

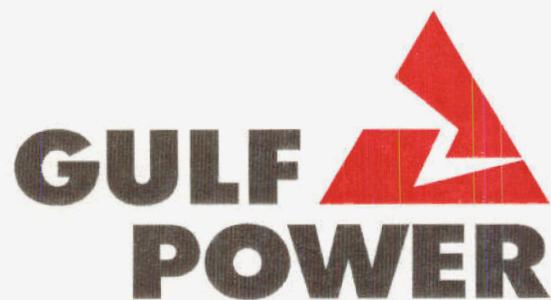
**ORIGINAL**

**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 010949-EI**

**MINIMUM FILING REQUIREMENTS**

**SECTION C – NET OPERATING INCOME SCHEDULES**



**A SOUTHERN COMPANY**

DOCUMENT NUMBER-DATE

11255 SEP 10 2010

FPSC-COMMISSION CLERK

## GULF POWER COMPANY

Docket No. 010949-EI  
Minimum Filing Requirements

## Index

## C. Net Operating Income Schedules

<u>Schedules</u>	<u>Witness</u>	<u>Title</u>	<u>Page</u>
C-1	Labrato	Jurisdictional Net Operating Income	1
C-2	Labrato	Adjusted Jurisdictional Net Operating Income	3
C-3	Labrato	Jurisdictional Net Operating Income Adjustments	6
C-4	Labrato	Commission Net Operating Income Adjustments	18
C-5	Labrato	Company Net Operating Income Adjustments	21
C-6	Labrato	Out of Period Adjustments To Revenues and Expenses	24
C-7	Labrato	Extraordinary Revenues and Expenses	25
C-8	Labrato Moore, Fisher, McMillan, Saxon, Howell, Neyman	Report of Operation Compared to Forecast – Revenue and Expenses	28
C-9	O'Sheasy	Jurisdictional Separation Factors - Net Operating Income	40
C-10	Labrato	Operating Revenues Detail	46
C-11	McGee	Unbilled Revenues	49
C-12	Labrato Moore Fisher, McMillan, Saxon, Howell,	Budgeted Versus Actual Operating Revenues and Expenses	56

# GULF POWER COMPANY

Docket No. 010949-EI  
Minimum Filing Requirements

## Index

### C. Net Operating Income Schedules

<u>Schedules</u>	<u>Witness</u>	<u>Title</u>	<u>Page</u>
	Neyman		
C-13	Labrato	Monthly Fuel Revenues and Expenses	75
C-14	Labrato	Monthly Fuel Expenses	78
C-15	Labrato	Fuel Revenues and Expenses Reconciliation	81
C-17	Neyman	Conservation Revenues and Expenses	82
C-18	Neyman	Conservation Revenues and Expenses	85
C-19	Labrato Moore, Fisher, Neyman, McMillan, Saxon, Howell	Operation and Maintenance Expenses Test Year	86
C-20	Labrato Moore, Fisher, Neyman, McMillan, Saxon, Howell	Operation and Maintenance Expenses Prior Year	90
C-21	Labrato Moore, Fisher, Neyman, McMillan, Saxon, Howell	Detail of Changes in Expenses	94
C-22	Fisher	Maintenance on Customer Owned Facilities, Installations on Customer Premises and Leased Property on Customer Premises	110
C-23	Labrato	Detail of Rate Case Expenses For Outside Consultants	111

# GULF POWER COMPANY

## Docket No. 010949-EI Minimum Filing Requirements

### Index

#### C. Net Operating Income Schedules

<u>Schedules</u>	<u>Witness</u>	<u>Title</u>	<u>Page</u>
C-24	Labrato	Total Rate Case Expenses & Comparisons	112
C-25	Labrato	Uncollectible Accounts	113
C-26	Labrato Neyman	Advertising Expenses	116
C-27	Labrato	Industry Association Dues	119
C-28	McMillan	Accumulated Provision Accounts 228.1, 228.2, 228.4	122
C-29	Labrato	Lobbying and Other Political Expenses	130
C-30	Labrato	Civic and Charitable Contributions	131
C-31	McMillan	Administrative Expenses	132
C-32	McMillan	Miscellaneous General Expenses	134
C-33	Saxon	Payroll and Fringe Benefit Increases Compared to CPI	137
C-34	Labrato	Depreciation Expense Computed on Plant Balances Test Year – 12 Months	139
C-35	Labrato	Amortization/Recovery Schedule 12 Months	145
C-36	Labrato	Current Depreciation Rates	149
C-37	Labrato	Proposed Depreciation Rates	153
C-38a	McMillan	Taxes Other Than Income Taxes	157
C-38b	McMillan	Revenue Taxes	160

# GULF POWER COMPANY

## Docket No. 010949-EI Minimum Filing Requirements

### Index

#### C. Net Operating Income Schedules

<u>Schedules</u>	<u>Witness</u>	<u>Title</u>	<u>Page</u>
C-39	McMillan	State Deferred Income Taxes	161
C-40	McMillan	Federal Deferred Income Taxes	163
C-41	McMillan	Deferred Tax Adjustment	165
C-42	McMillan	State and Federal Income Taxes	166
C-43	McMillan	Reconciliation of Tax Expense	169
C-44	McMillan	Interest in Tax Expense Calculation	173
C-45	McMillan	Consolidated Return	177
C-46	McMillan	Income Tax Returns	178
C-47	McMillan	Parent(s) Debt Information	179
C-48	McMillan	Reconciliation of Total Income Tax Provision	180
C-49	McMillan	Miscellaneous Tax Information	181
C-50	Labrato	Reacquired Bonds	183
C-51	Labrato	Gains and Losses on Disposition of Plant or Property	184
C-52	McMillan	Non-Fuel Operation and Maintenance Expense Compared to CPI	185
C-53	McMillan	O & M Benchmark Comparison By Function	186
C-54	Labrato McMillan	O & M Adjustments by Function	187

GULF POWER COMPANY

Docket No. 010949-EI  
Minimum Filing Requirements

Index

C. Net Operating Income Schedules

<u>Schedules</u>	<u>Witness</u>	<u>Title</u>	<u>Page</u>
C-55	McMillan	Benchmark Year Recoverable O & M Expenses by Function	188
C-56	McMillan	O & M Compound Multiplier Calculation	192
C-57	McMillan Moore, Howell, Fisher, Neyman, Saxon	O & M Benchmark Variance By Function	193
C-58	Labrato	Revenue Expansion Factor	239
C-59	Labrato	Attrition Allowance	240
C-60	McMillan	Transactions with Affiliated Companies	241
C-61	Labrato	Performance Indices	248
C-62	Labrato	Non-Utility Operations Utilizing Utility Assets	249
C-63	Labrato	Statement of Cash Flows	251
C-64	Labrato	Earnings Test	253
C-65	Moore Fisher, Neyman, Saxon, McMillan, Labrato	Outside Professional Services	254
C-66	McMillan	Pension Cost	260

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of jurisdictional net operating income per books for the test year and the prior year.

Type of Data Shown:

Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

Witness: R.R.Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

Jurisdictional Operating Income Per Books  
(Thousands)

Line No.	Description	Prior Year Ended 5/31/02 \$	Historical Year Ended 12/31/00 \$	Increase/(Decrease) \$	Percent Increase/(Decrease)
	Operating Revenues:				
1	Sales of Electricity	566,523	574,640	(8,117)	-1.41%
2	Other Operating Revenues	31,879	12,585	19,294	153.31%
3	Total Operating Revenues	598,402	587,225	11,177	1.90%
	Operating Expenses:				
4	Operation & Maintenance	383,250	363,276	19,974	5.50%
5	Depreciation & Amortization	64,859	62,735	2,124	3.39%
6	Taxes Other Than Income Taxes	54,645	54,586	59	0.11%
	Income Taxes				
7	Federal	24,868	34,987	(10,119)	-28.92%
8	State	3,916	5,730	(1,814)	-31.66%
	Deferred Income Taxes-Net				
9	Federal	(5,947)	(9,967)	4,020	-40.33%
10	State	(447)	(1,657)	1,210	-73.02%
	Charge Equivalent to				
11	Investment Tax Credit	0	0	0	0.00%
	Amortization of Investment				
12	Tax Credit	(1,461)	(1,462)	1	-0.07%
13	Loss on Disposal of Utility Plant	0	0	0	0.00%
14	Total Operating Expenses	523,683	508,228	15,455	3.04%
15	Operating Income	74,719	78,997	(4,278)	-5.42%

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of jurisdictional net operating income per books for the test year and the prior year.

Type of Data Shown:  
XX Projected Test Year Ended 5/31/03  
XX Prior Year Ended 5/31/02  
Historical Year Ended 12/31/00  
Witness: R.R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

Jurisdictional Operating Income Per Books  
(Thousands)

Line No.	Description	Test Year Ended 5/31/03	Prior Year Ended 5/31/02	Increase/(Decrease)	Percent Increase/(Decrease)
		\$	\$	\$	
1	Operating Revenues:				
2	Sales of Electricity	600,597	566,523	34,074	6.01%
3	Other Operating Revenues	32,750	31,879	871	2.73%
4	Total Operating Revenues	633,347	598,402	34,945	5.84%
5	Operating Expenses:				
6	Operation & Maintenance	411,649	383,250	28,399	7.41%
7	Depreciation & Amortization	75,942	64,859	11,083	17.09%
8	Taxes Other Than Income Taxes	58,498	54,645	3,853	7.05%
9	Income Taxes				
10	Federal	19,755	24,868	(5,113)	-20.56%
11	State	3,257	3,916	(659)	-16.83%
12	Deferred Income Taxes-Net				
13	Federal	(5,805)	(5,947)	142	-2.39%
14	State	(608)	(447)	(161)	36.02%
15	Charge Equivalent to				
16	Investment Tax Credit	0	0	0	0.00%
17	Amortization of Investment				
18	Tax Credit	(1,462)	(1,461)	(1)	0.07%
19	Loss on Disposal of Utility Plant	0	0	0	0.00%
20	Total Operating Expenses	561,226	523,683	37,543	7.17%
21	Operating Income	72,121	74,719	(2,598)	-3.48%

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide the calculation of jurisdictional net operating income for the test year and the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

Witness: R.R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

(000s)

## Adjusted Jurisdictional Net Operating Income Calculation for the Twelve Months Ended 12/31/00

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
		Total Company per Books	Non-Electric Utility	Electric Utility (1) - (2)	Commission Adjustments (Sch. C-3)	Utility Adjusted per Commission (3) + (4)	Company Adjustments (Sch. C-3)	Total Adjusted Utility (5) + (6)	Unit Power Sales Net Operating Income	Total Adjusted Utility net of UPS (7) - (8)	Jurisdictional Separation Factor	Jurisdictional Amount (9) x (10)
<b>Operating Revenues:</b>												
1	Sales of Electricity	682,523		682,523	(312,230)	370,293	0	370,293	20,270	350,023	0.9809241	343,346
2	Other Operating Revenues	31,794		31,794	(19,076)	12,718		12,718		12,718	0.9809017	12,475
3	Total Operating Revenues	714,317	0	714,317	(331,306)	383,011	0	383,011	20,270	362,741	0.9809230	355,821
<b>Operating Expenses:</b>												
4	Operation - Fuel	211,768		211,768	(211,768)	0		0		0	-	0
5	Interchange	76,343		76,343	(76,343)	0		0		0	0.0000000	0
6	Other Operation & Maintenance	183,549		183,549	(13,045)	170,504	(275)	170,229	5,032	165,197	0.9788737	161,707
7	Depreciation & Amortization	68,705		68,705	(2,304)	66,401	0	66,401	4,354	62,047	0.9752798	60,513
8	Amortization of Investment Credit	(1,834)		(1,834)		(1,834)		(1,834)	(335)	(1,499)	0.9753169	(1,462)
9	Taxes Other Than Income Taxes	55,904		55,904	(22,997)	32,907	0	32,907	760	32,147	0.9831135	31,605
Income Taxes												
10	Federal	38,383		38,383	919	39,302	91	39,393	2,827	36,566	0.9811038	35,875
11	State	6,020		6,020	152	6,172	15	6,187	470	5,717	1.0435315	5,966
Deferred Income Taxes - Net												
12	Federal	(11,365)		(11,365)		(11,365)		(11,365)	(812)	(10,553)	0.9917550	(10,466)
13	State	(1,391)		(1,391)		(1,391)		(1,391)	(135)	(1,256)	0.9917550	(1,246)
14	Investment Tax Credit	0		0		0		0		0	-	0
15	Total Operating Expenses	626,082	0	626,082	(325,386)	300,696	(169)	300,527	12,161	288,366	0.9796298	282,492
16	Net Operating Income	88,235	0	88,235	(5,920)	82,315	169	82,484	8,109	74,375	0.9859372	73,329

Supporting Schedules: C-3, C-4, C-5, C-9, C-10, C-19, C-27, C-38a, C-39, C-40, C-42, F-17

Recap Schedules: A-1a, A-2, A-10, B-3, C-1

FLORIDA PUBLIC SERVICE COMMISSION

Explanation : Provide the calculation of jurisdictional net operating income for the test year and the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

**XX** Prior Year Ended 5/31/02

\_\_\_ Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato

DOCKET NO: 010949-EI

(000s)

Adjusted Jurisdictional Net Operating Income Calculation for the Twelve Months Ended 5/31/02

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
		Total Company per Books	Non-Electric Utility	Electric Utility (1) - (2)	Commission Adjustments (Sch. C-3)	Adjusted per Commission (3) + (4)	Company Adjustments (Sch. C-3)	Adjusted Utility (5) + (6)	Unit Power Sales Net Operating Income	Total Adjusted Utility net of UPS (7) - (8)	Jurisdictional Separation Factor	Jurisdictional Amount (9) x (10)
<b>Operating Revenues:</b>												
1	Sales of Electricity	671,517		671,517	(299,084)	372,433	0	372,433	21,709	350,724	0.9813215	344,173
2	Other Operating Revenues	32,142		32,142	(18,390)	13,752		13,752		13,752	0.9808307	13,488
3	<b>Total Operating Revenues</b>	<b>703,659</b>	<b>0</b>	<b>703,659</b>	<b>(317,474)</b>	<b>386,185</b>	<b>0</b>	<b>386,185</b>	<b>21,709</b>	<b>364,476</b>	<b>0.9813019</b>	<b>357,661</b>
<b>Operating Expenses:</b>												
4	Operation - Fuel	215,287		215,287	(215,287)	0		0		0	-	0
5	Interchange	64,729		64,729	(64,729)	0		0		0	0.0000000	0
6	Other Operation & Maintenance	191,486		191,486	(8,113)	183,373	231	183,604	7,070	176,534	0.9780833	172,665
7	Depreciation & Amortization	70,851		70,851	(2,570)	68,281	270	68,551	4,321	64,230	0.9755988	62,663
8	Amortization of Investment Credit	(1,832)		(1,832)		(1,832)		(1,832)	(334)	(1,498)	0.9753169	(1,461)
9	Taxes Other Than Income Taxes	55,905		55,905	(22,480)	33,425	0	33,425	692	32,733	0.9830071	32,176
Income Taxes												
10	Federal	27,177		27,177	1,854	29,031	(166)	28,865	2,580	26,285	0.9998859	26,282
11	State	4,299		4,299	307	4,606	(27)	4,579	429	4,150	0.9997590	4,149
Deferred Income Taxes - Net												
12	Federal	(6,516)		(6,516)		(6,516)		(6,516)	(578)	(5,938)	1.0020680	(5,950)
13	State	(542)		(542)		(542)		(542)	(96)	(446)	1.0020680	(447)
14	Investment Tax Credit	0		0		0		0		0	-	0
15	<b>Total Operating Expenses</b>	<b>620,844</b>	<b>0</b>	<b>620,844</b>	<b>(311,018)</b>	<b>309,826</b>	<b>308</b>	<b>310,134</b>	<b>14,084</b>	<b>296,050</b>	<b>0.9798229</b>	<b>290,077</b>
16	<b>Net Operating Income</b>	<b>82,815</b>	<b>0</b>	<b>82,815</b>	<b>(6,456)</b>	<b>76,359</b>	<b>(308)</b>	<b>76,051</b>	<b>7,625</b>	<b>68,426</b>	<b>0.9877012</b>	<b>67,584</b>

FLORIDA PUBLIC SERVICE COMMISSION

Explanation : Provide the calculation of jurisdictional net operating income  
for the test year and the prior year.

Type of Data Shown:

 Projected Test Year Ended 5/31/03 Prior Year Ended 5/31/02 Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato

DOCKET : 010949-EI

(000s)

## Adjusted Jurisdictional Net Operating Income Calculation for the Twelve Months Ended 5/31/2003

Line No.	Description	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
		Total Company per Books	Non- Electric Utility	Electric Utility (1) - (2)	Commission Adjustments (Sch. C-3)	Utility Adjusted per Commission (3) + (4)	Company Adjustments (Sch. C-3)	Total Adjusted Utility (5) + (6)	Unit Power Sales Net Operating Income	Total Adjusted Utility net of UPS (7) - (8)	Jurisdictional Separation Factor	Jurisdictional Amount (9) x (10)
<b>Operating Revenues:</b>												
1	Sales of Electricity	733,472		733,472	(346,645)	386,827	0	386,827	21,903	364,924	0.9834870	358,898
2	Other Operating Revenues	33,019		33,019	(18,934)	14,085		14,085		14,085	0.9809017	13,816
3	Total Operating Revenues	766,491	0	766,491	(365,579)	400,912	0	400,912	21,903	379,009	0.9833909	372,714
<b>Operating Expenses:</b>												
4	Operation - Fuel	308,818		308,818	(308,818)	0		0		0	-	0
5	Interchange	17,653		17,653	(17,653)	0		0		0	0.0000000	0
6	Other Operation & Maintenance	201,325		201,325	(8,313)	193,012	559	193,571	7,217	186,354	0.9788843	182,419
7	Depreciation & Amortization	82,237		82,237	(2,645)	79,592	4,324	83,916	4,386	79,530	0.9752798	77,564
8	Amortization of Investment Credit	(1,831)		(1,831)		(1,831)		(1,831)	(332)	(1,499)	0.9753169	(1,462)
9	Taxes Other Than Income Taxes	59,746		59,746	(23,330)	36,416	1,853	38,269	665	37,604	0.9831135	36,969
Income Taxes												
10	Federal	21,765		21,765	1,583	23,348	(2,228)	21,120	2,656	18,464	1.0349328	19,109
11	State	3,594		3,594	263	3,857	(371)	3,486	442	3,044	1.0348226	3,150
Deferred Income Taxes - Net												
12	Federal	(6,296)		(6,296)		(6,296)		(6,296)	(733)	(5,563)	1.0434932	(5,805)
13	State	(705)		(705)		(705)		(705)	(122)	(583)	1.0434932	(608)
14	Investment Tax Credit	0		0		0		0		0	-	0
15	Total Operating Expenses	686,306	0	686,306	(358,913)	327,393	4,137	331,530	14,179	317,351	0.9810462	311,336
16	Net Operating Income	80,185	0	80,185	(6,666)	73,519	(4,137)	69,382	7,724	61,658	0.9954588	61,378

Supporting Schedules: C-3, C-4, C-5, C-9, C-10, C-19, C-27, C-38a, C-39, C-40, C-42, F-17

Recap Schedules: A-1a, A-2, A-10, B-3, C-1

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO: 010949-EI

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 XX Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Jurisdictional Adjustments for the Twelve Months Ended 12/31/00  
 (Thousands)

Line No	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/ (Decrease) in Revenue Requirement
<b>Commission Adjustments:</b>						
1	Franchise Fee Revenues	To remove franchise revenues and expenses from NOI for ratemaking purposes.	(18,963)	1.0000000	(18,963)	19,297
2	Franchise Fee Expenses	To remove franchise revenues and expenses from NOI for ratemaking purposes.	18,433	1.0000000	18,433	(18,758)
3	Fuel Revenues	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	(277,710)	Direct	(184,273)	187,518
4	Fuel Expense	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	211,768	0.6605956	139,893	(142,356)
5	Fuel Portion of Interchange Energy	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	62,560	0.6605956	41,327	(42,055)
6	ECCR Revenues	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	(3,931)	1.0000000	(3,931)	4,000
7	ECCR Expenses in O&M Expense	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	3,534	1.0000000	3,534	(3,596)
8	ECCR Expenses In Other Tax Expense	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	74	1.0000000	74	(75)
9	PPCC Revenues	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	(14,180)	1.0000000	(14,180)	14,430
10	PPCC Expenses	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	14,410	0.9642371	13,895	(14,139)
11	ECRC Revenues	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	(10,057)	1.0000000	(10,057)	10,234
12	ECRC Expenses in O&M	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	2,052	0.9642371	1,979	(2,013)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 XX Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

Jurisdictional Adjustments for the Twelve Months Ended 12/31/00  
 (Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/ (Decrease) in Revenue Requirement
<b>Commission Adjustments (Continued):</b>						
13	ECRC in Depreciation Expense	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	2,260	0.9642371	2,179	(2,218)
14	ECRC in Other Tax Expense	To remove all ECRC property tax expense from NOI for ratemaking purposes.	438	0.9642371	422	(430)
15	Industry Association Dues	To remove the effect of certain Industry Association Dues from NOI.	2	1.0000000	2	(2)
16	ECCR Depreciation	To remove depreciation expenses related to ECCR related Plant equipment	37	1.0000000	37	(38)
17	Management Tax Preparation	To remove the effect of tax preparation expenses for management personnel per Comm. Order No. 23573.	6	0.9786848	6	(6)
18	Tallahassee Regulatory Office O&M	To remove expenses related to Gulf's Liaison Office located in Tallahassee.	171	0.9786848	168	(171)
19	Purchased Transmission	To remove expenses associated with transmission services needed to transfer purchased energy and which are recoverable through the fuel clause.	14	0.6605956	9	(9)
20	Economic Development	To remove expenses related to Economic Development as ordered by the Commission.	37	1.0000000	37	(38)
21	Payroll Taxes-Liaison Office Salaries	To remove expenses associated with Gulf's Tallahassee Office.	9	0.9822170	9	(9)
22	Taxes Other Than Income Taxes	To reflect the effects of Revenue Taxes on Franchise Fee, Fuel, ECCR, PPCC, and ECRC Revenue adjustments on Taxes Other Than Income Taxes.	4,043	1.0000000	4,043	(4,114)

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO: D10949-EI

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income Jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 XX Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Jurisdictional Adjustments for the Twelve Months Ended 12/31/00  
 (Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/(Decrease) in Revenue Requirement
<b>Commission Adjustments, Continued:</b>						
23	Marketing Support Activities and Bulk Power Energy Sales	To remove non-Economic Development related sales expenses and expenses related to wholesale business.	227	1.0000000	227	(231)
24	Competitive Sales Revenue - 447	To remove non-jurisdictional energy sales revenue from NOI.	(6,350)	0.0000000	0	0
25	Competitive Sales Revenue - 456 Options Not Exercised	To remove non-jurisdictional energy sales revenue from NOI.	(113)	0.0000000	0	0
26	Competitive Sales Expense	To remove non-jurisdictional energy sales expense from NOI.	6,148	0.0000000	0	0
27	Amortization of Gain/Loss on Disposition of Property	To adjust amortization for the Gain/ Loss on Disposition of Property.	6	1.0000000	6	(7)
28	Area Development/National Advertising	To remove expenses related to Image Enhancement advertising	226	0.9822560	223	(227)
29	Income Taxes - Adjustments	To reflect the tax effect of all Commission Adjustments.	1,871		1,892	-
30	Income Taxes - Interest Synchronization	To reflect the tax effect of Interest Synchronization	(2,942)		(2,824)	4,678
31	Total Commission Adjustments		<u>(5,920)</u>		<u>(5,833)</u>	<u>9,665</u>

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO: 010949-EI

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 XX Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Jurisdictional Adjustments for the Twelve Months Ended 12/31/00  
 (Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/(Decrease) in Revenue Requirement
<b>Company Proposed Adjustments:</b>						
1	Interest on Tax Assessment	To adjust NOI for interest earned on Tax Assessments as required by Commission	275	0.9786848	269	(273)
2	Tax Effect of Company Proposed Adjustments	To reflect the tax effect of all Company Proposed Adjustments.	(106)		(104)	-
3	Total Company Proposed Adjustments		<u>169</u>		<u>165</u>	<u>(273)</u>

6

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO: 010949-EI

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 XX Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Jurisdictional Adjustments for the Twelve Months Ended 5/31/02  
 (Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/ (Decrease) in Revenue Requirement
<b>Commission Adjustments:</b>						
1	Franchise Fee Revenues	To remove franchise revenues and expenses from NOI for ratemaking purposes.	(18,390)	1.0000000	(18,390)	18,714
2	Franchise Fee Expenses	To remove franchise revenues and expenses from NOI for ratemaking purposes.	17,916	1.0000000	17,916	(18,231)
3	Fuel Revenues	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	(266,595)	Direct	(189,858)	193,201
4	Fuel Expense	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	215,287	0.7092254	152,686	(155,374)
5	Fuel Portion of Interchange Energy	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	48,000	0.7092254	34,042	(34,641)
6	ECCR Revenues	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	(4,423)	1.0000000	(4,423)	4,501
7	ECCR Expenses in O&M Expense	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	3,619	1.0000000	3,619	(3,683)
8	ECCR Expenses in Other Tax Expense	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	149	1.0000000	149	(152)
9	PPCC Revenues	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	(17,083)	1.0000000	(17,083)	17,383
10	PPCC Expenses	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	16,729	0.9642371	16,130	(16,414)
11	ECRC Revenues	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	(10,983)	1.0000000	(10,983)	11,176
12	ECRC Expenses in O&M	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	3,064	0.9642371	2,954	(3,005)

10

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income Jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 XX Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Jurisdictional Adjustments for the Twelve Months Ended 5/31/02  
 (Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/ (Decrease) in Revenue Requirement
<b>Commission Adjustments (Continued):</b>						
13	ECRC in Depreciation Expense	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	2,489	0.9642371	2,399	(2,442)
14	ECRC in Other Tax Expense	To remove all ECRC property tax expense from NOI for ratemaking purposes.	415	0.9642371	400	(408)
15	Industry Association Dues	To remove the effect of certain Industry Association Dues from NOI.	14	1.0000000	14	(15)
16	ECCR Depreciation	To remove depreciation expenses related to ECCR related Plant equipment	81	1.0000000	81	(83)
17	Management Tax Preparation	To remove the effect of tax preparation expenses for management personnel per Commission Order No. 23573.	4	0.9786848	4	(3)
18	Tallahassee Regulatory Office O&M	To remove expenses related to Gulf's Liason Office located in Tallahassee.	222	0.9786848	217	(220)
19	Purchased Transmission	To remove expenses associated with transmission services needed to transfer purchased power and which are recoverable through the fuel clause.	200	0.7092254	142	(144)
20	Purchased Transmission	To remove expenses associated with transmission services needed to transfer purchased power which are recoverable through the capacity clause.	666	0.9642371	642	(653)
21	Economic Development	To remove expenses related to Economic Development as ordered by the Commission.	45	1.0000000	45	(46)
22	Payroll Taxes-Liason Office Salaries	To remove expenses associated with Gulf's Tallahassee Office.	10	0.9822170	10	(10)

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO: 010949-EI

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 XX Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Jurisdictional Adjustments for the Twelve Months Ended 5/31/02  
 (Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/(Decrease) in Revenue Requirement
<b>Commission Adjustments, Continued:</b>						
23	Taxes Other Than Income Taxes	To reflect the effects of Revenue Taxes on Franchise Fee, Fuel, ECCR, PPCC, and ECRC Revenue adjustments on Taxes Other Than Income Taxes.	3,990	1.0000000	3,990	(4,060)
24	Marketing Support Activities and Bulk Power Energy sales	To remove non-Economic Development related to sales expenses and expenses related to wholesale business.	279	1.0000000	279	(283)
25	Income Taxes - Adjustments	To reflect the tax effect of all Commission Adjustments.	1,657		1,936	-
26	Income Taxes - Interest Synchronization	To reflect the tax effect of Interest Synchronization	(3,818)		(3,760)	6,229
27	Total Commission Adjustments		<u>(6,456)</u>		<u>(6,842)</u>	<u>11,337</u>

Legend:

ECCR Energy Conservation Cost Recovery Clause  
 PPCC Purchased Power Capacity Cost Recovery Clause  
 ECRC Environmental Cost Recovery Clause

NOTE: All adjustments listed above were made in the Company's last full revenue requirements case except for:  
 PPCC Revenue and expense adjustments: Order No. 25773  
 ECRC Revenue and expense adjustments: Order No. PSC-940044-FOF-EI

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO: 010949-EI

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income Jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 XX Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Jurisdictional Adjustments for the Twelve Months Ended 5/31/02  
 (Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/(Decrease) in Revenue Requirement
<b>Company Proposed Adjustments:</b>						
1	2001 Depreciation Study Adjustment	To increase depreciation expense to reflect the incremental effect of the current Depreciation Study not otherwise reflected in this filing.	(270)	0.9752798	(263)	268
2	O&M Portion of Depreciation Study Adjustment	To increase O&M expense to reflect the incremental effect of the current Depreciation Study recorded in O&M and not otherwise reflected in this filing.	(231)	0.9788840	(227)	230
3	Tax Effect of Company Proposed Adjustments	To reflect the tax effect of all Commission Adjustments.	193		189	-
4	Total Company Proposed Adjustments		<u>(308)</u>		<u>(301)</u>	<u>498</u>

13

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

Witness: R.R. LoBrato

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

Jurisdictional Adjustments for the Twelve Months Ended 5/31/03  
(Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/ (Decrease) in Revenue Requirement
<b>Commission Adjustments:</b>						
1	Franchise Fee Revenues	To remove franchise revenues and expenses from NOI for ratemaking purposes.	(18,934)	1.0000000	(18,934)	19,267
2	Franchise Fee Expenses	To remove franchise revenues and expenses from NOI for ratemaking purposes.	18,446	1.0000000	18,446	(18,770)
3	Fuel Revenues	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	(326,847)	Direct	(221,901)	225,809
4	Fuel Expense	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	308,818	0.6758350	208,710	(212,385)
5	Fuel Portion of Interchange Energy	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	14,161	0.6758350	9,570	(9,738)
6	ECCR Revenues	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	(5,414)	1.0000000	(5,414)	5,510
7	ECCR Expenses in O&M Expense	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	4,312	1.0000000	4,312	(4,389)
8	ECCR Expenses in Other Tax Expense	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	164	1.0000000	164	(167)
9	PPCC Revenues	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	(3,455)	1.0000000	(3,455)	3,515
10	PPCC Expenses	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	3,492	0.9642371	3,367	(3,426)
11	ECRC Revenues	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	(10,929)	1.0000000	(10,929)	11,121
12	ECRC Expenses in O&M	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	3,199	0.9642371	3,086	(3,141)

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET : 010949-EI

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 XX Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Jurisdictional Adjustments for the Twelve Months Ended 5/31/03  
 (Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/ (Decrease) in Revenue Requirement
<b>Commission Adjustments (Continued):</b>						
13	ECRC in Depreciation Expense	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	2,501	0.9642371	2,412	(2,455)
14	ECRC in Other Tax Expense	To remove all ECRC property tax expense from NOI for ratemaking purposes.	403	0.9642371	389	(396)
15	Industry Association Dues	To remove the effect of certain Industry Association Dues from NOI.	15	1.0000000	15	(15)
16	Economic Development	To remove the effect of expenses for Economic Development .	53	1.0000000	53	(55)
17	ECCR Depreciation	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	144	1.0000000	144	(146)
18	Management Tax Preparation	To remove the effect of tax preparation expenses for management personnel per Comm. Order No. 23573.	4	1.0000000	4	(3)
19	Tallahassee Liaison Office O&M	To remove expenses related to Gulf's Liaison Office located in Tallahassee.	226	0.9786848	221	(225)
20	Purchased Transmission	To remove expenses associated with transmission reflected in the fuel clause	200	0.6758350	135	(138)
21	Payroll Taxes-Liaison Office Salaries	To remove expenses associated with Gulf's Tallahassee Office.	10	0.9822170	10	(10)
22	Taxes Other Than Income Taxes	To reflect the effects of Revenue Taxes on Franchise Fee, Fuel, ECCR ,PPCC, and ECRC Revenue adjustments on Taxes Other Than Income Taxes.	4,307	1.0000000	4,307	(4,384)

15

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET : 010949-EI

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 XX Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Jurisdictional Adjustments for the Twelve Months Ended 5/31/03  
 (Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/(Decrease) in Revenue Requirement
<b>Commission Adjustments, Continued:</b>						
23	Marketing Support Activities and Bulk Power energy sales	To remove non-Economic Development related sales expense and expenses related to wholesale business.	304	1.0000000	304	(315)
24	Income Taxes - Adjustments	To reflect the tax effect of all Commission Adjustments.	1,859		1,923	-
25	Income Taxes - Interest Synchronization	To reflect the tax effect of Interest Synchronization	(3,705)		(3,682)	6,100
26	Total Commission Adjustments		<u>(6,666)</u>		<u>(6,743)</u>	<u>11,164</u>

Legend:

- ECCR Energy Conservation Cost Recovery Clause
- PPCC Purchased Power Capacity Cost Recovery Clause
- ECRC Environmental Cost Recovery Clause

NOTE: All adjustments listed above were made in the Company's last full revenue requirements case except for:  
 PPCC Revenue and expense adjustments: Order No. 25773  
 ECRC Revenue and expense adjustments: Order No. PSC-940044-FOF-EI

16

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET : 010949-EI

EXPLANATION: Provide a schedule of proposed adjustments to Net Operating Income jurisdictional components, and the revenue requirement effect on each and the total. Indicate which adjustments were made in the company's last full revenue requirements case.

