, Florida Administrative Code, hereby petitions the Florida Public Service Commission for recovery of the final conservation cost recovery true-up amounts for January 2018 through December 2018; for approval of its estimated energy conservation true-up amounts for the period January 2019 through December 2019; for approval of the projected energy conservation cost amounts for the period January 2020 through December 2020; and for approval of the proposed energy conservation cost recovery factors to be applied beginning with the period January 2020 through December 2020.

In support thereof, the Company would respectfully show:

1. Gulf is a corporation with its headquarters located at 500 Bayfront Parkway, Pensacola, Florida 32520. The Company is an investor-owned electric utility operating under the jurisdiction of this Commission.
2. Pursuant to section 366.82, Florida Statutes, Gulf's energy conservation programs and goals have been approved and adopted by order of this Commission. The implementation of these programs has resulted in certain reasonable and prudent un-reimbursed costs incurred or to be incurred which the Company hereby petitions to be recovered through its rates and charges pursuant to Rule 25-17.015, F.A.C., and the orders and procedures of this Commission.
3. Incorporated by reference into this Petition is the testimony and exhibit of John N. Floyd, submitted in May 2019 and the testimony and exhibits of John N. Floyd filed concurrently with this Petition.¹ Mr. Floyd's composite exhibits present reports of Gulf's

¹ The composite exhibit attached to Mr. Floyd's May 2019 testimony contains the Company's CT schedules for the twelve-month period ending December 2018. The composite exhibit attached to Mr. Floyd's August 2019 testimony contains the Company's C schedules for the twelve-month period ending December 2019 and includes data related to the current period January through June 2019, actual and July through December 2019, estimated.

various programs and incorporate the appropriate and necessary data and information to show the energy conservation cost calculations projected for the period January 2020 through December 2020 and the appropriate true-up adjustment to be applied based on actual data through June 2019 and estimated data for the remainder of the period through December 2019.

4. The final conservation cost recovery true-up amounts were filed with the Commission in May 2019 as shown on Schedule CT-1. The final true-up amount for the period January 2018 through December 2018, as presented in the testimony and exhibit of Mr. Floyd filed in May 2019 as modified by the Company's June 20, 2019 errata filing, is an over recovery of \$390,862 which amount is hereby submitted for approval by the Commission to be included in the calculation of the conservation cost recovery factors for the next period.

5. Gulf has calculated its estimated true-up amount for the period ending December 2019 to be an over recovery of \$4,545,395. This amount, which is inclusive of the effects of the final true-up amount of \$390,862 for 2018, is hereby submitted for approval by the Commission to be included in the calculation of the conservation cost recovery factors for the next period.

6. Gulf projects recoverable expenditures of \$6,249,300, including true-up amounts and revenue taxes, for its approved conservation programs during the twelve-month period beginning January 2020 and ending December 2020.

7. Gulf projects that its retail energy sales during the period January 2020 through December 2020 will be 10,951,029,000 kilowatt hours (kWh).

8. On the basis of the final true-up for the period January 2018 through December 2018, the estimated true-up for the period January 2019 through December 2019, the cost

projections for the period January 2020 through December 2020, and proper consideration of both projected kWh sales and the adjustment for revenue taxes, the Company's proposed conservation cost recovery factors by customer class for the period January 2020 through December 2020 are as follows:

| RATE CLASS | CONSERVATION COST RECOVERY FACTORS ¢/kWh |
|----------------------------|---|
| RS | 0.06 |
| RSVP Tier 1 | (2.800) |
| RSVP Tier 2 | (0.840) |
| RSVP Tier 3 | 6.735 |
| RSVP Tier 4 | 50.918 |
| RSTOU On-peak | 14.000 |
| RSTOU Off-peak | (2.686) |
| RSTOU Critical Peak Credit | \$5.00 per event |
| GS | 0.06 |
| GSD, GSDT, GSTOU | 0.056 |
| LP, LPT | 0.053 |
| LPT-CPO On-Peak | (\$4.89) per kW |
| LPT-CPO Critical | \$58.68 per kW |
| PX, PXT, RTP, SBS | 0.052 |
| OSI, OSII | 0.041 |
| OSIII | 0.052 |
| CL Credit | \$5.57 per kW |

WHEREFORE, Gulf Power Company respectfully requests the Commission to authorize the Company to recover its un-reimbursed costs reasonably and prudently incurred in accordance with this petition and thereby approve the final conservation cost recovery true-up amounts for the period January 2018 through December 2018, the estimated conservation cost recovery true-up amounts for January 2019 through December 2019, the projected conservation cost recovery amounts for January 2020 through December 2020; and the conservation cost recovery factors, to be applied beginning with the period January 2020 through December 2020.

Dated this 9th day of August, 2019.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ENERGY CONSERVATION COST
RECOVERY CLAUSE**

Docket No. 20190002-EG

**PREPARED DIRECT TESTIMONY
AND EXHIBIT OF**

JOHN N. FLOYD

**PROJECTION
JANUARY 2020 – DECEMBER 2020**

**ESTIMATED ACTUAL TRUE-UP FILING
JANUARY 2019 – DECEMBER 2019**

AUGUST 9, 2019



1 GULF POWER COMPANY

2 Before the Florida Public Service Commission
3 Prepared Direct Testimony
4 John N. Floyd
5 Docket No. 20190002-EG
6 Energy Conservation Cost Recovery Clause
7 August 9, 2019

8 Q. Will you please state your name, business address, employer and
9 position?

10 A. My name is John N. Floyd, and my business address is One Energy
11 Place, Pensacola, Florida 32520. I am employed by Gulf Power Company
12 (Gulf or the Company) as the Manager of Strategy and Market
13 Intelligence.

14 Q. Mr. Floyd, please describe your educational background and business
15 experience.

16 A. I received a Bachelor Degree in Electrical Engineering from Auburn
17 University in 1985. After serving four years in the U.S. Air Force, I began
18 my career in the electric utility industry at Gulf Power in 1990 and have
19 held various positions with the Company in Power Generation, Metering,
20 Power Delivery and Marketing. In my present position, I am responsible
21 for the development and implementation of Gulf's customer program
22 offerings associated with the Company's Demand-Side Management
23 (DSM) Plan.
24
25

1 Q. Mr. Floyd, for what purpose are you appearing before this Commission
2 today?

3 A. I am testifying before this Commission on behalf of Gulf Power to address
4 matters related to the Energy Conservation Cost Recovery Clause and to
5 answer any questions concerning the calculation of recoverable
6 conservation costs in this filing. Specifically, I will address projections for
7 approved programs during the January 2020 through December 2020
8 recovery period and the anticipated results of those programs during the
9 current recovery period, January 2019 through December 2019 (six
10 months actual, six months estimated).

11

12 Q. Are you sponsoring any exhibits to your testimony?

13 A. Yes. My exhibit consists of six schedules, each of which was prepared
14 under my direction, supervision, or review.

15

16 Q. Would you summarize for this Commission the deviations resulting from
17 the actual costs for January 2019 through June 2019 of the current
18 recovery period?

19 A. Projected expenses for the first six months of the current period were
20 \$7,523,482 compared to actual expenses of \$4,958,330 for a difference of
21 \$2,565,152 or 34% under budget. A detailed summary of all program
22 expenses is contained in my Schedule C-3, pages 1 and 2, and my
23 Schedule C-5.

24

25

1 Q. Did you project expenses for the period July 2019 through December
2 2019?

3 A. Yes. A detailed summary of those projections can be found in my
4 Schedule C-3.

5

6 Q. How do the estimated actual expenses compare to projected expenses
7 included in the 2019 Projection filing for the period July – December
8 2019?

9 A. Estimated actual expenses for the period July – December 2019 of
10 \$5,374,997 are \$1,880,735 or 26% less than the projected expenses for
11 that same period of \$7,255,733.

12

13 Q. Have you provided a description of Gulf's DSM program results achieved
14 during the period, January 2019 through June 2019?

15 A. Yes. A detailed summary of year-to-date results for each program is
16 contained in my Schedule C-5.

17

18 Q. Would you summarize the conservation program cost projections for the
19 January 2020 through December 2020 recovery period?

20 A. Yes. Program costs for the projection period are estimated to be
21 \$10,790,199. These costs are broken down as follows: depreciation,
22 return on investment and property taxes, \$3,224,640; payroll/benefits,
23 \$1,966,598; materials/expenses, \$3,576,766; advertising, \$404,677; and
24 incentives, \$1,617,518. More detail concerning these projections is
25 contained in my Schedule C-2.

1 Q. Are the Company's projected expenses for the January 2020 through
2 December 2020 period reasonable and appropriate for cost recovery?

3 A. Yes. These expense reflect the projected costs of administering programs
4 associated with the Company's approved DSM Plan.
5

6 Q. What is the basis for Gulf's conservation program cost projections for the
7 January 2020 through December 2020 recovery period?

8 A. These projections are based on program cost estimates associated with
9 Gulf's 2015 DSM Plan approved on August 19, 2015, in Order No. PSC-
10 15-0330-PAA-EG and historical program participation.
11

12 Q. Would you describe the expected results for your programs during the
13 January 2020 through December 2020 recovery period?

14 A. Program details, including expected results, for the period January 2020
15 through December 2020 can be found in my Schedule C-5.
16

17 Q. What is the total proposed 2020 factor for Rate Schedule RS and what will
18 be the charge for a 1,000 kWh monthly bill on Gulf Power's Rate Schedule
19 RS?

20 A. The proposed Energy Conservation Cost Recovery factor for Rate
21 Schedule RS is .06 cents per kWh, which results in a charge of \$0.60 on a
22 1,000 kWh monthly bill on Gulf Power's Rate Schedule RS.
23
24
25

1 Q. When does Gulf propose to collect these Energy Conservation Cost
2 Recovery charges?

3 A. The factors will be effective beginning with the first bill group for January
4 2020 and continue through the last bill group for December 2020.

5

6 Q. Mr. Floyd, does this conclude your testimony?

7 A. Yes, it does.

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AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 20190002-EG

Before me the undersigned authority, personally appeared John N. Floyd, who being first duly sworn, deposes, and says that he is the Manager of Strategy and Market Intelligence of Gulf Power Company, a Florida corporation, that the foregoing is true and correct to the best of his knowledge, information, and belief. He is personally known to me.



John N. Floyd
Manager of Strategy and Market Intelligence

Sworn to and subscribed before me this 9th day of August, 2019.