Type of Data Shown:  
 XX Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Jurisdictional Adjustments for the Twelve Months Ended 5/31/03  
 (Thousands)

Line No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	(1) Total Adjustment	(2) Jurisdictional Factor	(3) Jurisdictional Adjustment	(4) Increase/(Decrease) in Revenue Requirement
<b>Company Proposed Adjustments:</b>						
1	2001 Depreciation Study Adjustment	To increase depreciation expense to reflect the incremental effect of the current depreciation study not otherwise reflected in this filing.	(815)	0.9752798	(795)	1,317
2	Smith CC Depreciable Life Adj	To increase depreciation to reflect the Smith CC at a 20 year depreciable life.	(3,509)	0.9642248	(3,383)	5,605
3	O&M Portion of Depreciation Study Adjustment	To increase O&M expense to reflect the incremental effect of the current depreciation study recorded in O&M and not otherwise reflected in this filing.	(559)	0.9788840	(547)	907
4	Annualized Property Tax adjustment	To take into effect the full year of Smith CC property taxes within the test year	(1,853)	0.9642363	(1,787)	2,960
5	Tax effect of Company Proposed Adjustments	To reflect the tax effect of all Company Adjustments.	2,599		2,512	-
6	Total Company Proposed Adjustments		<u>(4,137)</u>		<u>(4,000)</u>	<u>10,789</u>

17

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List all proposed Commission adjustments to net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

Witness: R.R. Labroto

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

Commission Adjustments for the Twelve Months Ended 12/31/00  
(Thousands)

Line No.		(1) Franchise Fee Revenues & Expenses	(2) Fuel-Related Revenues & Expenses	(3) Conservation Revenues & Expenses	(4) PPCC Revenues & Expenses	(5) ECRC Revenues & Expenses	(6) Miscellaneous Other Adjustments *	(7) Interest Synch- ronization	(8) Total Commission Adjustments
<b>Operating Revenues:</b>									
1	Sales of Electricity		(277,710)	(3,931)	(14,180)	(10,057)	(6,352)		(312,230)
2	Other Operating Revenues	(18,963)					(113)		(19,076)
3	Total Operating Revenues	(18,963)	(277,710)	(3,931)	(14,180)	(10,057)	(6,465)	0	(331,306)
<b>Operating Expenses:</b>									
4	Operation - Fuel		(211,768)						(211,768)
5	Interchange		(62,560)		(13,783)				(76,343)
6	Other Operation & Maintenance		(14)	(3,534)	(628)	(2,052)	(6,817)		(13,045)
7	Depreciation & Amortization			(37)		(2,260)	(7)	0	(2,304)
8	Amortization of Investment Credit								0
9	Taxes Other Than Income Taxes	(18,923)	(3,092)	(133)	(222)	(618)	(9)		(22,997)
	Income Taxes								
10	Federal	(14)	(91)	(75)	150	(1,696)	122	2,523	919
11	State	(3)	(15)	(12)	25	(282)	20	419	152
	Deferred Income Taxes - Net								
12	Federal								0
13	State								0
14	Investment Tax Credit								0
15	Total Operating Expenses	(18,940)	(277,540)	(3,791)	(14,458)	(6,908)	(6,691)	2,942	(325,386)
16	Net Operating Income	(23)	(170)	(140)	278	(3,149)	226	(2,942)	(5,920)

Supporting Schedules:

Recap Schedules: C-2, C-3

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO: 010949-EI

EXPLANATION: List all proposed Commission adjustments to net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 XX Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Commission Adjustments for the Twelve Months Ended 5/31/02  
 (Thousands)

Line No.		(1) Franchise Fee Revenues & Expenses	(2) Fuel-Related Revenues & Expenses	(3) Conservation Revenues & Expenses	(4) PPCC Revenues & Expenses	(5) ECRC Revenues & Expenses	(6) Miscellaneous Other Adjustments *	(7) Interest Synch-ronization	(8) Total Commission Adjustments
<b>Operating Revenues:</b>									
1	Sales of Electricity		(266,595)	(4,423)	(17,083)	(10,983)			(299,084)
2	Other Operating Revenues	(18,390)							(18,390)
3	Total Operating Revenues	(18,390)	(266,595)	(4,423)	(17,083)	(10,983)	0	0	(317,474)
<b>Operating Expenses:</b>									
4	Operation - Fuel		(215,287)						(215,287)
5	Interchange		(48,000)		(16,729)				(64,729)
6	Other Operation & Maintenance		(200)	(3,619)	(666)	(3,064)	(564)		(8,113)
7	Depreciation & Amortization			(81)		(2,489)	0		(2,570)
8	Amortization of Investment Credit								0
9	Taxes Other Than Income Taxes	(18,390)	(2,984)	(219)	(290)	(587)	(10)		(22,480)
10	Income Taxes								
	Federal	0	(41)	(167)	199	(1,601)	190	3,274	1,854
11	State	0	(7)	(28)	33	(267)	32	544	307
	Deferred Income Taxes - Net								
12	Federal								0
13	State								0
14	Investment Tax Credit								0
15	Total Operating Expenses	(18,390)	(266,519)	(4,114)	(17,453)	(8,008)	(352)	3,818	(311,018)
16	Net Operating Income	0	(76)	(309)	370	(2,975)	352	(3,818)	(6,456)

19

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List all proposed Commission adjustments to net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

Witness: R.R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

Commission Adjustments for the Twelve Months Ended 5/31/03  
(Thousands)

Line No.	(1) Franchise Fee Revenues & Expenses	(2) Fuel-Related Revenues & Expenses	(3) Conservation Revenues & Expenses	(4) PPCC Revenues & Expenses	(5) ECRC Revenues & Expenses	(6) Miscellaneous Adjustments*	(7) Interest Synch- ronization	(8) Total Commission Adjustments
<b>Operating Revenues:</b>								
1		(326,847)	(5,414)	(3,455)	(10,929)			(346,645)
2	(18,934)							(18,934)
3	(18,934)	(326,847)	(5,414)	(3,455)	(10,929)	0	0	(365,579)
<b>Operating Expenses:</b>								
4		(308,818)						(308,818)
5		(14,161)		(3,492)				(17,653)
6		(200)	(4,312)		(3,199)	(602)		(8,313)
7			(144)		(2,501)	0		(2,645)
8								0
9	(18,933)	(3,488)	(249)	(75)	(575)	(10)		(23,330)
10	0	(60)	(234)	37	(1,539)	202	3,177	1,583
11	0	(10)	(39)	6	(256)	34	528	263
12								0
13								0
14								0
15	(18,933)	(326,737)	(4,978)	(3,524)	(8,070)	(376)	3,705	(358,913)
16	(1)	(110)	(436)	69	(2,859)	376	(3,705)	(6,666)

20

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List all proposed Company adjustments to net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

Witness : R.R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

Company Adjustments for the Twelve Months Ended 12/31/00  
(Thousands)

Line No.		(1) Interest On Tax Assessments	(2) Total Company Proposed Adjustments
<b>Operating Revenues:</b>			
1	Sales of Electricity		
2	Other Operating Revenues		
3	Total Operating Revenues	0	0
<b>Operating Expenses:</b>			
4	Operation - Fuel	0	0
5	Interchange	0	0
6	Other Operation & Maintenance	(275)	(275)
7	Depreciation & Amortization	0	0
8	Amortization of Investment Credit	0	0
9	Taxes Other Than Income Taxes	0	0
	Income Taxes	0	0
10	Federal	91	91
11	State	15	15
	Deferred Income Taxes - Net	0	0
12	Federal	0	0
13	State	0	0
14	Investment Tax Credit	0	0
15	Total Operating Expenses	(169)	(169)
16	Net Operating Income	169	169

21

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO: 010949-EI

EXPLANATION: List all proposed Commission adjustments to net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:  
 Projected Test Year  
 Prior Year Ended 5/31/02  
 Historical Year Ended  
 Witness: F.R. Labrato

Company Adjustments for the Twelve Months Ended 5/31/02  
 (Thousands)

Line No.		(1) 2001 Depreciation Adjustment Deprec Portion	(2) 2001 Depreciation Adjustment O&M Portion	(3) Total Company Adjustments
<b><u>Operating Revenues:</u></b>				
1	Sales of Electricity			
2	Other Operating Revenues			
3	Total Operating Revenues	0	0	0
<b><u>Operating Expenses:</u></b>				
4	Operation - Fuel	0	0	0
5	Interchange	0	0	0
6	Other Operation & Maintenance	0	231	231
7	Depreciation & Amortization	270	0	270
8	Amortization of Investment Credit	0	0	0
9	Taxes Other Than Income Taxes	0	0	0
	Income Taxes	0	0	0
10	Federal	(90)	(76)	(166)
11	State	(14)	(13)	(27)
	Deferred Income Taxes - Net	0	0	0
12	Federal	0	0	0
13	State	0	0	0
14	Investment Tax Credit	0	0	0
15	Total Operating Expenses	166	142	308
16	Net Operating Income	(166)	(142)	(308)

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET : 010949-EI

EXPLANATION: List all proposed Company adjustments to net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:  
 XX Projected Test Year Ended 5/31/03  
 Prior Year Ended  
 Historical Year Ended  
 Witness: R.R. Labrato

Company Adjustments for the Twelve Months Ended 5/31/03  
 (Thousands)

Line No.		(1) Annualized Property Tax Adjustment - Smith CC	(2) 2001 Depreciation Adjustment Deprec Portion	(3) 2001 Depreciation Adjustment O&M Portion	(4) Depreciable Life Adjustment Smith CC	(5) Total Company Adjustments
<b>Operating Revenues:</b>						
1	Sales of Electricity	0	0	0	0	0
2	Other Operating Revenues	0	0	0	0	0
3	Total Operating Revenues	0	0	0	0	0
<b>Operating Expenses:</b>						
4	Operation - Fuel	0	0	0	0	0
5	Interchange	0	0	0	0	0
6	Other Operation & Maintenance	0	0	559	0	559
7	Depreciation & Amortization	0	815	0	3,509	4,324
8	Amortization of Investment Credit	0	0	0	0	0
9	Taxes Other Than Income Taxes	1,853	0	0	0	1,853
Income Taxes						
10	Federal	(613)	(270)	(185)	(1,161)	(2,228)
11	State	(102)	(45)	(31)	(193)	(371)
Deferred Income Taxes - Net						
12	Federal	0	0	0	0	0
13	State	0	0	0	0	0
14	Investment Tax Credit	0	0	0	0	0
15	Total Operating Expenses	1,138	500	343	2,155	4,137
16	Net Operating Income	(1,138)	(500)	(343)	(2,155)	(4,137)

23

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide a list of out of period items for the test year and the related adjustments to operating revenues and expenses/by primary account.

Type of Data Shown:  
XX Projected Test Year Ended 05/31/03  
XX Prior Year Ended 05/31/02  
Historical Year Ended 12/31/00  
Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

Line Number	Account Number	Account Title	(1) Description	(2) Date Incurred	(3) Debit	(4) Credit
-------------	----------------	---------------	--------------------	----------------------	--------------	---------------

No out of period items or related adjustments are included in the test year or the prior year.

24

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of revenues and expenses during the test year or the prior year that the applicant considers extraordinary or of a non-recurring nature.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 XX Historical Year Ended 12/31/00  
 Witness: R. R. Labrato

Line No.	Account No.	Nature of Expenses or Revenue	Electric Utility (\$000)	Jurisdictional	
				Factor	Amount (\$000)

NONE

25

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide a schedule of revenues and expenses during the test year or the prior year that the applicant considers extraordinary or of a non-recurring nature.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 XX Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00  
 Witness: R. R. Labrato

Line No.	Account No.	Nature of Expenses or Revenue	Electric Utility (\$000)	Jurisdictional	
				Factor	Amount (\$000)

NONE

26

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide a schedule of revenues and expenses during the test year or the prior year that the applicant considers extraordinary or of a non-recurring nature.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Type of Data Shown:  
 XX Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00  
 Witness: R. R. Labrato

Line No.	Account No.	Nature of Expenses or Revenue	Electric Utility (\$000)	Jurisdictional	
				Factor	Amount (\$000)

NONE

27

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
R.J. McMillan, R.M.Saxon,  
M.W. Howell, M.D. Neyman

(000's)

Line No.	Account No.	Account Title	(1) Actual 2000	(2) Forecasted 2000 Budget	Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
					(3) Amount (1) - (2)	(4) Percent (3) / (2)	
Operating Revenues							
1	440	Residential Sales	308,728	300,756	7,972	2.65%	
2	442	Commercial and Industrial Sales	258,123	252,797	5,326	2.11%	
3	444	Public Street and Highway Lighting	2,217	2,295	(78)	-3.40%	
4	445	Other Sales to Public Authorities	-	-	-	0.00%	
5	447	Sales for Resale	133,885	89,204	44,681	50.09%	
6	448	Interdepartmental Sales	30	40	(10)	-25.00%	
7	449	Provision for Rate Refund	(6,935)	(1,453)	(5,482)	377.29%	
8	451	Misc Service Revenues	21,454	20,775	679	3.27%	
9	454	Rent from Electric Property	5,323	5,567	(244)	-4.38%	
10	455	Interdepartmental Rent	-	-	-	0.00%	
11	456	Other Electric Revenues	(8,506)	3,886	(12,392)	-318.89%	
12		Total Operating Revenues	714,319	673,867	40,452	6.00%	

28

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
R.J. McMillan, R.M.Saxon,  
M.W. Howell, M.D. Neyman

DOCKET NO.: 010949-EI

(000's)

Line No.	Account No.	Account Title	(1) Actual 2000	(2) Forecasted 2000 Budget	Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
					(3) Amount (1) - (2)	(4) Percent (3) / (2)	
13		Operating & Maintenance Expense					
14	500	Operation, Supervision & Engineering	6,161	5,978	183	3.06%	
15	501	Fuel Expense	213,029	192,217	20,812	10.83%	
16	502	Steam Expenses	5,164	4,760	404	8.49%	
17	505	Electric Expense	3,500	2,633	867	32.93%	
18	506	Misc Steam Power Expense	11,173	11,476	(303)	-2.64%	
19	507	Rents	-	-	-	0.00%	
20	509	Allowances	45	-	45	100.00%	
21	546	Operation, Supervision & Engineering	95	35	60	171.43%	
22	547	Fuel Expense - Other Production	2,714	-	2,714	100.00%	
23	548	Generation Expenses	19	27	(8)	-29.63%	
24	549	Misc Other Power Generation Expense	-	7	(7)	-100.00%	
25		Total Generation Operation	241,900	217,133	24,767	11.41%	A

29

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
R.J. McMillan, R.M.Saxon,  
M.W. Howell, M.D. Neyman

(000's)

Line No.	Account No.	Account Title	(1) Actual 2000	(2) Forecasted 2000 Budget	Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
					(3) Amount (1) - (2)	(4) Percent (3) / (2)	
26	510	Maintenance,Supervision & Engineering	5,087	5,725	(638)	-11.14%	
27	511	Maintenance of Structures	3,262	3,365	(103)	-3.06%	
28	512	Maintenance of Boiler Plant	20,109	22,170	(2,061)	-9.30%	
29	513	Maintenance of Electric Plant	8,082	7,663	419	5.47%	
30	514	Maintenance of Misc Steam Plant	2,087	1,254	833	66.43%	
31	551	Maint.,Supervision & Engineering-Other	17	10	7	70.00%	
32	552	Maintenance of Structures	1	-	1	100.00%	
33	553	Maint.of Generation & Elec.Equip.	512	485	27	5.57%	
34	554	Maint.of Misc.Other Power Gen.Plant	6	-	6	100.00%	
35		Total Maintenance	39,163	40,672	(1,509)	-3.71%	
36	555	Purchased & Interchanged Power	82,490	69,632	12,858	18.47%	
37	556	System Control & Load Dispatch	910	1,467	(557)	-37.97%	
38	557	Other Production Expenses	1,137	1,039	98	9.43%	
39		Total Other Power Supply	84,537	72,138	12,399	17.19%	B
40		Total Production	365,600	329,943	35,657	10.81%	

30

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,

R.J. McMillan, R.M.Saxon,

M.W. Howell, M.D. Neyman

(000's)

Line No.	Account No.	Account Title			Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
			(1) Actual 2000	(2) Forecasted 2000 Budget	(3) Amount (1) - (2)	(4) Percent (3) / (2)	
41		Transmission Expense					
42	560	Operation Supervision & Engineering	1,025	1,132	(107)	-9.45%	
43	561	Load Dispatching	2,211	2,237	(26)	-1.16%	
44	562	Station Expenses	72	94	(22)	-23.40%	
45	563	Overhead Line Expenses	212	282	(70)	-24.82%	
46	564	Underground Line Expenses	8	-	8	100.00%	
47	565	Transmission of Electricity of Others	642		642	100.00%	
48	566	Misc. Transmission Expenses	403	403	-	0.00%	
49	567	Rents	1,163	1,163	-	0.00%	
50		Total Operation	5,736	5,311	425	8.00%	

3  
4

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
 R.J. McMillan, R.M. Saxon,  
 M.W. Howell, M.D. Neyman

(000's)

Line No.	Account No.	Account Title	(1) Actual 2000	(2) Forecasted 2000 Budget	Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
					(3) Amount (1) - (2)	(4) Percent (3) / (2)	
51	568	Maintenance, Supervision & Engineering	263	271	(8)	-2.95%	
52	569	Maintenance of Structures	33	78	(45)	-57.69%	
53	570	Maintenance of Substation Equipment	475	441	34	7.71%	
54	571	Maint. of Overhead Lines	714	704	10	1.42%	
55	572	Maintenance of Underground Lines	-	-	-	0.00%	
56	573	Maint. of Misc. Transmission Lines	85	78	7	8.97%	
57		Total Maintenance	1,570	1,572	(2)	-0.13%	
58		Total Transmission	7,306	6,883	423	6.15%	

32

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
R.J. McMillan, R.M.Saxon,  
M.W. Howell, M.D. Neyman

DOCKET NO.: 010949-EI

(000's)

Line No.	Account No.	Account Title	(1) Actual 2000	(2) Forecasted 2000 Budget	Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
					(3) Amount (1) - (2)	(4) Percent (3) / (2)	
59		Distribution Expenses					
60	580	Operation Supervision & Engineering	4,409	4,055	354	8.73%	
61	581	Load Dispatching	504	243	261	107.41%	
62	582	Station Expenses	255	293	(38)	-12.97%	
63	583	Overhead Line Expenses	1,205	1,353	(148)	-10.94%	
64	584	Underground Line Expenses	693	572	121	21.15%	
65	585	Street Lighting & Signal System Exp	627	505	122	24.16%	
66	586	Meter Expenses	1,654	1,896	(242)	-12.76%	
67	587	Customer Installation Expense	726	696	30	4.31%	
68	588	Misc.Distribution Expense	1,570	1,856	(286)	-15.41%	
69	589	Rents	50	55	(5)	-9.09%	
70		Total Operation	11,693	11,524	169	1.47%	

33

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
R.J. McMillan, R.M.Saxon,  
M.W. Howell, M.D. Neyman

DOCKET NO.: 010949-EI

(000's)

Line No.	Account No.	Account Title	(1) Actual 2000	(2) Forecasted 2000 Budget	Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
					(3) Amount (1) - (2)	(4) Percent (3) / (2)	
71	590	Maintenance, Supervision & Engineering	2,141	2,054	87	4.24%	
72	591	Maintenance of Structures	1,237	1,188	49	4.12%	
73	592	Maintenance of Substation Equipment	817	1,020	(203)	-19.90%	
74	593	Maint. of Overhead Lines	6,943	7,369	(426)	-5.78%	
75	594	Maintenance of Underground Lines	2,047	1,484	563	37.94%	
76	595	Maint. of Line Transformers	739	757	(18)	-2.38%	
77	596	Maint. of Street Lighting & Signal Sys.	341	335	6	1.79%	
78	597	Maintenance of Meters	106	120	(14)	-11.67%	
79	598	Maint. of Misc. Distribution Plant	159	131	28	21.37%	
80		Total Maintenance	14,530	14,458	72	0.50%	
81		Total Distribution	26,223	25,982	241	0.93%	

34

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

**XX** Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
R.J. McMillan, R.M.Saxon,  
M.W. Howell, M.D. Neyman

DOCKET NO.: 010949-EI

(000's)

Line No.	Account No.	Account Title	(1) Actual 2000	(2) Forecasted 2000 Budget	Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
					(3) Amount (1) - (2)	(4) Percent (3) / (2)	
82		Customer Accounting Expense					
83	901	Customer Accounts Supervision	376	392	(16)	-4.08%	
84	902	Meter Reading Expenses	1,636	1,628	8	0.49%	
85	903	Customer Records & Collection Expense	11,234	10,997	237	2.16%	
86	904	Uncollectible Accounts	1,409	1,192	217	18.20%	
87	905	Misc.Customer Accounts Expense	707	748	(41)	-5.48%	
88		Total Customer Accounting	15,362	14,957	405	2.71%	
89		Customer Service and Information					
90	907	Cust.Srv. and Information Supervision	2,267	1,716	551	32.11%	
91	908	Customer Assistance Expense	9,639	8,452	1,187	14.04%	
92	909	Information & Institutional Adv.	996	924	72	7.79%	
93	910	Misc.Customer Service & Info Exp.	147	148	(1)	-0.68%	
94		Total Customer Serv. and Information	13,049	11,240	1,809	16.09%	C

35

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

(000's)

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
R.J. McMillan, R.M.Saxon,  
M.W. Howell, M.D. Neyman

Line No.	Account No.	Account Title	(1) Actual 2000	(2) Forecasted 2000 Budget	Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
					(3) Amount (1) - (2)	(4) Percent (3) / (2)	
95		Sales Expense					
96	911	Sales Supervision	-	-	-	0.00%	
97	912	Demonstration & Selling Expense	973	1,284	(311)	-24.22%	
98	913	Advertising & Promotional Expense	-	-	-	0.00%	
99		Total Sales Expense	973	1,284	(311)	-24.22%	D

36

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,

R.J. McMillan, R.M.Saxon,

M.W. Howell, M.D. Neyman

DOCKET NO.: 010949-EI

(000's)

Line No.	Account No.	Account Title	(1) Actual 2000	(2) Forecasted 2000 Budget	Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
					(3) Amount (1) - (2)	(4) Percent (3) / (2)	
100		Administrative & General Expense					
101	920	Administrative & General Salaries	10,134	9,721	413	4.25%	
102	921	Office Supplies & Expenses	2,951	2,855	96	3.36%	
103	922	Admin.Expense Transferred (Credit)	(298)	(299)	1	0.33%	
104	923	Outside Services Employed	12,529	11,101	1,428	12.86%	
105	924	Property Insurance	3,965	4,050	(85)	-2.10%	
106	925	Injuries and Damages	2,213	1,926	287	14.90%	
107	926	Employee Pension and Benefits	6,443	6,982	(539)	-7.72%	
108	927	Franchise Requirements	-	-	-	0.00%	
109	928	Regulatory Commission Expense	795	672	123	18.30%	
110	929	Duplicate Charges (Credit)	(897)	(368)	(529)	-143.75%	
111	930	Misc.General & Advertising Expenses	4,011	4,116	(105)	-2.55%	
112	931	Rents	282	166	116	69.88%	
113		Total Operation	42,128	40,922	1,206	2.95%	
114	935	Admin.& General Maintenance	1,019	818	201	24.57%	E
115		Total Administrative & General	43,147	41,740	1,407	3.37%	
116		Total Operation & Maintenance	471,660	432,029	39,631	9.17%	

37

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
R.J. McMillan, R.M. Saxon,  
M.W. Howell, M.D. Neyman

DOCKET NO.: 010949-EI

(000's)

Line No.	Account No.	Account Title	(1) Actual 2000	(2) Forecasted 2000 Budget	Deviation From Forecast		(5) Explanation of Significant Deviations From Forecast (10% or Greater)
					(3) Amount (1) - (2)	(4) Percent (3) / (2)	
117		Other Operating Expenses					
118	403	Depreciation Expense	63,631	64,038	(407)	-0.64%	
119	404	Amortization of Limited Plant	4,315	4,221	94	2.23%	
120	406	Amortization of Plant Acquisition Adj.	-	-	-	0.00%	
121	407	Amortization of Property Losses	1,000	-	1,000	100.00%	
122	408	Taxes Other than Income Taxes	55,904	54,863	1,041	1.90%	
123	409	Current Income Tax - Operating Income	44,404	32,385	12,019	37.11%	
124	410	Provision for Deferred Income Tax	16,671	12,534	4,137	33.01%	
125	411	Provision for Deferred Income Tax (CR)	(29,428)	(12,851)	(16,577)	-128.99%	
126	411.4	Investment Tax Credit (Net)	(1,832)	(1,832)	-	0.00%	
127	411.6	Gains from Disp. of Utility Plant	(1)	-	(1)	-100.00%	
128	411.7	Losses from Disp. of Utility Plant	-	-	-	0.00%	
129	411.8	Gains from Disposition of Allowances	(240)	-	(240)	-100.00%	
130	411.9	Losses from Disposition of Allowances	-	-	-	0.00%	
131		Total Other Operating Expense	154,424	153,358	1,066	0.70%	

38

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is projected, compare ACTUAL revenues and expenses by primary account for the prior year to the amount FORECASTED for the prior year.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

DOCKET NO.: 010949-E1

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
R.J. McMillan, R.M.Saxon,  
M.W. Howell, M.D. Neyman

(000's)

Line No.	(5) Explanation of Significant Deviations From Forecast (10% or Greater)
132	A. Power Generation Operation Expenses are over budget primarily due to higher than projected generation. Actual MWH's generated were 4.84% higher than projected. In addition, the Company experienced higher usage of natural gas and oil fired generation. Prices for these fuels were much higher than anticipated.
133	
134	
135	
136	B. Other Power Supply is over budget due to increased demand for energy resulting in higher than budgeted purchased power and interchange transactions.
137	
138	C. Customer Service and Information expense was over budget primarily due to labor expenses and Good Cents Select installation contract obligations resulting from cost incurred by the contractor for units budgeted but not actually installed.
139	
140	
141	D. Sales Expense was under budget because the Company deferred advertising and other economic development related expenses in response to a slow-down in the national economy. Other Sales Expense was under budget due to vacancies.
142	
143	
144	E. Administrative and General Maintenance Expense was over budget primarily due to unbudgeted building renovations and non-recurring maintenance to company-owned vehicles.
145	
146	

69

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

\_\_\_\_ Prior Year Ended 05/31/02

\_\_\_\_ Historical Year Ended 12/31/00

Witness: M. T. O'Sheasy

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

(000s)

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	TOTAL ELECTRIC SYSTEM	JURISDICTIONAL	JURISDICTIONAL FACTOR
(1)	(2)	(3)	(4)	(5)	(6)
		OPERATING REVENUES			
1	440-447	REVENUES FROM SALES	357,097	351,330	0.9838503
		OTHER OPERATING REVENUES:			
2	451	Misc. Service Revenues	3,000	3,000	0.9999980
3	454	Rent from Electric Property	4,837	4,813	0.9950382
4	455	Interdepartmental Rental	0	0	0.0000000
5	456	Other Electric Revenues	6,248	6,003	0.9607875
6	448	Interdepartmental Sales	0	0	0.0000000
7		TOTAL OTHER OPERATING REVENUES	14,085	13,816	0.9809016
8	447	SALES TO NON-ASSOCIATED COMPANIES	29,730	7,568	0.2545577
9		TOTAL REVENUES	400,912	372,714	0.9296654
		OPERATION AND MAINTENANCE EXPENSES			
		STEAM POWER GENERATION			
		OPERATION EXPENSE:			
10	500	Supervision & Engineering	7,465	7,072	0.9473543
11	501	Fuel (Net)	4,189	4,051	0.9670566
12	502	Steam	4,168	3,706	0.8891555
13	505	Electric	3,903	3,639	0.9323597
14	506	Miscellaneous Steam	10,066	8,932	0.8873435
15	507	Rents	0	0	0.0000000
16		TOTAL OPERATION	29,791	27,400	0.9197409
		MAINTENANCE EXPENSE:			
17	510	Supervision & Engineering	7,458	6,791	0.9105658
18	511	Structures	4,658	4,306	0.9244311
19	512	Boiler Plant	25,338	21,278	0.8397664
20	513	Electric Plant	8,039	7,298	0.9078244
21	514	Miscellaneous Steam	1,485	1,339	0.9016835
22		TOTAL MAINTENANCE	46,978	41,012	0.8730044
23		TOTAL STEAM POWER GENERATION	76,769	68,412	0.8911410

40

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

\_\_\_\_ Prior Year Ended 05/31/02

\_\_\_\_ Historical Year Ended 12/31/00

Witness: M. T. O'Sheasy

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

(000s)

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	TOTAL ELECTRIC SYSTEM	JURISDICTIONAL	JURISDICTIONAL FACTOR
(1)	(2)	(3)	(4)	(5)	(6)
		OTHER POWER GENERATION			
		OPERATING EXPENSE:			
1	546	Supervision	175	168	0.9600000
2	547	Fuel (Net)	0	0	0.0000000
3	548	Generation	862	831	0.9640371
4	549	Miscellaneous	274	264	0.9635036
5		Total Operation	1,311	1,263	0.9633867
		MAINTENANCE EXPENSE:			
6	551	Supervision & Engineering	107	104	0.9719626
7	552	Structures	96	93	0.9687500
8	553	Generating & Electric Equipment	2,371	2,291	0.9662590
9	554	Miscellaneous	20	19	0.9500000
10		Total Maintenance Expense	2,594	2,507	0.9664611
11		TOTAL OTHER POWER GENERATION	3,905	3,770	0.9654289
12	555	PURCHASED POWER	0	0	0.0000000
13	556	SYSTEM CONTROL & LOAD DISPATCH	1,137	1,097	0.9648197
14	557	OTHER EXPENSES	1,289	1,243	0.9643134
15		TOTAL PRODUCTION	83,100	74,522	0.8967750
16		TRANSMISSION EXPENSE			
		OPERATIONS:			
17	560	Supervision & Engineering	926	892	0.9632829
18	561	Load Dispatching	2,444	2,354	0.9631751
19	562	Station Expenses	502	484	0.9641434
20	563	Overhead Lines	485	468	0.9649485
21	564	Underground Lines	0	0	0.0000000
22	565	Transmission of Elec.	0	0	0.0000000
23	566	Miscellaneous	484	466	0.9628099
24	567	Rents	1,170	1,129	0.9649573
25		Total Operation	6,011	5,793	0.9637332

41

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

\_\_\_\_ Prior Year Ended 05/31/02

\_\_\_\_ Historical Year Ended 12/31/00

Witness: M. T. O'Sheasy

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

(000s)

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	TOTAL ELECTRIC SYSTEM	JURISDICTIONAL	JURISDICTIONAL FACTOR
(1)	(2)	(3)	(4)	(5)	(6)
		MAINTENANCE:			
26	568	Supervision & Engineering	318	307	0.9654088
27	569	Structures	0	0	0.0000000
28	570	Station Equipment	680	657	0.9661765
28	571	Overhead Lines	1,089	1,050	0.9641873
29	573	Miscellaneous	119	115	0.9663866
30		Total Maintenance Expense	2,206	2,129	0.9650952
31		TOTAL TRANSMISSION	8,217	7,922	0.9640988
32		DISTRIBUTION EXPENSE OPERATION:			
33	580	Supervision & Engineering	5,097	5,090	0.9986266
34	581	Load Dispatching	856	856	1.0000000
35	582	Station Expenses	298	289	0.9697987
36	583	Overhead Lines	1,468	1,468	1.0000000
37	584	Underground Lines	835	835	1.0000000
38	585	Street Lighting	666	666	1.0000000
39	586	Meters	2,093	2,093	1.0000000
40	587	Customer Installations	804	804	1.0000000
41	588	Miscellaneous	2,096	2,093	0.9985687
42	589	Rents	85	85	1.0000000
43		Total Operation	14,298	14,279	0.9986711

42

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

\_\_\_\_ Prior Year Ended 05/31/02

\_\_\_\_ Historical Year Ended 12/31/00

Witness: M. T. O'Sheasy

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

(000s)