Notary Public, State of Florida at Large


MELISSA DARNES
MY COMMISSION # FF 912698
EXPIRES: December 17, 2019
Bonded Thru Budget Notary Services

GULF POWER COMPANY
ENERGY CONSERVATION COST RECOVERY CLAUSE
INDEX OF SCHEDULES

| Schedule Number | Title | Pages |
|-----------------|---|-------|
| C-1 | Summary of Cost Recovery Clause Calculation | 2-4 |
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| C-3 | Conservation Program Costs for January 2019 - June 2019 Actual July 2019 - December 2019 Estimated | 8-13 |
| C-4 | Calculation of Conservation Revenues | 14 |
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GULF POWER COMPANY
 ENERGY CONSERVATION CLAUSE
 SUMMARY OF PROJECTED COST RECOVERY CLAUSE CALCULATION
 For the Period: January, 2020 Through December, 2020

| | | \$ |
|----|--|-------------|
| 1. | Net Program Costs: Projected for 2020 (Schedule C-2 Page 2 of 3, Line 17) | 10,790,199 |
| 2. | True Up: Estimated 2019 (Jan-Jun Actual; Jul-Dec Est.) (Schedule C-3, Page 3 of 5, Line 11) | (4,545,395) |
| 3. | Total (Line 1 + Line 2) | 6,244,804 |
| 4. | Cost Subject to Revenue Taxes | 6,244,804 |
| 5. | Revenue Tax | 1.00072 |
| 6. | Total Recoverable Cost | 6,249,300 |

Program costs are split in proportion to the current period split of demand-related and energy-related costs, see below. The allocation of projected ECCR costs between demand and energy is shown on schedule C-2, page 2 of 3, and is consistent with the methodology set forth in FPSC Order No. PSC-93-1845-FOF-EG.

| | | |
|-----|-----------------------------------|-----------|
| 7. | Total Cost | 6,249,300 |
| 8. | Energy Related Costs | 4,163,270 |
| 9. | Demand Related Costs (total) | 2,086,030 |
| 10. | Demand Costs Allocated on 12 CP | 1,925,566 |
| 11. | Demand Costs Allocated on 1/13 th | 160,464 |

| | Energy \$ | * Demand \$ | Total | Energy | Demand | Total Recoverable Costs Including Revenue Taxes | |
|-----|-----------------|-------------|-----------|------------|-------------|---|-------------|
| | \$ | \$ | \$ | \$ | \$ | \$ | |
| 12. | Est/Actual 2019 | 7,609,673 | 2,723,654 | 10,333,327 | (3,349,732) | (1,198,936) | (4,548,668) |
| 13. | Percentage | 73.64% | 26.36% | 100.00% | | | |
| 14. | Projected 2020 | 7,507,596 | 3,282,603 | 10,790,199 | 7,513,002 | 3,284,966 | 10,797,968 |
| 15. | Percentage | 69.58% | 30.42% | 100.00% | | | |
| 16. | Total | | | 4,163,270 | 2,086,030 | 6,249,300 | |

* Note: Demand dollars are half of Energy Select, all of Critical Peak Option and all of Curtailable Load.

GULF POWER COMPANY
ENERGY CONSERVATION COST RECOVERY FACTORS
CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS
For the Period: January, 2020 Through December, 2020

| Rate Class | A | B | C | D | E | F | G | H | I |
|-------------------|------------------------------------|---|---------------------------------|------------------------------|------------------------------|--|--------------------------------------|--|---|
| | Average 12 CP Load Factor at Meter | Jan - Dec 2020 Projected KWH Sales at Meter | Projected Avg 12 CP KW at Meter | Demand Loss Expansion Factor | Energy Loss Expansion Factor | Jan - Dec 2020 Projected KWH Sales at Generation | Projected Avg 12 CP KW at Generation | Jan - Dec 2020 Percentage of KWH Sales at Generation | Percentage of 12 CP KW Demand at Generation |
| RS, RSVP, RSTOU | 58.270328% | 5,468,715,000 | 1,071,356 | 1.00609343 | 1.00559591 | 5,499,317,437 | 1,077,884 | 50.22061% | 57.87766% |
| GS | 57.224449% | 302,467,000 | 60,338 | 1.00608241 | 1.00559477 | 304,159,233 | 60,705 | 2.77763% | 3.25960% |
| GSD, GSDT, GSTOU | 74.102156% | 2,428,641,000 | 374,135 | 1.00590017 | 1.00544671 | 2,441,869,103 | 376,342 | 22.29953% | 20.20795% |
| LP, LPT | 85.094449% | 879,247,000 | 117,952 | 0.98747379 | 0.99210885 | 872,308,730 | 116,475 | 7.96606% | 6.25418% |
| PX, PXT, RTP, SBS | 84.969637% | 1,720,313,000 | 231,121 | 0.96884429 | 0.97666479 | 1,680,169,135 | 223,920 | 15.34356% | 12.02355% |
| OS - I / II | 767.743332% | 104,803,000 | 1,558 | 1.00619545 | 1.00560119 | 105,390,022 | 1,568 | 0.96244% | 0.08419% |
| OS-III | 98.645916% | 46,843,000 | 5,421 | 1.01 | 1.00558881 | 47,104,797 | 5,454 | 0.00 | 0.29287% |
| TOTAL | | 10,951,029,000 | 1,861,881 | | | 10,950,318,457 | 1,862,349 | 100.000000% | 100.000000% |

Notes:
Column A = Average 12 CP load factor based on actual 2018 load research data.
Column C = Column B / (8760 hours x Column A), 8,760 is the number of hours in 12 months.
Column F = Column B x Column E
Column G = Column C x Column D
Column H = Column F / Total Column F
Column I = Column G / Total Column G

GULF POWER COMPANY
ENERGY CONSERVATION COST RECOVERY FACTORS
CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS
For the Period: January, 2020 Through December, 2020

| Rate Class | A Jan - Dec 2020 Percentage of KWH Sales at Generation | B Percentage of 12 CP KW Demand at Generation | C Demand Allocation 12CP | D 1/13 th | E Energy Allocation | F Total Conservation Costs | G Jan - Dec 2020 Projected KWH Sales at Meter | H Conservation Recovery Factor cents per KWH |
|-------------------|--|--|--------------------------------|------------------|---------------------------|-------------------------------------|---|--|
| RS, RSVP, RSTOU | 50.22061% | 57.87766% | \$1,114,474 | 80586.00 | \$2,090,819 | \$3,285,879 | 5,468,715,000 | 0.060 |
| GS | 2.77763% | 3.25960% | 62,766 | 4,457 | 115,640 | 182,863 | 302,467,000 | 0.060 |
| GSD, GSDT, GSTOU | 22.29953% | 20.20795% | 389,117 | 35,783 | 928,390 | 1,353,290 | 2,428,641,000 | 0.056 |
| LP, LPT | 7.96606% | 6.25418% | 120,428 | 12,783 | 331,649 | 464,860 | 879,247,000 | 0.053 |
| PX, PXT, RTP, SBS | 15.34356% | 12.02355% | 231,521 | 24,621 | 638,794 | 894,936 | 1,720,313,000 | 0.052 |
| OS - I / II | 0.96244% | 0.08419% | 1,621 | 1,544 | 40,069 | 43,234 | 104,803,000 | 0.041 |
| OS-III | 0.43017% | 0.29287% | 5,639 | 690 | 17,909 | 24,238 | 46,843,000 | 0.052 |
| TOTAL | 100.00000% | 100.00000% | \$1,925,566 | \$160,464 | \$4,163,270 | \$6,249,300 | 10,951,029,000 | |

Notes:

- A Obtained from Schedule C-1, page 2 of 3, column H
- B Obtained from Schedule C-1, page 2 of 3, column I
- C Total from C-1, page 1, line 10 * column B
- D Total from C-1, page 1, line 11 * column A
- E Total from C-1, page 1, line 8 * column A
- F Sum of Columns C, D and E
- G Projected kWh sales for the period January 2020 through December 2020
- H Column F / G

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
PROJECTED CONSERVATION PROGRAM NET COSTS
For the Period: January, 2020 Through December, 2020

| Programs | Depreciation, Return & Property Taxes | Payroll & Benefits | Materials & Supplies | Other | Advertising | Incentives | Total Costs | Program Fees | Net Costs |
|---|--|--------------------------|-------------------------|----------|----------------|----------------|------------------|-----------------|------------------|
| Residential Conservation Programs: | | | | | | | | | |
| 1. Residential Energy Audit and Education | 0 | 515,795 | 142,725 | 0 | 329,677 | 0 | 988,197 | 0 | 988,197 |
| 2. Community Energy Saver | 0 | 67,674 | 721,625 | 0 | 0 | 0 | 789,299 | 0 | 789,299 |
| 3. Residential Custom Incentive | 0 | 56,910 | 900 | 0 | 0 | 0 | 57,810 | 0 | 57,810 |
| 4. HVAC Efficiency | 0 | 163,427 | 806,404 | 0 | 0 | 400,000 | 1,369,831 | 0 | 1,369,831 |
| 5. Residential Building Efficiency | 0 | 147,013 | 79,900 | 0 | 0 | 355,000 | 581,913 | 0 | 581,913 |
| 6. Energy Select | 3,224,640 | 347,681 | 1,552,848 | 0 | 75,000 | 0 | 5,200,169 | 0 | 5,200,169 |
| Subtotal | 3,224,640 | 1,298,501 | 3,304,402 | 0 | 404,677 | 755,000 | 8,987,220 | 0 | 8,987,220 |
| Commercial / Industrial Conservation Programs: | | | | | | | | | |
| 7. Commercial / Industrial Audit | 0 | 429,837 | 57,065 | 0 | 0 | 0 | 486,902 | 0 | 486,902 |
| 8. HVAC Retrocommissioning | 0 | 61,048 | 47,190 | 0 | 0 | 25,000 | 133,238 | 0 | 133,238 |
| 9. Commercial Building Efficiency | 0 | 144,527 | 70,609 | 0 | 0 | 175,000 | 390,136 | 0 | 390,136 |
| 10. Commercial / Industrial Custom Incentive | 0 | 32,686 | 2,500 | 0 | 0 | 0 | 35,186 | 0 | 35,186 |
| Subtotal | 0 | 668,097 | 177,364 | 0 | 0 | 200,000 | 1,045,461 | 0 | 1,045,461 |
| 11. Residential Time of Use Rate Pilot | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 12. Conservation Demonstration and Development | 0 | 0 | 75,000 | 0 | 0 | 0 | 75,000 | 0 | 75,000 |
| 13. Critical Peak Option | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 14. Curtailable Load | 0 | 0 | 20,000 | 0 | 0 | 662,518 | 682,518 | 0 | 682,518 |
| 15. Total All Programs | 3,224,640 | 1,966,598 | 3,576,766 | 0 | 404,677 | 1,617,518 | 10,790,199 | 0 | 10,790,199 |
| 16. Less: Base Rate Recovery | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 17. Net Program Costs | 3,224,640 | 1,966,598 | 3,576,766 | 0 | 404,677 | 1,617,518 | 10,790,199 | 0 | 10,790,199 |

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES
Energy Select

For the Period: January, 2020 Through December, 2020

| Line No. | Description | Beginning of Period | Projected January | Projected February | Projected March | Projected April | Projected May | Projected June | Projected July | Projected August | Projected Sept | Projected Oct | Projected Nov | Projected Dec | Total |
|----------|--|---------------------|-------------------|--------------------|-----------------|-----------------|---------------|----------------|----------------|------------------|----------------|---------------|---------------|---------------|-----------|
| 1. | Additions to Plant In Service (Net of Retirements) | | 77,368 | 77,368 | 77,368 | 77,368 | 77,368 | 77,368 | 66,175 | 66,175 | 66,175 | 66,175 | 66,175 | 66,175 | 66,175 |
| 2. | Depreciation Base | 17,766,557 | 17,843,925 | 17,921,292 | 17,998,660 | 18,076,028 | 18,153,396 | 18,230,764 | 18,296,939 | 18,363,115 | 18,429,290 | 18,495,466 | 18,561,641 | 18,627,817 | |
| 3. | Depreciation Expense (A) | | 117,259 | 117,770 | 118,281 | 118,791 | 119,302 | 119,812 | 120,323 | 120,760 | 121,197 | 121,633 | 122,070 | 122,507 | 1,439,705 |
| 4. | Cumulative Plant in Service Additions | 17,766,557 | 17,843,925 | 17,921,292 | 17,998,660 | 18,076,028 | 18,153,396 | 18,230,764 | 18,296,939 | 18,363,115 | 18,429,290 | 18,495,466 | 18,561,641 | 18,627,817 | |
| 5. | Salvage, Cost of Removal and Retirement | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. | Less: Accumulated Depreciation | (5,331,268) | (5,214,009) | (5,096,239) | (4,977,958) | (4,859,167) | (4,739,865) | (4,620,053) | (4,499,730) | (4,378,970) | (4,257,773) | (4,136,140) | (4,014,070) | (3,891,563) | |
| 7. | Net Plant in Service (Line 4 - 6) | 23,097,825 | 23,057,933 | 23,017,531 | 22,976,618 | 22,935,195 | 22,893,261 | 22,850,817 | 22,796,669 | 22,742,085 | 22,687,063 | 22,631,605 | 22,575,711 | 22,519,379 | |
| 8. | Net Additions/Reductions to CWIP | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. | CWIP Balance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. | Inventory | | 610,230 | 569,680 | 529,130 | 488,580 | 448,030 | 407,480 | 366,929 | 326,379 | 285,829 | 245,279 | 204,729 | 164,179 | |
| 11. | Net Investment (Line 7 + 9 + 10) | 23,097,825 | 23,668,164 | 23,587,211 | 23,505,748 | 23,423,775 | 23,341,290 | 23,258,296 | 23,163,598 | 23,068,464 | 22,972,892 | 22,876,885 | 22,780,440 | 22,683,558 | |
| 12. | Average Net Investment | | 23,382,994 | 23,627,687 | 23,546,480 | 23,464,761 | 23,382,533 | 23,299,793 | 23,210,947 | 23,116,031 | 23,020,678 | 22,924,888 | 22,828,662 | 22,731,999 | |
| 13. | Rate of Return / 12 (Including Income Taxes) (B) | | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 |
| 14. | Return Requirement on Average Net Investment | | 136,019 | 137,442 | 136,970 | 136,495 | 136,016 | 135,535 | 135,018 | 134,466 | 133,911 | 133,354 | 132,794 | 132,232 | 1,620,252 |
| 15. | Property Taxes | | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,719 | 164,683 |
| 16. | Total Depreciation, Return and Property Taxes (Line 3+14+15) | | 267,002 | 268,936 | 268,975 | 269,010 | 269,042 | 269,071 | 269,065 | 268,950 | 268,832 | 268,711 | 268,588 | 268,458 | 3,224,640 |

Notes:

(A) Energy Select Property Additions Depreciated at 7.9% per year.

(B) Revenue Requirement Return (includes Income Taxes) is 6.9802% per year.

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
CONSERVATION PROGRAM NET COST
January, 2019 Through June, 2019, Actual
July, 2019 Through December 2019, Estimated

| Actual | Capital Return, Property Taxes & Depreciation | Payroll & Benefits | Materials & Supplies | Other | Advertising | Incentives | Total Costs | Program Fees | Net Costs |
|---|--|--------------------------|-------------------------|-------|-------------|------------|----------------|-----------------|--------------|
| Residential Conservation Programs: | | | | | | | | | |
| 1. Residential Energy Audit and Education | | | | | | | | | |
| a. Actual | 0.00 | 467,142.00 | 7,233.00 | 0.00 | (45,393.00) | 0.00 | 428,982.00 | 0.00 | 428,982.00 |
| b. Estimated July through December | 0.00 | 385,451.00 | 22,533.00 | 0.00 | 150,000.00 | 0.00 | 557,984.00 | 0.00 | 557,984.00 |
| c. Total | 0.00 | 852,593.00 | 29,766.00 | 0.00 | 104,607.00 | 0.00 | 986,966.00 | 0.00 | 986,966.00 |
| 2. Community Energy Saver | | | | | | | | | |
| a. Actual | 0.00 | 52,001.00 | 346034.75 | 0.00 | 0.00 | 0.00 | 398,035.75 | 0.00 | 398,035.75 |
| b. Estimated July through December | 0.00 | 25,469.00 | 358,034.75 | 0.00 | 0.00 | 0.00 | 383,503.75 | 0.00 | 383,503.75 |
| c. Total | 0.00 | 77,470.00 | 704,069.50 | 0.00 | 0.00 | 0.00 | 781,539.50 | 0.00 | 781,539.50 |
| 3. Residential Custom Incentive | | | | | | | | | |
| a. Actual | 0.00 | 29,379.00 | 75.07 | 0.00 | 0.00 | 0.00 | 29,454.07 | 0.00 | 29,454.07 |
| b. Estimated July through December | 0.00 | 21,770.00 | 500.00 | 0.00 | 0.00 | 0.00 | 22,270.00 | 0.00 | 22,270.00 |
| c. Total | 0.00 | 51,149.00 | 575.07 | 0.00 | 0.00 | 0.00 | 51,724.07 | 0.00 | 51,724.07 |
| 4. HVAC Efficiency | | | | | | | | | |
| a. Actual | 0.00 | 72,779.00 | 209,411.90 | 0.00 | 0.00 | 12,401.00 | 294,591.90 | 0.00 | 294,591.90 |
| b. Estimated July through December | 0.00 | 72,779.00 | 314,500.00 | 0.00 | 0.00 | 252,599.00 | 639,878.00 | 0.00 | 639,878.00 |
| c. Total | 0.00 | 145,558.00 | 523,911.90 | 0.00 | 0.00 | 265,000.00 | 934,469.90 | 0.00 | 934,469.90 |
| 5. Residential Building Efficiency | | | | | | | | | |
| a. Actual | 0.00 | 100,600.00 | 27,164.72 | 0.00 | 0.00 | 96,634.00 | 224,398.72 | 0.00 | 224,398.72 |
| b. Estimated July through December | 0.00 | 80,310.00 | 25,164.72 | 0.00 | 0.00 | 242,975.00 | 348,449.72 | 0.00 | 348,449.72 |
| c. Total | 0.00 | 180,910.00 | 52,329.44 | 0.00 | 0.00 | 339,609.00 | 572,848.44 | 0.00 | 572,848.44 |
| 6. Energy Select | | | | | | | | | |
| a. Actual | 1,607,732.45 | 250,733.00 | 863,340.11 | 0.00 | 137,976.00 | 0.00 | 2,859,781.56 | 0.00 | 2,859,781.56 |
| b. Estimated July through December | 1,610,280.74 | 148,601.00 | 807,500.00 | 0.00 | 20,000.00 | 0.00 | 2,586,381.74 | 0.00 | 2,586,381.74 |
| c. Total | 3,218,013.19 | 399,334.00 | 1,670,840.11 | 0.00 | 157,976.00 | 0.00 | 5,446,163.30 | 0.00 | 5,446,163.30 |
| Commercial / Industrial Conservation Programs: | | | | | | | | | |
| 7. Commercial / Industrial Energy Audit | | | | | | | | | |
| a. Actual | 0.00 | 207,984.00 | 9,613.98 | 0.00 | 0.00 | 0.00 | 217,597.98 | 0.00 | 217,597.98 |
| b. Estimated July through December | 0.00 | 207,984.00 | 9,613.98 | 0.00 | 0.00 | 0.00 | 217,597.98 | 0.00 | 217,597.98 |
| c. Total | 0.00 | 415,968.00 | 19,227.96 | 0.00 | 0.00 | 0.00 | 435,195.96 | 0.00 | 435,195.96 |
| 8. HVAC Retrocommissioning | | | | | | | | | |
| a. Actual | 0.00 | 37,272.00 | 17,222.65 | 0.00 | 0.00 | 50.00 | 54,544.65 | 0.00 | 54,544.65 |
| b. Estimated July through December | 0.00 | 37,272.00 | 26,500.00 | 0.00 | 0.00 | 10,000.00 | 73,772.00 | 0.00 | 73,772.00 |
| c. Total | 0.00 | 74,544.00 | 43,722.65 | 0.00 | 0.00 | 10,050.00 | 128,316.65 | 0.00 | 128,316.65 |