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	TOTAL ELECTRIC SYSTEM	JURISDICTIONAL	JURISDICTIONAL FACTOR
(1)	(2)	(3)	(4)	(5)	(6)
		MAINTENANCE:			
44	590	Supervision & Engineering	2,626	2,618	0.9969535
45	591	Structures	1	1	1.0000000
46	592	Station Equipment	1,666	1,620	0.9723890
47	593	Overhead Lines	10,194	10,194	1.0000000
48	594	Underground Lines	2,130	2,130	1.0000000
49	595	Line Transformers	782	782	1.0000000
50	596	Street Lighting	790	790	1.0000000
51	597	Meters	118	118	1.0000000
52	598	Miscellaneous	443	442	0.9977427
53		Total Maintenance Expense	18,750	18,695	0.9970667
54		TOTAL DISTRIBUTION	33,048	32,974	0.9977608
55	901-905	CUSTOMER ACCOUNTS EXPENSE	15,118	15,115	0.9998016
		CUSTOMER ASSISTANCE EXPENSE			
56	907/911	Supervision	2,430	2,430	1.0000000
57	908/912	Customer Assistance	7,724	7,724	1.0000000
58	909/913	Informational & Instructional Advertising	594	594	1.0000000
59	910	Miscellaneous	182	182	1.0000000
60		Energy Conservation Costs	0	0	0.0000000
61		TOTAL CUSTOMER ASSISTANCE	10,930	10,930	1.0000000
62	920-932	ADMINISTRATIVE & GENERAL EXPENSE	43,158	40,956	0.9489782
63		TOTAL OPERATION & MAINTENANCE EXP	193,571	182,419	0.9423881

43

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

\_\_\_\_ Prior Year Ended 05/31/02

\_\_\_\_ Historical Year Ended 12/31/00

Witness: M. T. O'Sheasy

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

(000s)

LINE NO. (1)	ACCOUNT NUMBER (2)	DESCRIPTION (3)	TOTAL ELECTRIC SYSTEM (4)	JURISDICTIONAL (5)	JURISDICTIONAL FACTOR (6)
64	300-346	DEPRECIATION EXPENSE PRODUCTION PLANT	46,335	40,698	0.8783425
		TRANSMISSION PLANT			
65	350	Easements & Rights-of-Way	222	214	0.9639640
66	352	Structures & Improvements	109	100	0.9174312
67	353	Station Equipment	1,902	1,741	0.9153523
68	354	Towers and Fixtures	743	716	0.9636608
69	355	Poles and Fixtures	1,353	1,305	0.9645233
70	356	Overhead Conductors and Devices	1,391	1,342	0.9647735
71	358	Underground Conductors and Devices	356	344	0.9662921
72	359	Roads and Trails	2	2	1.0000000
73		TOTAL TRANSMISSION	6,078	5,764	0.9483383
		DISTRIBUTION PLANT			
74	360	Easements & Rights-of-Way	0	0	0.0000000
75	361	Structures and Improvements	359	341	0.9498607
76	362	Station Equipment	4,200	4,083	0.9721429
77	364	Poles, Towers and Fixtures	3,346	3,346	1.0000000
78	365	Overhead Conductors and Devices	3,666	3,666	1.0000000
79	366	Underground Conduits	44	44	1.0000000
80	367	Underground Conductors and Devices	2,440	2,440	1.0000000
81	368	Line Transformers	5,562	5,562	1.0000000
82	369	Services	2,384	2,384	1.0000000
83	370	Meters	1,282	1,282	1.0000000
84	373	Street Lighting	1,598	1,598	1.0000000
85		TOTAL DISTRIBUTION	24,881	24,746	0.9945742
86	389-398	GENERAL PLANT	6,622	6,356	0.9598309
87		TOTAL DEPRECIATION	83,916	77,564	0.9243053

44

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

\_\_\_\_ Prior Year Ended 05/31/02

\_\_\_\_ Historical Year Ended 12/31/00

Witness: M. T. O'Sheasy

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

(000s)

LINE NO.	ACCOUNT NUMBER	DESCRIPTION	TOTAL ELECTRIC SYSTEM	JURISDICTIONAL	JURISDICTIONAL FACTOR
(1)	(2)	(3)	(4)	(5)	(6)
88	404	AMORT. OF INVESTMENT TAX CREDITS	(1,831)	(1,462)	0.7984708
89	407	OTHER AMORTIZATION	0	0	0.0000000
		TAXES OTHER THAN INCOME TAXES			
90	408	Real and Personal Property Taxes	21,364	20,293	0.9498689
91	408	Payroll Taxes	5,191	4,971	0.9576190
92	408	Revenue Taxes	11,372	11,372	1.0000000
93	408	Other	342	333	0.9736842
		TOTAL TAXES OTHER THAN INCOME	38,269	36,969	0.9660299
94		EXPENSES EXCLUDING INCOME TAXES	313,925	295,490	0.9412758
95		OPERATING INCOME BEFORE INC. TAXES	86,987	77,224	0.8877648
96	409	TOTAL INCOME TAXES	17,605	15,846	0.9000852
97		NET OPERATING INCOME	<u>69,382</u>	<u>61,378</u>	0.8846387

45

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operating revenue by primary account for the test year, and the prior year if the test year is projected. Provide the per books amounts and the adjustments required to adjust the per books amounts to reflect the requested test year operating revenues.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 XX Historical Year Ended 12/31/00  
 Witness: R. R. Labrato

		(000)										
Account No.	Account Title	(1) Per Books	(2) Non-Utility	(3) Jurisdictional (1)-(2)	Adjustments						(10) Total (4) thru (9)	(11) Adjusted Total (3)-(10)
					(4) Fuel	(5) Capacity	(6) Conservation	(7) Environmental	(8) Franchise Fees	(9) UPS		
<b>SALES OF ELECTRICITY</b>												
440	Residential Sales	308,728	0	308,728	94,482	7,819	1,847	5,833	0	0	109,981	198,747
442	Commercial Sales	181,584	0	181,584	65,927	4,315	1,229	3,688	0	0	75,159	106,425
442	Industrial Sales	76,539	0	76,539	35,938	2,027	677	1,892	0	0	40,534	36,005
444	Public Street & Highway Lighting	2,217	0	2,217	346	7	6	14	0	0	373	1,844
445	Other Sales to Public Authorities	0	0	0	0	0	0	0	0	0	0	0
446	Sales to Railroads & Railways	0	0	0	0	0	0	0	0	0	0	0
448	Interdepartmental Sales	30	0	30	30	0	0	0	0	0	30	0
	Total Sales to Ultimate Consumers	569,098	0	569,098	196,723	14,168	3,759	11,427	0	0	226,077	343,021
447	Sales for Resale	133,884	0	133,884	98,930	0	0	0	0	21,129	120,059	13,825
	TOTAL SALES OF ELECTRICITY	702,982	0	702,982	295,653	14,168	3,759	11,427	0	21,129	346,136	356,846
449.1	(Less) Provision for Rate Refunds	(6,935)	0	(6,935)	0	0	0	0	0	0	0	(6,935)
	TOTAL REVENUE NET OF REFUND PROVISION	696,047	0	696,047	295,653	14,168	3,759	11,427	0	21,129	346,136	349,911
<b>OTHER OPERATING REVENUES</b>												
450	Forfeited Discounts	0	0	0	0	0	0	0	0	0	0	0
451	Miscellaneous Service Revenues	21,454	0	21,454	0	0	0	0	18,963	0	18,963	2,491
453	Sales of Water and Water Power	0	0	0	0	0	0	0	0	0	0	0
454	Rent from Electric Property	5,323	0	5,323	0	0	0	0	0	0	0	5,323
455	Interdepartmental Rents	0	0	0	0	0	0	0	0	0	0	0
456	Deferred Fuel Revenue	(12,420)	0	(12,420)	(12,420)	0	0	0	0	0	(12,420)	0
456	Unbilled Revenue	0	0	0	0	0	0	0	0	0	0	0
456	Other Electric Revenues(In Detail)	3,913	0	3,913	0	128	140	(1,371)	0	0	(1,103)	5,016
	TOTAL OTHER OPERATING REVENUES	18,270	0	18,270	(12,420)	128	140	(1,371)	18,963	0	5,440	12,830
	TOTAL ELECTRIC OPERATING REVENUES	714,317	0	714,317	283,233	14,296	3,899	10,056	18,963	21,129	351,576	362,741

45

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operating revenue by primary account for the test year, and the prior year if the test year is projected. Provide the per books amounts and the adjustments required to adjust the per books amounts to reflect the requested test year operating revenues.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 XX Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R.Labrato

COMPANY GULF POWER COMPANY

DOCKET NO.: 010949-EI

Account No.	Account Title	(1) Per Books	(2) Non-Utility	(3) Jurisdictional (1)-(2)	Adjustments						(10) Total (4)thru(9)	(11) Adjusted Total (3)-(10)
					(4) Fuel	(5) PPCC	(6) Conservation	(7) Environmental	(8) Franchise Fees	(9) UPS		
<b>SALES OF ELECTRICITY</b>												
440	Residential Sales	305,762	0	305,762	89,655	9,465	2,137	5,536	0	0	106,793	198,969
442	Commercial Sales	176,899	0	176,899	61,810	4,581	1,398	3,237	0	0	71,026	105,873
442	Industrial Sales	83,213	0	83,213	38,005	2,751	676	2,143	0	0	43,775	39,438
444	Public Street & Highway Lighting	2,481	0	2,481	388	18	12	67	0	0	485	1,996
445	Other Sales to Public Authorities	0	0	0	0	0	0	0	0	0	0	0
446	Sales to Railroads & Railways	0	0	0	0	0	0	0	0	0	0	0
448	Interdepartmental Sales	3	0	3	0	0	0	0	0	0	0	3
	Total Sales to Ultimate Consumers	568,358	0	568,358	189,858	16,815	4,423	10,983	0	0	222,079	346,279
447	Sales for Resale	110,417	0	110,417	76,737	268	0	0	0	21,709	98,714	11,703
	TOTAL SALES OF ELECTRICITY	678,775	0	678,775	266,595	17,083	4,423	10,983	0	21,709	320,793	357,982
449.1	(Less) Provision for Rate Refunds	(7,258)	0	(7,258)	0	0	0	0	0	0	0	(7,258)
	TOTAL REVENUE NET OF REFUND PROVISION	671,517	0	671,517	266,595	17,083	4,423	10,983	0	21,709	320,793	350,724
<b>OTHER OPERATING REVENUES</b>												
450	Forfeited Discounts	0	0	0	0	0	0	0	0	0	0	0
451	Miscellaneous Service Revenues/Franchise Fees	21,318	0	21,318	0	0	0	0	18,390	0	18,390	2,928
453	Sales of Water and Water Power	0	0	0	0	0	0	0	0	0	0	0
454	Rent from Electric Property	4,624	0	4,624	0	0	0	0	0	0	0	4,624
455	Interdepartmental Rents	0	0	0	0	0	0	0	0	0	0	0
456	Deferred Fuel Revenue	0	0	0	0	0	0	0	0	0	0	0
456	Unbilled Revenue	0	0	0	0	0	0	0	0	0	0	0
456	Other Electric Revenues	6,200	0	6,200	0	0	0	0	0	0	0	6,200
	TOTAL OTHER OPERATING REVENUES	32,142	0	32,142	0	0	0	0	18,390	0	18,390	13,752
	TOTAL ELECTRIC OPERATING REVENUES	703,659	0	703,659	266,595	17,083	4,423	10,983	18,390	21,709	339,183	364,476

47

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-E1

EXPLANATION: Provide a schedule of operating revenue by primary account for the test year, and the prior year if the test year is projected. Provide the per books amounts and the adjustments required to adjust the per books amounts to reflect the requested test year operating revenues.

Type of Data Shown:  
 XX Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

Account No.	Account Title	(1) Per Books	(2) Non-Utility	(3) Jurisdictional (1)-(2)	Adjustments						(10) Total (4) thru (9)	(11) Adjusted Total (3)-(10)
					(4) Fuel	(5) PPCC	(6) Conservation	(7) Environmental	(8) Franchise Fees	(9) UPS		
<b>SALES OF ELECTRICITY</b>												
440	Residential Sales	313,666	0	313,666	103,192	1,862	2,657	5,516	0	0	113,227	200,439
442	Commercial Sales	183,528	0	183,528	71,392	787	1,649	3,220	0	0	77,048	106,480
442	Industrial Sales	92,904	0	92,904	46,859	444	1,096	2,127	0	0	50,526	42,378
444	Public Street & Highway Lighting	2,568	0	2,568	458	1	12	66	0	0	537	2,031
445	Other Sales to Public Authorities	0	0	0	0	0	0	0	0	0	0	0
446	Sales to Railroads & Railways	0	0	0	0	0	0	0	0	0	0	0
448	Interdepartmental Sales	2	0	2	0	0	0	0	0	0	0	2
	Total Sales to Ultimate Consumers	592,666	0	592,666	221,901	3,094	5,414	10,929	0	0	241,338	351,330
447	Sales for Resale	140,804	0	140,804	104,946	361	0	0	0	21,903	127,210	13,594
	<b>TOTAL SALES OF ELECTRICITY</b>	<b>733,472</b>	<b>0</b>	<b>733,472</b>	<b>326,847</b>	<b>3,455</b>	<b>5,414</b>	<b>10,929</b>	<b>0</b>	<b>21,903</b>	<b>368,548</b>	<b>364,924</b>
449.1	(Less) Provision for Rate Refunds	0	0	0	0	0	0	0	0	0	0	0
	<b>TOTAL REVENUE NET OF REFUND PROVISION</b>	<b>733,472</b>	<b>0</b>	<b>733,472</b>	<b>326,847</b>	<b>3,455</b>	<b>5,414</b>	<b>10,929</b>	<b>0</b>	<b>21,903</b>	<b>368,548</b>	<b>364,924</b>
<b>OTHER OPERATING REVENUES</b>												
450	Forfeited Discounts	0	0	0	0	0	0	0	0	0	0	0
451	Miscellaneous Service Revenues/Franchise Fees	21,934	0	21,934	0	0	0	0	18,934	0	18,934	3,000
453	Sales of Water and Water Power	0	0	0	0	0	0	0	0	0	0	0
454	Rent from Electric Property	4,837	0	4,837	0	0	0	0	0	0	0	4,837
455	Interdepartmental Rents	0	0	0	0	0	0	0	0	0	0	0
456	Deferred Fuel Revenue	0	0	0	0	0	0	0	0	0	0	0
456	Unbilled Revenue	0	0	0	0	0	0	0	0	0	0	0
456	Other Electric Revenues	6,248	0	6,248	0	0	0	0	0	0	0	6,248
	<b>TOTAL OTHER OPERATING REVENUES</b>	<b>33,019</b>	<b>0</b>	<b>33,019</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>18,934</b>	<b>0</b>	<b>18,934</b>	<b>14,085</b>
	<b>TOTAL ELECTRIC OPERATING REVENUES</b>	<b>766,491</b>	<b>0</b>	<b>766,491</b>	<b>326,847</b>	<b>3,455</b>	<b>5,414</b>	<b>10,929</b>	<b>18,934</b>	<b>21,903</b>	<b>387,482</b>	<b>379,009</b>

48

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO. 010949-EI

EXPLANATION: Provide the calculation of unbilled revenues for the test year and the prior year if the test year is projected. Document the revenues received in the first month after the test year (and the prior year), the proportion of these revenues allocated to the test year and prior year as unbilled revenues, and the rationale for the proportion chosen.

Type of Data Shown:

\_XX\_Projected Test Year Ended 5/31/03

\_XX\_Prior Year Ended 5/31/02

\_\_\_\_Historical Year Ended 12/31/00

Witness: R. L. McGee

Explanation of Forecast

The unbilled base revenue projections allocated between customer classes for the test year are calculated using projected accrued unbilled energy and projected billed base rate revenues per kilowatt hour. The accrued unbilled base rate revenues for any given month are derived as the product of the current month accrued unbilled energy and the following month billed base rate revenue per kilowatt hour. The class net unbilled base rate revenue adjustment is obtained by subtracting the previous month accrued unbilled base rate revenue from the current month accrued unbilled base rate revenue.

For any projected month n,

$$ADJ(n) = [ E(n) * R(n+1) ] - [ E(n-1) * R(n) ]$$

Where: ADJ = net unbilled base rate revenue adjustment  
E = accrued unbilled energy  
R = billed base rate revenue per billed kilowatt hour

The unbilled revenue projections for Fuel, ECCR, PPCC and ECR are derived by multiplying the appropriate monthly factor times the net unbilled energy for the month. The net unbilled base rate, fuel, ECCR, PPCC and ECR revenues are then summed monthly to obtain the total net unbilled revenue for that month.

49

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO. 010949-EI

EXPLANATION: Provide the calculation of unbilled revenues for the test year and the prior year if the test year is projected. Document the revenues received in the first month after the test year (and the prior year), the proportion of these revenues allocated to the test year and prior year as unbilled revenues, and the rationale for the proportion chosen.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 5/31/03  
 \_XX\_ Prior Year Ended 5/31/02  
 \_\_\_ Historical Year Ended 12/31/00  
 Witness: R. L. McGee

RESIDENTIAL

PROJECTED NET UNBILLED REVENUE CALCULATIONS  
 6/1/01 - 5/31/02

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M) Net Unbilled Fuel	(N) Net Unbilled ECCR	(O) Net Unbilled PPCC	(P) Net Unbilled ECR	(Q) Total Net Unbilled Revenue
Month	Base Rate Billed Revenue (\$000s)	Billed Energy (MWH)	Current Month Base Rate (\$/KWH)	Following Month Base Rate (\$/KWH)	Fuel Factor (\$/KWH)	ECCR Factor (\$/KWH)	PPCC Factor (\$/KWH)	ECR Factor (\$/KWH)	Accrued Unbilled Energy (MWH)	Net Unbilled Energy (MWH)	Accrued Unbilled Base Rate Revenue (\$000s)	Net Unbilled Base Rate Revenue (\$000s)	Unbilled Revenue (\$000s)	Net Revenue (\$000s)	Net Revenue (\$000s)	Net Revenue (\$000s)	Net Revenue (\$000s)
June	17,947	446,181	0.0402	0.0396	0.0212	0.00040	0.00222	0.00088	219,657	51,312	8,695	1,923	1,089	21	114	45	3,192
July	19,937	503,670	0.0396	0.0394	0.0227	0.00032	0.00365	0.00085	241,023	21,366	9,498	804	484	7	78	18	1,391
August	20,719	525,739	0.0394	0.0398	0.0222	0.00031	0.00396	0.00089	251,608	10,585	10,019	521	235	3	42	9	810
September	19,405	487,300	0.0398	0.0417	0.0168	0.00037	0.00334	0.00102	188,221	(63,386)	7,851	(2,168)	(1,052)	(23)	(211)	(65)	(3,519)
October	14,929	357,925	0.0417	0.0434	0.0161	0.00044	0.00108	0.00140	138,966	(49,255)	6,027	(1,824)	(791)	(22)	(53)	(69)	(2,759)
November	12,813	295,418	0.0434	0.0418	0.0173	0.00057	0.00092	0.00151	133,350	(5,616)	5,579	(448)	(97)	(3)	(5)	(8)	(561)
December	14,746	352,471	0.0418	0.0401	0.0172	0.00043	0.00087	0.00112	173,565	40,215	6,958	1,380	692	17	35	45	2,169
January	18,299	456,433	0.0401	0.0410	0.0176	0.00037	0.00268	0.00092	174,573	1,007	7,161	203	18	0	3	1	225
February	15,990	389,805	0.0410	0.0423	0.0177	0.00045	0.00142	0.00209	128,335	(46,237)	5,427	(1,734)	(821)	(21)	(66)	(96)	(2,738)
March	14,134	334,258	0.0423	0.0439	0.0180	0.00046	0.00135	0.00122	130,846	2,510	5,738	311	45	1	3	3	363
April	12,166	277,449	0.0439	0.0430	0.0174	0.00051	0.00076	0.00166	124,311	(6,535)	5,348	(390)	(114)	(3)	(5)	(11)	(523)
May	13,300	309,152	0.0430	0.0402	0.0177	0.00050	0.00099	0.00116	188,169	63,858	7,566	2,218	1,128	32	63	74	3,515
Total	194,384	4,735,801										795	816	9	(2)	(54)	1,564

NOTE: DETAIL MAY NOT SUM TO TOTALS DUE TO ROUNDING

Month (n) Derivations

- 1) C(n) = A(n) / B(n)
- 2) D(n) = C(n+1)
- 3) E(n) is from Financial Planning
- 4) F(n) is from Financial Planning
- 5) G(n) is from Financial Planning
- 6) H(n) is from Financial Planning
- 7) I(n) = Forecast based upon actuals thru March, 2001
- 8) J(n) = I(n) - I(n-1)
- 9) K(n) = I(n) \* D(n)
- 10) L(n) = K(n) - K(n-1)
- 11) M(n) = J(n) \* E(n)
- 12) N(n) = J(n) \* F(n)
- 13) O(n) = J(n) \* G(n)
- 14) P(n) = J(n) \* H(n)
- 15) Q(n) = L(n) + M(n) + N(n) + O(n) + P(n)

Supporting Schedules:

Recap Schedules:

50

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO. 010949-EI

EXPLANATION: Provide the calculation of unbilled revenues for the test year and the prior year if the test year is projected. Document the revenues received in the first month after the test year (and the prior year), the proportion of these revenues allocated to the test year and prior year as unbilled revenues, and the rationale for the proportion chosen.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_XX\_Prior Year Ended 5/31/02  
 \_\_\_ Historical Year Ended 12/31/00  
 Witness: R. L. McGee

COMMERCIAL

PROJECTED NET UNBILLED REVENUE CALCULATIONS  
 6/1/01 - 5/31/02

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)	(N)	(O)	(P)	(Q)
Month	Base Rate Billed Revenue (\$000s)	Billed Energy (MWH)	Current Month Base Rate (\$/KWH)	Following Month Base Rate (\$/KWH)	Fuel Factor (\$/KWH)	ECCR Factor (\$/KWH)	PPCC Factor (\$/KWH)	ECR Factor (\$/KWH)	Accrued Unbilled Energy (MWH)	Net Unbilled Energy (MWH)	Accrued Unbilled Base Rate Revenue (\$000s)	Net Unbilled Base Rate Revenue (\$000s)	Net Unbilled Fuel Clause Revenue (\$000s)	Net Unbilled ECCR Revenue (\$000s)	Net Unbilled PPCC Revenue (\$000s)	Net Unbilled ECR Revenue (\$000s)	Total Net Unbilled Revenue (\$000s)
June	9,057	300,107	0.0302	0.0296	0.0212	0.00040	0.00172	0.00079	150,127	8,391	4,448	171	178	3	14	7	373
July	9,263	312,656	0.0296	0.0296	0.0227	0.00032	0.00292	0.00079	152,299	2,171	4,540	93	49	1	6	2	151
August	9,452	317,054	0.0298	0.0294	0.0222	0.00031	0.00319	0.00083	154,343	2,044	4,540	(1)	45	1	7	2	54
September	9,400	319,580	0.0294	0.0316	0.0166	0.00037	0.00233	0.00083	125,169	(29,233)	3,954	(586)	(485)	(11)	(68)	(24)	(1,174)
October	8,467	267,886	0.0316	0.0332	0.0161	0.00044	0.00064	0.00097	104,881	(20,228)	3,479	(475)	(325)	(9)	(13)	(20)	(842)
November	7,610	229,404	0.0332	0.0333	0.0173	0.00057	0.00055	0.00106	104,318	(563)	3,470	(10)	(10)	0	0	(1)	(21)
December	7,549	226,977	0.0333	0.0339	0.0172	0.00043	0.00069	0.00104	113,048	8,730	3,838	368	150	4	6	9	537
January	8,078	237,927	0.0339	0.0344	0.0176	0.00037	0.00269	0.00107	93,090	(19,958)	3,203	(635)	(352)	(7)	(54)	(21)	(1,069)
February	7,865	228,568	0.0344	0.0347	0.0177	0.00045	0.00110	0.00198	76,108	(16,982)	2,641	(562)	(301)	(8)	(19)	(34)	(924)
March	7,689	221,550	0.0347	0.0337	0.0180	0.00046	0.00092	0.00098	87,543	11,435	2,954	313	205	5	11	11	545
April	7,728	229,031	0.0337	0.0320	0.0174	0.00051	0.00040	0.00102	103,778	16,235	3,322	368	283	8	7	17	683
May	8,249	257,704	0.0320	0.0301	0.0177	0.00050	0.00057	0.00077	159,567	55,790	4,796	1,474	986	28	32	43	2,563
Total	100,408	3,148,444										519	423	15	(71)	(9)	877

NOTE: DETAIL MAY NOT SUM TO TOTALS DUE TO ROUNDING

Month (n) Derivations

- 1) C(n) = A(n) / B(n)
- 2) D(n) = C(n+1)
- 3) E(n) is from Financial Planning
- 4) F(n) is from Financial Planning
- 5) G(n) is from Financial Planning
- 6) H(n) is from Financial Planning
- 7) I(n) = Forecast based upon actuals thru March, 2001
- 8) J(n) = I(n) - I(n-1)
- 9) K(n) = I(n) \* D(n)
- 10) L(n) = K(n) - K(n-1)
- 11) M(n) = J(n) \* E(n)
- 12) N(n) = J(n) \* F(n)
- 13) O(n) = J(n) \* G(n)
- 14) P(n) = J(n) \* H(n)
- 15) Q(n) = L(n) + M(n) + N(n) + O(n) + P(n)

Supporting Schedules:

Recap Schedules:

51

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of unbilled revenues for the test year and the prior year if the test year is projected. Document the revenues received in the first month after the test year (and the prior year), the proportion of these revenues allocated to the test year and prior year as unbilled revenues, and the rationale for the proportion chosen.

Type of Data Shown:

Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R. L. McGee

COMPANY: GULF POWER COMPANY

DOCKET NO. 010949-EI

INDUSTRIAL

PROJECTED NET UNBILLED REVENUE CALCULATIONS  
6/1/01 - 5/31/02

Month	(A) Base Rate Billed Revenue (\$000s)	(B) Billed Energy (MWH)	(C) Current Month Base Rate (\$/KWH)	(D) Following Month Base Rate (\$/KWH)	(E) Fuel Factor (\$/KWH)	(F) ECCR Factor (\$/KWH)	(G) PPCC Factor (\$/KWH)	(H) ECR Factor (\$/KWH)	(I) Accrued Unbilled Energy (MWH)	(J) Net Unbilled Energy (MWH)	(K) Accrued Unbilled Base Rate Revenue (\$000s)	(L) Net Unbilled Base Rate Revenue (\$000s)	(M) Net Unbilled Fuel Clause Revenue (\$000s)	(N) Net Unbilled ECCR Revenue (\$000s)	(O) Net Unbilled PPCC Revenue (\$000s)	(P) Net Unbilled ECR Revenue (\$000s)	(Q) Total Net Unbilled Revenue (\$000s)
June	1,056	47,581	0.0222	0.0227	0.0212	0.00040	0.00198	0.00100	23,324	(1,969)	529	(32)	(42)	(1)	(4)	(2)	(81)
July	1,085	47,820	0.0227	0.0214	0.0227	0.00032	0.00336	0.00100	22,775	(549)	488	(42)	(12)	0	(2)	(1)	(57)
August	1,108	51,733	0.0214	0.0223	0.0222	0.00031	0.00339	0.00098	24,654	1,879	549	61	42	1	6	2	112
September	1,092	49,097	0.0223	0.0236	0.0166	0.00037	0.00251	0.00098	18,905	(5,749)	445	(103)	(95)	(2)	(14)	(6)	(220)
October	1,062	45,068	0.0236	0.0241	0.0161	0.00044	0.00057	0.00095	17,451	(1,454)	421	(25)	(23)	(1)	(1)	(1)	(51)
November	980	40,657	0.0241	0.0232	0.0173	0.00057	0.00048	0.00099	18,250	799	423	3	14	0	0	1	18
December	921	39,730	0.0232	0.0225	0.0172	0.00043	0.00060	0.00096	19,401	1,151	437	13	20	0	1	1	35
January	892	39,618	0.0225	0.0234	0.0176	0.00037	0.00217	0.00094	14,997	(4,404)	351	(86)	(78)	(2)	(10)	(4)	(180)
February	906	38,744	0.0234	0.0245	0.0177	0.00045	0.00093	0.00187	12,645	(2,352)	310	(40)	(42)	(1)	(2)	(4)	(89)
March	953	38,821	0.0245	0.0243	0.0180	0.00046	0.00089	0.00104	15,089	2,444	366	56	44	1	2	3	106
April	994	40,953	0.0243	0.0227	0.0174	0.00051	0.00038	0.00107	18,281	3,192	415	49	56	2	1	3	111
May	1,069	47,055	0.0227	0.0224	0.0177	0.00050	0.00057	0.00085	28,491	10,210	638	222	180	5	6	9	422
<b>Total</b>	<b>12,117</b>	<b>526,874</b>										<b>77</b>	<b>64</b>	<b>2</b>	<b>(17)</b>	<b>1</b>	<b>127</b>

NOTE: DETAIL MAY NOT SUM TO TOTALS DUE TO ROUNDING

Month (n) Derivations

- 1) C(n) = A(n) / B(n)
- 2) D(n) = C(n+1)
- 3) E(n) is from Financial Planning
- 4) F(n) is from Financial Planning
- 5) G(n) is from Financial Planning
- 6) H(n) is from Financial Planning
- 7) I(n) = Forecast based upon actuals thru March, 2001
- 8) J(n) = I(n) - I(n-1)
- 9) K(n) = I(n) \* D(n)
- 10) L(n) = K(n) - K(n-1)
- 11) M(n) = J(n) \* E(n)
- 12) N(n) = J(n) \* F(n)
- 13) O(n) = J(n) \* G(n)
- 14) P(n) = J(n) \* H(n)
- 15) Q(n) = L(n) + M(n) + N(n) + O(n) + P(n)

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO. 010949-EI

EXPLANATION: Provide the calculation of unbilled revenues for the test year and the prior year if the test year is projected. Document the revenues received in the first month after the test year (and the prior year), the proportion of these revenues allocated to the test year and prior year as unbilled revenues, and the rationale for the proportion chosen.

Type of Data Shown:  
 \_\_\_XX\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
 \_\_\_ Historical Year Ended 12/31/00  
 Witness: R. L. McGee

**RESIDENTIAL**

**PROJECTED NET UNBILLED REVENUE CALCULATIONS**  
 6/1/02 - 5/31/03

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M) Net	(N) Net	(O) Net	(P) Net	(Q) Total
Month	Base Rate Billed Revenue (\$000s)	Billed Energy (MWH)	Current Month Base Rate (\$/KWH)	Following Month Base Rate (\$/KWH)	Fuel Factor (\$/KWH)	ECCR Factor (\$/KWH)	PPCC Factor (\$/KWH)	ECR Factor (\$/KWH)	Accrued Unbilled Energy (MWH)	Net Unbilled Energy (MWH)	Accrued Unbilled Base Rate Revenue (\$000s)	Net Unbilled Base Rate Revenue (\$000s)	Net Unbilled Fuel Clause Revenue (\$000s)	Net Unbilled ECCR Revenue (\$000s)	Net Unbilled PPCC Revenue (\$000s)	Net Unbilled ECR Revenue (\$000s)	Total Net Unbilled Revenue (\$000s)
June	18,269	454,323	0.0402	0.0397	0.0216	0.00038	0.00008	0.00084	242,098	53,930	9,604	2,037	1,165	21	4	45	3,272
July	20,190	508,969	0.0397	0.0395	0.0211	0.00038	0.00055	0.00082	264,774	22,676	10,462	858	479	9	13	19	1,378
August	21,078	533,437	0.0395	0.0400	0.0235	0.00039	0.00101	0.00086	276,496	11,722	11,049	586	276	5	12	10	889
September	19,605	490,617	0.0400	0.0418	0.0204	0.00047	0.00044	0.00111	210,608	(85,888)	8,801	(2,248)	(1,346)	(31)	(29)	(73)	(3,727)
October	14,982	358,517	0.0418	0.0436	0.0204	0.00059	0.00044	0.00138	160,493	(50,115)	7,005	(1,796)	(1,024)	(30)	(22)	(69)	(2,941)
November	12,721	291,440	0.0436	0.0417	0.0217	0.00075	0.00026	0.00151	154,402	(6,091)	6,443	(563)	(132)	(5)	(2)	(9)	(711)
December	15,100	361,883	0.0417	0.0401	0.0204	0.00056	0.00034	0.00106	198,587	44,185	7,973	1,530	900	25	15	47	2,517
January	18,363	457,366	0.0401	0.0413	0.0215	0.00042	0.00149	0.00092	199,852	1,265	8,260	287	27	1	2	1	318
February	15,455	373,926	0.0413	0.0423	0.0223	0.00052	0.00057	0.00220	153,905	(45,947)	6,503	(1,757)	(1,023)	(24)	(26)	(101)	(2,931)
March	14,338	339,351	0.0423	0.0438	0.0226	0.00052	0.00059	0.00121	156,192	2,287	6,840	338	52	1	1	3	395
April	12,264	280,037	0.0438	0.0432	0.0219	0.00057	0.00009	0.00160	146,849	(9,343)	6,342	(498)	(205)	(5)	(1)	(15)	(724)
May	13,292	307,781	0.0432	0.0403	0.0214	0.00054	0.00030	0.00118	209,475	62,626	8,445	2,103	1,337	34	19	74	3,567
<b>Total</b>	<b>195,656</b>	<b>4,757,647</b>										<b>879</b>	<b>506</b>	<b>1</b>	<b>(14)</b>	<b>(68)</b>	<b>1,304</b>
June	18,296	453,817	0.0403	0.0398	0.0216	0.00041	0.00054	0.00085	266,420	56,945	10,600	2,155	1,229	23	31	48	3,486

NOTE: DETAIL MAY NOT SUM TO TOTALS DUE TO ROUNDING

Month (n) Derivations

- 1) C(n) = A(n) / B(n)
- 2) D(n) = C(n+1)
- 3) E(n) is from Financial Planning
- 4) F(n) is from Financial Planning
- 5) G(n) is from Financial Planning
- 6) H(n) is from Financial Planning
- 7) I(n) = Forecast based upon actuals thru March, 2001
- 8) J(n) = I(n) - I(n-1)
- 9) K(n) = I(n) \* D(n)
- 10) L(n) = K(n) - K(n-1)
- 11) M(n) = J(n) \* E(n)
- 12) N(n) = J(n) \* F(n)
- 13) O(n) = J(n) \* G(n)
- 14) P(n) = J(n) \* H(n)
- 15) Q(n) = L(n) + M(n) + N(n) + O(n) + P(n)

Supporting Schedules:

Recap Schedules:

53

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of unbilled revenues for the test year and the prior year if the test year is projected. Document the revenues received in the first month after the test year (and the prior year), the proportion of these revenues allocated to the test year and prior year as unbilled revenues, and the rationale for the proportion chosen.