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
CONSERVATION PROGRAM NET COST
January, 2019 Through June, 2019, Actual
July, 2019 Through December 2019, Estimated

| | Capital Return, Property Taxes & Depreciation | Payroll & Benefits | Materials & Supplies | Other | Advertising | Incentives | Total Costs | Program Fees | Net Costs |
|---|--|--------------------------|-------------------------|-------|-------------|--------------|----------------|-----------------|---------------|
| Commercial / Industrial Conservation Programs Continued: | | | | | | | | | |
| 9. Commercial Building Efficiency | | | | | | | | | |
| a. Actual | 0.00 | 81,187.00 | 13,611.57 | 0.00 | 0.00 | 12,405.00 | 107,203.57 | 0.00 | 107,203.57 |
| b. Estimated July through December | 0.00 | 81,187.00 | 27,000.00 | 0.00 | 0.00 | 80,000.00 | 188,187.00 | 0.00 | 188,187.00 |
| c. Total | 0.00 | 162,374.00 | 40,611.57 | 0.00 | 0.00 | 92,405.00 | 295,390.57 | 0.00 | 295,390.57 |
| 10. Commercial / Industrial Custom Incentive | | | | | | | | | |
| a. Actual | 0.00 | 13,714.00 | 72.11 | 0.00 | 0.00 | 0.00 | 13,786.11 | 0.00 | 13,786.11 |
| b. Estimated July through December | 0.00 | 13,714.00 | 2,000.00 | 0.00 | 0.00 | 0.00 | 15,714.00 | 0.00 | 15,714.00 |
| c. Total | 0.00 | 27,428.00 | 2,072.11 | 0.00 | 0.00 | 0.00 | 29,500.11 | 0.00 | 29,500.11 |
| 11. Residential Time of Use Rate Pilot | | | | | | | | | |
| a. Actual | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b. Estimated July through December | 0.00 | 0.00 | 10,000.00 | 0.00 | 0.00 | 0.00 | 10,000.00 | 0.00 | 10,000.00 |
| c. Total | 0.00 | 0.00 | 10,000.00 | 0.00 | 0.00 | 0.00 | 10,000.00 | 0.00 | 10,000.00 |
| 12. Conservation Demonstration and Development: | | | | | | | | | |
| a. Actual | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b. Estimated July through December | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| c. Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 13. Critical Peak Option | | | | | | | | | |
| a. Actual | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 571.72 | 571.72 | 0.00 | 571.72 |
| b. Estimated July through December | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| c. Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 571.72 | 571.72 | 0.00 | 571.72 |
| 14. Curtailable | | | | | | | | | |
| a. Actual | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 329,381.95 | 329,381.95 | 0.00 | 329,381.95 |
| b. Estimated July through December | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 331,259.04 | 331,259.04 | 0.00 | 331,259.04 |
| c. Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 660,640.99 | 660,640.99 | 0.00 | 660,640.99 |
| 15. a. Actual | 1,607,732.45 | 1,312,791.00 | 1,493,779.86 | 0.00 | 92,583.00 | 451,443.67 | 4,958,329.98 | 0.00 | 4,958,329.98 |
| b. Estimated | 1,610,280.74 | 1,074,537.00 | 1,603,346.45 | 0.00 | 170,000.00 | 916,833.04 | 5,374,997.23 | 0.00 | 5,374,997.23 |
| 16. Total All Programs | 3,218,013.19 | 2,387,328.00 | 3,097,126.31 | 0.00 | 262,583.00 | 1,368,276.71 | 10,333,327.21 | 0.00 | 10,333,327.21 |

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES
Energy Select

For the Period: January, 2020 Through December, 2020

| Line No. | Description | Beginning of Period | Projected January | Projected February | Projected March | Projected April | Projected May | Projected June | Projected July | Projected August | Projected Sept | Projected Oct | Projected Nov | Projected Dec | Total |
|----------|--|---------------------|-------------------|--------------------|-----------------|-----------------|---------------|----------------|----------------|------------------|----------------|---------------|---------------|---------------|------------|
| 1. | Additions to Plant In Service (Net of Retirements) | | 77,368 | 77,368 | 77,368 | 77,368 | 77,368 | 77,368 | 66,175 | 66,175 | 66,175 | 66,175 | 66,175 | 66,175 | 66,175 |
| 2. | Depreciation Base | 17,766,557 | 17,843,925 | 17,921,292 | 17,998,660 | 18,076,028 | 18,153,396 | 18,230,764 | 18,296,939 | 18,363,115 | 18,429,290 | 18,495,466 | 18,561,641 | 18,627,817 | 18,627,817 |
| 3. | Depreciation Expense (A) | | 117,259 | 117,770 | 118,281 | 118,791 | 119,302 | 119,812 | 120,323 | 120,760 | 121,197 | 121,633 | 122,070 | 122,507 | 1,439,705 |
| 4. | Cumulative Plant in Service Additions | 17766556.84 | 17,843,925 | 17,921,292 | 17,998,660 | 18,076,028 | 18,153,396 | 18,230,764 | 18,296,939 | 18,363,115 | 18,429,290 | 18,495,466 | 18,561,641 | 18,627,817 | |
| 5. | Salvage, Cost of Removal and Retirement | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 6. | Less: Accumulated Depreciation | (5,331,268) | (5,214,009) | (5,096,239) | (4,977,958) | (4,859,167) | (4,739,865) | (4,620,053) | (4,499,730) | (4,378,970) | (4,257,773) | (4,136,140) | (4,014,070) | (3,891,563) | |
| 7. | Net Plant in Service (Line 4 - 6) | 23,097,825 | 23,057,933 | 23,017,531 | 22,976,618 | 22,935,195 | 22,893,261 | 22,850,817 | 22,796,669 | 22,742,085 | 22,687,063 | 22,631,605 | 22,575,711 | 22,519,379 | |
| 8. | Net Additions/Reductions to CWIP | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 9. | CWIP Balance | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 10. | Inventory | | 610,230 | 569,680 | 529,130 | 488,580 | 448,030 | 407,480 | 366,929 | 326,379 | 285,829 | 245,279 | 204,729 | 164,179 | |
| 11. | Net Investment (Line 7 + 9 + 10) | 23,097,825 | 23,668,164 | 23,587,211 | 23,505,748 | 23,423,775 | 23,341,290 | 23,258,296 | 23,163,598 | 23,068,464 | 22,972,892 | 22,876,885 | 22,780,440 | 22,683,558 | |
| 12. | Average Net Investment | | 23,382,994 | 23,627,687 | 23,546,480 | 23,464,761 | 23,382,533 | 23,299,793 | 23,210,947 | 23,116,031 | 23,020,678 | 22,924,888 | 22,828,662 | 22,731,999 | |
| 13. | Rate of Return / 12 (Including Income Taxes) (B) | | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 |
| 14. | Return Requirement on Average Net Investment | | 136,019 | 137,442 | 136,970 | 136,495 | 136,016 | 135,535 | 135,018 | 134,466 | 133,911 | 133,354 | 132,794 | 132,232 | 1,620,252 |
| 15. | Property Taxes | | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,724 | 13,719 | 164,683 |
| 16. | Total Depreciation, Return and Property Taxes (Line 3+14+15) | | 267,002 | 268,936 | 268,975 | 269,010 | 269,042 | 269,071 | 269,065 | 268,950 | 268,832 | 268,711 | 268,588 | 268,458 | 3,224,640 |

Notes:

(A) *Energy Select* Property Additions Depreciated at 7.9% per year.

(B) Revenue Requirement Return (includes Income Taxes) is 6.9802% per year.

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
CONSERVATION PROGRAM NET COST
January, 2019 Through June, 2019, Actual
July, 2019 Through December 2019, Estimated

| Actual | Capital Return, Property Taxes & Depreciation | Payroll & Benefits | Materials & Supplies | Other | Advertising | Incentives | Total Costs | Program Fees | Net Costs |
|---|--|--------------------------|-------------------------|-------|-------------|------------|----------------|-----------------|--------------|
| Residential Conservation Programs: | | | | | | | | | |
| 1. Residential Energy Audit and Education | | | | | | | | | |
| a. Actual | 0.00 | 467,142.00 | 7,233.00 | 0.00 | (45,393.00) | 0.00 | 428,982.00 | 0.00 | 428,982.00 |
| b. Estimated July through December | 0.00 | 385,451.00 | 22,533.00 | 0.00 | 150,000.00 | 0.00 | 557,984.00 | 0.00 | 557,984.00 |
| c. Total | 0.00 | 852,593.00 | 29,766.00 | 0.00 | 104,607.00 | 0.00 | 986,966.00 | 0.00 | 986,966.00 |
| 2. Community Energy Saver | | | | | | | | | |
| a. Actual | 0.00 | 52,001.00 | 346034.75 | 0.00 | 0.00 | 0.00 | 398,035.75 | 0.00 | 398,035.75 |
| b. Estimated July through December | 0.00 | 25,469.00 | 358,034.75 | 0.00 | 0.00 | 0.00 | 383,503.75 | 0.00 | 383,503.75 |
| c. Total | 0.00 | 77,470.00 | 704,069.50 | 0.00 | 0.00 | 0.00 | 781,539.50 | 0.00 | 781,539.50 |
| 3. Residential Custom Incentive | | | | | | | | | |
| a. Actual | 0.00 | 29,379.00 | 75.07 | 0.00 | 0.00 | 0.00 | 29,454.07 | 0.00 | 29,454.07 |
| b. Estimated July through December | 0.00 | 21,770.00 | 500.00 | 0.00 | 0.00 | 0.00 | 22,270.00 | 0.00 | 22,270.00 |
| c. Total | 0.00 | 51,149.00 | 575.07 | 0.00 | 0.00 | 0.00 | 51,724.07 | 0.00 | 51,724.07 |
| 4. HVAC Efficiency | | | | | | | | | |
| a. Actual | 0.00 | 72,779.00 | 209,411.90 | 0.00 | 0.00 | 12,401.00 | 294,591.90 | 0.00 | 294,591.90 |
| b. Estimated July through December | 0.00 | 72,779.00 | 314,500.00 | 0.00 | 0.00 | 252,599.00 | 639,878.00 | 0.00 | 639,878.00 |
| c. Total | 0.00 | 145,558.00 | 523,911.90 | 0.00 | 0.00 | 265,000.00 | 934,469.90 | 0.00 | 934,469.90 |
| 5. Residential Building Efficiency | | | | | | | | | |
| a. Actual | 0.00 | 100,600.00 | 27,164.72 | 0.00 | 0.00 | 96,634.00 | 224,398.72 | 0.00 | 224,398.72 |
| b. Estimated July through December | 0.00 | 80,310.00 | 25,164.72 | 0.00 | 0.00 | 242,975.00 | 348,449.72 | 0.00 | 348,449.72 |
| c. Total | 0.00 | 180,910.00 | 52,329.44 | 0.00 | 0.00 | 339,609.00 | 572,848.44 | 0.00 | 572,848.44 |
| 6. Energy Select | | | | | | | | | |
| a. Actual | 1,607,732.45 | 250,733.00 | 863,340.11 | 0.00 | 137,976.00 | 0.00 | 2,859,781.56 | 0.00 | 2,859,781.56 |
| b. Estimated July through December | 1,610,280.74 | 148,601.00 | 807,500.00 | 0.00 | 20,000.00 | 0.00 | 2,586,381.74 | 0.00 | 2,586,381.74 |
| c. Total | 3,218,013.19 | 399,334.00 | 1,670,840.11 | 0.00 | 157,976.00 | 0.00 | 5,446,163.30 | 0.00 | 5,446,163.30 |
| Commercial / Industrial Conservation Programs: | | | | | | | | | |
| 7. Commercial / Industrial Energy Audit | | | | | | | | | |
| a. Actual | 0.00 | 207,984.00 | 9,613.98 | 0.00 | 0.00 | 0.00 | 217,597.98 | 0.00 | 217,597.98 |
| b. Estimated July through December | 0.00 | 207,984.00 | 9,613.98 | 0.00 | 0.00 | 0.00 | 217,597.98 | 0.00 | 217,597.98 |
| c. Total | 0.00 | 415,968.00 | 19,227.96 | 0.00 | 0.00 | 0.00 | 435,195.96 | 0.00 | 435,195.96 |
| 8. HVAC Retrocommissioning | | | | | | | | | |
| a. Actual | 0.00 | 37,272.00 | 17,222.65 | 0.00 | 0.00 | 50.00 | 54,544.65 | 0.00 | 54,544.65 |
| b. Estimated July through December | 0.00 | 37,272.00 | 26,500.00 | 0.00 | 0.00 | 10,000.00 | 73,772.00 | 0.00 | 73,772.00 |
| c. Total | 0.00 | 74,544.00 | 43,722.65 | 0.00 | 0.00 | 10,050.00 | 128,316.65 | 0.00 | 128,316.65 |