Type of Data Shown:  
 \_\_\_XX\_Projected Test Year Ended 5/31/03  
 \_\_\_Prior Year Ended 5/31/02  
 \_\_\_Historical Year Ended 12/31/00  
 Witness: R. L. McGee

COMPANY: GULF POWER COMPANY

DOCKET NO. 010949-EI

COMMERCIAL

PROJECTED NET UNBILLED REVENUE CALCULATIONS  
 6/1/02 - 5/31/03

Month	(A) Base Rate Billed Revenue (\$000s)	(B) Billed Energy (MWH)	(C) Current Month Base Rate (\$/KWH)	(D) Following Month Base Rate (\$/KWH)	(E) Fuel Factor (\$/KWH)	(F) ECCR Factor (\$/KWH)	(G) PPCC Factor (\$/KWH)	(H) ECR Factor (\$/KWH)	(I) Accrued Unbilled Energy (MWH)	(J) Net Unbilled Energy (MWH)	(K) Accrued Unbilled Base Rate Revenue (\$000s)	(L) Net Unbilled Base Rate Revenue (\$000s)	(M) Net Unbilled Fuel Revenue (\$000s)	(N) Net Unbilled ECCR Revenue (\$000s)	(O) Net Unbilled PPCC Revenue (\$000s)	(P) Net Unbilled ECR Revenue (\$000s)	(Q) Total Net Unbilled Revenue (\$000s)
June	9,219	306,719	0.0301	0.0297	0.0216	0.00038	0.00006	0.00076	166,623	7,056	4,950	154	152	3	0	5	314
July	9,358	314,986	0.0297	0.0299	0.0211	0.00038	0.00045	0.00076	167,460	837	5,003	53	18	0	0	1	72
August	9,520	318,672	0.0299	0.0295	0.0235	0.00039	0.00083	0.00082	168,679	1,219	4,975	(28)	29	0	1	1	3
September	9,474	321,239	0.0295	0.0318	0.0204	0.00047	0.00031	0.00090	140,201	(28,477)	4,456	(518)	(582)	(13)	(9)	(26)	(1,148)
October	8,477	266,727	0.0318	0.0336	0.0204	0.00059	0.00027	0.00095	120,642	(19,560)	4,051	(405)	(400)	(12)	(5)	(19)	(841)
November	7,574	225,571	0.0336	0.0331	0.0217	0.00075	0.00016	0.00105	120,503	(139)	3,994	(57)	(3)	0	0	0	(60)
December	7,599	229,264	0.0331	0.0341	0.0204	0.00056	0.00028	0.00101	127,373	6,870	4,339	345	140	4	2	7	498
January	8,108	237,986	0.0341	0.0355	0.0215	0.00042	0.00151	0.00107	106,648	(20,725)	3,787	(553)	(445)	(9)	(31)	(22)	(1,060)
February	7,722	217,468	0.0355	0.0349	0.0223	0.00052	0.00044	0.00208	90,674	(15,974)	3,161	(625)	(356)	(8)	(7)	(33)	(1,029)
March	7,718	221,351	0.0349	0.0339	0.0226	0.00052	0.00041	0.00098	102,955	12,281	3,487	326	277	6	5	12	626
April	7,766	229,284	0.0339	0.0321	0.0219	0.00057	0.00005	0.00096	121,860	18,905	3,915	428	414	11	1	18	872
May	8,285	257,888	0.0321	0.0302	0.0214	0.00054	0.00017	0.00077	179,133	57,273	5,401	1,486	1,223	31	10	44	2,794
<b>Total</b>	<b>100,819</b>	<b>3,147,156</b>										<b>605</b>	<b>467</b>	<b>13</b>	<b>(33)</b>	<b>(12)</b>	<b>1,040</b>
June	9,272	307,535	0.0302	0.0298	0.0216	0.00041	0.00043	0.00076	184,716	5,583	5,506	105	120	2	2	4	233

NOTE: DETAIL MAY NOT SUM TO TOTALS DUE TO ROUNDING

Month (n) Derivations

- 1) C(n) = A(n) / B(n)
- 2) D(n) = C(n+1)
- 3) E(n) is from Financial Planning
- 4) F(n) is from Financial Planning
- 5) G(n) is from Financial Planning
- 6) H(n) is from Financial Planning
- 7) I(n) = Forecast based upon actuals thru March, 2001
- 8) J(n) = I(n) - I(n-1)
- 9) K(n) = I(n) \* D(n)
- 10) L(n) = K(n) - K(n-1)
- 11) M(n) = J(n) \* E(n)
- 12) N(n) = J(n) \* F(n)
- 13) O(n) = J(n) \* G(n)
- 14) P(n) = J(n) \* H(n)
- 15) Q(n) = L(n) + M(n) + N(n) + O(n) + P(n)

Supporting Schedules:

Recap Schedules:

54

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO. 010949-EI

EXPLANATION: Provide the calculation of unbilled revenues for the test year and the prior year if the test year is projected. Document the revenues received in the first month after the test year (and the prior year), the proportion of these revenues allocated to the test year and prior year as unbilled revenues, and the rationale for the proportion chosen.

Type of Data Shown:  
 XX Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R. L. McGee

**INDUSTRIAL**

**PROJECTED NET UNBILLED REVENUE CALCULATIONS**  
 6/1/02 - 5/31/03

Month	(A) Base Rate Billed Revenue (\$000s)	(B) Billed Energy (MWH)	(C) Current Month Base Rate (\$/KWH)	(D) Following Month Base Rate (\$/KWH)	(E) Fuel Factor (\$/KWH)	(F) ECCR Factor (\$/KWH)	(G) PPCC Factor (\$/KWH)	(H) ECR Factor (\$/KWH)	(I) Accrued Unbilled Energy (MWH)	(J) Net Unbilled Energy (MWH)	(K) Accrued Unbilled Base Rate Revenue (\$000s)	(L) Net Unbilled Base Rate Revenue (\$000s)	(M) Net Unbilled Fuel Clause Revenue (\$000s)	(N) Net Unbilled ECCR Revenue (\$000s)	(O) Net Unbilled PPCC Revenue (\$000s)	(P) Net Unbilled ECR Revenue (\$000s)	(Q) Total Net Unbilled Revenue (\$000s)
June	1,114	49,788	0.0224	0.0230	0.0216	0.00038	0.00007	0.00089	26,372	(2,119)	606	(32)	(46)	(1)	0	(2)	(81)
July	1,148	49,943	0.0230	0.0217	0.0211	0.00038	0.00046	0.00085	25,807	(565)	560	(47)	(12)	0	0	0	(59)
August	1,158	53,412	0.0217	0.0225	0.0235	0.00039	0.00082	0.00089	27,521	1,714	618	58	40	1	1	2	102
September	1,143	50,880	0.0225	0.0238	0.0204	0.00047	0.00031	0.00100	21,745	(5,776)	519	(99)	(118)	(3)	(2)	(6)	(228)
October	1,108	46,472	0.0238	0.0244	0.0204	0.00059	0.00023	0.00090	20,726	(1,019)	506	(12)	(21)	(1)	0	(1)	(35)
November	1,034	42,329	0.0244	0.0234	0.0217	0.00075	0.00013	0.00093	22,250	1,524	520	14	33	1	0	1	49
December	967	41,365	0.0234	0.0230	0.0204	0.00056	0.00022	0.00090	22,445	195	516	(4)	4	0	0	0	(0)
January	954	41,515	0.0230	0.0240	0.0215	0.00042	0.00114	0.00089	17,902	(4,544)	430	(86)	(97)	(2)	(5)	(4)	(194)
February	970	40,413	0.0240	0.0248	0.0223	0.00052	0.00033	0.00176	16,441	(1,461)	407	(22)	(33)	(1)	0	(3)	(59)
March	989	39,899	0.0248	0.0245	0.0226	0.00052	0.00038	0.00098	18,200	1,759	445	38	40	1	1	2	82
April	1,015	41,518	0.0245	0.0229	0.0219	0.00057	0.00004	0.00100	21,668	3,468	497	52	76	2	0	3	133
May	1,104	48,142	0.0229	0.0225	0.0214	0.00054	0.00017	0.00084	32,540	10,873	734	237	232	6	2	9	486
<b>Total</b>	<b>12,704</b>	<b>545,677</b>										<b>96</b>	<b>98</b>	<b>3</b>	<b>(3)</b>	<b>1</b>	<b>195</b>
June	1,144	50,737	0.0225	0.0231	0.0216	0.00041	0.00045	0.00088	29,552	(2,989)	884	(50)	(64)	(1)	(1)	(3)	(119)

NOTE: DETAIL MAY NOT SUM TO TOTALS DUE TO ROUNDING

Month (n) Derivations

- 1) C(n) = A(n) / B(n)
- 2) D(n) = C(n+1)
- 3) E(n) is from Financial Planning
- 4) F(n) is from Financial Planning
- 5) G(n) is from Financial Planning
- 6) H(n) is from Financial Planning
- 7) I(n) = Forecast based upon actuals thru March, 2001
- 8) J(n) = I(n) - I(n-1)
- 9) K(n) = I(n) \* D(n)
- 10) L(n) = K(n) - K(n-1)
- 11) M(n) = J(n) \* E(n)
- 12) N(n) = J(n) \* F(n)
- 13) O(n) = J(n) \* G(n)
- 14) P(n) = J(n) \* H(n)
- 15) Q(n) = L(n) + M(n) + N(n) + O(n) + P(n)

Supporting Schedules:

Recap Schedules:

55

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
**XX** Historical Years Ended 12/31/91 through 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

DOCKET NO.: 010949-EI

(000s)

Line No.	Acct. No.	Account Title	1991		1992		1993		1994		1995	
			Budget	Actual								
1		Operating Revenues										
2	440	Residential Sales	223,229	231,220	224,518	235,296	237,919	244,967	248,940	252,598	264,003	276,155
3	442	Commercial and Industrial Sales	220,216	222,990	214,053	224,391	222,855	224,834	227,415	228,563	244,060	240,866
4	444	Public Street and Highway Lighting	1,883	1,808	1,771	1,742	1,853	1,840	1,900	1,912	1,981	1,946
5	445	Other Sales to Public Authorities	-	-	-	-	-	-	-	-	-	-
6	447	Sales for Resale	82,406	98,979	111,466	94,153	94,994	95,375	97,276	83,464	77,278	79,032
7	448	Interdepartmental Sales	86	53	62	43	47	42	44	44	45	47
8	451	Misc Service Revenues	14,458	14,963	3,575	9,133	8,918	9,497	9,209	9,854	15,840	16,575
9	454	Rent from Electric Property	2,340	3,118	2,460	2,333	2,171	2,211	1,893	1,977	1,703	2,395
10	455	Interdepartmental Rent	-	-	-	-	-	-	-	-	-	-
11	456	Other Electric Revenues	1,505	(7,924)	5,806	3,812	1,730	4,376	1,735	402	20	2,061
12		Total Operating Revenues	546,123	565,207	563,711	570,903	570,487	583,142	588,412	578,814	604,930	619,077
13		Production Expenses										
14	500	Operation, Supervision & Engineering	3,252	3,414	3,515	4,163	4,124	3,739	3,737	3,431	3,852	5,298
15	501	Fuel Expense	195,134	175,935	195,362	182,675	185,614	170,241	180,346	161,113	184,775	185,103
16	502	Steam Expenses	3,575	3,660	3,752	3,716	3,641	3,806	4,012	3,929	4,103	4,155
17	505	Electric Expense	4,309	4,312	4,428	3,929	3,971	3,647	3,945	3,483	3,944	3,685
18	506	Misc Steam Power Expense	18,163	18,536	18,351	18,404	21,465	26,756	31,565	33,095	25,394	24,812
19	507	Rents	25	34	15	21	13	12	8	1	-	-
20	509	Allowances	-	-	-	-	-	-	-	-	-	68
21	546	Operation, Supervision & Engineering	-	-	-	-	-	13	-	1	-	-
22	547	Fuel Expense - Other Production	16	103	51	80	91	245	98	55	190	171
23	548	Generation Expenses	17	13	14	18	19	17	18	20	18	22
24	549	Misc Other Power Generation Expense	-	-	-	58	200	97	-	-	-	-
25		Total Generation Operation	224,491	206,007	225,488	213,064	219,138	208,573	223,729	205,128	222,276	223,314

55

Support Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Years Ended 12/31/91 through 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

DOCKET NO.: 010949-EI

(000s)

Line No.	Acct. No.	Account Title	1991		1992		1993		1994		1995	
			Budget	Actual								
26	510	Maintenance, Supervision & Engineering	3,093	3,234	3,422	3,488	3,425	3,468	3,361	3,353	3,407	3,530
27	511	Maintenance of Structures	1,871	1,635	2,206	2,509	2,714	2,351	1,424	1,952	1,900	2,099
28	512	Maintenance of Boiler Plant	15,124	16,056	15,220	13,490	15,876	16,062	17,265	16,371	18,420	19,415
29	513	Maintenance of Electric Plant	8,733	9,561	5,255	5,307	7,888	7,690	9,651	7,741	10,543	7,634
30	514	Maintenance of Misc Steam Plant	2,087	1,155	1,828	2,126	1,789	1,917	1,876	1,818	2,019	2,070
31	551	Maint., Supervision & Engineering-Other	-	-	-	-	-	-	-	-	-	-
22	552	Maintenance of Structures	1	15	2	2	12	6	3	2	3	3
33	553	Maint. of Generation & Elec. Equip.	21	10	21	(7)	43	6	29	33	10	25
34	554	Maint. of Misc. Other Power Gen. Plant	7	(13)	11	3	10	21	4	2	6	1
35		Total Maintenance	30,937	31,653	27,965	26,918	31,757	31,521	33,613	31,272	36,308	34,777
36	555	Purchased & Interchanged Power	(8,907)	33,475	18,377	28,182	17,602	36,659	20,842	32,580	31,751	38,560
37	556	System Control & Load Dispatch	1,170	893	1,002	920	940	913	954	875	1,066	606
38	557	Other Production Expenses	150	138	169	183	176	162	288	179	190	613
39		Total Other Power Supply	(7,587)	34,506	19,548	29,285	18,718	37,734	22,084	33,634	33,007	39,779
40		Total Production	247,841	272,166	273,001	269,267	269,613	277,828	279,426	270,034	291,591	297,870
41		Transmission Expenses										
42	560	Operation Supervision & Engineering	509	556	733	555	450	398	495	458	459	537
43	561	Load Dispatching	517	542	554	564	543	548	533	547	587	1,006
44	562	Station Expenses	506	459	392	277	138	125	139	114	101	91
45	563	Overhead Line Expenses	256	280	247	309	269	282	274	290	367	225
46	564	Underground Line Expenses	4	-	-	3	-	-	-	-	-	-
47	566	Misc. Transmission Expenses	291	298	292	297	303	297	338	340	244	274
48	567	Rents	2,541	2,499	2,549	2,548	2,321	2,505	1,884	1,883	1,394	1,407
49		Total Operation	4,624	4,634	4,767	4,553	4,024	4,155	3,663	3,632	3,152	3,540

57

Support Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Years Ended 12/31/91 through 12/31/00

Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

(000s)

Line No.	Acct. No.	Account Title	1991		1992		1993		1994		1995	
			Budget	Actual								
50	568	Maintenance, Supervision & Engineering	317	330	335	366	380	398	407	468	459	444
51	569	Maintenance of Structures	10	6	5	53	56	6	91	86	115	105
52	570	Maintenance of Substation Equipment	481	527	567	576	526	536	579	433	547	477
53	571	Maint. of Overhead Lines	885	953	613	793	829	783	1,001	830	985	833
54	572	Maintenance of Underground Lines	-	-	-	-	-	-	-	-	-	-
55	573	Maint. of Misc. Transmission Lines	129	121	83	74	111	86	110	75	74	61
56		Total Maintenance	1,822	1,937	1,603	1,862	1,902	1,809	2,188	1,892	2,180	1,920
57		Total Transmission	6,446	6,571	6,370	6,415	5,926	5,964	5,851	5,524	5,332	5,460
58		Distribution Expenses										
59	580	Operation Supervision & Engineering	740	868	988	1,079	1,163	1,141	1,119	1,156	1,440	3,371
60	581	Load Dispatching	214	191	211	197	220	197	232	194	193	164
61	582	Station Expenses	286	293	275	504	291	356	343	305	344	266
62	583	Overhead Line Expenses	795	1,196	819	1,193	1,077	1,258	1,021	1,000	1,070	917
63	584	Underground Line Expenses	297	256	258	273	237	356	215	453	339	302
64	585	Street Lighting & Signal System Exp	232	320	254	524	268	338	290	283	342	408
65	586	Meter Expenses	1,410	1,512	1,532	1,590	1,619	1,693	1,663	1,763	1,157	1,580
66	587	Customer Installation Expense	306	362	313	482	414	590	464	631	468	733
67	588	Misc. Distribution Expense	863	939	791	931	1,139	1,183	1,137	1,212	1,298	1,199
68	589	Rents	25	38	29	6	29	5	31	36	4	65
69		Total Operation	5,168	5,975	5,470	6,779	6,457	7,117	6,515	7,033	6,655	9,005

58

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

- \_\_\_ Projected Test Year Ended 5/31/03
- \_\_\_ Prior Year Ended 5/31/02
- XX Historical Years Ended 12/31/91 through 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R. R. Labrato, R. G. Moore,  
F. M. Fisher, R. J. McMillan,  
R. M. Saxon, M. W. Howell,  
M. D. Neyman

DOCKET NO.: 010949-EI

(000s)

Line No.	Acct. No.	Account Title	1991		1992		1993		1994		1995	
			Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
70	590	Maintenance, Supervision & Engineering	729	814	902	898	913	910	898	902	916	1,014
71	591	Maintenance of Structures	10	5	8	468	465	11	776	734	1,037	1,123
72	592	Maintenance of Substation Equipment	698	699	724	748	836	930	856	756	950	844
73	593	Maint. of Overhead Lines	6,068	6,410	5,820	7,134	7,602	6,699	7,578	7,006	7,837	8,055
74	594	Maintenance of Underground Lines	769	843	835	993	957	1,161	1,023	1,242	1,022	1,547
75	595	Maint. of Line Transformers	651	698	667	788	771	821	759	782	872	888
76	596	Maint. of Street Lighting & Signal Sys.	294	339	322	371	373	392	388	350	272	217
77	597	Maintenance of Meters	102	109	120	118	134	109	134	122	59	122
78	598	Maint. of Misc. Distribution Plant	197	179	143	187	183	163	171	131	110	118
79		Total Maintenance	9,518	10,096	9,541	11,705	12,234	11,196	12,583	12,025	13,075	13,928
80		Total Distribution	14,686	16,071	15,011	18,484	18,691	18,313	19,098	19,058	19,730	22,933
81		Customer Accounting Expenses										
82	901	Customer Accounts Supervision	416	417	476	440	428	422	383	470	453	510
83	902	Meter Reading Expenses	1,535	1,563	1,585	1,622	1,640	1,697	1,750	1,736	1,806	1,675
84	903	Customer Records & Collection Expense	5,505	5,615	5,592	5,981	6,193	6,207	6,158	6,321	6,991	7,658
85	904	Uncollectible Accounts	903	(19,514)	1,088	146	682	623	509	907	612	1,247
86	905	Misc. Customer Accounts Expense	135	125	75	62	67	60	68	54	35	95
87		Total Customer Accounting	8,494	(11,794)	8,816	8,251	9,010	9,009	8,868	9,488	9,897	11,185

59

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Years Ended 12/31/91 through 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

DOCKET NO.: 010949-EI

(000s)

Line No.	Acct. No.	Account Title	1991		1992		1993		1994		1995	
			Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
88		Customer Service and Information										
89	907	Cust.Srv. and Information Supervision	456	508	586	829	604	724	584	605	706	924
90	908	Customer Assistance Expense	5,614	4,815	5,123	4,538	6,809	5,102	5,645	5,593	6,041	5,557
91	909	Information & Institutional Adv.	957	640	823	929	1,118	1,053	1,098	1,043	1,106	1,046
92	910	Misc.Customer Service & Info Exp.	325	332	326	315	340	315	408	393	261	280
93		Total Customer Serv. and Information	7,352	6,295	6,858	6,611	8,871	7,194	7,735	7,634	8,114	7,807
94		Sales Expenses										
95	911	Sales Supervision	(8)	-	-	-	-	-	-	-	-	-
96	912	Demonstration & Selling Expense	162	137	66	82	73	94	73	113	419	278
97	913	Advertising & Promotional Expense	-	6	-	2	-	8	-	1	-	-
98		Total Sales Expense	154	143	66	84	73	102	73	114	419	278
99		Administrative & General Expenses										
100	920	Administrative & General Salaries	10,781	11,071	11,271	12,100	11,548	12,236	11,392	11,719	12,106	14,052
101	921	Office Supplies & Expenses	3,375	3,541	3,514	3,500	3,840	3,497	3,725	3,883	3,696	3,442
102	922	Admin.Expense Transferred (Credit)	(1,005)	(952)	(1,030)	(975)	(999)	(807)	(906)	(819)	(752)	(676)
103	923	Outside Services Employed	8,538	8,397	9,383	9,304	8,071	8,265	8,274	9,059	8,027	10,121
104	924	Property Insurance	1,784	1,740	1,759	1,817	1,806	1,854	1,904	1,892	2,080	2,512
105	925	Injuries and Damages	1,669	1,634	1,675	1,710	1,755	1,740	1,802	1,744	1,652	1,756

60

Support Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Years Ended 12/31/91 through 12/31/00  
 Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

(000s)

Line No.	Acct. No.	Account Title	1991		1992		1993		1994		1995	
			Budget	Actual								
106	926	Employee Pension and Benefits	8,339	8,387	9,513	8,752	9,774	9,222	9,581	8,878	8,255	7,353
107	927	Franchise Requirements	-	-	-	-	-	-	-	-	-	-
108	928	Regulatory Commission Expense	855	891	751	729	814	1,187	706	722	372	361
109	929	Duplicate Charges (Credit)	(23)	(17)	(34)	(18)	(15)	(22)	(12)	(114)	(18)	(182)
110	930	Misc. General & Advertising Expenses	2,923	2,955	2,864	3,510	3,349	5,179	3,731	3,941	4,104	3,433
111	931	Rents	214	125	133	109	110	72	55	59	46	150
112		Total Operation	37,450	37,772	39,799	40,538	40,053	42,423	40,252	40,964	39,568	42,322
113	935	Admin. & General Maintenance	1,352	1,783	1,307	1,463	1,615	1,479	1,684	1,511	1,380	1,293
114		Total Administrative & General	38,802	39,555	41,106	42,001	41,668	43,902	41,936	42,475	40,948	43,615
115		Total Operation & Maintenance	323,775	329,007	351,228	351,113	353,852	362,312	362,987	354,327	376,031	389,148
116		Other Operating Expenses										
117	403	Depreciation Expense	49,537	49,077	51,278	50,346	52,747	52,109	51,836	53,068	55,123	54,387
118	404	Amortization of Limited Plant	5,336	5,359	5,707	5,653	5,517	5,441	7,371	5,838	3,023	3,022
119	406	Amortization of Plant Acquisition Adj.	-	-	-	-	-	-	-	-	-	-
120	407	Amort. of Property Losses	-	-	-	-	-	-	-	-	-	-
121	408	Taxes Other than Income Taxes	41,539	42,359	36,323	37,898	38,618	40,204	41,571	41,700	49,301	49,598
122	409	Current Income Tax - Operating Income	29,240	37,259	30,042	28,419	32,878	27,340	38,789	40,880	37,176	24,785
123	410	Provision for Deferred Income Tax	18,590	20,421	14,599	20,765	16,624	30,194	13,245	21,105	12,161	35,375
124	411	Provision for Deferred Income Tax (CR)	(18,029)	(23,787)	(16,183)	(17,452)	(18,952)	(24,804)	(17,680)	(28,028)	(15,078)	(26,095)
125	411.4	Investment Tax Credit (Net)	(2,260)	(2,241)	(2,258)	(2,241)	(2,241)	(2,241)	(2,238)	(2,291)	(2,291)	(2,265)
126	411.6	Gains from Disp. Of Utility Plant	-	-	-	-	-	-	-	-	-	(3)
127	411.7	Losses from Disp. Of Utility Plant	-	-	-	-	-	-	-	-	-	162
128	411.8	Gains from Disposition of Allowances	-	-	-	-	-	-	-	-	-	(200)
129		Total Other Operating Expenses	123,953	128,447	119,508	123,388	125,191	128,243	132,894	132,272	139,415	138,766

61

Support Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Years Ended 12/31/91 through 12/31/00  
 Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

(000s)

Line No.	Acct. No.	Account Title	1996		1997		1998		1999		2000	
			Budget	Actual								
1		Operating Revenues										
2	440	Residential Sales	272,790	285,499	275,776	277,609	269,819	276,208	284,348	277,311	300,756	308,728
3	442	Commercial and Industrial Sales	238,999	243,175	240,087	241,927	226,871	230,810	238,152	233,275	252,797	258,123
4	444	Public Street and Highway Lighting	1,982	2,010	2,004	2,041	1,952	2,061	2,074	2,135	2,295	2,217
5	445	Other Sales to Public Authorities	-	-	-	-	-	-	-	-	-	-
6	447	Sales for Resale	83,997	80,962	73,404	80,457	89,759	104,535	97,052	128,464	89,204	133,885
7	448	Interdepartmental Sales	57	46	65	43	45	40	42	39	40	30
8	449	Provision for Rate Refund (Less)	-	-	-	-	-	-	-	-	(1,453)	(6,935)
9	451	Misc Service Revenues	17,660	19,156	18,380	19,398	18,414	19,329	19,699	19,304	20,775	21,454
10	454	Rent from Electric Property	3,332	3,539	3,549	3,201	4,935	4,993	4,807	5,498	5,567	5,323
11	455	Interdepartmental Rent	-	-	-	-	-	-	-	-	-	-
12	456	Other Electric Revenues	671	(22)	2,924	1,180	386	12,542	(601)	8,073	3,886	(8,506)
13		Total Operating Revenues	619,488	634,365	616,189	625,856	612,181	650,518	645,573	674,099	673,867	714,319
14		Production Expenses										
15	500	Operation, Supervision & Engineering	4,016	4,892	4,881	5,996	7,089	6,827	7,771	6,999	5,978	6,161
16	501	Fuel Expense	174,861	184,287	176,096	180,652	197,471	195,472	208,254	206,723	191,983	213,029
17	502	Steam Expenses	4,466	4,539	3,819	4,291	4,682	4,527	4,768	4,487	4,760	5,164
18	505	Electric Expense	4,187	3,609	3,652	3,401	3,632	3,446	3,880	3,461	2,633	3,500
19	506	Misc Steam Power Expense	29,174	24,712	28,796	32,152	14,143	13,416	9,441	9,564	11,476	11,173
20	507	Rents	-	-	-	-	-	-	-	-	-	-
21	509	Allowances	-	24	-	8	-	11	-	7	-	45
22	546	Operation, Supervision & Engineering	(1)	-	-	-	-	-	-	-	35	95
23	547	Fuel Expense - Other Production	120	213	51	190	180	1,990	35	2,308	234	2,714
24	548	Generation Expenses	21	22	23	23	24	25	24	30	27	19
25	549	Misc Other Power Generation Expense	74	75	-	-	-	-	-	-	7	-
26		Total Generation Operation	216,918	222,373	217,318	226,713	227,221	225,714	234,173	233,579	217,133	241,900

Support Schedules:

Recap Schedules:

62

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: If the test year is PROJECTED,  
 provide the budgeted versus actual operating  
 revenues and expenses by primary account for  
 a historical 10 year period and the forecasted  
 data for the test year.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Years Ended 12/31/91 through 12/31/00  
 Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

(000s)

Line No.	Acct. No.	Account Title	1996		1997		1998		1999		2000	
			Budget	Actual								
27	510	Maintenance,Supervision & Engineering	3,455	4,470	5,253	4,983	4,534	4,912	5,005	5,384	5,725	5,087
28	511	Maintenance of Structures	1,810	2,184	2,793	1,966	2,179	2,159	2,343	2,226	3,365	3,262
29	512	Maintenance of Boiler Plant	15,334	15,975	16,605	17,676	18,548	20,404	21,131	22,499	22,170	20,109
30	513	Maintenance of Electric Plant	9,947	8,745	5,264	5,413	4,990	6,331	8,262	7,386	7,663	8,082
31	514	Maintenance of Misc Steam Plant	1,915	2,381	2,589	2,395	1,989	2,303	2,102	1,959	1,254	2,087
32	551	Maint.,Supervision & Engineering-Other	-	-	-	-	-	-	-	-	10	17
33	552	Maintenance of Structures	3	1	8	2	3	9	3	-	-	1
34	553	Maint.of Generation & Elec.Equip.	11	50	23	60	361	356	975	1,058	485	512
35	554	Maint.of Misc.Other Power Gen.Plant	6	5	10	4	2	6	2	25	-	6
36		Total Maintenance	32,481	33,811	32,545	32,499	32,606	36,480	39,823	40,537	40,672	39,163
37	555	Purchased & Interchanged Power	37,108	43,376	29,727	36,893	16,283	43,813	25,747	57,035	69,632	82,490
38	556	System Control & Load Dispatch	602	731	1,103	1,226	1,511	1,141	1,323	1,322	1,467	910
39	557	Other Production Expenses	617	630	1,229	712	845	817	850	1,223	1,039	1,137
40		Total Other Power Supply	38,327	44,737	32,059	38,831	18,639	45,771	27,920	59,580	72,138	84,537
41		Total Production	287,726	300,921	281,922	298,043	278,466	307,965	301,916	333,696	329,943	365,600

63

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
**XX** Historical Years Ended 12/31/91 through 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

DOCKET NO.: 010949-EI

(000s)

Line No.	Acct. No.	Account Title	1996		1997		1998		1999		2000	
			Budget	Actual								
42		Transmission Expenses										
43	560	Operation Supervision & Engineering	515	518	701	635	748	727	1,056	891	1,132	1,025
44	561	Load Dispatching	1,060	1,132	1,330	1,232	1,420	1,542	2,011	1,976	2,237	2,210
45	562	Station Expenses	134	147	110	66	206	326	103	93	94	72
46	563	Overhead Line Expenses	195	212	202	204	236	333	349	149	282	212
47	564	Underground Line Expenses	-	-	-	7	-	4	-	-	-	8
48	565	Transmission of Electricity to Others	-	-	-	-	-	-	-	-	-	642
49	566	Misc. Transmission Expenses	335	293	340	437	383	637	410	446	403	404
50	567	Rents	1,164	1,117	1,165	1,116	1,163	1,165	1,163	1,211	1,163	1,163
51		Total Operation	3,403	3,419	3,848	3,697	4,156	4,734	5,092	4,766	5,311	5,736
52	568	Maintenance, Supervision & Engineering	399	300	307	244	266	272	250	220	271	263
53	569	Maintenance of Structures	150	306	163	199	89	71	126	56	78	33
54	570	Maintenance of Substation Equipment	450	444	400	463	410	505	397	419	441	475
55	571	Maint. of Overhead Lines	778	628	809	612	569	2,387	724	1,138	704	714
56	572	Maintenance of Underground Lines	-	-	-	12	-	3	-	-	-	-
57	573	Maint. of Misc. Transmission Lines	74	74	45	87	51	74	92	87	78	85
58		Total Maintenance	1,851	1,752	1,724	1,617	1,385	3,312	1,589	1,920	1,572	1,570
59		Total Transmission	5,254	5,171	5,572	5,314	5,541	8,046	6,681	6,686	6,883	7,306

64

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

- \_\_\_ Projected Test Year Ended 5/31/03
- \_\_\_ Prior Year Ended 5/31/02
- XX Historical Years Ended 12/31/91 through 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R. R. Labrato, R. G. Moore,  
F. M. Fisher, R. J. McMillan,  
R. M. Saxon, M. W. Howell,  
M. D. Neyman

DOCKET NO.: 010949-EI

(000s)

Line No.	Acct. No.	Account Title	1996		1997		1998		1999		2000	
			Budget	Actual								
60		Distribution Expenses										
61	580	Operation Supervision & Engineering	2,009	2,141	2,778	3,986	2,983	4,008	3,550	4,100	4,055	4,409
62	581	Load Dispatching	127	105	83	90	80	294	270	294	243	504
63	582	Station Expenses	315	484	263	255	271	292	299	249	293	255
64	583	Overhead Line Expenses	877	1,105	913	844	868	967	965	1,015	1,353	1,205
65	584	Underground Line Expenses	469	491	337	424	416	499	386	625	572	693
66	585	Street Lighting & Signal System Exp	282	454	226	502	459	531	419	539	505	626
67	586	Meter Expenses	1,685	1,649	1,529	1,493	1,593	1,445	1,647	1,548	1,896	1,655
68	587	Customer Installation Expense	760	723	705	713	728	695	765	782	696	726
69	588	Misc.Distribution Expense	1,204	1,105	1,206	1,039	1,245	1,184	1,472	1,362	1,856	1,570
70	589	Rents	43	89	44	26	50	23	55	57	55	50
71		Total Operation	7,771	8,346	8,084	9,372	8,693	9,938	9,828	10,571	11,524	11,693
72	590	Maintenance,Supervision & Engineering	1,169	1,933	1,471	1,597	1,737	2,106	1,993	2,019	2,054	2,141
73	591	Maintenance of Structures	1,550	1,597	1,537	1,502	1,208	1,233	1,408	1,375	1,188	1,237
74	592	Maintenance of Substation Equipment	685	1,059	767	939	934	1,489	1,097	862	1,020	817
75	593	Maint.of Overhead Lines	6,743	7,309	7,452	5,944	7,015	7,946	7,674	7,010	7,369	6,944
76	594	Maintenance of Underground Lines	1,229	1,710	1,283	1,645	1,375	1,629	1,443	1,623	1,484	2,047
77	595	Maint.of Line Transformers	766	876	728	800	729	1,059	836	771	757	738
78	596	Maint.of Street Lighting & Signal Sys.	295	251	274	256	190	559	421	341	335	341
79	597	Maintenance of Meters	136	109	126	133	96	159	119	95	120	106
80	598	Maint.of Misc.Distribution Plant	138	115	103	95	125	176	167	160	131	159
81		Total Maintenance	12,711	14,959	13,741	12,911	13,409	16,356	15,158	14,256	14,458	14,530
82		Total Distribution	20,482	23,305	21,825	22,283	22,102	26,294	24,986	24,827	25,982	26,223

65

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: If the test year is PROJECTED,  
 provide the budgeted versus actual operating  
 revenues and expenses by primary account for  
 a historical 10 year period and the forecasted  
 data for the test year.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Years Ended 12/31/91 through 12/31/00  
 Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

(000s)

Line No.	Acct. No.	Account Title	1996		1997		1998		1999		2000	
			Budget	Actual								
83		Customer Accounting Expenses										
84	901	Customer Accounts Supervision	454	804	434	432	416	439	373	378	392	376
85	902	Meter Reading Expenses	1,752	1,821	1,746	1,622	1,670	1,524	1,648	1,694	1,628	1,636
86	903	Customer Records & Collection Expense	6,808	6,371	8,719	9,314	9,753	11,901	10,878	10,685	10,997	11,234
87	904	Uncollectible Accounts	968	1,334	1,164	1,044	1,070	1,898	1,161	1,726	1,192	1,409
88	905	Misc.Customer Accounts Expense	129	82	635	978	955	898	912	1,013	748	707
89		Total Customer Accounting	10,111	10,412	12,698	13,390	13,864	16,660	14,972	15,496	14,957	15,362
90		Customer Service and Information										
91	907	Cust.Srv. and Information Supervision	689	966	873	1,204	1,026	1,454	1,530	1,650	1,716	2,267
92	908	Customer Assistance Expense	6,151	6,207	7,377	7,435	7,708	7,731	8,231	8,427	8,452	9,639
93	909	Information & Institutional Adv.	1,101	974	977	849	624	845	1,068	740	924	996
94	910	Misc.Customer Service & Info Exp.	275	295	278	265	293	297	252	242	148	147
95		Total Customer Serv. and Information	8,216	8,442	9,505	9,753	9,651	10,327	11,081	11,059	11,240	13,049
96		Sales Expenses										
97	911	Sales Supervision	-	-	-	-	-	-	-	-	-	-
98	912	Demonstration & Selling Expense	389	585	816	1,074	1,316	1,256	1,641	1,368	1,284	973
99	913	Advertising & Promotional Expense	-	-	-	-	-	-	-	-	-	-
100		Total Sales Expense	389	585	816	1,074	1,316	1,256	1,641	1,368	1,284	973

66

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: If the test year is PROJECTED,  
 provide the budgeted versus actual operating  
 revenues and expenses by primary account for  
 a historical 10 year period and the forecasted  
 data for the test year.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Years Ended 12/31/91 through 12/31/00  
 Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

(000s)

Line No.	Acct. No.	Account Title	1996		1997		1998		1999		2000	
			Budget	Actual								
101		Administrative & General Expense										
102	920	Administrative & General Salaries	9,544	9,012	8,963	8,730	10,176	9,336	8,972	8,771	9,721	10,134
103	921	Office Supplies & Expenses	3,112	3,311	2,432	2,770	2,777	3,337	3,564	3,615	2,855	2,951
104	922	Admin. Expense Transferred (Credit)	(623)	(489)	(521)	(474)	(440)	(330)	(329)	(297)	(299)	(298)
105	923	Outside Services Employed	15,608	15,434	12,504	11,945	13,601	13,798	13,356	13,491	11,101	12,529
106	924	Property Insurance	5,433	5,210	4,186	4,522	4,179	6,970	7,038	5,993	4,050	3,965
107	925	Injuries and Damages	1,789	1,735	1,825	1,815	1,847	1,736	1,859	1,709	1,926	2,213
108	926	Employee Pension and Benefits	6,670	6,241	7,220	6,971	7,467	6,655	7,434	7,276	6,982	6,443
109	927	Franchise Requirements	-	-	-	-	-	-	-	-	-	-
110	928	Regulatory Commission Expense	400	643	389	511	469	498	492	765	672	795
111	929	Duplicate Charges (Credit)	(311)	(547)	(429)	(575)	(411)	(405)	(369)	(386)	(368)	(897)
112	930	Misc. General & Advertising Expenses	4,215	3,743	7,567	4,786	3,464	4,107	4,029	3,208	4,116	4,011
113	931	Rents	499	425	175	169	176	184	171	173	166	282
114		Total Operation	46,336	44,718	44,311	41,170	43,305	45,886	46,217	44,318	40,922	42,128
115	935	Admin. & General Maintenance	841	526	1,012	963	637	1,138	904	1,117	818	1,019
116		Total Administrative & General	47,177	45,244	45,323	42,133	43,942	47,024	47,121	45,435	41,740	43,147
117		Total Operation & Maintenance	379,355	394,080	377,661	391,990	374,882	417,572	408,398	438,567	432,029	471,660

67

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: If the test year is PROJECTED,  
 provide the budgeted versus actual operating  
 revenues and expenses by primary account for  
 a historical 10 year period and the forecasted  
 data for the test year.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Years Ended 12/31/91 through 12/31/00  
 Witness: R. R. Labrato, R. G. Moore,  
 F. M. Fisher, R. J. McMillan,  
 R. M. Saxon, M. W. Howell,  
 M. D. Neyman

(000s)

Line No.	Acct. No.	Account Title	1996		1997		1998		1999		2000	
			Budget	Actual								
118		Other Operating Expenses										
119	403	Depreciation Expense	56,358	55,673	57,657	56,860	62,181	60,320	63,013	62,114	64,038	63,631
120	404	Amortization of Limited Plant	3,404	3,395	3,388	3,280	4,447	4,637	4,608	4,584	4,221	4,315
121	406	Amortization of Plant Acquisition Adj.	-	-	-	-	-	-	-	-	-	-
122	407	Amort. of Property Losses	-	-	-	-	-	-	-	-	-	1,000
123	408	Taxes Other than Income Taxes	51,013	52,027	51,765	51,775	50,545	51,462	52,551	51,782	54,863	55,904
124	409	Current Income Tax - Operating Income	44,675	35,705	42,110	41,999	38,555	38,654	37,976	38,280	32,385	44,404
125	410	Provision for Deferred Income Tax	9,672	29,934	11,674	22,165	13,605	21,224	11,093	19,241	12,534	16,671
126	411	Provision for Deferred Income Tax (CR)	(16,222)	(27,818)	(17,355)	(29,130)	(18,801)	(25,788)	(17,390)	(25,691)	(12,851)	(29,428)
127	411.4	Investment Tax Credit (Net)	(2,264)	(2,205)	(2,120)	(2,120)	(2,113)	(1,832)	(1,832)	(1,832)	(1,832)	(1,832)
128	411.6	Gains from Disposition of Utility Plant	-	(127)	-	-	-	(101)	-	-	-	(1)
129	411.7	Losses from Disposition Of Utility Plant	-	-	-	3	-	58	-	-	-	-
130	411.8	Gains from Disposition of Allowances	-	(91)	-	(148)	-	(3,952)	-	(277)	-	(240)
131	411.9	Losses from Disposition Of Allowances	-	-	-	-	-	-	-	-	-	-
132		Total Other Operating Expenses	146,636	146,493	147,119	144,684	148,419	144,682	150,019	148,201	153,358	154,424

68

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Years Ended 12/31/91 through 12/31/00

Witness: R. R. Labrato, R. G. Moore,  
F. M. Fisher, R. J. McMillan,  
R. M. Saxon, M. W. Howell,  
M. D. Neyman

(000s)

69

Line No.	Acct. No.	Account Title	Prior Year Ended 5/31/02 Budget	Test Year Ended 5/31/03 Budget
1		Operating Revenues		
2	440	Residential Sales	305,762	313,666
3	442	Commercial and Industrial Sales	260,112	276,432
4	444	Public Street and Highway Lighting	2,481	2,568
5	445	Other Sales to Public Authorities	-	-
6	447	Sales for Resale	110,417	140,804
7	448	Interdepartmental Sales	3	2
8	449	Provision for Rate Refund (Less)	(7,258)	
9	451	Misc Service Revenues	21,318	21,934
10	454	Rent from Electric Property	4,624	4,837
11	455	Interdepartmental Rent	-	-
12	456	Other Electric Revenues	6,200	6,248
12		Total Operating Revenues	703,659	766,491
13		Production Expenses		
14	500	Operation, Supervision & Engineering	6,400	7,462
15	501	Fuel Expense	218,415	222,613
16	502	Steam Expenses	4,931	4,171
17	505	Electric Expense	4,110	3,902
18	506	Misc Steam Power Expense	11,618	12,103
19	546	Operation, Supervision & Engineering	43	175
20	547	Fuel Expense - Other Production	759	90,390
21	548	Generation Expenses	25	862
22	549	Misc Other Power Generation Expense	18	274
22		Total Generation Operation	246,319	341,952

Support Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Years Ended 12/31/91 through 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R. R. Labrato, R. G. Moore,  
F. M. Fisher, R. J. McMillan,  
R. M. Saxon, M. W. Howell,  
M. D. Neyman

DOCKET NO.: 010949-EI

(000s)

Line No.	Acct. No.	Account Title	Prior Year Ended 5/31/02 Budget	Test Year Ended 5/31/03 Budget
23	510	Maintenance,Supervision & Engineering	6,605	7,455
24	511	Maintenance of Structures	3,930	4,656
25	512	Maintenance of Boiler Plant	28,171	25,425
26	513	Maintenance of Electric Plant	10,325	8,035
27	514	Maintenance of Misc Steam Plant	1,547	1,657
28	551	Maint.,Supervision & Engineering-Other	7	107
29	552	Maintenance of Structures	-	95
30	553	Maint.of Generation & Elec.Equip.	528	2,371
31	554	Maint.of Misc.Other Power Gen.Plant	1	21
32		Total Maintenance	51,114	49,822
33	555	Purchased & Interchanged Power	64,729	17,653
34	556	System Control & Load Dispatch	1,097	1,138
35	557	Other Production Expenses	1,249	1,289
36		Total Other Power Supply	67,075	20,080
37		Total Production	364,508	411,854
38		Transmission Expenses		
39	560	Operation Supervision & Engineering	799	921
40	561	Load Dispatching	2,317	2,433
41	562	Station Expenses	94	91
42	563	Overhead Line Expenses	401	482
43	565	Recoverable Energy Expenses	812	200
44	566	Misc. Transmission Expenses	463	481
45	567	Rents	1,164	1,163
46		Total Operation	6,050	5,771

070

Support Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Years Ended 12/31/91 through 12/31/00

Witness: R. R. Labrato, R. G. Moore,  
F. M. Fisher, R. J. McMillan,  
R. M. Saxon, M. W. Howell,  
M. D. Neyman

(000s)

Line No.	Acct. No.	Account Title	Prior Year Ended 5/31/02 Budget	Test Year Ended 5/31/03 Budget
47	568	Maintenance, Supervision & Engineering	279	316
48	569	Maintenance of Structures	124	125
49	570	Maintenance of Substation Equipment	457	676
50	571	Maint. of Overhead Lines	972	1,083
51	572	Maintenance of Underground Lines	-	-
52	573	Maint. of Misc. Transmission Lines	93	118
53		Total Maintenance	1,925	2,318
54		Total Transmission	7,975	8,089
55		Distribution Expenses		
56	580	Operation Supervision & Engineering	4,321	5,033
57	581	Load Dispatching	797	845
58	582	Station Expenses	282	294
59	583	Overhead Line Expenses	1,332	1,464
60	584	Underground Line Expenses	728	825
61	585	Street Lighting & Signal System Exp	633	658
62	586	Meter Expenses	1,979	2,067
63	587	Customer Installation Expense	745	794
64	588	Misc. Distribution Expense	2,047	2,070
65	589	Rents	68	84
66		Total Operation	12,932	14,134

71

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Years Ended 12/31/91 through 12/31/00

Witness: R. R. Labrato, R. G. Moore,  
F. M. Fisher, R. J. McMillan,  
R. M. Saxon, M. W. Howell,  
M. D. Neyman

(000s)

Line No.	Acct. No.	Account Title	Prior Year Ended 5/31/02 Budget	Test Year Ended 5/31/03 Budget
67	590	Maintenance, Supervision & Engineering	2,127	2,593
68	591	Maintenance of Structures	1,024	1,108
69	592	Maintenance of Substation Equipment	1,330	1,645
70	593	Maint. of Overhead Lines	7,697	10,066
71	594	Maintenance of Underground Lines	1,901	2,103
72	595	Maint. of Line Transformers	799	816
73	596	Maint. of Street Lighting & Signal Sys.	507	780
74	597	Maintenance of Meters	111	117
75	598	Maint. of Misc. Distribution Plant	304	437
76		Total Maintenance	15,800	19,665
77		Total Distribution	28,732	33,799
78		Customer Accounting Expenses		
79	901	Customer Accounts Supervision	342	371
80	902	Meter Reading Expenses	1,759	1,833
81	903	Customer Records & Collection Expense	11,364	12,068
82	904	Uncollectible Accounts	1,360	1,543
83	905	Misc. Customer Accounts Expense	763	791
84		Total Customer Accounting	15,588	16,606

72

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Years Ended 12/31/91 through 12/31/00

Witness: R. R. Labrato, R. G. Moore,  
F. M. Fisher, R. J. McMillan,  
R. M. Saxon, M. W. Howell,  
M. D. Neyman

(000s)

Line No.	Acct. No.	Account Title	Prior Year Ended 5/31/02 Budget	Test Year Ended 5/31/03 Budget
85		Customer Service and Information		
86	907	Cust.Srv. and Information Supervision	2,011	2,428
87	908	Customer Assistance Expense	8,373	10,092
88	909	Information & Institutional Adv.	900	1,204
89	910	Misc.Customer Service & Info Exp.	356	183
90		Total Customer Serv. and Information	11,640	13,907
91		Sales Expenses		
92	911	Sales Supervision	-	-
93	912	Demonstration & Selling Expense	1,174	1,363
94	913	Advertising & Promotional Expense	-	-
95		Total Sales Expense	1,174	1,363
96		Administrative & General Expenses		
97	920	Administrative & General Salaries	10,827	10,407
98	921	Office Supplies & Expenses	2,836	3,186
99	922	Admin.Expense Transferred (Credit)	(299)	(311)
100	923	Outside Services Employed	11,274	11,254
101	924	Property Insurance	4,179	4,295
102	925	Injuries and Damages	1,772	1,729

73

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical 10 year period and the forecasted data for the test year.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Years Ended 12/31/91 through 12/31/00

Witness: R. R. Labrato, R. G. Moore,  
F. M. Fisher, R. J. McMillan,  
R. M. Saxon, M. W. Howell,  
M. D. Neyman

(000s)

Line No.	Acct. No.	Account Title	Prior Year Ended 5/31/02 Budget	Test Year Ended 5/31/03 Budget
103	926	Employee Pension and Benefits	7,113	7,610
104	927	Franchise Requirements	-	-
105	928	Regulatory Commission Expense	704	1,064
106	929	Duplicate Charges (Credit)	(1,776)	(1,950)
107	930	Misc.General & Advertising Expenses	4,702	4,263
108	931	Rents	113	45
109		Total Operation	41,445	41,592
110	935	Admin.& General Maintenance	440	586
111		Total Administrative & General	41,885	42,178
112		Total Operation & Maintenance	471,502	527,796
113		Other Operating Expenses		
114	403	Depreciation Expense	67,135	77,720
115	404	Amortization of Limited Plant	3,716	4,517
116	406	Amortization of Plant Acquisition Adj.	-	-
117	407	Amort. of Property	-	-
118	408	Taxes Other than Income Taxes	55,905	59,746
119	409	Current Income Tax - Operating Income	31,476	25,359
120	410	Provision for Deferred Income Tax	9,563	8,998
121	411	Provision for Deferred Income Tax (CR)	(16,621)	(15,999)
122	411.4	Investment Tax Credit (Net)	(1,832)	(1,831)
123		Total Other Operating Expenses	149,342	158,510

74

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a detailed analysis of fuel revenues, expenses and over/under recovery of fuel expenses for the test year and the prior year.

Type of Data Shown:

Projected Test Year Ended 5/31/2003

Prior Year Ended 5/31/2002

Historical Year 12/31/2000

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Recoverable Items

Line No.	Month & Year	(1) Beginning Over/(Under) Recovery	(2a) Monthly Expenses	(2b) GPIF	(2c) Other	(2) Total (2a)+(2b)+(2c)	(3) Fuel Revenue	(4) Over/(Under) Recovery for Month (3) - (2)	(5) Other Refunds	(6) Interest	(7) Total Over/(Under) Recovery for Month (1)+(4)+(5)+(6)
(\$000)											
1.	January 00	(9,737)	12,236	(3)	1,146	13,378	14,132	754	1,146	(41)	(7,878)
2.	Februray	(7,878)	11,133	(3)	1,146	12,276	12,992	716	1,146	(33)	(6,049)
3.	March	(6,049)	12,626	(3)	1,146	13,769	12,957	(812)	1,146	(29)	(5,744)
4.	April	(5,744)	11,190	(3)	1,146	12,333	12,734	401	1,146	(25)	(4,222)
5.	May	(4,222)	14,720	(3)	1,146	15,863	17,425	1,562	1,146	(15)	(1,529)
6.	June	(1,529)	18,749	(3)	1,146	19,892	18,600	(1,292)	1,146	(8)	(1,683)
7.	July	(1,683)	28,859	(3)	1,147	30,003	21,049	(8,954)	1,146	(30)	(9,521)
8.	August	(9,521)	24,754	(3)	1,146	25,897	20,580	(5,317)	1,146	(62)	(13,754)
9.	September	(13,754)	16,222	(3)	1,146	17,365	17,262	(103)	1,146	(71)	(12,782)
10.	October	(12,782)	11,393	(3)	1,146	12,536	15,337	2,801	1,146	(58)	(8,893)
11.	November	(8,893)	11,414	(3)	1,146	12,557	14,398	1,841	1,146	(40)	(5,946)
12.	December	(5,946)	7,934	(3)	1,146	9,077	16,144	7,067	1,146	(10)	2,257
Total			181,229	(36)	13,753	194,946	193,610	(1,336)	13,752	(422)	

75

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a detailed analysis of fuel revenues, expenses and over/under recovery of fuel expenses for the test year and the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Year 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Recoverable Items

Line No.	Month & Year	(1) Beginning Over/(Under) Recovery	(2a) Monthly Expenses	(2b) GPIF	(2c) Other	(2) Total (2a)+(2b)+(2c)	(3) Fuel Revenue	(4) Over/(Under) Recovery for Month (3) - (2)	(5) Other Refunds	(6) Interest	(7) Total Over/(Under) Recovery for Month (1)+(4)+(5)+(6)
(\$000)											
1.	June 01	0	20,652	0	0	20,652	20,652	0	0	0	0
2.	July	0	22,893	0	0	22,893	22,892	(1)	0	0	(1)
3.	August	(1)	23,197	0	0	23,197	23,196	1	0	0	0
4.	September	0	14,685	0	0	14,685	14,685	0	0	0	0
5.	October	0	11,779	0	0	11,779	11,779	0	0	0	0
6.	November	0	11,914	0	0	11,914	11,914	0	0	0	0
7.	December	0	13,766	0	0	13,766	13,765	(1)	0	0	(1)
8.	January 02	(1)	14,861	0	0	14,861	14,861	0	0	0	(1)
9.	February	(1)	12,686	0	0	12,686	12,685	(1)	0	0	(2)
10.	March	(2)	13,008	0	0	13,008	13,009	1	0	0	(1)
11.	April	(1)	11,853	0	0	11,853	11,855	2	0	0	1
12.	May	1	15,578	0	0	15,578	15,577	(1)	0	0	0
Total			186,872	0	0	186,872	186,872	0	0	0	

96

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a detailed analysis of fuel revenues, expenses and over/under recovery of fuel expenses for the test year and the prior year.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

\_\_\_ Historical Year 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Recoverable Items

Line No.	Month & Year	(1) Beginning Over/(Under) Recovery	(2a) Monthly Expenses	(2b) GPIF	(2c) Other	(2) Total (2a)+(2b)+(2c)	(3) Fuel Revenue	(4) Over/(Under) Recovery for Month (3) - (2)	(5) Other Refunds	(6) Interest	(7) Total Over/(Under) Recovery for Month (1)+(4)+(5)+(6)
(\$000)											
1.	June 02	0	21,689	0	0	21,689	21,688	(1)	0	0	(1)
2.	July	(1)	21,994	0	0	21,994	21,994	0	0	0	(1)
3.	August	(1)	25,125	0	0	25,125	25,126	1	0	0	0
4.	September	0	18,407	0	0	18,407	18,408	1	0	0	1
5.	October	1	15,047	0	0	15,047	15,047	0	0	0	1
6.	November	1	14,906	0	0	14,906	14,905	(1)	0	0	0
7.	December	0	16,776	0	0	16,776	16,776	0	0	0	0
8.	January 03	0	18,323	0	0	18,323	18,322	(1)	0	0	(1)
9.	February	(1)	15,570	0	0	15,570	15,569	(1)	0	0	(2)
10.	March	(2)	16,675	0	0	16,675	16,675	0	0	0	(2)
11.	April	(2)	15,019	0	0	15,019	15,019	0	0	0	(2)
12.	May	(2)	18,885	0	0	18,885	18,884	(1)	0	0	(3)
Total			218,416	0	0	218,416	218,413	(3)	0	0	

477

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide recoverable and non-recoverable fuel expenses by fuel type for each month of the test year and the prior year.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/2003

\_\_\_ Prior Year Ended 5/31/2002

XX Historical Year 12/31/2000

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.	Account Number	Account Title	2000 January	February	March	April	May	June	July	August	September	October	November	December	Total
NON-RECOVERABLE FUEL EXPENSES:			(\$000)												
1.		Steam - Oil	2	1	2	2	4	3	3	3	3	3	3	5	34
2.		Coal	0	0	0	0	0	0	0	0	0	0	0	0	0
3.		Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
4.		Other (Fuel Hdq)	285	286	387	307	345	364	323	272	326	317	241	479	3,932
5.		Non-Associated Energy Cost	4,211	4,121	3,183	5,726	10,394	10,114	10,220	12,819	5,301	5,888	8,164	13,274	93,415
6.		Other Generation (C.T.)	0	0	0	0	0	0	0	0	0	0	0	0	0
7.		Purchased Power	0	0	0	0	0	0	0	0	0	0	0	0	0
8.		Total Non Recoverable	<u>4,498</u>	<u>4,408</u>	<u>3,572</u>	<u>6,035</u>	<u>10,743</u>	<u>10,481</u>	<u>10,546</u>	<u>13,094</u>	<u>5,630</u>	<u>6,208</u>	<u>8,408</u>	<u>13,758</u>	<u>97,381</u>
RECOVERABLE FUEL EXPENSES:			(\$000)												
9.		Steam - Oil	23	24	12	43	45	0	41	23	38	43	39	28	359
10.		Coal	13,503	12,815	12,619	13,131	18,915	19,865	20,370	20,991	17,454	14,210	17,327	19,573	200,773
11.		Gas	473	584	108	180	1,712	1,500	1,602	1,089	213	212	76	214	7,963
		Gain on Sale of Gas	0	0	0	0	0	(154)	(1)	0	(28)	0	0	0	(183)
12.		Other	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	(7)	215	138
13.		Nuclear	0	0	0	0	0	0	0	0	0	0	0	0	0
14.		Other Generation (C.T.)	180	180	165	162	230	220	459	356	206	171	167	218	2,714
15.		Purchased Power	(1,484)	(2,077)	144	(1,951)	(5,684)	(2,057)	7,339	3,123	(1,125)	(2,887)	(5,807)	(12,032)	(24,498)
16.		Total Recoverable	<u>12,688</u>	<u>11,519</u>	<u>13,041</u>	<u>11,558</u>	<u>15,211</u>	<u>19,367</u>	<u>29,803</u>	<u>25,575</u>	<u>16,751</u>	<u>11,742</u>	<u>11,795</u>	<u>8,216</u>	<u>187,266</u>
17.		Jurisdictional Factor	0.962964	0.965091	0.966943	0.966748	0.966366	0.966716	0.966987	0.966538	0.967093	0.968879	0.966249	0.964321	
		Line Loss Multiplier	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	
18.		Jurisdictional Fuel Cost	12,235	11,133	12,626	11,190	14,720	18,749	28,859	24,754	16,222	11,393	11,414	7,934	181,229
19.		Total Fuel Expense and Purchased Power	<u>17,186</u>	<u>15,927</u>	<u>16,613</u>	<u>17,593</u>	<u>25,954</u>	<u>29,848</u>	<u>40,349</u>	<u>36,669</u>	<u>22,381</u>	<u>17,950</u>	<u>20,203</u>	<u>21,974</u>	

Supporting Schedules:

Recap Schedules: C-13, C-15

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide recoverable and non-recoverable fuel expenses by fuel type for each month of the test year and the prior year.

Type of Data Shown:

       Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

       Historical Year 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.	Account Number	Account Title	2001						2002						Total
			June	July	August	September	October	November	December	January	February	March	April	May	
NON-RECOVERABLE FUEL EXPENSES:			(\$000)						(\$000)						
1.		Steam - Oil													0
2.		Coal	0	0	0	0	0	0	0	0	0	0	0	0	0
3.		Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
4.		Other (Fuel Hdg)	339	327	297	290	295	347	295	332	324	329	328	384	3,887
5.		Non-Associated Energy Cost	7,203	12,432	12,759	6,799	5,805	2,853	3,112	4,071	4,321	3,593	3,235	4,190	70,373
6.		Other Generation (C.T.)	0	0	0	0	0	0	0	0	0	0	0	0	0
7.		Purchased Power	0	0	0	0	0	0	0	0	0	0	0	0	0
8.		Total Non Recoverable	<u>7,542</u>	<u>12,759</u>	<u>13,056</u>	<u>7,089</u>	<u>6,100</u>	<u>3,200</u>	<u>3,407</u>	<u>4,403</u>	<u>4,645</u>	<u>3,922</u>	<u>3,563</u>	<u>4,574</u>	<u>74,260</u>
RECOVERABLE FUEL EXPENSES:															
9.		Steam - Oil	53	53	53	53	51	45	53	52	52	46	51	51	613
10.		Coal	18,447	19,705	19,615	19,261	16,638	13,760	15,466	17,037	14,477	14,319	13,533	17,907	200,165
11.		Gas	3,211	4,251	4,251	516	255	60	73	262	302	192	229	148	13,750
		Gain on Sale of Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
12.		Other	0	0	0	0	0	0	0	0	0	0	0	0	0
13.		Nuclear	0	0	0	0	0	0	0	0	0	0	0	0	0
14.		Other Generation (C.T.)	51	292	229	41	39	0	5	22	33	14	24	9	759
15.		Purchased Power	(442)	(622)	(196)	(4,696)	(4,808)	(1,547)	(1,362)	(2,001)	(1,751)	(1,130)	(1,576)	(2,038)	(22,169)
16.		Total Recoverable	<u>21,320</u>	<u>23,679</u>	<u>23,952</u>	<u>15,175</u>	<u>12,175</u>	<u>12,318</u>	<u>14,235</u>	<u>15,372</u>	<u>13,113</u>	<u>13,441</u>	<u>12,261</u>	<u>16,077</u>	<u>193,118</u>
17.		Jurisdictional Factor	0.967323	0.965451	0.967154	0.966405	0.966136	0.965847	0.965734	0.965415	0.966080	0.966461	0.965428	0.967636	
		Line Loss Multiplier	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	
18.		Jurisdictional Fuel Cost	20,652	22,893	23,197	14,685	11,779	11,914	13,766	14,861	12,686	13,008	11,853	15,578	186,872
19.		Total Fuel Expense and Purchased Power	<u>28,862</u>	<u>36,438</u>	<u>37,008</u>	<u>22,264</u>	<u>18,275</u>	<u>15,518</u>	<u>17,642</u>	<u>19,775</u>	<u>17,758</u>	<u>17,363</u>	<u>15,824</u>	<u>20,651</u>	

67

Supporting Schedules:

Recap Schedules: C-13, C-15

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide recoverable and non-recoverable fuel expenses by fuel type for each month of the test year and the prior year.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

\_\_\_\_ Prior Year Ended 5/31/02

\_\_\_\_ Historical Year 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.	Account Number	Account Title	2002						2003						Total
			June	July	August	September	October	November	December	January	February	March	April	May	
NON-RECOVERABLE FUEL EXPENSES:			(\$000)						(\$000)						
1.		Steam - Oil	0	0	0	0	0	0	0	0	0	0	0	0	0
2.		Coal	0	0	0	0	0	0	0	0	0	0	0	0	0
3.		Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
4.		Other (Fuel Hdg)	324	365	329	329	341	395	360	327	336	341	343	395	4,185
5.		Non-Associated Energy Cost	8,856	15,914	13,993	10,051	9,787	7,318	3,774	6,219	7,199	4,268	4,436	5,637	97,452
6.		Other Generation (C.T.)	0	0	0	0	0	0	0	0	0	0	0	0	0
7.		Purchased Power	0	0	0	0	0	0	0	0	0	0	0	0	0
8.		Total Non Recoverable	<u>9,180</u>	<u>16,279</u>	<u>14,322</u>	<u>10,380</u>	<u>10,128</u>	<u>7,713</u>	<u>4,134</u>	<u>6,546</u>	<u>7,535</u>	<u>4,609</u>	<u>4,779</u>	<u>6,032</u>	<u>101,637</u>
RECOVERABLE FUEL EXPENSES:															
9.		Steam - Oil	51	51	51	51	51	51	45	52	51	44	53	53	604
10.		Coal	19,178	20,317	20,714	19,276	18,397	16,445	16,309	18,133	15,256	12,988	11,235	17,576	205,824
11.		Gas	2,625	4,055	4,158	367	99	62	64	65	61	61	237	146	12,000
		Gain on Sale of Gas	0	0	0	0	0	0	0	0	0	0	0	0	0
12.		Other	0	0	0	0	0	0	0	0	0	0	0	0	0
13.		Nuclear	0	0	0	0	0	0	0	0	0	0	0	0	0
14.		Other Generation (C.T.)	8,372	12,220	13,207	8,706	6,265	5,352	3,443	5,576	7,143	6,819	7,214	6,073	90,390
15.		Purchased Power	<u>(7,848)</u>	<u>(13,906)</u>	<u>(12,196)</u>	<u>(9,381)</u>	<u>(9,252)</u>	<u>(6,488)</u>	<u>(2,521)</u>	<u>(4,871)</u>	<u>(6,395)</u>	<u>(2,683)</u>	<u>(3,197)</u>	<u>(4,349)</u>	<u>(83,087)</u>
16.		Total Recoverable	<u>22,378</u>	<u>22,737</u>	<u>25,934</u>	<u>19,019</u>	<u>15,560</u>	<u>15,422</u>	<u>17,340</u>	<u>18,955</u>	<u>16,116</u>	<u>17,229</u>	<u>15,542</u>	<u>19,499</u>	<u>225,731</u>
17.		Jurisdictional Factor	0.967868	0.965983	0.967452	0.966497	0.965870	0.965185	0.966148	0.965312	0.964802	0.966491	0.965042	0.967225	
		Line Loss Multiplier	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	1.0014	
18.		Jurisdictional Fuel Cost	21,689	21,994	25,125	18,407	15,047	14,906	16,776	18,323	15,570	16,675	15,019	18,895	218,416
19.		Total Fuel Expense and Purchased Power	<u>31,558</u>	<u>39,016</u>	<u>40,256</u>	<u>29,399</u>	<u>25,688</u>	<u>23,135</u>	<u>21,474</u>	<u>25,501</u>	<u>23,651</u>	<u>21,838</u>	<u>20,321</u>	<u>25,531</u>	

80

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a reconciliation of fuel revenues and expenses for the test year and the prior year.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

XX Prior Year Ended 05/31/02

XX Historical Year Ended 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No	Description	Test Year	Prior Year	Historical
		June 2002-May 2003	June 2001-May 2002	2000
1	Retail Fuel Clause Revenues	221,901	189,858	196,705
2	Revenue Taxes	(3,488)	(2,986)	(3,096)
3	Incentive Provision	0	0	36
4	Net Fuel Revenues	<u>218,413</u>	<u>186,872</u>	<u>193,645</u>
5	Jurisdictional Fuel Cost	218,416	186,872	181,229
6	Other	0	0	0
7	Total Jurisdictional Fuel Cost	<u>218,416</u>	<u>186,872</u>	<u>181,229</u>
8	Over/(Under) Recovery	(3)	0	12,416
9	Interest	0	0	(422)
10	Total Retail Over/(Under) Recovery	<u>(3)</u>	<u>0</u>	<u>11,994</u>

10

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

EXPLANATION: Supply an itemization of revenues and expenses incurred pursuant to Commission goals for the test year and prior year.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 05/31/03  
 \_\_\_ Prior Year Ended 05/31/02  
XX Historical Year Ended 12/31/00  
 Witness: M. D. Neyman

Historical Year (\$000)

Line No.	Description	01/00	02/00	03/00	04/00	5/00	6/00	7/00	8/00	9/00	10/00	11/00	12/00	Total
1	Clause Revenues	267	244	243	239	327	351	399	390	328	291	274	379	3,732
2	Prior True-up	(76)	(75)	(75)	(76)	(75)	(75)	(76)	(75)	(75)	(76)	(75)	(75)	(904)
3	Conservation Revenues Applicable to Period	191	169	169	163	252	276	323	315	253	215	199	304	2,828
4	Conservation Expenses:													
5	In Concert With The Environment	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Res. Energy Audits	19	27	27	27	85	63	23	29	18	21	12	24	375
7	Res. Mail-in Audit	4	7	5	3	3	4	4	4	2	5	1	3	45
8	Gulf Express	0	0	0	1	1	1	3	0	0	0	0	0	6
9	Geothermal Heat Pump	7	9	11	11	8	12	30	6	3	18	3	8	126
10	GoodCents Select	54	216	136	76	186	176	151	304	211	77	233	511	2,331
11	Duct Leakage Repair	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Com/Ind GoodCents Building	24	28	28	31	30	28	26	28	28	30	15	46	342
13	Solar for Schools	0	0	0	0	1	0	0	0	1	1	0	0	3
14	Energy Audits/Tech Assistance Audits	42	46	49	45	40	39	42	43	41	42	24	61	514
15	Comm. Mail-in Audit	2	3	3	3	2	2	2	3	3	3	1	4	31
16	Cons. Demo & Development	2	18	25	2	5	9	1	1	0	0	0	0	63
17	EarthCents Solar	0	0	0	0	1	3	1	1	3	1	1	1	12
18	Green Pricing	0	0	0	0	0	0	0	0	0	8	31	(15)	24
19	Total All Programs	154	354	284	199	362	337	283	419	310	206	321	643	3,872
20	Revenues Included in Base Rates	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Net Recoverable	154	354	284	199	362	337	283	419	310	206	321	643	3,872
22	True-up this Period	37	(185)	(116)	(36)	(110)	(61)	40	(104)	(57)	9	(122)	(339)	(1,044)
23	Interest Provision this Period	(3)	(3)	(4)	(4)	(4)	(4)	(4)	(3)	(3)	(3)	(2)	(4)	(41)
24	True Up & Interest Provision Beg. Of Month	(686)	(576)	(688)	(733)	(697)	(736)	(726)	(614)	(646)	(631)	(549)	(599)	(686)
25	Deferred True Up End of Period	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Prior True Up Collected (Refunded)	76	75	75	76	75	75	76	75	75	76	75	75	904
27	Over/(Under) Recovery	(576)	(689)	(733)	(697)	(736)	(728)	(614)	(646)	(631)	(549)	(598)	(667)	(667)

82

Supporting Schedules:

Recap Schedules:

C-18

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

EXPLANATION: Supply an itemization of revenues and expenses incurred pursuant to Commission goals for the test year and prior year.