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
CONSERVATION PROGRAM NET COST
January, 2019 Through June, 2019, Actual
July, 2019 Through December 2019, Estimated

| | Capital Return, Property Taxes & Depreciation | Payroll & Benefits | Materials & Supplies | Other | Advertising | Incentives | Total Costs | Program Fees | Net Costs |
|---|--|--------------------------|-------------------------|-------|-------------|--------------|----------------|-----------------|---------------|
| Commercial / Industrial Conservation Programs Continued: | | | | | | | | | |
| 9. Commercial Building Efficiency | | | | | | | | | |
| a. Actual | 0.00 | 81,187.00 | 13,611.57 | 0.00 | 0.00 | 12,405.00 | 107,203.57 | 0.00 | 107,203.57 |
| b. Estimated July through December | 0.00 | 81,187.00 | 27,000.00 | 0.00 | 0.00 | 80,000.00 | 188,187.00 | 0.00 | 188,187.00 |
| c. Total | 0.00 | 162,374.00 | 40,611.57 | 0.00 | 0.00 | 92,405.00 | 295,390.57 | 0.00 | 295,390.57 |
| 10. Commercial / Industrial Custom Incentive | | | | | | | | | |
| a. Actual | 0.00 | 13,714.00 | 72.11 | 0.00 | 0.00 | 0.00 | 13,786.11 | 0.00 | 13,786.11 |
| b. Estimated July through December | 0.00 | 13,714.00 | 2,000.00 | 0.00 | 0.00 | 0.00 | 15,714.00 | 0.00 | 15,714.00 |
| c. Total | 0.00 | 27,428.00 | 2,072.11 | 0.00 | 0.00 | 0.00 | 29,500.11 | 0.00 | 29,500.11 |
| 11. Residential Time of Use Rate Pilot | | | | | | | | | |
| a. Actual | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b. Estimated July through December | 0.00 | 0.00 | 10,000.00 | 0.00 | 0.00 | 0.00 | 10,000.00 | 0.00 | 10,000.00 |
| c. Total | 0.00 | 0.00 | 10,000.00 | 0.00 | 0.00 | 0.00 | 10,000.00 | 0.00 | 10,000.00 |
| 12. Conservation Demonstration and Development: | | | | | | | | | |
| a. Actual | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| b. Estimated July through December | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| c. Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 13. Critical Peak Option | | | | | | | | | |
| a. Actual | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 571.72 | 571.72 | 0.00 | 571.72 |
| b. Estimated July through December | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| c. Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 571.72 | 571.72 | 0.00 | 571.72 |
| 14. Curtailable | | | | | | | | | |
| a. Actual | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 329,381.95 | 329,381.95 | 0.00 | 329,381.95 |
| b. Estimated July through December | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 331,259.04 | 331,259.04 | 0.00 | 331,259.04 |
| c. Total | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 660,640.99 | 660,640.99 | 0.00 | 660,640.99 |
| 15. a. Actual | 1,607,732.45 | 1,312,791.00 | 1,493,779.86 | 0.00 | 92,583.00 | 451,443.67 | 4,958,329.98 | 0.00 | 4,958,329.98 |
| b. Estimated | 1,610,280.74 | 1,074,537.00 | 1,603,346.45 | 0.00 | 170,000.00 | 916,833.04 | 5,374,997.23 | 0.00 | 5,374,997.23 |
| 16. Total All Programs | 3,218,013.19 | 2,387,328.00 | 3,097,126.31 | 0.00 | 262,583.00 | 1,368,276.71 | 10,333,327.21 | 0.00 | 10,333,327.21 |

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
CONSERVATION PROGRAM COSTS (Exclusive of Program Fees)
January, 2019 Through June, 2019 - Actual
July, 2019 Through December 2019 - Estimated

| | ACTUAL | | | | | | | | | | | | ESTIMATED | | | | | | | | | | | | TOTAL ACTUAL & ESTIMATED COSTS |
|---|------------|-------------|--------------|------------|------------|------------|--------------|------|------------|------------|------------|------------|------------|------------|--------------|---------------|--|--|--|--|--|--|--|--|---|
| | JAN | FEB | MAR | APR | MAY | JUNE | TOTAL ACT | ADJ | JULY | AUG | SEP | OCT | NOV | DEC | TOTAL EST | | | | | | | | | | |
| Residential Conservation Programs: | | | | | | | | | | | | | | | | | | | | | | | | | |
| 1. Residential Energy Audit and Education | 39,820.00 | 35,694.00 | 165,294.00 | 3,024.00 | 79,457.00 | 105,693.00 | 428,982.00 | 0.00 | 92,997.00 | 92,997.00 | 92,997.00 | 92,997.00 | 92,999.00 | 92,997.00 | 557,984.00 | 986,966.00 | | | | | | | | | |
| 2. Community Energy Saver | 30,685.51 | 3,740.97 | 171,568.08 | 10,090.55 | 75,352.92 | 106,617.72 | 398,035.75 | 0.00 | 63,917.00 | 63,917.00 | 63,917.00 | 63,917.00 | 63,917.00 | 63,917.00 | 383,503.75 | 781,539.50 | | | | | | | | | |
| 3. Residential Custom Incentive | 2,414.69 | 1,341.37 | 13,046.83 | 6,272.26 | 5,595.96 | 782.96 | 29,454.07 | 0.00 | 3,712.00 | 3,712.00 | 3,712.00 | 3,712.00 | 3,712.00 | 3,712.00 | 22,270.00 | 51,724.07 | | | | | | | | | |
| 4. HVAC Efficiency | 144,489.49 | (98,126.30) | 87,056.19 | 66,556.39 | 92,127.72 | 2,508.41 | 294,591.90 | 0.00 | 106,646.00 | 106,646.00 | 106,646.00 | 106,646.00 | 106,646.00 | 106,646.00 | 639,878.00 | 934,489.90 | | | | | | | | | |
| 5. Residential Building Efficiency | 19,369.13 | 15,922.42 | 75,383.50 | 19,582.43 | 56,640.11 | 37,501.13 | 224,398.72 | 0.00 | 58,075.00 | 58,075.00 | 58,075.00 | 58,075.00 | 58,075.00 | 58,075.00 | 348,449.72 | 572,848.44 | | | | | | | | | |
| 6. Energy Select | 475,322.33 | 487,222.94 | 760,817.58 | 435,730.58 | 408,354.26 | 292,333.87 | 2,859,781.56 | 0.00 | 431,064.00 | 431,064.00 | 431,064.00 | 431,064.00 | 431,064.00 | 431,064.00 | 2,586,381.74 | 5,446,163.30 | | | | | | | | | |
| Commercial / Industrial Conservation Programs: | | | | | | | | | | | | | | | | | | | | | | | | | |
| 7. Commercial / Industrial Energy Audit | 17,020.03 | 15,668.42 | 89,453.26 | 13,390.00 | 43,514.58 | 38,551.69 | 217,597.98 | 0.00 | 36,266.00 | 36,266.00 | 36,266.00 | 36,266.00 | 36,266.00 | 36,266.00 | 217,597.98 | 435,195.96 | | | | | | | | | |
| 8. HVAC Retrocommissioning | 2,651.61 | 13,520.42 | 18,847.68 | 5,904.77 | 7,054.49 | 6,565.68 | 54,544.65 | 0.00 | 12,295.09 | 12,295.98 | 12,295.00 | 12,295.00 | 12,295.00 | 12,295.00 | 73,772.00 | 128,316.65 | | | | | | | | | |
| 9. Commercial Building Efficiency | 7,139.58 | 9,322.69 | 36,023.67 | 10,119.71 | 42,796.48 | 1,801.44 | 107,203.57 | 0.00 | 31,365.00 | 31,365.00 | 31,365.00 | 31,365.00 | 31,365.00 | 31,365.00 | 188,187.00 | 295,390.57 | | | | | | | | | |
| 10. Commercial / Industrial Custom Incentive | 1,598.15 | (140.75) | 7,642.11 | 4,088.02 | 2,561.48 | (1,962.90) | 13,786.11 | 0.00 | 2,619.00 | 2,619.00 | 2,619.00 | 2,619.00 | 2,619.00 | 2,619.00 | 15,714.00 | 29,500.11 | | | | | | | | | |
| 11. Residential Time of Use Rate Pilot | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,667.00 | 1,667.00 | 1,667.00 | 1,667.00 | 1,665.00 | 1,667.00 | 10,000.00 | 10,000.00 | | | | | | | | | |
| 12. Conservation Demonstration and Development: | | | | | | | | | | | | | | | | | | | | | | | | | |
| a. Tesla Powerwall Demand Response | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | | | | |
| b. Tesla Powerwall Demand Photovoltaic | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | | | | |
| c. Domestic Hot Water Analysis | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | | | | |
| d. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | | | | |
| e. | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | | | | |
| 13. Critical Peak Option | 5,155.24 | (4,583.52) | 0.00 | 0.00 | 0.00 | 0.00 | 571.72 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 571.72 | | | | | | | | | |
| 14. Curtailable | 55,482.77 | 53,059.82 | 55,209.84 | 55,209.84 | 55,209.84 | 55,209.84 | 329,381.95 | 0.00 | 55,209.84 | 55,209.84 | 55,209.84 | 55,209.84 | 55,209.84 | 55,209.84 | 331,259.04 | 660,640.99 | | | | | | | | | |
| 15. Total All Programs | 801,108.53 | 532,642.48 | 1,480,342.74 | 629,968.55 | 868,664.84 | 645,602.84 | 4,958,329.98 | 0.00 | 895,832.93 | 895,832.84 | 895,832.84 | 895,832.84 | 895,832.84 | 895,832.84 | 5,374,997.23 | 10,333,327.21 | | | | | | | | | |
| 16. Less: Base Rate Recovery | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | | | | | | | | | |
| 17. Net Recoverable Expenses | 801,108.53 | 532,642.48 | 1,480,342.74 | 629,968.55 | 868,664.84 | 645,602.84 | 4,958,329.98 | 0.00 | 895,832.93 | 895,832.84 | 895,832.84 | 895,832.84 | 895,832.84 | 895,832.84 | 5,374,997.23 | 10,333,327.21 | | | | | | | | | |