Type of Data Shown:

     Projected Test Year Ended 05/31/03

XX Prior Year Ended 05/31/02

     Historical Year Ended 12/31/00

Witness: M. D. Neyman

Prior Year (\$000)

Line No.	Description	06/01	07/01	08/01	09/01	10/01	11/01	12/01	01/02	02/02	03/02	04/02	05/02	Total
1	Clause Revenues	399	335	333	334	337	409	362	325	336	353	369	460	4,352
2	Prior True-up	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Conservation Revenues Applicable to Period	399	335	333	334	337	409	362	325	336	353	369	460	4,352
4	Conservation Expenses:													
5	In Concert With The Environment	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Res. Energy Audits	46	35	35	35	35	46	35	25	26	28	30	42	418
7	Res. Mail-in Audit	9	8	8	8	8	9	8	4	4	5	5	6	82
8	Gulf Express	0	0	0	0	0	0	0	0	0	0	0	0	0
9	Geothermal Heat Pump	33	28	28	28	28	33	28	17	19	22	24	32	320
10	GoodCents Select	170	154	153	155	156	175	156	197	202	208	216	244	2,186
11	Duct Leakage Repair	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Com/Ind GoodCents Building	45	32	32	32	32	45	42	31	32	33	34	50	440
13	Solar for Schools	1	0	0	0	0	0	0	0	0	0	0	0	1
14	Energy Audits/Tech Assistance Audits	66	51	50	51	51	72	50	41	42	45	45	65	629
15	Comm. Mail-in Audit	6	5	5	4	5	6	5	3	3	3	3	5	53
16	Cons. Demo & Development	17	17	17	17	17	17	33	6	7	7	9	12	176
17	EarthCents Solar	4	3	3	3	3	4	3	1	1	1	1	1	28
18	Green Pricing	2	2	2	2	2	2	2	1	1	1	2	2	21
19	Total All Programs	399	335	333	335	337	409	362	326	337	353	369	459	4,354
20	Revenues included in Base Rates	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Net Recoverable	399	335	333	335	337	409	362	326	337	353	369	459	4,354
22	True-up this Period	0	0	0	(1)	0	0	0	-1	-1	0	0	1	(2)
23	Interest Provision this Period	0	0	0	0	0	0	0	0	0	0	0	0	0
24	True Up & Interest Provision Beg. Of Month	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Deferred True Up End of Period	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Prior True Up Collected (Refunded)	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Over/(Under) Recovery	0	0	0	(1)	0	0	0	-1	-1	0	0	1	(2)

83

Supporting Schedules:

Recap Schedules:

C-18

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

EXPLANATION: Supply an itemization of revenues and expenses incurred pursuant to Commission goals for the test year and prior year.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00  
 Witness: M. D. Neyman

Projected Test Year (\$000)

Line No.	Description	06/02	07/02	08/02	09/02	10/02	11/02	12/02	01/03	02/03	03/03	04/03	05/03	Total
1	Clause Revenues	406	421	435	450	459	543	487	385	395	412	425	510	5,328
2	Prior True-up	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Conservation Revenues Applicable to Period	406	421	435	450	459	543	487	385	395	412	425	510	5,328
4														
5	Conservation Expenses:													
6	Res. Energy Audits	34	35	36	38	40	50	42	28	30	32	33	46	444
7	Res. Mail-in Audit	6	7	8	8	9	10	9	4	4	5	6	7	83
8	Gulf Express	0	0	0	1	1	1	1	0	0	0	0	0	4
9	Geothermal Heat Pump	28	30	33	35	37	42	39	19	21	24	26	34	368
10	GoodCents Select	231	241	247	256	258	287	275	241	246	251	256	282	3,071
11	Duct Leakage Repair	0	0	0	0	0	0	0	0	0	0	0	0	0
12	Com/Ind GoodCents Building	36	36	37	37	38	53	39	31	32	34	34	49	456
13	Solar for Schools	1	0	1	0	1	0	0	0	0	0	0	0	3
14	Energy Audits/Tech Assistance Audits	47	48	49	49	51	70	52	46	47	49	49	70	627
15	Comm. Mail-in Audit	4	4	4	4	4	6	5	3	3	4	4	5	50
16	Cons. Demo & Development	14	15	17	18	19	21	22	11	11	12	13	13	186
17	EarthCents Solar	2	2	2	2	2	2	2	1	1	1	1	2	20
18	Green Pricing	2	2	2	3	3	3	3	1	1	1	2	2	25
19	Total All Programs	405	420	436	451	463	545	489	385	396	413	424	510	5,337
20	Revenues Included in Base Rates	0	0	0	0	0	0	0	0	0	0	0	0	0
21	Net Recoverable	405	420	436	451	463	545	489	385	396	413	424	510	5,337
22	True-up this Period	1	1	(1)	(1)	(4)	(2)	(2)	0	(1)	(1)	1	0	(9)
23	Interest Provision this Period	0	0	0	0	0	0	0	0	0	0	0	0	0
24	True Up & Interest Provision Beg. Of Month	0	0	0	0	0	0	0	0	0	0	0	0	0
25	Deferred True Up End of Period	0	0	0	0	0	0	0	0	0	0	0	0	0
26	Prior True Up Collected	0	0	0	0	0	0	0	0	0	0	0	0	0
27	Over/(Under) Recovery	1	1	(1)	(1)	(4)	(2)	(2)	0	(1)	(1)	1	0	(9)

8  
4

Supporting Schedules:

Recap Schedules: C-18

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

EXPLANATION: Supply an itemization of revenues and expenses incurred pursuant to Commission goals for the test year and prior year.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03  
 XX Prior Year Ended 05/31/02  
 XX Historic Test Year Ended  
 Witness: M. D. Neyman

Line No.	Reconciliation of Conservation Revenues and Expenses	(\$000)	(\$000)	(\$000)
		Historical Year	Prior Year	Test Year
1.	Base Revenues	0	0	0
2.	Conservation Adjustment Revenues	3,758	4,422	5,413
3.	Energy Audit Fees	33	0	0
4.				
5.	Total Conservation Revenues	<u>3,791</u>	<u>4,422</u>	<u>5,413</u>
6.				
7.	Adjustment:			
8.	Revenue Tax	59	70	85
9.	Deferred Conservation Revenues	<u>904</u>	<u>0</u>	<u>0</u>
10.				
11.	Total Adjustments	<u>963</u>	<u>70</u>	<u>85</u>
12.				
13.	Net Conservation Revenues	<u>2,828</u>	<u>4,352</u>	<u>5,328</u>
14.				
15.	Recoverable Conservation Expenses	3,872	4,354	5,337
16.	Estimated Deferred Conservation Expenses Recorded	0	0	0
17.	Deferred Conservation Expenses Actual/Estimated Difference	0	0	0
18.				
19.	Total Recoverable Conservation Expenses	<u>3,872</u>	<u>4,354</u>	<u>5,337</u>
20.				
21.	Net Conservation Revenues	2,828	4,352	5,328
22.	Total Recoverable Conservation Expenses	3,872	4,354	5,337
23.				
24.	Difference	<u>(1,044)</u>	<u>(2)</u>	<u>(9)</u>
25.				
26.	Difference:			
27.	Return on Investment	(1,085)	(2)	(9)
28.	Interest for the Year	<u>41</u>	<u>0</u>	<u>0</u>
29.				
30.	Net Difference	<u>(1,044)</u>	<u>(2)</u>	<u>(9)</u>

Supporting Schedules: C-17

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For a historic test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:  
xx Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
 \_\_\_ Historical Year Ended 12/31/00  
 Witness: R.R.Labrato, R.G.Moore, F.M.Fisher,  
 M.D. Neyman, R.J. McMillan,  
 R.M. Saxon, M.W.Howell

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

(In Thousands)

Line No.	Acct. No.	Account Title	Test Year
<u>Operating &amp; Maintenance Expense</u>			
1	500	Operation, Supervision & Engineering	7,462
2	501	Fuel Handling	4,187
3	502	Steam Expenses	4,171
4	505	Electric Expense	3,902
5	506	Misc Steam Power Expense	12,103
6	546	Operation, Supervision & Engineering	175
7	548	Generation Expenses	862
8	549	Misc Other Power Generation Expense	274
9		Total Generation Operation	<u>33,136</u>
10	510	Maintenance, Supervision & Engineering	7,455
11	511	Maintenance of Structures	4,656
12	512	Maintenance of Boiler Plant	25,425
13	513	Maintenance of Electric Plant	8,035
14	514	Maintenance of Misc Steam Plant	1,657
15	551	Maint., Supervision & Engineering-Other	107
16	552	Maintenance of Structures	95
17	553	Maint. of Generation & Elec. Equip.	2,371
18	554	Maint. of Misc. Other Power Gen. Plant	21
19		Total Maintenance	<u>49,822</u>
20	555	Purchased & Interchanged Power	-
21	556	System Control & Load Dispatch	1,138
22	557	Other Production Expenses	1,289
23		Total Other Power Supply	<u>2,427</u>
24		Total Production	<u>85,385</u>

98

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For a historic test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:

xx Projected Test Year Ended 5/31/03

\_\_\_\_ Prior Year Ended 5/31/02

\_\_\_\_ Historical Year Ended 12/31/00

Witness: R.R.Labrato, R.G.Moore, F.M.Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W.Howell

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

(In Thousands)

Line No.	Acct. No.	Account Title	Test Year
<u>Transmission Expense</u>			
25	560	Operation Supervision & Engineering	921
26	561	Load Dispatching	2,433
27	562	Station Expenses	91
28	563	Overhead Line Expenses	482
29	565	Recoverable Energy Expenses	200
30	566	Misc.Transmission Expenses	481
31	567	Rents	1,163
32		Total Operation	<u>5,771</u>
33	568	Maintenance, Supervision & Engineering	316
34	569	Maintenance of Structures	125
35	570	Maintenance of Substation Equipment	676
36	571	Maint.of Overhead Lines	1,083
37	572	Maintenance of Underground Lines	-
38	573	Maint.of Misc.Transmission Lines	118
39		Total Maintenance	<u>2,318</u>
40		Total Transmission	<u>8,089</u>
<u>Distribution Expenses</u>			
41	580	Operation Supervision & Engineering	5,033
42	581	Load Dispatching	845
43	582	Station Expenses	294
44	583	Overhead Line Expenses	1,464
45	584	Underground Line Expenses	825
46	585	Street Lighting & Signal System Exp	658
47	586	Meter Expenses	2,067
48	587	Customer Installation Expense	794
49	588	Misc.Distribution Expense	2,070
50	589	Rents	84
51		Total Operation	<u>14,134</u>

87

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For a historic test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

 Projected Test Year Ended 5/31/03 Prior Year Ended 5/31/02 Historical Year Ended 12/31/00

DOCKET NO.: 010949 - EI

Witness: R.R.Labrato, R.G.Moore, F.M.Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W.Howell

(In Thousands)

Line No.	Acct. No.	Account Title	Test Year
52	590	Maintenance, Supervision & Engineering	2,593
53	591	Maintenance of Structures	1,108
54	592	Maintenance of Substation Equipment	1,645
55	593	Maint. of Overhead Lines	10,066
56	594	Maintenance of Underground Lines	2,103
57	595	Maint. of Line Transformers	816
58	596	Maint. of Street Lighting & Signal Sys.	780
59	597	Maintenance of Meters	117
60	598	Maint. of Misc. Distribution Plant	437
61		Total Maintenance	<u>19,665</u>
62		Total Distribution	<u>33,799</u>
		<u>Customer Accounting Expense</u>	
63	901	Customer Accounts Supervision	371
64	902	Meter Reading Expenses	1,833
65	903	Customer Records & Collection Expense	12,068
66	904	Uncollectible Accounts	1,543
67	905	Misc. Customer Accounts Expense	791
68		Total Customer Accounting	<u>16,606</u>
		<u>Customer Service and Information</u>	
69	907	Cust. Srv. and Information Supervision	2,428
70	908	Customer Assistance Expense	10,092
71	909	Information & Institutional Adv.	1,204
72	910	Misc. Customer Service & Info Exp.	183
73		Total Customer Serv. and Information	<u>13,907</u>

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For a historic test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:

xx Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

\_\_\_ Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R.Labrato, R.G.Moore, F.M.Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W.Howell

DOCKET NO.: 010949 - EI

(In Thousands)

Line No.	Acct. No.	Account Title	Test Year
<u>Sales Expense</u>			
74	911	Sales Supervision	-
75	912	Demonstration & Selling Expense	1,363
76	913	Advertising & Promotional Expense	-
77		Total Sales Expense	<u>1,363</u>
<u>Administrative &amp; General Expense</u>			
78	920	Administrative & General Salaries	10,407
79	921	Office Supplies & Expenses	3,186
80	922	Admin.Expense Transferred (Credit)	(311)
81	923	Outside Services Employed	11,254
82	924	Property Insurance	4,295
83	925	Injuries and Damages	1,729
84	926	Employee Pension and Benefits	7,610
85	927	Franchise Requirements	-
86	928	Regulatory Commission Expense	1,064
87	929	Duplicate Charges (Credit)	(1,950)
88	930	Misc.General & Advertising Expenses	4,263
89	931	Rents	45
90		Total Operation	<u>41,592</u>
91	935	Admin.& General Maintenance	<u>586</u>
92		Total Administrative & General	<u>42,178</u>
93		Total Operation & Maintenance	<u>201,327</u>

69

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For a historic test year, provide actual monthly operation and maintenance expense by primary account for the prior and historical years.

Type of Data Shown:

 Projected Test Year Ended 5/31/03 Prior Year Ended 5/31/02 Historical Year Ended 12/31/00

Witness: R.R.Labrato, R.G.Moore, F.M.Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W.Howell

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

(In Thousands)

Line No.	Acct. No.	Account Title	Prior Year	Historical Year
<b><u>Operating &amp; Maintenance Expense</u></b>				
<b><u>Production Expenses</u></b>				
1	500	Operation, Supervision & Engineering	6,400	6,161
2	501	Fuel Handling	3,887	3,932
3	502	Steam Expenses	4,931	5,164
4	505	Electric Expense	4,110	3,500
5	506	Misc Steam Power Expense	11,618	10,951
6	546	Operation, Supervision & Engineering	43	95
7	548	Generation Expenses	25	19
8	549	Misc Other Power Generation Expense	18	-
9		Total Generation Operation	<u>31,032</u>	<u>29,822</u>
10	510	Maintenance, Supervision & Engineering	6,605	5,087
11	511	Maintenance of Structures	3,930	3,262
12	512	Maintenance of Boiler Plant	28,171	20,109
13	513	Maintenance of Electric Plant	10,325	8,082
14	514	Maintenance of Misc Steam Plant	1,547	2,087
15	551	Maint., Supervision & Engineering-Other	7	17
16	552	Maintenance of Structures	-	1
17	553	Maint. of Generation & Elec. Equip.	528	512
18	554	Maint. of Misc. Other Power Gen. Plant	1	6
19		Total Maintenance	<u>51,114</u>	<u>39,163</u>
20	555	Purchased & Interchanged Power	-	-
21	556	System Control & Load Dispatch	1,097	910
22	557	Other Production Expenses	1,249	1,137
23		Total Other Power Supply	<u>2,346</u>	<u>2,047</u>
24		Total Production	<u>84,492</u>	<u>71,032</u>

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For a historic test year, provide actual monthly operation and maintenance expense by primary account for the prior and historical years.

Type of Data Shown:

Projected Test Year Ended 5/31/03

xx Prior Year Ended 5/31/02

xx Historical Year Ended 12/31/00

Witness: R.R.Labrato, R.G.Moore, F.M.Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W.Howell

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

(In Thousands)

Line No.	Acct. No.	Account Title	Prior Year	Historical Year
<u>Transmission Expenses</u>				
25	560	Operation Supervision & Engineering	799	1,025
26	561	Load Dispatching	2,317	2,211
27	562	Station Expenses	94	72
28	563	Overhead Line Expenses	401	212
29	564	Underground Line Expenses	-	8
30	565	Recoverable Energy/Demand Expenses	812	642
31	566	Misc.Transmission Expenses	463	403
32	567	Rents	1,164	1,163
33		Total Operation	<u>6,050</u>	<u>5,736</u>
34	568	Maintenance, Supervision & Engineering	279	263
35	569	Maintenance of Structures	124	33
36	570	Maintenance of Substation Equipment	457	475
37	571	Maint.of Overhead Lines	972	714
38	572	Maintenance of Underground Lines	-	-
39	573	Maint.of Misc.Transmission Lines	93	85
40		Total Maintenance	<u>1,925</u>	<u>1,570</u>
41		Total Transmission	<u>7,975</u>	<u>7,306</u>
<u>Distribution Expenses</u>				
42	580	Operation Supervision & Engineering	4,321	4,409
43	581	Load Dispatching	797	504
44	582	Station Expenses	282	255
45	583	Overhead Line Expenses	1,332	1,205
46	584	Underground Line Expenses	728	693
47	585	Street Lighting & Signal System Exp	633	627
48	586	Meter Expenses	1,979	1,654
49	587	Customer Installation Expense	745	726
50	588	Misc.Distribution Expense	2,047	1,570
51	589	Rents	68	50
52		Total Operation	<u>12,932</u>	<u>11,693</u>

16

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For a historic test year, provide actual monthly operation and maintenance expense by primary account for the prior and historical years.

Type of Data Shown:

 Projected Test Year Ended 5/31/03 Prior Year Ended 5/31/02 Historical Year Ended 12/31/00Witness: R.R.Labrato, R.G.Moore, F.M.Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

(In Thousands)

Line No.	Acct. No.	Account Title	Prior Year	Historical Year
53	590	Maintenance, Supervision & Engineering	2,127	2,141
54	591	Maintenance of Structures	1,024	1,237
55	592	Maintenance of Substation Equipment	1,330	817
56	593	Maint. of Overhead Lines	7,697	6,943
57	594	Maintenance of Underground Lines	1,901	2,047
58	595	Maint. of Line Transformers	799	739
59	596	Maint. of Street Lighting & Signal Sys.	507	341
60	597	Maintenance of Meters	111	106
61	598	Maint. of Misc. Distribution Plant	304	159
62		Total Maintenance	<u>15,800</u>	<u>14,530</u>
63		Total Distribution	<u>28,732</u>	<u>26,223</u>
		<u>Customer Accounting Expenses</u>		
64	901	Customer Accounts Supervision	342	376
65	902	Meter Reading Expenses	1,759	1,636
66	903	Customer Records & Collection Expense	11,364	11,234
67	904	Uncollectible Accounts	1,360	1,409
68	905	Misc. Customer Accounts Expense	<u>763</u>	<u>707</u>
69		Total Customer Accounting	<u>15,588</u>	<u>15,362</u>
		<u>Customer Service and Information</u>		
70	907	Cust. Srv. and Information Supervision	2,011	2,267
71	908	Customer Assistance Expense	8,373	9,639
72	909	Information & Institutional Adv.	900	996
73	910	Misc. Customer Service & Info Exp.	<u>356</u>	<u>147</u>
74		Total Customer Serv. and Information	<u>11,640</u>	<u>13,049</u>

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For a historic test year, provide actual monthly operation and maintenance expense by primary account for the prior and historical years.

Type of Data Shown:

Projected Test Year Ended 5/31/03

xx Prior Year Ended 5/31/02

xx Historical Year Ended 12/31/00

Witness: R.R.Labrato, R.G.Moore, F.M.Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W.Howell

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

(In Thousands)

Line No.	Acct. No.	Account Title	Prior Year	Historical Year
<u>Sales Expenses</u>				
75	911	Sales Supervision	-	-
76	912	Demonstration & Selling Expense	1,174	973
77	913	Advertising & Promotional Expense	-	-
78		Total Sales Expense	<u>1,174</u>	<u>973</u>
<u>Administrative &amp; General Expense</u>				
79	920	Administrative & General Salaries	10,827	10,134
80	921	Office Supplies & Expenses	2,836	2,951
81	922	Admin. Expense Transferred (Credit)	(299)	(298)
82	923	Outside Services Employed	11,274	12,529
83	924	Property Insurance	4,179	3,965
84	925	Injuries and Damages	1,772	2,213
85	926	Employee Pension and Benefits	7,113	6,443
86	927	Franchise Requirements	-	-
87	928	Regulatory Commission Expense	704	795
88	929	Duplicate Charges (Credit)	(1,776)	(897)
89	930	Misc. General & Advertising Expenses	4,702	4,011
90	931	Rents	113	282
91		Total Operation	<u>41,445</u>	<u>42,128</u>
92	935	Admin. & General Maintenance	440	1,019
93		Total Administrative & General	<u>41,885</u>	<u>43,147</u>
94		Total Operation & Maintenance	<u>191,486</u>	<u>177,092</u>

93

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

		(000s)						
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
Line No.	Acct. No.	Account Title	Test Year	Prior Year	\$ Dollars (3)-(4)	Increase/ (Decrease) Percent (5)/(4)	Reason(s) for Change	
<u>Operating &amp; Maintenance Expense</u>								
1	500	Operation, Supervision & Engineering	7,462	6,400	1,062	16.59%		
2	501	Fuel Expense	4,187	3,887	300	7.72%		
3	502	Steam Expenses	4,171	4,931	(760)	-15.41%		
4	505	Electric Expense	3,902	4,110	(208)	-5.06%		
5	506	Misc Steam Power Expense	12,103	11,618	485	4.17%		
6	546	Operation, Supervision & Engineering	175	43	132	306.98%		
7	548	Generation Expenses	862	25	837	3348.00%		
8	549	Misc Other Power Generation Expense	274	18	256	1422.22%		
9		Total Generation Operation	<u>33,136</u>	<u>31,032</u>	<u>2,104</u>	<u>6.78%</u>		
10	510	Maintenance, Supervision & Engineering	7,455	6,605	850	12.87%		
11	511	Maintenance of Structures	4,656	3,930	726	18.47%		
12	512	Maintenance of Boiler Plant	25,425	28,171	(2,746)	-9.75%		
13	513	Maintenance of Electric Plant	8,035	10,325	(2,290)	-22.18%		
14	514	Maintenance of Misc Steam Plant	1,657	1,547	110	7.11%		
15	551	Maint., Supervision & Engineering-Other	107	7	100	1428.57%		
16	552	Maintenance of Structures	95	-	95	100.00%		
17	553	Maint. of Generation & Elec. Equip.	2,371	528	1,843	349.05%		
18	554	Maint. of Misc. Other Power Gen. Plant	21	1	20	2000.00%		
19		Total Maintenance	<u>49,822</u>	<u>51,114</u>	<u>(1,292)</u>	<u>-2.53%</u>		

4/6

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03XX Prior Year Ended 5/31/02

— Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

DOCKET NO.: 010949 - EI

		(000s)						
Line No.	(1) Acct. No.	(2) Account Title	(3) Test Year	(4) Prior Year	(5) \$ Dollars (3)-(4)	(6) Increase/ (Decrease) Percent (5)/(4)	(7) Reason(s) for Change	
20	555	Purchased & Interchanged Power	-	-	-	-		
21	556	System Control & Load Dispatch	1,138	1,097	41	3.74%		
22	557	Other Production Expenses	1,289	1,249	40	3.20%		
23		Total Other Power Supply	2,427	2,346	81	3.45%		
24		Total Production	85,385	84,492	893	1.06%		
		Transmission Expense						
25	560	Operation Supervision & Engineering	921	799	122	15.27%		
26	561	Load Dispatching	2,433	2,317	116	5.01%		
27	562	Station Expenses	91	94	(3)	-3.19%		
28	563	Overhead Line Expenses	482	401	81	20.20%		
29	565	Recoverable Energy Expenses	200	812	(612)	-75.37%		
30	566	Misc. Transmission Expenses	481	463	18	3.89%		
31	567	Rents	1,163	1,164	(1)	-0.09%		
32		Total Operation	5,771	6,050	(279)	-4.61%		

95

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

(000s)

Line No.	(1) Acct. No.	(2) Account Title	(3) Test Year	(4) Prior Year	(5) \$ Dollars (3)-(4)	(6) Increase/ (Decrease) Percent (5)/(4)	(7) Reason(s) for Change
33	568	Maintenance, Supervision & Engineering	316	279	37	13.26%	
34	569	Maintenance of Structures	125	124	1	0.81%	
35	570	Maintenance of Substation Equipment	676	457	219	47.92%	
36	571	Maint. of Overhead Lines	1,083	972	111	11.42%	
37	572	Maintenance of Underground Lines	-	-	-	-	
38	573	Maint. of Misc. Transmission Lines	118	93	25	26.88%	
39		Total Maintenance	2,318	1,925	393	20.42%	A
40		Total Transmission	8,089	7,975	114	1.43%	
Distribution Expenses							
41	580	Operation Supervision & Engineering	5,033	4,321	712	16.48%	
42	581	Load Dispatching	845	797	48	6.02%	
43	582	Station Expenses	294	282	12	4.26%	
44	583	Overhead Line Expenses	1,464	1,332	132	9.91%	
45	584	Underground Line Expenses	825	728	97	13.32%	
46	585	Street Lighting & Signal System Exp	658	633	25	3.95%	
47	586	Meter Expenses	2,067	1,979	88	4.45%	
48	587	Customer Installation Expense	794	745	49	6.58%	
49	588	Misc. Distribution Expense	2,070	2,047	23	1.12%	
50	589	Rents	84	68	16	23.53%	
51		Total Operation	14,134	12,932	1,202	9.29%	

96

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

DOCKET NO.: 010949 - EI

(000s)

Line No.	(1) Acct. No.	(2) Account Title	(3) Test Year	(4) Prior Year	(5) \$ Dollars (3)-(4)	(6) Increase/ (Decrease) Percent (5)/(4)	(7) Reason(s) for Change
52	590	Maintenance, Supervision & Engineering	2,593	2,127	466	21.91%	
53	591	Maintenance of Structures	1,108	1,024	84	8.20%	
54	592	Maintenance of Substation Equipment	1,645	1,330	315	23.68%	
55	593	Maint. of Overhead Lines	10,066	7,697	2,369	30.78%	
56	594	Maintenance of Underground Lines	2,103	1,901	202	10.63%	
57	595	Maint. of Line Transformers	816	799	17	2.13%	
58	596	Maint. of Street Lighting & Signal Sys.	780	507	273	53.85%	
59	597	Maintenance of Meters	117	111	6	5.41%	
60	598	Maint. of Misc. Distribution Plant	437	304	133	43.75%	
61		Total Maintenance	19,665	15,800	3,865	24.46%	B
62		Total Distribution	33,799	28,732	5,067	17.64%	
Customer Accounting Expense							
63	901	Customer Accounts Supervision	371	342	29	8.48%	
64	902	Meter Reading Expenses	1,833	1,759	74	4.21%	
65	903	Customer Records & Collection Expense	12,068	11,364	704	6.20%	
66	904	Uncollectible Accounts	1,543	1,360	183	13.46%	
67	905	Misc. Customer Accounts Expense	791	763	28	3.67%	
68		Total Customer Accounting	16,606	15,588	1,018	6.53%	

97

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - E1

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

		(000s)						
Line No.	(1) Acct. No.	(2) Account Title	(3) Test Year	(4) Prior Year	(5) \$ Dollars (3)-(4)	Increase/ (Decrease)	(6) Percent (5)/(4)	(7) Reason(s) for Change
<u>Customer Service and Information</u>								
69	907	Cust.Srv. and Information Supervision	2,428	2,011	417		20.74%	
70	908	Customer Assistance Expense	10,092	8,373	1,719		20.53%	
71	909	Information & Institutional Adv.	1,204	900	304		33.78%	
72	910	Misc.Customer Service & Info Exp.	183	356	(173)		-48.60%	
73		Total Customer Serv. and Information	<u>13,907</u>	<u>11,640</u>	<u>2,267</u>		<u>19.48%</u>	C
<u>Sales Expense</u>								
74	911	Sales Supervision	-	-	-		-	
75	912	Demonstration & Selling Expense	1,363	1,174	189		16.10%	D
76	913	Advertising & Promotional Expense	-	-	-		-	
77		Total Sales Expense	<u>1,363</u>	<u>1,174</u>	<u>189</u>		<u>16.10%</u>	

98

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

		(000s)						
Line	(1) Acct. No.	(2) Account Title	(3) Test Year	(4) Prior Year	(5) \$ Dollars (3)-(4)	(6) Increase/ (Decrease) Percent (5)/(4)	(7) Reason(s) for Change	
<u>Administrative &amp; General Expense</u>								
78	920	Administrative & General Salaries	10,407	10,827	(420)	-3.88%		
79	921	Office Supplies & Expenses	3,186	2,836	350	12.34%		
80	922	Admin.Expense Transferred (Credit)	(311)	(299)	(12)	4.01%		
81	923	Outside Services Employed	11,254	11,274	(20)	-0.18%		
82	924	Property Insurance	4,295	4,179	116	2.78%		
83	925	Injuries and Damages	1,729	1,772	(43)	-2.43%		
84	926	Employee Pension and Benefits	7,610	7,113	497	6.99%		
85	927	Franchise Requirements	-	-	-	-		
86	928	Regulatory Commission Expense	1,064	704	360	51.14%		
87	929	Duplicate Charges (Credit)	(1,950)	(1,776)	(174)	9.80%		
88	930	Misc.General & Advertising Expenses	4,263	4,702	(439)	-9.34%		
89	931	Rents	45	113	(68)	-60.18%		
90		Total Operation	41,592	41,445	147	0.35%		
91	935	Admin.& General Maintenance	586	440	146	33.18%	E	
92		Total Administrative & General	42,178	41,885	293	0.70%		
93		Total Operation & Maintenance	201,327	191,486	9,841	5.14%		

66

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

— Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

DOCKET NO.: 010949 - EI

(000s)

Line Ref.  
No. No.