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
ESTIMATED TRUE-UP

For the Period: January, 2019 through December, 2019

| Conservation Revenues | ACTUAL JAN | ACTUAL FEB | ACTUAL MARCH | ACTUAL APRIL | ACTUAL MAY | ACTUAL JUNE | ESTIMATED JULY | ESTIMATED AUGUST | ESTIMATED SEPTEMBER | ESTIMATED OCTOBER | ESTIMATED NOVEMBER | ESTIMATED DECEMBER | TOTAL |
|--|---------------|---------------|-----------------|-----------------|---------------|----------------|-------------------|---------------------|------------------------|----------------------|-----------------------|-----------------------|----------------|
| 1. Energy Select Program Revenues | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 2. Conservation Revenues | 878,377.89 | 707,444.02 | 776,646.27 | 763,009.38 | 1,248,468.22 | 1,172,558.09 | 1,410,716.55 | 1,397,165.21 | 1,194,417.13 | 1,004,439.70 | 963,832.49 | 983,272.56 | 12,400,347.32 |
| 3. Total Revenues | 878,377.69 | 707,444.02 | 776,646.27 | 763,009.38 | 1,248,468.22 | 1,172,558.09 | 1,410,716.55 | 1,397,165.21 | 1,194,417.13 | 1,004,439.70 | 963,832.49 | 983,272.56 | 12,400,347.32 |
| 4. Adjustment not Applicable to Period - Prior True Up | 167,663.00 | 167,661.00 | 167,661.00 | 167,661.00 | 167,661.00 | 167,661.00 | 167,661.00 | 167,661.00 | 167,661.00 | 167,661.00 | 167,661.00 | 167,661.00 | 2,011,934.00 |
| 5. Conservation Revenues Applicable to Period | 1,046,040.69 | 875,105.02 | 944,307.27 | 930,670.38 | 1,416,129.22 | 1,340,219.09 | 1,578,377.55 | 1,564,826.21 | 1,362,078.13 | 1,172,100.70 | 1,031,493.49 | 1,150,933.56 | 14,412,281.32 |
| 6. Conservation Expenses (Form C-3 Page 2 of 5) | 801,108.53 | 532,642.48 | 1,480,342.74 | 629,968.55 | 868,664.84 | 645,602.84 | 895,832.93 | 895,831.82 | 895,832.84 | 895,832.84 | 895,832.84 | 895,832.84 | 10,333,326.09 |
| 7. True Up this Period (Line 5 minus Line 6) | 244,932.16 | 342,462.54 | (536,035.47) | 300,701.83 | 547,464.38 | 694,616.25 | 682,544.62 | 668,994.39 | 466,245.29 | 276,287.86 | 135,660.65 | 255,100.72 | 4,078,955.23 |
| 8. Interest Provision this Period (C-3 Page 4 of 7, Line 10) | 4,911.42 | 5,164.24 | 4,710.95 | 4,156.12 | 4,603.26 | 5,397.00 | 6,334.34 | 7,328.93 | 8,116.35 | 8,525.66 | 8,616.19 | 8,686.44 | 76,550.90 |
| 9. True Up & Interest Provision Beginning of Month | 2,401,822.63 | 2,484,003.21 | 2,663,968.99 | 1,964,983.47 | 2,102,180.42 | 2,486,587.06 | 3,018,939.31 | 3,540,157.27 | 4,048,819.59 | 4,355,520.23 | 4,472,652.75 | 4,449,268.59 | 2,401,822.63 |
| 10. Prior True Up Collected or Refunded | (167,663.00) | (167,661.00) | (167,661.00) | (167,661.00) | (167,661.00) | (167,661.00) | (167,661.00) | (167,661.00) | (167,661.00) | (167,661.00) | (167,661.00) | (167,661.00) | (2,011,934.00) |
| 11. End of Period- Net True Up | 2,484,003.21 | 2,663,968.99 | 1,964,983.47 | 2,102,180.42 | 2,486,587.06 | 3,018,939.31 | 3,540,157.27 | 4,048,819.59 | 4,355,520.23 | 4,472,652.75 | 4,449,268.59 | 4,545,394.76 | 4,545,394.76 |

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
INTEREST CALCULATION

For the Period: January, 2019 through December, 2019

| Interest Provision | ACTUAL JAN | ACTUAL FEB | ACTUAL MARCH | ACTUAL APRIL | ACTUAL MAY | ACTUAL JUNE | ESTIMATED JULY | ESTIMATED AUGUST | ESTIMATED SEPTEMBER | ESTIMATED OCTOBER | ESTIMATED NOVEMBER | ESTIMATED DECEMBER | TOTAL |
|--|---------------|---------------|-----------------|-----------------|---------------|----------------|-------------------|---------------------|------------------------|----------------------|-----------------------|-----------------------|-----------|
| 1. Beginning True up Amount | 2,401,822.63 | 2,484,003.21 | 2,663,968.99 | 1,964,983.47 | 2,102,180.42 | 2,486,587.06 | 3,018,939.31 | 3,540,157.27 | 4,048,819.59 | 4,355,520.23 | 4,472,652.75 | 4,449,268.59 | |
| 2. Ending True up before Interest | 2,479,091.79 | 2,658,804.75 | 1,960,272.52 | 2,098,024.30 | 2,481,983.80 | 3,013,542.31 | 3,533,822.93 | 4,041,490.66 | 4,347,403.88 | 4,464,127.09 | 4,440,652.40 | 4,536,708.32 | |
| 3. Total Beginning & Ending Balances | 4,880,914.42 | 5,142,807.96 | 4,624,241.51 | 4,063,007.77 | 4,584,164.22 | 5,500,129.37 | 6,552,762.24 | 7,581,647.93 | 8,396,223.47 | 8,819,647.32 | 8,913,305.15 | 8,985,976.91 | |
| 4. Average True up Amount | 2,440,457.21 | 2,571,403.98 | 2,312,120.76 | 2,031,503.89 | 2,292,082.11 | 2,750,064.69 | 3,276,381.12 | 3,790,823.97 | 4,198,111.73 | 4,409,823.66 | 4,456,652.58 | 4,492,988.46 | |
| 5. Interest Rate First Day Reporting Business Month | 2.42 | 2.41 | 2.41 | 2.48 | 2.43 | 2.39 | 2.32 | 2.32 | 2.32 | 2.32 | 2.32 | 2.32 | |
| 6. Interest Rate First Day Subsequent Business Month | 2.41 | 2.41 | 2.48 | 2.43 | 2.39 | 2.32 | 2.32 | 2.32 | 2.32 | 2.32 | 2.32 | 2.32 | |
| 7. Total of Lines 5 and 6 | 4.83 | 4.82 | 4.89 | 4.91 | 4.82 | 4.71 | 4.64 | 4.64 | 4.64 | 4.64 | 4.64 | 4.64 | |
| 8. Average Interest rate (50% of Line 7) | 2.415 | 2.410 | 2.445 | 2.455 | 2.410 | 2.355 | 2.320 | 2.320 | 2.320 | 2.320 | 2.320 | 2.320 | |
| 9. Monthly Average Interest Rate Line 8 / 12 months | 0.002013 | 0.002008 | 0.002038 | 0.002046 | 0.002008 | 0.001963 | 0.001933 | 0.001933 | 0.001933 | 0.001933 | 0.001933 | 0.001933 | |
| 10. Interest Provision (line 4 X 9) | 4,911.42 | 5,164.24 | 4,710.95 | 4,156.12 | 4,603.26 | 5,397.00 | 6,334.34 | 7,328.93 | 8,116.35 | 8,525.66 | 8,616.19 | 8,686.44 | 76,550.90 |