94 A In order to reduce the risk of forced outages related to contamination build-up on insulators, Gulf increased the budget for cleaning insulators  
95 by \$100,000 plus escalation.  
96 The substation corrosion protection budget was increased by \$61,000 plus escalation.  
97 The overhead line maintenance budget was increased by \$90,000 to address anticipated problems associated with aging equipment.

98 B During the 2001 to 2003 time period, an additional seven substation transformer banks, thirty-two breakers and six capacitor  
99 banks will be installed. These increased expenses in the test year are needed to insure proper operation and reduce  
100 likelihood of failure of this substation equipment. In addition we have experienced insulator arching and outages at Solutia  
101 substation due to salt contamination. In order to prevent reoccurrence of this, approximately \$60,000 will be expended  
102 each year to clean the insulators in this distribution substation.  
103 Tree trim expenditures represent a substantial increase above the actual expenditure in the last three years. Gulf's attempts to  
104 reduce cost in this area have resulted in increased amounts of less efficient spot trim and a corresponding increase in minutes  
105 of interruption. The distribution tree trim budget request of \$4,123,000 for the test year and corresponding amounts in the  
106 forecast period will allow Gulf to trim on a 3-year cycle and reduce outages related to trees by the end of the forecast period.  
107 Gulf has over 600 trench miles of underground primary cable installed before 1990. The life of a selected group of these aging cables  
108 can be greatly extended by the cable injection process. Injecting these cables in a planned process will reduce the likelihood of outages  
109 caused by premature failures and is less expensive than cable replacement which would be charged to capital expenditures.  
110 The City of Pensacola is scheduled for group streetlight relamping during the test year. The group relamping program reduces  
111 inefficiencies of individually rebulbing streetlights as they fail.

112 C The difference is primarily due to additional customer research planned for the period, Good Cents Select (ECCR) activities, rate administration  
113 activities and purchase of software. Also, there is additional advertising budgeted for GoodCents Select (ECCR), Geothermal Heat Pump (ECCR),  
114 and New GoodCents Home programs.

1007

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

(000s)

Line Ref.  
No. No.

- 115 D Gulf has carefully increased its direct marketing and advertising in order to build awareness for Northwest Florida as a great place to conduct business.
- 116 Gulf is increasing its financial commitment to its annual economic symposium which has grown from 80 to 400+ attendees.
- 117 Gulf is increasing funding resources for direct community support in their economic efforts.

- 118 E The increase in Administrative and General Maintenance is primarily due to operations and maintenance expenses to maintain corporate and district facilities.

107

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

\_\_\_ Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

DOCKET NO.: 010949 - EI

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

(000s)

Line No.	(1) Acct. No.	(2) Account Title	(3) Prior Year	(4) Historical Year	(5) \$ Dollars (3)-(4)	(6) Increase/ (Decrease) Percent (5)/(4)	(7) Reason(s) for Change
Operating & Maintenance Expense							
1	500	Operation, Supervision & Engineering	6,400	6,161	239	3.88%	
2	501	Fuel Expense	3,887	3,932	(45)	-1.14%	
3	502	Steam Expenses	4,931	5,164	(233)	-4.51%	
4	505	Electric Expense	4,110	3,500	610	17.43%	
5	506	Misc Steam Power Expense	11,618	10,951	667	6.09%	
6	546	Operation, Supervision & Engineering	43	95	(52)	-54.74%	
7	548	Generation Expenses	25	19	6	31.58%	
8	549	Misc Other Power Generation Expense	18	-	18	100.00%	
9		Total Generation Operation	31,032	29,822	1,210	4.06%	
10	510	Maintenance, Supervision & Engineering	6,605	5,087	1,518	29.84%	
11	511	Maintenance of Structures	3,930	3,262	668	20.48%	
12	512	Maintenance of Boiler Plant	28,171	20,109	8,062	40.09%	
13	513	Maintenance of Electric Plant	10,325	8,082	2,243	27.75%	
14	514	Maintenance of Misc Steam Plant	1,547	2,087	(540)	-25.87%	
15	551	Maint., Supervision & Engineering-Other	7	17	(10)	-58.82%	
16	552	Maintenance of Structures	-	1	(1)	-100.00%	
17	553	Maint. of Generation & Elec. Equip.	528	512	16	3.13%	
18	554	Maint. of Misc. Other Power Gen. Plant	1	6	(5)	-83.33%	
19		Total Maintenance	51,114	39,163	11,951	30.52%	A

100

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

\_\_\_ Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

DOCKET NO.: 010949 - EI

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

(000s)

Line No.	(1) Acct. No.	(2) Account Title	(3) Prior Year	(4) Historical Year	(5) \$ Dollars (3)-(4)	(6) Increase/ (Decrease) Percent (5)/(4)	(7) Reason(s) for Change
20	555	Purchased & Interchanged Power	-	-	-	-	
21	556	System Control & Load Dispatch	1,097	910	187	20.55%	
22	557	Other Production Expenses	1,249	1,137	112	9.85%	
23		Total Other Power Supply	<u>2,346</u>	<u>2,047</u>	<u>299</u>	<u>14.61%</u>	B
24		Total Production	<u>84,492</u>	<u>71,032</u>	<u>13,460</u>	<u>18.95%</u>	
		Transmission Expense					
25	560	Operation Supervision & Engineering	799	1,025	(226)	-22.05%	
26	561	Load Dispatching	2,317	2,211	106	4.79%	
27	562	Station Expenses	94	72	22	30.56%	
28	563	Overhead Line Expenses	401	212	189	89.15%	
29	564	Underground Line Expense	-	8	(8)	-100.00%	
30	565	Recoverable Energy Expenses	812	642	170	26.48%	
31	566	Misc. Transmission Expenses	463	403	60	14.89%	
32	567	Rents	1,164	1,163	1	0.09%	
33		Total Operation	<u>6,050</u>	<u>5,736</u>	<u>314</u>	<u>5.47%</u>	

103

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

\_\_\_ Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

DOCKET NO.: 010949 - EI

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

		(000s)						
Line No.	(1) Acct. No.	(2) Account Title	(3) Prior Year	(4) Historical Year	(5) \$ Dollars (3)-(4)	(6) Increase/ (Decrease) Percent (5)/(4)	(7) Reason(s) for Change	
34	568	Maintenance, Supervision & Engineering	279	263	16	6.08%		
35	569	Maintenance of Structures	124	33	91	275.76%		
36	570	Maintenance of Substation Equipment	457	475	(18)	-3.79%		
37	571	Maint. of Overhead Lines	972	714	258	36.13%		
38	572	Maintenance of Underground Lines	-	-	-	0.00%		
39	573	Maint. of Misc. Transmission Lines	93	85	8	9.41%		
40		Total Maintenance	1,925	1,570	355	22.61%	C	
41		Total Transmission	7,975	7,306	669	9.16%		
Distribution Expenses								
42	580	Operation Supervision & Engineering	4,321	4,409	(88)	-2.00%		
43	581	Load Dispatching	797	504	293	58.13%		
44	582	Station Expenses	282	255	27	10.59%		
45	583	Overhead Line Expenses	1,332	1,205	127	10.54%		
46	584	Underground Line Expenses	728	693	35	5.05%		
47	585	Street Lighting & Signal System Exp	633	627	6	0.96%		
48	586	Meter Expenses	1,979	1,654	325	19.65%		
49	587	Customer Installation Expense	745	726	19	2.62%		
50	588	Misc. Distribution Expense	2,047	1,570	477	30.38%		
51	589	Rents	68	50	18	36.00%		
52		Total Operation	12,932	11,693	1,239	10.60%		

104

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

DOCKET NO.: 010949 - EI

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

(000s)

Line No.	(1) Acct. No.	(2) Account Title	(3) Prior Year	(4) Historical Year	(5) \$ Dollars (3)-(4)	(6) Increase/ (Decrease) Percent (5)/(4)	(7) Reason(s) for Change
53	590	Maintenance, Supervision & Engineering	2,127	2,141	(14)	-0.65%	
54	591	Maintenance of Structures	1,024	1,237	(213)	-17.22%	
55	592	Maintenance of Substation Equipment	1,330	817	513	62.79%	
56	593	Maint. of Overhead Lines	7,697	6,943	754	10.86%	
57	594	Maintenance of Underground Lines	1,901	2,047	(146)	-7.13%	
58	595	Maint. of Line Transformers	799	739	60	8.12%	
59	596	Maint. of Street Lighting & Signal Sys.	507	341	166	48.68%	
60	597	Maintenance of Meters	111	106	5	4.72%	
61	598	Maint. of Misc. Distribution Plant	304	159	145	91.20%	
62		Total Maintenance	15,800	14,530	1,270	8.74%	
63		Total Distribution	28,732	26,223	2,509	9.57%	
Customer Accounting Expense							
64	901	Customer Accounts Supervision	342	376	(34)	-9.04%	
65	902	Meter Reading Expenses	1,759	1,636	123	7.52%	
66	903	Customer Records & Collection Expense	11,364	11,234	130	1.16%	
67	904	Uncollectible Accounts	1,360	1,409	(49)	-3.48%	
68	905	Misc. Customer Accounts Expense	763	707	56	7.92%	
69		Total Customer Accounting	15,588	15,362	226	1.47%	

105

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

\_\_\_ Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

DOCKET NO.: 010949 - EI

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

		(000s)						
(1)	(2)	(3)	(4)	(5)	(6)	(7)		
Line No.	Acct. No.	Account Title	Prior Year	Historical Year	\$ Dollars (3)-(4)	Increase/ (Decrease) Percent (5)/(4)	Reason(s) for Change	
<u>Customer Service and Information</u>								
70	907	Cust.Srv. and Information Supervision	2,011	2,267	(256)	-11.29%		
71	908	Customer Assistance Expense	8,373	9,639	(1,266)	-13.13%		
72	909	Information & Institutional Adv.	900	996	(96)	-9.64%		
73	910	Misc.Customer Service & Info Exp.	356	147	209	142.18%		
74		<b>Total Customer Serv. and Information</b>	<u>11,640</u>	<u>13,049</u>	<u>(1,409)</u>	<u>-10.80%</u>	D	
<u>Sales Expense</u>								
75	911	Sales Supervision	-	-	-	-		
76	912	Demonstration & Selling Expense	1,174	973	201	20.66%		
77	913	Advertising & Promotional Expense	-	-	-	-		
78		<b>Total Sales Expense</b>	<u>1,174</u>	<u>973</u>	<u>201</u>	<u>20.66%</u>	E	

106

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

\_\_\_ Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

DOCKET NO.: 010949 - EI

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

(000s)

Line No.	(1) Acct. No.	(2) Account Title	(3) Prior Year	(4) Historical Year	(5) \$ Dollars (3)-(4)	(6) Increase/ (Decrease) Percent (5)/(4)	(7) Reason(s) for Change
<u>Administrative &amp; General Expense</u>							
79	920	Administrative & General Salaries	10,827	10,134	693	6.84%	
80	921	Office Supplies & Expenses	2,836	2,951	(115)	-3.90%	
81	922	Admin.Expense Transferred (Credit)	(299)	(298)	(1)	0.34%	
82	923	Outside Services Employed	11,274	12,529	(1,255)	-10.02%	
83	924	Property Insurance	4,179	3,965	214	5.40%	
84	925	Injuries and Damages	1,772	2,213	(441)	-19.93%	
85	926	Employee Pension and Benefits	7,113	6,443	670	10.40%	
86	927	Franchise Requirements	-	-	-	0.00%	
87	928	Regulatory Commission Expense	704	795	(91)	-11.45%	
88	929	Duplicate Charges (Credit)	(1,776)	(897)	(879)	97.99%	
89	930	Misc.General & Advertising Expenses	4,702	4,011	691	17.23%	
90	931	Rents	113	282	(169)	-59.93%	
91		Total Operation	41,445	42,128	(683)	-1.62%	
92	935	Admin.& General Maintenance	440	1,019	(579)	-56.82%	F
93		Total Administrative & General	41,885	43,147	(1,262)	-2.92%	
94		Total Operation & Maintenance	191,486	177,092	14,394	8.13%	

107

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

(000s)

Line Ref.  
No. No.

95 A. Gulf Power Company, along with all operating companies within the Southern electric system, has adopted a consistent cost methodology within power production.  
96 This new philosophy defines costs as baseline, outage or special projects. In addition, this philosophy also incorporates an activity base system that allows  
97 Gulf to track costs according to specific activities within the power plant. For the purposes of this MFR, Gulf will explain the changes in primary accounts in the  
98 three categories discussed above.

99 Baseline dollars are those costs that occur annually. Baseline costs include materials and labor for routine operations and maintenance. Baseline also includes  
100 environmental costs such as CEMS maintenance and regulated waste disposal, training, consumables, safety-related equipment and tests, and any support services  
101 or waste pickup. The actual expense associated with baseline activities for the historical year 2000 was \$29,685,000. There is an increase in the projected prior year  
102 of \$4,001,420. Overall, the increase in baseline dollars was related to the cumulative increase in capacity factor and associated labor and materials needed to  
103 maintain plant reliability. Additionally, the increase in capacity causes additional expenses due to wear on the equipment.

104 Outage dollars are defined as any planned outage for budgeting purposes. Any outage either planned or forced is recorded when actual expenses are incurred.  
105 These are expenses incurred during and in support of outage maintenance, inspection and repairs. The actual expense associated with outage activities for the  
106 historical year 2000 was \$8,690,280. There is an increase in outage dollars in the projected prior year of \$6,357,743. The historical year did not contain any  
107 major outages for our large units. The prior projected year contains a major boiler and turbine outage for Plant Crist Unit 6 and a boiler, turbine valve outage on  
108 Smith 2.

109 Special projects are annual expenses that are significant in cost and are tracked individually to enhance cost control and ensure optimal performance resu  
110 As Gulf continues to define the special project category, there have been dollars budgeted to identify and track these projects. For the projected prior year  
111 there is an increase of \$1.6 million over the historical year of \$2,375,281. The consistent cost methodology has been in use since 1999 and as a result Gulf  
112 is still in the process of refining its use. In subsequent years we expect the special projects category to be more effectively utilized to track costs. The five-  
-year average (2002 C607 2006) for special projects is \$2,496,528.

108

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

EXPLANATION: Provide the changes in primary accounts that exceed ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Year Ended 12/31/00

Witness: R.R. Labrato, R.G. Moore, F.M. Fisher,  
M.D. Neyman, R.J. McMillan,  
R.M. Saxon, M.W. Howell

(000s)

Line Ref.  
No. No.

113 B. The charges reflected in FERC 556 and 557 relate to system control and other expenses related to the purchase of electricity. This increase relates to  
114 charges associated with Gulf's participation in Southern Company's wholesale energy marketing efforts. The wholesale marketing group maintains system  
115 reliability by utilizing the most efficient system generating resources and managing reliability power purchases. These efforts lower costs to Gulf's customers  
116 by economically purchasing wholesale power, whenever possible, at costs lower than Southern system resources could produce the same power. The  
117 increase in these expenditures is related to managing and administering new contracts and re-negotiating existing contracts. In addition, the technology  
118 costs associated with information services have also increased.

119 C. The ground water containment investigation and remediation program is included in accounts 569-207 for transmission and 591-207 for distribution. This  
120 is recoverable under Gulf's Environmental Cost Recovery Clause. In the historical year, the dollars spent for this program were \$1,263,122. The amount  
121 for this program in the projected prior year is \$1,145,400. Overall, there is a decrease in the dollars for this program of \$117,722. However, there was an  
122 actual work being performed in the projected prior year from distribution to transmission and as a result, there is a \$90,922 increase being charged to transmission.

123 The increase in FERC account 571 is an increase in tree trimming and mowing in Gulf's transmission right-of-way.

124 D The major part of the underage is due to fewer advertising dollars spent for Good Cents Select and Good Cents Existing Home programs  
125 in the prior year than was spent in the historical year.

126 E Gulf has carefully increased its direct marketing and advertising in order to build awareness for Northwest Florida as a great place to conduct business.  
127 Gulf is increasing its financial commitment to its annual economic symposium which has grown from 80 to 400+ attendees.  
128 Gulf is increasing funding resources for direct community support in their economic efforts.

129 F The decrease is due primarily to a change in the functional accounts charged for the maintenance of corporate and district office facilities, resulting in  
130 less costs charged to account 935.

109

MAINTENANCE ON CUSTOMER OWNED FACILITIES, INSTALLATIONS ON CUSTOMER PREMISES AND LEASED PROPERTY ON CUSTOMER PREMISES

---

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide a schedule that will delineate any expenses incurred and revenues received for company performed maintenance on customer owned facilities, installations on customer premises and leased property on customer premises. Provide the account(s) in which these revenues and expenses are recorded.	Type of Data Shown: XX Projected Test Year Ended 05/31/03 XX Prior Year Ended 05/31/02 XX Historical Test Year Ended 12/31/00 Witness: F. M. Fisher
COMPANY: GULF POWER COMPANY		
DOCKET NO.: 010949-EI		

---

The revenues and expenses listed below relate to work performed by Gulf for its customers on customer owned distribution facilities in accordance with agreements made directly between Gulf and its Customers

	(\$000)	(\$000)
	<u>Revenues</u>	<u>Expenses</u>
Account	587-200	587-100
Test Year	0	6
Prior Year	0	6
Historical Year	0	6

110

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a detailed breakdown of rate case expenses by service provided for each outside consultant, attorney, engineer or other consultant providing professional services for the case.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

\_\_\_\_ Prior Year Ended 05/31/02

\_\_\_\_ Historical Test Year Ended 12/31/00

Witness: R. R. Labrato

COMPANY:

DOCKET NO.: 010949-EI

(1) Vendor Name	(2) Counsel, Consultant, Or Witness	(3) Specific Services Rendered	(4) Fee (\$)	(5) Basis of Charge	(6) Travel Expenses (\$)	(7) Other (\$)	(8) Total (4+6+7) (\$)	(9) Type of Services (A)
Michael T. O'Sheasy	Consultant / Witness	Cost of Service Study	75,000	Contract	0	0	75,000	S
Charles A. Benore	Consultant / Witness	Cost of Capital	25,000	Contract	0	0	25,000	B
TOTAL OUTSIDE CONSULTANTS			<u>100,000</u>		<u>0</u>	<u>0</u>	<u>100,000</u>	

OUTSIDE LEGAL SERVICES

Beggs & Lane	Counsel	General Counsel	603,000	Hourly by Skill Level	0	0	603,000	L
TOTAL OUTSIDE LEGAL SERVICES			<u>603,000</u>		<u>0</u>	<u>0</u>	<u>603,000</u>	

(A) PLACE THE APPROPRIATE LETTERS(S) IN COLUMN (9)

- A = ACCOUNTING
- B = COST OF CAPITAL
- C = ENGINEERING
- L = LEGAL
- O = OTHER
- R = RATE DESIGN
- S = COST OF SERVICE

FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide a comparison of rate case expenses incurred or anticipated for the current and most recent prior case with explanation of any changes which exceed 10% on an individual item basis. Also provide an amortization schedule of rate case expense amounts and rate case expense as a percentage of rate base and operating revenues and the dollar amount per average customer.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Test Year Ended 12/31/00  
 Witness: R. R. Labrato

COMPARISON OF CURRENT RATE CASE EXPENSES WITH PRIOR CASE

LINE	ITEM	CURRENT CASE	PRIOR CASE	PERCENT CHANGE	EXPLANATION
1	Outside Consultants	\$ 100,000	\$ 285,734	-65.00%	
2	Legal Services	\$ 603,000	\$ 188,953	219.13%	Increase due to greater billable hours and inflation over 12 years
3	Meals and Travel	\$ 125,000	\$ 42,630	193.22%	Increase due to inflation over 12 years
4	Paid Overtime	\$ 40,000	\$ 8,065	395.97%	Increase due to inflation over 12 years
5	Other Expenses *	\$ 515,500	\$ 626,770	-17.75%	
	Total	\$ 1,383,500	\$ 1,152,152	20.08%	

\* Includes SCS expenses, postal charges, printing costs and transcripts.

SCHEDULE OF RATE CASE EXPENSE AMORTIZATION

LINE	RATE CASE	TOTAL EXPENSES (C-39)	RATE ORDER DATE	AMORTIZATION PERIOD	TEST YEAR AMORTIZATION
1	Current Docket No. 010949-EI	\$ 1,383,500		2002 - 2006	\$ 345,875
2	Prior Docket No. 891345-EI	\$ 1,152,152	10/3/1990	1990 - 1994	\$ -

112

	Current Rate Case	Prior Rate Case
Rate Case Expense Allowed as a Percentage of Jurisdictional Rate Base	0.12%	0.13%
Rate Case Expense Allowed as a Percentage of Jurisdictional Revenues	0.37%	0.45%
Rate Case Expense Allowed per Average Customer	7.5¢ (1)	8.3¢ (1)

(1) Average Customer per month for 4 years

Supporting Schedules:

Recap Schedules:

UNCOLLECTIBLE ACCOUNTS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of balance sheet accounts for the provision of uncollectible accounts by month for the test year and the prior year.

Type of Data Shown:  
 \_\_\_\_\_ Projected Test Year Ended 05/31/03  
 \_\_\_\_\_ Prior Year Ended 05/31/02  
XX Historical Test Year Ended 12/31/00  
 Witness: R.R. Labrato

DOCKET NO.: 010949-EI

Line No.	(1) Month/Year	(2) Beginning Balance Sheet (000)	(3) Provision Accrual (000)	(4) Bad Debts Written Off (000)	(5) Covered by Customer Deposits (000)	(6) Adjustments (000)	(7) Ending Balance (000)
1	<u>Uncollectibles - Total</u>						
2	January, 2000	1,025	189	(288)	96	0	1,022
3	February, 2000	1,022	101	(183)	79	0	1,019
4	March, 2000	1,019	(8)	(54)	60	0	1,017
5	April, 2000	1,017	176	(259)	88	(1)	1,021
6	May, 2000	1,021	448	(215)	73	(1)	1,326
7	June, 2000	1,326	724	(211)	94	0	1,933
8	July, 2000	1,933	244	(121)	33	(1)	2,088
9	August, 2000	2,088	2	(291)	54	0	1,853
10	September, 2000	1,853	209	(558)	80	0	1,584
11	October, 2000	1,584	86	(353)	99	0	1,416
12	November, 2000	1,416	267	(328)	98	0	1,453
13	December, 2000	1,453	264	(570)	156	(1)	1,302
14			<u>2,702</u>	<u>(3,431)</u>	<u>1,010</u>	<u>(4)</u>	
15	<u>Uncollectibles - Electric</u>						
16	January, 2000	804	174	(270)	96	0	804
17	February, 2000	804	82	(161)	79	0	804
18	March, 2000	804	(48)	(12)	60	0	804
19	April, 2000	804	119	(206)	88	(1)	804
20	May, 2000	804	415	(183)	73	(1)	1,108
21	June, 2000	1,108	115	(107)	94	0	1,210
22	July, 2000	1,210	180	(52)	33	(1)	1,370
23	August, 2000	1,370	79	(105)	54	0	1,398
24	September, 2000	1,398	166	(248)	80	0	1,396
25	October, 2000	1,396	0	(259)	99	0	1,236
26	November, 2000	1,236	0	(296)	98	0	1,038
27	December, 2000	1,038	126	(475)	156	(1)	844
28			<u>1,408</u>	<u>(2,374)</u>	<u>1,010</u>	<u>(4)</u>	

The difference between Uncollectibles- Total and Uncollectibles - Electric is the Appliance Sales Uncollectibles

Supporting Schedules:

Recap Schedules:

## UNCOLLECTIBLE ACCOUNTS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of balance sheet accounts for the provision of uncollectible accounts by month for the test year and the prior year.

Type of Data Shown:

 Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historical Test Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato

DOCKET NO.: 010949-EI

Line No.	(1) Month/Year	(2) Beginning Balance Sheet (000)	(3) Provision Accrual (000)	(4) Bad Debts Written Off (000)	(5) Covered by Customer Deposits (000)	(6) Adjustments (000)	(7) Ending Balance (000)
1	<u>Uncollectibles - Total</u>						
2	June, 2001	1,256	97	3	0	0	1,356
3	July, 2001	1,356	105	110	0	0	1,571
4	August, 2001	1,571	113	(184)	0	0	1,500
5	September, 2001	1,500	130	(660)	0	0	970
6	October, 2001	970	119	(211)	0	0	878
7	November, 2001	878	110	(39)	0	0	949
8	December, 2001	949	134	(69)	0	0	1,014
9	January, 2002	1,014	178	(77)	0	0	1,115
10	February, 2002	1,115	81	(207)	0	0	989
11	March, 2002	989	77	(194)	0	0	872
12	April, 2002	872	68	(86)	0	0	854
13	May, 2002	854	146	75	0	0	1,075
14			<u>1,358</u>	<u>(1,539)</u>	<u>0</u>	<u>0</u>	
15	<u>Uncollectibles - Electric</u>						
16	June, 2001	844	97	113	0	0	1,054
17	July, 2001	1,054	105	130	0	0	1,289
18	August, 2001	1,289	113	(165)	0	0	1,237
19	September, 2001	1,237	130	(641)	0	0	726
20	October, 2001	726	119	(193)	0	0	652
21	November, 2001	652	110	(19)	0	0	743
22	December, 2001	743	134	(49)	0	0	828
23	January, 2002	828	178	(65)	0	0	941
24	February, 2002	941	81	(195)	0	0	827
25	March, 2002	827	77	(182)	0	0	722
26	April, 2002	722	68	(74)	0	0	716
27	May, 2002	716	146	87	0	0	949
28			<u>1,358</u>	<u>(1,253)</u>	<u>0</u>	<u>0</u>	

The difference between Uncollectibles- Total and Uncollectibles - Electric is the Appliance Sales Uncollectibles

Supporting Schedules:

Recap Schedules:

## UNCOLLECTIBLE ACCOUNTS

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of balance sheet accounts for the provision of uncollectible accounts by month for the test year and the prior year.

Type of Data Shown:

 Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historical Test Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R.R. Labrato

DOCKET NO.: 010949-EI

Line No.	(1) Month/Year	(2) Beginning Balance Sheet (000)	(3) Provision Accrual (000)	(4) Bad Debts Written Off (000)	(5) Covered by Customer Deposits (000)	(6) Adjustments (000)	(7) Ending Balance (000)
1	<u>Uncollectibles - Total</u>						
2	June, 2002	1,075	120	(24)	0	0	1,171
3	July, 2002	1,171	132	30	0	0	1,333
4	August, 2002	1,333	141	(148)	0	0	1,326
5	September, 2002	1,326	161	(648)	0	0	839
6	October, 2002	839	149	(211)	0	0	777
7	November, 2002	777	137	(55)	0	0	859
8	December, 2002	859	166	(79)	0	0	946
9	January, 2003	946	174	71	0	0	1,191
10	February, 2003	1,191	79	(162)	0	0	1,108
11	March, 2003	1,108	75	(315)	0	0	868
12	April, 2003	868	67	(127)	0	0	808
13	May, 2003	808	143	(100)	0	0	851
14			<u>1,544</u>	<u>(1,768)</u>	<u>0</u>	<u>0</u>	
15	<u>Uncollectibles - Electric</u>						
16	June, 2002	949	120	(12)	0	0	1,057
17	July, 2002	1,057	132	41	0	0	1,230
18	August, 2002	1,230	141	(135)	0	0	1,236
19	September, 2002	1,236	161	(636)	0	0	761
20	October, 2002	761	149	(199)	0	0	711
21	November, 2003	711	137	(43)	0	0	805
22	December, 2003	805	166	(70)	0	0	901
23	January, 2003	901	174	74	0	0	1,149
24	February, 2003	1,149	79	(159)	0	0	1,069
25	March, 2003	1,069	75	(312)	0	0	832
26	April, 2003	832	67	(124)	0	0	775
27	May, 2003	775	143	(97)	0	0	821
28			<u>1,544</u>	<u>(1,672)</u>	<u>0</u>	<u>0</u>	

The difference between Uncollectibles- Total and Uncollectibles - Electric is the Appliance Sales Uncollectibles

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO: 010949-EI

Explanation: Provide a schedule of advertising expenses by sub-accounts for the test year and prior year for each type of advertising.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 XX Historical Year Ended 12/31/00  
 Witness: R. R. Labrato, M. D. Neyman

Line Number	Account Number	Account Title	Hist Year Electric Utility (000)	NOI Adjustment (000)	Hist Year Electric Utility Net (000)	Jurisdictional	
						Factor	Amount (000)
1	ACCOUNT 909						
2	ECCR						
3	909.11	Residential Conservation Advertising	\$450	(\$450)	\$0		
4	909.12	Commercial and Industrial Conservation Adv.	\$5	(\$5)	\$0		
6		Total ECCR Advertising	\$455	(\$455)	\$0	0.000000	\$0
7	Non-ECCR						
8	909.11	Residential Information Advertising	\$539		\$539		
9	909.12	Commercial and Industrial Information Adv.	\$2		\$2		
10		Total Non-ECCR Advertising	\$541	\$0	\$541	1.000000	\$541
11		Total Account 909	\$996	(\$455)	\$541		\$541
12	ACCOUNT 930						
13	930.1	General Advertising Salaries & Incidental Exp.	\$13	(\$13)	\$0		
14	930.11	General/Institutional Advertising-Production Exp.	\$52	(\$52)	\$0		
15	930.12	General/Institutional Advertising-Media Exp.	\$140	(\$140)	\$0		
16	930.18	Industry Sponsored Advertising, ECAP	\$21	(\$21)	\$0		
17		Total Account 930.1	\$226	(\$226)	\$0	0.9803411	\$0
18		Total Advertising Expenses	\$1,222	(\$681)	\$541		\$541
19		Average Number of Customers	368	368	368		368
20		Advertising Expenses per Customer	\$3.32	(\$1.85)	\$1.47		\$1.47

116

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide a schedule of advertising expenses by sub-accounts for the test year and prior year for each type of advertising.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 XX Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00  
 Witness: R. R. Labrato, M. D. Neyman

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

Line Number	Account Number	Account Title	Prior Year Electric Utility (000)	NOI Adjustment (000)	Prior Year Electric Utility Net (000)	Jurisdictional	
						Factor	Amount (000)
1	ACCOUNT 909						
2	ECCR						
3	909.11	Residential Conservation Advertising	\$367	(\$367)	\$0		
4	909.12	Commercial and Industrial Conservation Adv.	\$22	(\$22)	\$0		
5	909.18	Green Pricing Initiatives	\$5	(\$5)	\$0		
6		Total ECCR Advertising	\$394	(\$394)	\$0	0.0000000	\$0
7	Non-ECCR						
8	909.11	Residential Information Advertising	\$502		\$502		
9	909.12	Commercial and Industrial Information Adv.	\$4		\$4		
10		Total Non-ECCR Advertising	\$506		\$506	1.0000000	\$506
11		Total Account 909	\$900	(\$394)	\$506		\$506
12	ACCOUNT 930						
13	930.1	General Advertising Salaries & Incidental Exp.	\$28		\$28		
14	930.11	General/Institutional Advertising-Production Exp.	\$360		\$360		
15	930.12	General/Institutional Advertising-Media Exp.	\$233		\$233		
16		Total Account 930.1	\$621	\$0	\$621	0.9803411	\$609
17		Total Advertising Expenses	\$1,521	(\$394)	\$1,127		\$1,115
18		Average Number of Customers	378	378	378		378
19		Advertising Expenses per Customer	\$4.02	(\$1.04)	\$2.98		\$2.95

117

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO: 010949-EI

Explanation: Provide a schedule of advertising expenses by sub-accounts for the test year and prior year for each type of advertising.