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES
ENERGY SELECT

For the Period January, 2019 Through December, 2019

| Line No. | Beginning of Period | Actual January | Actual February | Actual March | Actual April | Actual May | Actual June | Projected July | Projected August | Projected September | Projected October | Projected November | Projected December | Total |
|----------|---------------------|----------------|-----------------|----------------|----------------|----------------|----------------|----------------|------------------|---------------------|-------------------|--------------------|--------------------|--------------|
| 1 | | 13,222.61 | (32,549.47) | - | - | - | - | 224,782.77 | 82,064.00 | 82,064.00 | 82,064.00 | 82,064.00 | 82,064.00 | 82,064.00 |
| 2 | 17,150,780.93 | 17,164,003.54 | 17,131,454.07 | 17,131,454.07 | 17,131,454.07 | 17,131,454.07 | 17,131,454.07 | 17,356,236.84 | 17,438,300.84 | 17,520,364.84 | 17,602,428.84 | 17,684,492.84 | 17,766,556.84 | |
| 3 | | 113,238.79 | 113,282.42 | 113,067.60 | 113,067.60 | 113,067.60 | 113,067.60 | 113,067.60 | 114,551.16 | 115,092.79 | 115,634.41 | 116,176.03 | 116,717.65 | 1,370,031.25 |
| 4 | 171,507,80.93 | 17,164,003.54 | 17,131,454.07 | 17,131,454.07 | 17,131,454.07 | 17,131,454.07 | 17,131,454.07 | 17,356,236.84 | 17,438,300.84 | 17,520,364.84 | 17,602,428.84 | 17,684,492.84 | 17,766,556.84 | |
| 5 | | - | (32,549.47) | - | - | - | - | - | - | - | - | - | - | - |
| 6 | (6,688,749.55) | (6,555,510.76) | (6,474,777.81) | (6,361,710.21) | (6,248,642.61) | (6,135,575.01) | (6,022,507.41) | (5,909,439.81) | (5,794,888.65) | (5,679,795.86) | (5,564,161.45) | (5,447,985.42) | (5,331,267.77) | |
| 7 | 23,819,530.48 | 23,719,514.30 | 23,606,231.88 | 23,493,164.28 | 23,380,096.68 | 23,267,029.08 | 23,153,961.48 | 23,265,676.65 | 23,233,189.49 | 23,200,160.70 | 23,166,590.29 | 23,132,478.26 | 23,097,824.61 | |
| 8 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 9 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 10 | 1,086,542.95 | 1,086,542.95 | 1,086,542.95 | 925,213.37 | 902,571.27 | 879,352.08 | 872,713.83 | 853,530.85 | 812,980.73 | 772,430.61 | 731,880.49 | 691,330.37 | 650,780.25 | |
| 11 | 24,906,073.43 | 24,806,057.25 | 24,692,774.83 | 24,418,377.65 | 24,282,667.95 | 24,146,381.16 | 24,026,675.31 | 24,119,207.50 | 24,046,170.22 | 23,972,591.31 | 23,898,470.78 | 23,823,808.63 | 23,748,604.86 | |
| 12 | | 24,856,065.34 | 24,748,416.04 | 24,555,576.24 | 24,350,522.80 | 24,214,524.56 | 24,086,528.24 | 24,072,941.41 | 24,082,688.86 | 24,009,380.77 | 23,935,531.05 | 23,861,139.71 | 23,786,206.75 | |
| 13 | | 0.005763 | 0.005763 | 0.005763 | 0.005763 | 0.005763 | 0.005763 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | 0.005817 | |
| 14 | | 143,245.50 | 142,630.88 | 141,513.79 | 140,332.06 | 139,548.31 | 138,810.66 | 140,032.30 | 140,089.00 | 139,662.57 | 139,232.98 | 138,800.25 | 138,364.36 | 1,682,262.66 |
| 15 | | 13,809.94 | 13,809.94 | 13,809.94 | 13,809.94 | 13,809.94 | 13,809.94 | 13,809.94 | 13,809.94 | 13,809.94 | 13,809.94 | 13,809.94 | 13,809.94 | 165,719.28 |
| 16 | | 270,294.23 | 269,723.24 | 268,391.33 | 267,209.60 | 266,425.85 | 265,686.20 | 266,909.84 | 268,450.10 | 268,565.30 | 268,677.33 | 268,786.22 | 268,891.95 | 3,218,013.19 |

Notes:
(A) Energy Select Property Additions Depreciated at 7.9% per year.
(B) Revenue Requirement Return (includes Income Taxes) Is: Jan - June .5763%; Jul - Dec .5817%.

GULF POWER COMPANY
CALCULATION OF CONSERVATION REVENUES
For the Period: July, 2019 Through December, 2019

| | <u>Month</u> | <u>Projected MWH Sales</u> | <u>Rate (Avg Cents/KWH)</u> | <u>Clause Revenue Net of Revenue Taxes (\$)</u> |
|----|--------------|--------------------------------|---------------------------------|---|
| 1. | 07/2019 | 1,182,325 | 0.11931715 | 1,410,716.55 |
| 2. | 08/2019 | 1,171,710 | 0.11924155 | 1,397,165.21 |
| 3. | 09/2019 | 1,004,542 | 0.11890166 | 1,194,417.13 |
| 4. | 10/2019 | 848,931 | 0.11831818 | 1,004,439.70 |
| 5. | 11/2019 | 731,492 | 0.11809186 | 863,832.49 |
| 6. | 12/2019 | 827,032 | 0.11889172 | 983,272.56 |

Program Description and Progress

Program Title: Residential Energy Audit and Education

Program Description: This program is the primary educational program to help customers improve the energy efficiency of their new or existing home by providing energy conservation advice and information that encourages the implementation of efficiency measures and behaviors resulting in energy and utility bill savings.

Program Projections: Expenses of \$988,197 are projected for this program in 2020 as detailed in Schedule C-2. In 2020, 8,400 participants are projected, as reflected in the 2015 DSM Plan for Energy Audits. During an Energy Audit, a Gulf Power representative will conduct an on-site audit of a customer's home, or a customer may choose to participate in either a mail-in or on-line, interactive version of the audit. Regardless of the method, the customer is provided with specific recommendations, including available incentives and other alternatives to facilitate implementation.

Program Accomplishments:

- Energy Audit – Year-to-date 2019, Gulf performed 6,262 energy audits compared to a year-to-date projection of 4,200 or 2,062 over the projection. Of these, 4,149 were online, 263 were on-site and 1,850 were new construction audits. The total projection for 2019 is 13,369 energy audits.
- School-based Awareness and Education
 - Gulf provided professional development in energy-related science and math for 98 elementary, middle and high school teachers who reach an estimated 3,740 students daily. These teachers received continuing education credits, as well as hands-on energy, efficiency and renewable energy classroom materials and curriculum.
 - Gulf coordinated monthly activities with student energy teams at three schools, measuring energy use at the school and creating a plan to use energy wisely at school and home. Total student reach is 180 students directly.
 - Gulf continued to provide classroom demonstrations and hands-on energy-related activities in schools on a regular basis reaching nearly 225 students.
 - Gulf demonstrated energy efficiency and solar energy in “World of Energy” to approximately 2,500 eighth-grade students and their teachers from 20 schools during two-day state Skills USA

competition and an additional 800 students in March at the Gulf Coast Science Festival

Total direct reach was 7,445 students and 98 teachers.

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$860,278 compared to actual expenses of \$428,982, resulting in a difference of \$431,296 or 50% under budget.

Program Progress Summary: Since the approval of this program, Gulf Power has performed a total of 263,829 energy audits.

Program Description and Progress

Program Title: Community Energy Saver Program

Program Description: This program assists low-income families with managing their energy costs. Through this program, qualifying customers receive the direct installation of conservation measures at no cost to them. The program also educates families on energy efficiency techniques and behavioral changes to help control their energy use and reduce their electricity expenses.

Program Projections: For the period January 2020 through December 2020, the Company expects to implement the efficiency measures included in this program for 2,500 eligible residential customers as reflected in the 2015 DSM Plan. Expenses of \$789,299 are projected for this program in 2020 as detailed in Schedule C-2.

Program Accomplishments: Through June 2019, 1,259 of Gulf's customers received the measures included in this program, compared to a year to date projection of 1,250. The total projection for 2019 is 3,022 participants.

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$434,773 compared to actual expenses of \$398,036 resulting in a difference of \$36,737 or 8% under budget.

Program Progress Summary: A total of 22,036 customers have received the efficiency measures included in the Community Energy Saver program since the program's launch in 2011.

Program Description and Progress

Program Title: Residential Custom Incentive Program

Program Description: This program is designed to increase energy efficiency in the residential rental property sector. This program promotes the installation of various energy efficiency measures available through other programs, such as HVAC maintenance and quality installation, high performance windows, reflective roofing and Energy Star window A/Cs. Additional incentives will be included, as appropriate, to overcome the split-incentive barrier which exists in a landlord/renter situation. Moreover, this program promotes the installation of measures included in the Community Energy Saver Program by the landlord of multi-family properties.

Program Projections: Due to the custom nature of this program, specific participant projections are not made for the period January 2020 through December 2020. Expenses of \$57,810 are projected for this program in 2020 as detailed in Schedule C-2.

Program Accomplishments: As of June, no participants have enrolled during 2019 in this program. While there are no participants recorded this year, Gulf continues to promote the availability of this program to landlords and property managers in the rental property sector. Although participation in this program to date has been low, discussions with landlords and property managers have often resulted in these customers taking advantage of other DSM program offerings such as Gulf's HVAC Efficiency program.

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$69,650 compared to actual expenses of \$29,454 resulting in a difference of \$40,196 or 58% under budget.

Program Progress Summary: Since its launch in 2011, one customer enrollment has been recorded in the Residential Custom Incentive program.

Program Description and Progress

Program Title: HVAC Efficiency Improvement Program

Program Description: This program is designed to increase energy efficiency and improve HVAC cooling system performance for new and existing homes. These efficiencies are realized through:

- HVAC maintenance
- Duct repair
- HVAC Quality Installation

Program Projections: Expenses of \$1,369,831 are projected for this program in 2020 as detailed in Schedule C-2. For the period January 2020 through December 2020, the Company projects the following participation in this program:

| Measure | Projected Participation |
|---------------------------|--------------------------------|
| HVAC maintenance | 3,800 |
| Duct repair | 2,000 |
| HVAC Quality Installation | 4,500 |

Program Accomplishments: Actual participation (through June 2019) and the 2019 year-end projected participation are shown in the following table:

| Measure | 2019 YTD Actual Participation | 2019 Year End Projection |
|---------------------------|--------------------------------------|---------------------------------|
| HVAC maintenance | 187 | 1,000 |
| Duct repair | 51 | 600 |
| HVAC Quality Installation | 335 | 1,200 |

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$1,029,188 compared to actual expenses of \$294,592 resulting in a difference of \$734,596 or 71% under budget.

Program Progress Summary: Since its launch in 2011, the following participation has been achieved:

| Measure | Program to Date Actual Participation |
|---------------------------|---|
| HVAC maintenance | 39,018 |
| Duct repair | 22,101 |
| HVAC Quality Installation | 2,218 |

Program Description and Progress

Program Title: Residential Building Efficiency Program

Program Description: The Residential Building Efficiency Program is designed as an umbrella efficiency program for existing and new residential customers to encourage the installation of eligible equipment and materials as a means of reducing energy and demand. The goals of the program are to increase awareness and customer demand for energy saving measures; to increase availability and market penetration; and to contribute toward long-term energy savings and peak demand reductions.

- High Performance Windows
- Reflective Roof
- ENERGY STAR Window A/C

Program Projections: Expenses of \$581,913 are projected for this program in 2020 as detailed in Schedule C-2. For the period January 2020 through December 2020, the Company projects the following participation in this program:

| Measure | Projected Participation |
|--------------------------|--------------------------------|
| High Performance Windows | 700 |
| Reflective Roof | 350 |
| ENERGY STAR Window A/C | 200 |

Program Accomplishments: Actual participation (through June 2019) and the 2019 year-end projected participation are shown in the following table:

| Measure | 2019 YTD Actual Participation | 2019 Year End Projection |
|--------------------------|--------------------------------------|---------------------------------|
| High Performance Windows | 366 | 878 |
| Reflective Roof | 159 | 382 |
| ENERGY STAR Window A/C | 5 | 12 |

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$251,889 compared to actual expenses of \$224,399, resulting in a difference of \$27,490 or 11% under budget.

Program Progress Summary: Since its launch in 2011, the following participation has been achieved:

| Measure | Program to Date Actual Participation |
|--------------------------|---|
| High Performance Windows | 6,152 |
| Reflective Roof | 1,952 |
| ENERGY STAR Window A/C | 853 |

Program Description and Progress

Program Title: Energy *Select*

Program Description: The overall program is designed to provide customers with a means of controlling their energy purchases by conveniently programming their heating and cooling systems and major appliances, such as electric water heaters and pool pumps, to respond automatically to prices that vary during the day and by season in relation to the Company's cost of producing or purchasing energy.

Program Projections: During the 2020 projection period, Gulf Power projects to have 400 net additions. The program expenses are expected to be \$5,199,055 as detailed in Schedule C-2.

Program Accomplishments: For the period January through June 2019, 245 net new participants were added to the Energy *Select* program compared to a year-to-date projection of 800. The total projection for 2019 is 587 net new participants.

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$3,619,690 compared to actual expenses of \$2,859,782 resulting in a difference of \$759,908 or 21% under budget.

Program Progress Summary: As of June 2019, there are 20,043 participating customers.

Program Description and Progress

Program Title: Commercial/Industrial Audit

Program Description: This program is designed to provide professional advice to Gulf's existing commercial and industrial customers on how to reduce and make the most efficient use of energy. This program offers a variety of services ranging from a walk-through survey to the use of computer programs which simulate several design options for very large, energy-intensive customers. Customers may participate by requesting a basic Energy Analysis Audit (EAA) provided through either an on-site survey or an on-line survey. A more comprehensive analysis can be provided by conducting a Technical Assistance Audit (TAA).

Program Projections: For the period January 2020 through December 2020, the Company projects to conduct 500 audits and incur expenses totaling \$486,902.

Program Accomplishments: During the January 2019 through June 2019 period, actual results were 56 audits compared to a year-to-date projection of 250. The total projection for 2019 is 134 audits.

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$299,133 compared to actual expenses of \$217,598, resulting in a difference of \$81,535 or 27% under budget.

Program Progress Summary: A total of 23,300 audits have been completed since the program's inception.

Program Description and Progress

Program Title: Commercial HVAC Retrocommissioning Program

Program Description: This program offers basic retrocommissioning at a reduced cost for qualifying installations of existing commercial and industrial customers. It is designed to diagnose the performance of the HVAC cooling unit(s) operating in commercial buildings with the support of an independent computerized quality control process and to make improvements to the system to bring it to full efficiency. This program includes air cooled and water cooled equipment – identified as A/C, heat pump, direct expansion (DX) or geothermal cooling and heating.

Program Projections: For the period January 2020 through December 2020, the Company expects 250 program participants. Expenses of \$133,238 are projected for this program in 2020 as detailed in Schedule C-2.

Program Accomplishments: During the period January 2019 through June 2019, 6 customers have participated in this program. The total projection for 2019 is 100 participants.

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$93,102, compared to actual expenses of \$54,545, resulting in a difference of \$38,557 or 41% under budget.

Program Progress Summary: Since its launch in 2011, 1,310 customers have participated in this program.

Program Description and Progress

Program Title: Commercial Building Efficiency Program

Program Description: This program is designed as an umbrella efficiency program for existing commercial and industrial customers to encourage the installation of eligible high-efficiency equipment as a means of reducing energy and demand. The goals of the program are to increase awareness and customer demand for high-efficiency, energy-saving equipment; increase availability and market penetration of energy efficient equipment; and contribute toward long-term energy savings and peak demand reductions. These goals will be accomplished through commercial geothermal heat pumps, ceiling/roof insulation, and reflective roofs.

Program Projections: Expenses of \$390,136 are projected for this program in 2020 as detailed in Schedule C-2.

For the period January 2020 through December 2020, the Company expects to implement the efficiency measures included in this program as reflected in the 2015 DSM Plan:

| Program | Annual Projections (2020) |
|---------------------------------|--|
| Commercial Geothermal Heat Pump | 200 tons of installed Geothermal HVAC |
| Ceiling/Roof Insulation | 400,000 square feet of installed insulation |
| Commercial Reflective Roof | 850,000 square feet of installed reflective roof |

Program Accomplishments: During the period January – June 2019, the measures in this program have had the following participation as compared to year-to-date projected participation:

| Program | Actual Participation (January - June 2019) | Annual Projections (2019) |
|---------------------------------|---|--|
| Commercial Geothermal Heat Pump | 71 tons of installed Geothermal HVAC | 170 tons of installed Geothermal HVAC |
| Ceiling/Roof Insulation | 29,765 square feet of installed insulation | 71,436 square feet of installed insulation |
| Commercial Reflective Roof | 342,171 square feet of installed reflective roof | 821,210 square feet of installed reflective roof |

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$300,952, compared to actual expenses of \$107,204, resulting in a difference of \$193,748 or 64% under budget.

Program Progress Summary: Since its launch in 2011, customer participation is shown in the table below.

| Program | Actual Participation (Program to Date) |
|---------------------------------|--|
| Commercial Geothermal Heat Pump | 649 tons of installed Geothermal HVAC |
| Ceiling/Roof Insulation | 474,300 square feet of installed insulation |
| Commercial Reflective Roof | 3,884,027 square feet of installed reflective roof |

Program Description and Progress

Program Title: Commercial/Industrial Custom Incentive

Program Description: This program is designed to establish the capability and process to offer advanced energy services and energy efficient end-user equipment to Commercial/Industrial customers. These energy services include comprehensive audits, design, and construction of energy conservation projects. Specifically, projects covered under this program would be demand reduction or efficiency improvement retrofits that are beyond the scope of other programs.

Program Projections: Due to the custom nature of this program, specific participant projections are not made for the period January 2020 through December 2020. Expenses of \$35,186 are projected for this program in 2020 as detailed in Schedule C-2.

Program Accomplishments: From January 2019 through June 2019, Gulf has evaluated several projects for potential inclusion in this program. Through June, no savings have been reported in the program.

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$64,869, compared to actual expenses of \$13,786, resulting in a difference of \$51,083 or 79% under budget.

Program Progress Summary: Since its launch in 2011, 15 customers have participated in the Commercial/Industrial Custom Incentive program resulting in at the meter reductions of 8,770,333 kWh (energy), 1,341 winter kW (demand) and 1,751 summer kW (demand).

Program Description and Progress

Program Title: Critical Peak Option (CPO)

Program Description: This program offers customers on Gulf Power's Large Power Time of Use (LPT) rate schedule an option to receive credits for demand that can be reduced during peak load conditions (critical peak events). The program provides a fixed, per KW credit for measured On-Peak Demand and a Critical Peak Demand Charge for any measured demand recorded during a called critical peak event.

Program Projections: For the period January 2020 through December 2020, the Company does not project any new customer participation in this program.

Program Accomplishments: During the first six months of 2019, one customer participated in this program. As of June 2019, no customers were enrolled in this program.

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$0 compared to actual expenses of \$572.

Program Progress Summary: This program became a part of Gulf's DSM Plan effective July 1, 2017, pursuant to Gulf's Stipulation and Settlement Agreement, approved by the Commission in Order No. PSC-17-0178-S-EI dated May 16, 2017.

Program Description and Progress

Program Title: Curtailable Load (CL)

Program Description: The Curtailable Load (CL) program provides qualifying customers capacity payments for electric load which can be curtailed during certain conditions as described in Rate Rider CL. The CL rider is available to customers taking service under rate schedules LP, LPT, PX, or PXT and who also execute a Curtailable Load Service agreement (CL Service Agreement). Qualifying customers must commit a minimum of 4,000 KW of non-firm load.

Program Projections: For the period January 2020 through December 2020, the Company expects participation by one customer with 24 locations. Expenses of \$682,518 are projected for this program in 2020 as detailed in Schedule C-2.

Program Accomplishments:

During the period January 2019 through June 2019, 24 accounts are participating on this rate.

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$351,379, compared to actual expenses of \$329,382, resulting in a difference of \$21,997 or 6% under budget.

Program Progress Summary: This program was approved for inclusion in Gulf's DSM Plan by Commission Order No. PSC-2018-0159-PAA-EI dated March 21, 2018.

Program Description and Progress

Program Title: Residential Service Time of Use Pilot Program

Program Description: The Residential Service Time of Use (RSTOU) rate pilot provides residential customers the opportunity to use customer-owned equipment to respond automatically to, and take advantage of, a variable pricing structure with a critical peak credit component. In order to control program expenses and facilitate monitoring and evaluation, participation in the pilot is limited to 400 residential customers who meet the program standards. To further encourage customers to utilize a qualifying Wi-Fi enabled thermostat, the RSTOU pilot offers customers a per event credit for allowing their thermostat to automatically adjust their HVAC equipment settings during a critical event period. This option puts the customer in complete control of their energy purchase without utility-owned equipment. The objective of this pilot is to measure customers' response to a variable price rate with customer-owned equipment. Customers have an opportunity for additional savings by shifting energy purchases to the lower priced periods, while providing peak demand reduction during the high and critical periods.

Program Projections: No expenses are projected for this program in 2020 as detailed in Schedule C-2.

Program Accomplishments: As of June 2019, there are 303 customers participating in this program.

Program Fiscal Expenditures: Projected expenses for January through June 2019 were \$25,000 compared to actual expenses of \$0.

Program Progress Summary: Since its launch in February 2016, 330 customers have participated in this program.

Program Description and Progress

Program Title: Conservation Demonstration and Development

Program Description: A package of conservation programs was approved by the FPSC in Order No. 23561 for Gulf Power Company to explore and to pursue research, development, and demonstration projects designed to promote energy efficiency and conservation. This program serves as an umbrella program for the identification, development, demonstration and evaluation of new or emerging end-use technologies.

Program Projections: For the period January 2020 through December 2020, the Company expects expenses of \$75,000 for this program as detailed in Schedule C-2.

**RESIDENTIAL SERVICE
2020 Variable Pricing (RSVP) and
Time of Use (RSTOU) Rates
Cents Per KWH**

ECCR

| <u>Rate Tier</u> | <u>RSVP</u> |
|------------------|-------------|
| P4 | 50.918 |
| P3 | 6.735 |
| P2 | (0.840) |
| P1 | (2.800) |

| <u>Rate Tier</u> | <u>RSTOU</u> |
|------------------|--------------|
| On-Peak | 14.000 |
| Off-Peak | (2.686) |

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Energy Conservation Cost)
Recovery Clause)

Docket No.: 20190002-EG

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 9th day of August, 2019 to the following:

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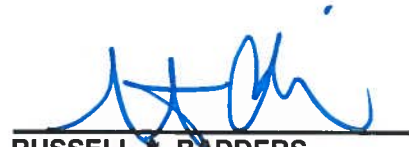
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