Type of Data Shown:  
 XX Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00  
 Witness: R. R. Labrato, M. D. Neyman

Line Number	Account Number	Account Title	Proj Year Electric Utility (000)	NOI Adjustment (000)	Proj Year Electric Utility Net (000)	Jurisdictional	
						Factor	Amount (000)
1	ACCOUNT 909						
2	ECCR						
3	909.11	Residential Conservation Advertising	\$582	(\$582)	\$0		
4	909.12	Commercial and Industrial Conservation Adv.	\$25	(\$25)	\$0		
5	909.18	Green Pricing Initiatives	\$3	(\$3)	\$0		
6		Total ECCR Advertising	\$610	(\$610)	\$0	0.0000000	\$0
7	Non-ECCR						
8	909.11	Residential Information Advertising	\$587		\$587		
9	909.12	Commercial and Industrial Information Adv.	\$8		\$8		
10		Total Non-ECCR Advertising	\$595	\$0	\$595	1.0000000	\$595
11		Total Account 909	\$1,205	(\$610)	\$595		\$595
12	ACCOUNT 930						
13	930.1	General Advertising Salaries & Incidental Exp.	\$27		\$27		
14	930.11	General/Institutional Advertising-Production Exp.	\$203		\$203		
15	930.12	General/Institutional Advertising-Media Exp.	\$320		\$320		
16		Total Account 930.1	\$550	\$0	\$550	0.9803411	\$539
17		Total Advertising Expenses	\$1,755	(\$610)	\$1,145		\$1,134
18		Average Number of Customers	385	385	385		385
19		Advertising Expenses per Customer	\$4.56	(\$1.58)	\$2.97		\$2.95

118

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of industry association dues included in cost of service by organization for the test year and the prior year. Indicate the nature of each organization.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

\_\_\_ Prior Year Ended 05/31/02

XX Historical Test Year Ended 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.	Name and Nature of Organization	Nature of Organization	Electric Utility \$	Jurisdictional	
				Factor	Amount \$
1	American Society of Quality Management	Technical/Professional	1,000	1.0000000	1,000
2	Association of Edison Illuminating Companies	Business Association	555	1.0000000	555
3	Associated Industries of Florida	Business Association	7,000	1.0000000	7,000
4	Bay County Economic Development Alliance	Community Development	836	1.0000000	836
5	Edison Electric Institute	Business Association	67,737	1.0000000	67,737
6	Equal Employment Advisory Council	Business Association	750	1.0000000	750
7	Florida Electric Power Coordinating Group	Business Association	45,657	1.0000000	45,657
8	Florida Council of 100	Community Development	3,000	1.0000000	3,000
9	Florida Reliability Coordinating Council	Business Association	19,029	1.0000000	19,029
10	Gulf Coast Economic Club	Technical/Professional	1,000	1.0000000	1,000
11	National Association of Manufacturers	Technical/Professional	2,500	1.0000000	2,500
12	Okaloosa Economic Development Council	Community Development	44	1.0000000	44
13	Property Tax Appraisers Association	Business Association	25	1.0000000	25
14	Southeastern Electric Reliability Council	Technical/Professional	29,313	1.0000000	29,313
15	Southeastern Electric Exchange	Business Association	9,205	1.0000000	9,205
16	Warrior/Tombigbee Development Association	Community Development	500	1.0000000	500
17	Washington County Economic Development Council	Community Development	1,200	1.0000000	1,200
Total Industry Association Dues			189,351		189,351
Average Number of Customers			367,738		367,738
Dues Per Customer			0.51		0.51
Lobby Expenses Included in Industry Association Dues			0		0

119

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of industry association dues included in cost of service by organization for the test year and the prior year. Indicate the nature of each organization.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 05/31/03  
XX Prior Year Ended 05/31/02  
 \_\_\_ Historical Test Year Ended 12/31/00  
 Witness: R. R. Labrato

120

Line No.	Name and Nature of Organization	Nature of Organization	Electric Utility \$	Jurisdictional	
				Factor	Amount \$
1	American National Standards Institute	Technical/Professional	4,000	1.0000000	4,000
2	American Society of Quality Management	Technical/Professional	2,048	1.0000000	2,048
3	Association of Edison Illuminating Companies	Business Association	600	1.0000000	600
4	Associated Industries of Florida	Business Association	7,000	1.0000000	7,000
5	Bay County Economic Development Alliance	Community Development	1,243	1.0000000	1,243
6	Edison Electric Institute	Business Association	96,599	1.0000000	96,599
7	Equal Employment Advisory Council	Business Association	1,430	1.0000000	1,430
8	Financial Accounting Standards Board	Business Association	2,391	1.0000000	2,391
9	Florida Electric Power Coordinating Group	Business Association	49,200	1.0000000	49,200
10	Florida Council of 100	Community Development	3,050	1.0000000	3,050
11	Florida Reliability Coordinating Council	Business Association	24,000	1.0000000	24,000
12	Gulf Coast Economic Club	Technical/Professional	1,000	1.0000000	1,000
13	National Association of Manufacturers	Technical/Professional	2,500	1.0000000	2,500
14	Okaloosa Economic Development Council	Community Development	363	1.0000000	363
15	Property Tax Appraisers Association	Business Association	50	1.0000000	50
16	Southeastern Electric Reliability Council	Technical/Professional	47,500	1.0000000	47,500
17	Southeastern Electric Exchange	Business Association	10,000	1.0000000	10,000
18	Warrior/Tombigbee Development Association	Community Development	500	1.0000000	500
19	Washington County Economic Development Council	Community Development	500	1.0000000	500
Total Industry Association Dues			253,974		253,974
Average Number of Customers			377,672		377,672
Dues Per Customer			0.67		0.67
Lobby Expenses Incuded in Industry Association Dues			0		0

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of industry association dues included in cost of service by organization for the test year and the prior year. Indicate the nature of each organization.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Test Year Ended 12/31/00  
 Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.	Name and Nature of Organization	Nature of Organization	Electric Utility \$	Jurisdictional	
				Factor	Amount \$
1	American National Standards Institute	Technical/Professional	4,000	1.0000000	4,000
2	American Society of Quality Management	Technical/Professional	2,048	1.0000000	2,048
3	Association of Edison Illuminating Companies	Business Association	600	1.0000000	600
4	Associated Industries of Florida	Business Association	7,000	1.0000000	7,000
5	Bay County Economic Development Alliance	Community Development	1,243	1.0000000	1,243
6	Edison Electric Institute	Business Association	98,917	1.0000000	98,917
7	Equal Employment Advisory Council	Business Association	1,430	1.0000000	1,430
8	Financial Accounting Standards Board	Business Association	2,391	1.0000000	2,391
9	Florida Electric Power Coordinating Group	Business Association	50,600	1.0000000	50,600
10	Florida Council of 100	Community Development	3,100	1.0000000	3,100
11	Florida Reliability Coordinating Council	Business Association	24,000	1.0000000	24,000
12	Gulf Coast Economic Club	Technical/Professional	1,000	1.0000000	1,000
13	National Association of Manufacturers	Technical/Professional	2,500	1.0000000	2,500
14	Okaloosa Economic Development Council	Community Development	363	1.0000000	363
15	Property Tax Appraisers Association	Business Association	50	1.0000000	50
16	Southeastern Electric Reliability Council	Technical/Professional	64,848	1.0000000	64,848
17	Southeastern Electric Exchange	Business Association	10,000	1.0000000	10,000
18	Warrior/Tombigbee Development Association	Community Development	500	1.0000000	500
19	Washington County Economic Development Council	Community Development	1,243	1.0000000	1,243
Total Industry Association Dues			275,833		275,833
Average Number of Customers			385,450		385,450
Dues Per Customer			0.72		0.72
Lobby Expenses Incuded in Industry Association Dues			0		0

127

Supporting Schedules:

Recap Schedules:

ACCUMULATED PROVISION ACCOUNTS  
228.1, 228.2, and 228.4

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide a schedule of amounts charged to operating expenses, amounts accrued and charged to the provision account balances, monthly for the last calendar year and test year. Indicate desired reserve balances and basis for determining desired balances.

Type of Data Shown:

 Projected Test Year Ended 05/31/03

 Prior Year Ended 05/31/02

 Historical Year Ended 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.	Month/Year	Balance Beginning of Period (\$000)	Current Month Accrual (\$000)	Amount Charged to Reserve (\$000)	Net Fund Income After Taxes (\$000)	Reserve Balance End of Period (\$000)	Description Of Charge	Charged to Operating Expenses (\$000)
1	Account 228.1	5,529	291	7	-	5,813	Hurricane Earl	291
2	January, 2000	5,813	291	115	-	5,989	Cordova Substation Damage	291
3	February, 2000	5,989	292		-	6,281		292
4	March, 2000	6,281	292		-	6,573		292
5	April, 2000	6,573	291		-	6,864		291
6	May, 2000	6,864	292	52	-	7,104	Cordova Sub Lighting \$39	292
7	June, 2000	7,104	291		-	7,395	Panama City Storm Damage \$13	291
8	July, 2000	7,395	292		-	7,687		292
9	August, 2000	7,687	292		-	7,979		292
10	September, 2000	7,979	292	8	-	8,263	Plant Crist Unit 5 Damage	292
11	October, 2000	8,263	292	95	-	8,460	Tropical Storm Helena	292
12	November, 2000	8,460	291	20	-	8,731	Bermuda Energy Insurance \$4	291
13	December, 2000						Storm Charges \$16	
14								
15	Desired Balance:	Should be maintained from \$25.1 to \$36.0 million to assure its adequacy in the event of a major						
16		hurricane or similar disaster. The target level of \$25.1 to \$36.0 million approved in Docket No. 951433-EI						
17		is still appropriate.						

122

Supporting Schedules:

Recap Schedules:

ACCUMULATED PROVISION ACCOUNTS  
228.1, 228.2, and 228.4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Explanation: Provide a schedule of amounts charged to operating expenses, amounts accrued and charged to the provision account balances, monthly for the last calendar year and test year. Indicate desired reserve balances and basis for determining desired balances.

Type of Data Shown:

 Projected Test Year Ended 05/31/03

 Prior Year Ended 05/31/02

 Historical Year Ended 12/31/00

Witness: R. J. McMillan

Line No.	Month/Year	Balance Beginning of Period (\$000)	Current Month Accrual (\$000)	Amount Charged to Reserve (\$000)	Net Fund Income After Taxes (\$000)	Reserve Balance End of Period (\$000)	Description Of Charge	Charged to Operating Expenses (\$000)
1	Account 228.2							
	January, 2000	1,761	100	184	-		Worker's Compensation	100
2				17	-		Medical Exps. - Employees	
3				19	-		Hospital Exps. - Employees	
4				2	-		Legal Exps. - Employees	
5				1	-		Legal Exps. - Nonemployees	
6				3	-	1,635	Property Damage - Public	
7	February, 2000	1,635	100	0	-		Worker's Compensation	100
8				12	-		Medical Exps. - Employees	
9				8	-		Hospital Exps. - Employees	
10				2	-		Legal Exps. - Employees	
11				1	-		Legal Exps. - Nonemployees	
12				34	-		Personal Injuries - Public	
13				30	-	1,648	Property Damage - Public	
14	March, 2000	1,648	100	15	-		Worker's Compensation	100
15				22	-		Medical Exps. - Employees	
16				1	-		Hospital Exps. - Employees	
17				1	-		Legal Exps. - Employees	
18				2	-		Legal Exps. - Nonemployees	
19				10	-		Personal Injuries - Public	
20				409	-	1,288	Property Damage - Public	
21	April, 2000	1,288	100	1	-		Worker's Compensation	100
22				29	-		Medical Exps. - Employees	
23				5	-		Hospital Exps. - Employees	
24				6	-		Legal Exps. - Employees	
25				3	-		Legal Exps. - Nonemployees	
26				13	-	1,331	Property Damage - Public	
27	May, 2000	1,331	100	9	-		Worker's Compensation	100
28				16	-		Medical Exps. - Employees	
29				17	-		Hospital Exps. - Employees	
30				7	-		Legal Exps. - Employees	
31				4	-		Legal Exps. - Nonemployees	
32				13	-		Personal Injuries - Public	
33				36	-		Property Damage - Public	
34					-	1,329		

123

Supporting Schedules:

Recap Schedules:

ACCUMULATED PROVISION ACCOUNTS  
228.1, 228.2, and 228.4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-E1

Explanation: Provide a schedule of amounts charged to operating expenses, amounts accrued and charged to the provision account balances, monthly for the last calendar year and test year. Indicate desired reserve balances and basis for determining desired balances.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 05/31/03

\_\_\_ Prior Year Ended 05/31/02

XX Historical Year Ended 12/31/00

Witness: R. J. McMillan

Line No.	Month/Year	Balance Beginning of Period (\$000)	Current Month Accrual (\$000)	Amount Charged to Reserve (\$000)	Net Fund Income After Taxes (\$000)	Reserve Balance End of Period (\$000)	Description Of Charge	Charged to Operating Expenses (\$000)
1	Account 228.2							
	June, 2000	1,329	100	6	-		Worker's Compensation	100
2				11	-		Medical Exps. - Employees	
3				5	-		Hospital Exps. - Employees	
4				7	-		Legal Exps. - Employees	
5				4	-		Legal Exps. - Nonemployees	
6				0	-		Misc. Litigation - Public	
7				36	-	1,360	Property Damage - Public	
8	July, 2000	1,360	100	2	-		Worker's Compensation	100
9				32	-		Medical Exps. - Employees	
10				62	-		Hospital Exps. - Employees	
11				7	-		Legal Exps. - Employees	
12				4	-		Legal Exps. - Nonemployees	
13				1	-		Personal Injuries - Public	
14				20	-	1,332	Property Damage - Public	
15	August, 2000	1,332	100	(1)	-		Worker's Compensation	100
16				6	-		Medical Exps. - Employees	
17				0	-		Hospital Exps. - Employees	
18				7	-		Legal Exps. - Employees	
19				14	-		Legal Exps. - Nonemployees	
20				4	-		Personal Injuries - Public	
21				46	-	1,356	Property Damage - Public	
22	September, 2000	1,356	100	4	-		Worker's Compensation	100
23				51	-		Medical Exps. - Employees	
24				3	-		Hospital Exps. - Employees	
25				2	-		Legal Exps. - Employees	
26				3	-		Legal Exps. - Nonemployees	
27				2	-		Personal Injuries - Public	
28				57	-	1,334	Property Damage - Public	

127

Supporting Schedules:

Recap Schedules:

ACCUMULATED PROVISION ACCOUNTS  
228.1, 228.2, and 228.4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Explanation: Provide a schedule of amounts charged to operating expenses, amounts accrued and charged to the provision account balances, monthly for the last calendar year and test year. Indicate desired reserve balances and basis for determining desired balances.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 05/31/03

\_\_\_ Prior Year Ended 05/31/02

XX Historical Year Ended 12/31/00

Witness: R. J. McMillan

Line No.	Month/Year	Balance Beginning of Period (\$000)	Current Month Accrual (\$000)	Amount Charged to Reserve (\$000)	Net Fund Income After Taxes (\$000)	Reserve Balance End of Period (\$000)	Description Of Charge	Charged to Operating Expenses (\$000)
1	Account 228.2							
	October, 2000	1,334	100	3	-		Worker's Compensation	100
2				79	-		Medical Exps. - Employees	
3				13	-		Hospital Exps. - Employees	
4				6	-		Legal Exps. - Employees	
5				5	-		Legal Exps. - Nonemployees	
6				3	-		Personal Injuries - Public	
7				111	-	1,214	Property Damage - Public	
8	November, 2000	1,214	100	5	-		Worker's Compensation	100
9				27	-		Medical Exps. - Employees	
10				7	-		Hospital Exps. - Employees	
11				2	-		Legal Exps. - Employees	
12				7	-		Legal Exps. - Nonemployees	
13				1	-		Personal Injuries - Public	
14				19	-	1,246	Property Damage - Public	
15	December, 2000	1,246	100	5	-		Worker's Compensation	100
16				2	-		Medical Exps. - Employees	
17				0	-		Hospital Exps. - Employees	
18				6	-		Legal Exps. - Employees	
19				4	-		Legal Exps. - Nonemployees	
20				0	-		Misc. Litigation - Public	
21				103	-	1,226	Property Damage - Public	
22	Desired Balance:	Should be maintained from \$1.5 to \$4.0 million to assure its adequacy to cover normal charges and any major liability suits that may be pending. At this time the present accrual of \$1.2 million should be adequate.						
23								
24								

125

Supporting Schedules:

Recap Schedules:

ACCUMULATED PROVISION ACCOUNTS  
228.1, 228.2, and 228.4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-E1

EXPLANATION: Provide a schedule of amounts charged to operating expenses, amounts accrued and charged to the provision account balances, monthly for the last calendar year and test year. Indicate desired reserve balances and basis for determining desired balances.

Type of Data Shown:  
 Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00  
 Witness: R. J. McMillan

Line No.	Month/Year	Balance Beginning Of Period (\$000)	Current Month Accrual (\$000)	Amount Charged to Reserve (\$000)	Net Fund Income After Taxes (\$000)	Reserve Balance End of Period (\$000)	Description Of Charge	Charged to Operating Expenses (\$000)
1	<u>Account 228.1</u> June, 2001	10,136	291	27	-	10,400	Estimate Based on Historical	291
2	July, 2001	10,400	292	27	-	10,665	Estimate Based on Historical	292
3	August, 2001	10,665	292	27	-	10,930	Estimate Based on Historical	292
4	September, 2001	10,930	291	27	-	11,194	Estimate Based on Historical	291
5	October, 2001	11,194	292	27	-	11,459	Estimate Based on Historical	292
6	November, 2001	11,459	292	27	-	11,724	Estimate Based on Historical	292
7	December, 2001	11,724	291	27	-	11,988	Estimate Based on Historical	291
8	January, 2002	11,988	292	27	-	12,253	Estimate Based on Historical	292
9	February, 2002	12,253	292	27	-	12,518	Estimate Based on Historical	292
10	March, 2002	12,518	291	27	-	12,782	Estimate Based on Historical	291
11	April, 2002	12,782	292	27	-	13,047	Estimate Based on Historical	292
12	May, 2002	13,047	292	27	-	13,312	Estimate Based on Historical	292

13 Desired Balance: Should be maintained from \$25.1 to \$36.0 million to assure its adequacy in the event of a major  
 14 hurricane or similar disaster. The target level of \$25.1 to \$36.0 million approved in Docket No. 951433-E1  
 15 is still appropriate.

Supporting Schedules:

Recap Schedules:

126

ACCUMULATED PROVISION ACCOUNTS  
228.1, 228.2, and 228.4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

EXPLANATION: Provide a schedule of amounts charged to operating expenses, amounts accrued and charged to the provision account balances, monthly for the last calendar year and test year. Indicate desired reserve balances and basis for determining desired balances.

Type of Data Shown:

Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Year Ended 12/31/00

Witness: R. J. McMillan

Line No.	Month/Year	Balance Beginning Of Period (\$000)	Current Month Accrual (\$000)	Amount Charged to Reserve (\$000)	Net Fund Income After Taxes (\$000)	Reserve Balance End of Period (\$000)	Description Of Charge	Charged to Operating Expenses (\$000)
1	<u>Account 228.2</u> June, 2001	957	100	101	-	956	Estimate Based on Historical Data	100
2	July, 2001	956	100	101	-	955	Estimate Based on Historical Data	100
3	August, 2001	955	100	101	-	954	Estimate Based on Historical Data	100
4	September, 2001	954	100	101	-	953	Estimate Based on Historical Data	100
5	October, 2001	953	100	101	-	952	Estimate Based on Historical Data	100
6	November, 2001	952	100	101	-	951	Estimate Based on Historical Data	100
7	December, 2001	951	100	101	-	950	Estimate Based on Historical Data	100
8	January, 2002	950	100	101	-	949	Estimate Based on Historical Data	100
9	February, 2002	949	100	101	-	948	Estimate Based on Historical Data	100
10	March, 2002	948	100	101	-	947	Estimate Based on Historical Data	100
11	April, 2002	947	100	101	-	946	Estimate Based on Historical Data	100
12	May, 2002	946	100	101	-	945	Estimate Based on Historical Data	100
13	Desired Balance:	Should be maintained from \$2 to \$4 million to assure its adequacy to cover normal charges and any major liability suits that may be pending. At this time the present accrual of \$1.2 million should be adequate.						
14								
15								

127

Supporting Schedules:

Recap Schedules:

ACCUMULATED PROVISION ACCOUNTS  
228.1, 228.2, and 228.4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

EXPLANATION: Provide a schedule of amounts charged to operating expenses, amounts accrued and charged to the provision account balances, monthly for the last calendar year and test year. Indicate desired reserve balances and basis for determining desired balances.

Type of Data Shown:  
 Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00  
Witness: R. J. McMillan

Line No.	Month/Year	Balance Beginning Of Period (\$000)	Current Month Accrual (\$000)	Amount Charged to Reserve (\$000)	Net Fund Income After Taxes (\$000)	Reserve Balance End of Period (\$000)	Description Of Charge	Charged to Operating Expenses (\$000)
1	<u>Account 228.1</u> June, 2002	13,312	291	27	-	13,576	Estimate Based on Historical	291
2	July, 2002	13,576	292	27	-	13,841	Estimate Based on Historical	292
3	August, 2002	13,841	292	27	-	14,106	Estimate Based on Historical	292
4	September, 2002	14,106	291	27	-	14,370	Estimate Based on Historical	291
5	October, 2002	14,370	292	27	-	14,635	Estimate Based on Historical	292
6	November, 2002	14,635	292	27	-	14,900	Estimate Based on Historical	292
7	December, 2002	14,900	291	27	-	15,164	Estimate Based on Historical	291
8	January, 2003	15,164	292	27	-	15,429	Estimate Based on Historical	292
9	February, 2003	15,429	292	27	-	15,694	Estimate Based on Historical	292
10	March, 2003	15,694	291	27	-	15,958	Estimate Based on Historical	291
11	April, 2003	15,958	292	27	-	16,223	Estimate Based on Historical	292
12	May, 2003	16,223	292	27	-	16,488	Estimate Based on Historical	292
13	Desired Balance:	Should be maintained from \$25.1 to \$36.0 million to assure its adequacy in the event of a major hurricane or similar disaster. The target level of \$25.1 to \$36.0 million approved in Docket No. 951433-EI is still appropriate.						
14								
15								

128

Supporting Schedules:

Recap Schedules:

ACCUMULATED PROVISION ACCOUNTS  
228.1, 228.2, and 228.4

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

EXPLANATION: Provide a schedule of amounts charged to operating expenses, amounts accrued and charged to the provision account balances, monthly for the last calendar year and test year. Indicate desired reserve balances and basis for determining desired balances.

Type of Data Shown:

Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Year Ended 12/31/00

Witness: R. J. McMillan

Line No.	Month/Year	Balance Beginning Of Period (\$000)	Current Month Accrual (\$000)	Amount Charged to Reserve (\$000)	Net Fund Income After Taxes (\$000)	Reserve Balance End of Period (\$000)	Description Of Charge	Charged to Operating Expenses (\$000)
1	<u>Account 228.2</u> June, 2002	945	100	101	-	944	Estimate Based on Historical Data	100
2	July, 2002	944	100	101	-	943	Estimate Based on Historical Data	100
3	August, 2002	943	100	101	-	942	Estimate Based on Historical Data	100
4	September, 2002	942	100	101	-	941	Estimate Based on Historical Data	100
5	October, 2002	941	100	101	-	940	Estimate Based on Historical Data	100
6	November, 2002	940	100	101	-	939	Estimate Based on Historical Data	100
7	December, 2002	939	100	101	-	938	Estimate Based on Historical Data	100
8	January, 2003	938	100	101	-	937	Estimate Based on Historical Data	100
9	February, 2003	937	100	101	-	936	Estimate Based on Historical Data	100
10	March, 2003	936	100	101	-	935	Estimate Based on Historical Data	100
11	April, 2003	935	100	101	-	934	Estimate Based on Historical Data	100
12	May, 2003	934	100	101	-	933	Estimate Based on Historical Data	100
13	Desired Balance:	Should be maintained from \$2 to \$4 million to assure its adequacy to cover normal charges and any major liability suits that may be pending. At this time the present accrual of \$1.2 million should be adequate.						
14								
15								

129

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule, by organization, of any expenses for lobbying, civic, political and related activities that are included for recovery in net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

XX Prior Year Ended 05/31/02

XX Historical Test Year Ended 12/31/00

Witness: R. R. Labrato

No Lobbying and other political expenses are included in determining Net Operating Income. All are accounted for "below the line."

130

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of any civic and charitable contributions that are included in cost of service for the test year and prior year.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

XX Prior Year Ended 05/31/02

XX Historical Test Year Ended 12/31/00

Witness: R. R. Labrato

All Charitable Contributions are treated as "below the line" expenses.

Civic expenses such as Chamber of Commerce dues are listed below:

(\$000)

Test Year	33
Prior Year	31
Historical Year	34

137

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide a schedule of jurisdictional administrative, general, customer service, R&D, and other miscellaneous expenses by category and on a per customer basis for the test year and prior year.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03XX Prior Year Ended 05/31/02

\_\_\_ Historical Year Ended 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

Line No.	(1) Jurisdictional Administrative Expenses Excluding Recoverable Conservation and Environmental	(2) Adjusted System Historical Year (000)	(3) Jurisdictional Factors	(4) Adjusted Hist Yr (000)
1	Miscellaneous General Expense	\$3,499	0.9803411	\$3,430
2	Industry Association Dues	\$221	0.9803411	\$217
3	Misc. Advertising Expenses	\$0	0.9803411	\$0
4	Research and Development	\$63	0.9803411	\$62
5	Property Insurance	\$3,965	0.9803411	\$3,887
6	Other A&G Expense (A)	\$34,776	0.9803411	\$34,092
7	Sub-Total	\$42,524		\$41,689
8	Customer Accounting Expense	\$15,362	0.9994894	\$15,354
9	Customer Service & Info. Expense (A)	\$9,666	1.0000000	\$9,666
10	Demonstration and Selling Expense	\$777	1.0000000	\$777
11	Total Administrative Expenses(Accts 901-935)	\$68,329		\$67,486
12	Average Number of Customers	368		368
13	Administrative Expense Per Customer	\$185.68		\$183.38
14	(A) Excluding Indirect ECCR/ECRC			

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide a schedule of jurisdictional administrative, general, customer service, R&D, and other miscellaneous expenses by category and on a per customer basis for the test year and prior year.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

XX Prior Year Ended 05/31/02

\_\_\_ Historical Year Ended 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

Line No.	(1) Jurisdictional Administrative Expenses Excluding Recoverable Conservation and Environmental	(2) Adjusted System Test Year (000)	(3) Jurisdictional Factors	(4) Adjusted Test Yr (000)	(5) Adjusted System Prior Year (000)	(6) Jurisdictional Factors	(7) Adjusted Prior Yr (000)	(8) Difference (4)-(7) (000)	(9) Percent Inc/(Dec) (8)/(7)
1	Miscellaneous General Expense	\$3,368	0.9803411	\$3,302	\$3,762	0.9803411	\$3,688	(\$386)	-10.47%
2	Industry Association Dues	\$294	0.9803411	\$288	\$268	0.9803411	\$263	\$25	9.58%
3	Misc. Advertising Expenses	\$550	0.9803411	\$539	\$621	0.9803411	\$609	(\$70)	-11.50%
4	Research and Development	\$36	0.9803411	\$35	\$35	0.9803411	\$34	\$1	2.70%
5	Property Insurance	\$4,295	0.9803411	\$4,211	\$4,178	0.9803411	\$4,096	\$115	2.80%
6	Other A&G Expense (A)	\$31,762	0.9803411	\$31,138	\$31,831	0.9803411	\$31,205	(\$68)	-0.22%
7	Sub-Total	\$40,305		\$39,513	\$40,695		\$39,895	(\$383)	-0.96%
8	Customer Accounting Expense	\$16,662	0.9994894	\$16,653	\$15,588	0.9994894	\$15,580	\$1,073	6.89%
9	Customer Service & Info. Expense (A)	\$9,922	1.0000000	\$9,922	\$8,360	1.0000000	\$8,360	\$1,562	18.68%
10	Demonstration and Selling Expense	\$1,006	1.0000000	\$1,006	\$850	1.0000000	\$850	\$156	18.35%
11	Total Administrative Expenses(Accts 901-935)	\$67,895		\$67,094	\$65,493		\$64,685	\$2,409	3.72%
12	Average Number of Customers	385		385	378		378	7	1.85%
13	Administrative Expense Per Customer	\$176.35		\$174.27	\$173.26		\$171.12	\$3.14	1.84%
14	(A) Excluding Indirect ECCR/ECRC								

133

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: GULF POWER COMPANY DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of charges to Account 930.2 (Miscellaneous General Expenses) by type of charge for the: 1) Test year if the test year is historical, or 2) prior year if the test year is projected. Aggregate all charges that do not exceed \$100,000 and all similar charges that exceed \$100,000.	Type of Data Shown: Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 XX Historical Year Ended 12/31/00 Witness: R. J. McMillan
---	---	--

Line No	Description	Electric Utility \$	Jurisdictional	
			Factor	Amount \$
1	Total Miscellaneous General			
2	Expenses of \$100,000 or Less	215,524	0.9803411	211,287
3	Miscellaneous General Expenses			
4	Exceeding \$100,000 (Specify)			
5	Industry Association Dues	222,858	0.9803411	218,477
6	Directors Fees & Expenses	398,209	0.9803411	390,381
7	A&G for Joint Ownership	<u>2,947,719</u>	0.9803411	<u>2,889,770</u>
8	Total Miscellaneous General Expenses	3,784,310		3,709,915
9	Average Number of Customers	367,740		367,738
10	Miscellaneous General Expenses Per Customer	10.29		10.09

134

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: GULF POWER COMPANY DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of charges to Account 930.2 (Miscellaneous General Expenses) by type of charge for the: 1) Test year if the test year is historical, or 2) prior year if the test year is projected. Aggregate all charges that do not exceed \$100,000 and all similar charges that exceed \$100,000.	Type of Data Shown: Projected Test Year Ended 05/31/03 XX Prior Year Ended 05/31/02 Historical Year Ended 12/31/00 Witness: R. J. McMillan
---	---	--

Line No	Description	Electric Utility \$	Jurisdictional	
			Factor	Amount \$
1	Total Miscellaneous General			
2	Expenses of \$100,000 or Less	253,228	0.9803411	248,250
3	Miscellaneous General Expenses			
4	Exceeding \$100,000 (Specify)			
5	Industry Association Dues	252,680	0.9803411	247,713
6	Directors Fees & Expenses	270,023	0.9803411	264,715
7	A&G for Joint Ownership	<u>3,305,566</u>	0.9803411	<u>3,240,582</u>
8	Total Miscellaneous General Expenses	4,081,497		4,001,259
9	Average Number of Customers	377,672		377,672
10	Miscellaneous General Expenses Per Customer	10.81		10.59

135

Supporting Schedules: \_\_\_\_\_ Recap Schedules: \_\_\_\_\_



FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide the following Payroll and Fringe Benefits data for the Historical, Test Year and three prior years. If a projected test year is used, provide the same data for the projected test year and four prior years.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 05/31/03

\_\_\_ Prior Year Ended 05/31/02

XX Historical Year Ended 12/31/98-00

Witness: R.M.Saxon

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949 - EI

137

Line No.		1998 Amount	1999 Amount	% Inc	CPI	2000 Amount	% Inc	CPI
1	<u>Total Company Basis</u>							
2	Gross Payroll	65,917,560	69,982,410	6.17%	1.40%	72,597,114	3.74%	3.36%
3	Gross Average Salary	50,473	53,259	5.52%		55,040	3.34%	
4	<u>Fringe Benefits</u>							
5	Flexible Benefits Plan (less transf)	3,815,357	4,136,913	8.43%		5,039,803	21.83%	
6	Pensions - Accrual(less transferred)	(3,430,905)	(3,987,890)	16.23%		(5,771,390)	44.72%	
7	Performance Sharing Pension Plan	158,028	235,164	48.81%		340,000	44.58%	
8	Employee Benefits Paid to Assoc.Cos.	734,464	477,167	-35.03%		545,805	14.38%	
9	Employee Savings Plan(less Transf/Cap.)	1,910,374	1,984,661	3.89%		2,109,712	6.30%	
10	FICA, Federal,State Unemployment Taxes	5,289,913	5,394,362	1.97%		6,281,582	16.45%	
11	Pension Administrative Expenses	7,391	6,982	-5.53%		1,958	-71.96%	
12	Educational Assistance	39,707	43,096	8.54%		57,855	34.25%	
13	Supplemental Pension	494,912	506,868	2.42%		496,618	-2.02%	
14	Other Employee Benefits	319,662	874,167	173.47%		868,198	-0.68%	
15	Other Retirement Benefits	2,267	3,212	41.69%		2,743	-14.60%	
16	Post-Retirement Life	914,336	962,182	5.23%		942,259	-2.07%	
17	Post-Retirement Medical	3,040,713	3,370,996	10.86%		3,094,427	-8.20%	
18	Post-Employment Benefit	90,725	(3,433)	-103.78%		39,701	-1256.45%	
19	Relocation Assistance	353,326	627,771	77.67%		506,843	-19.26%	
20	Sub-Total - Fringes	13,740,270	14,632,218	6.49%		14,556,114	-0.52%	
21	Total Payroll and Fringes	79,657,830	84,614,628	6.22%		87,153,228	3.00%	
22	Average Employees	1,306	1,314			1,319		
23	Payroll and Fringes Per Employee	60,994	64,395			66,075		

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide the following Payroll and Fringe Benefits data for the Historical, Test Year and three prior years. If a projected test year is used, provide the same data for the projected test year and four prior years.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03XX Prior Year Ended 05/31/02

\_\_\_ Historical Year Ended 12/31/98-00

Witness: R.M.Saxon

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949 - EI

Line No.		Prior Year			Test Year		
		Amount	% Inc	CPI	Amount	% Inc	CPI
1	<u>Total Company Basis</u>						
2	Gross Payroll	72,943,282	0.48%	2.61%	78,328,343	7.38%	2.49%
3	Gross Average Salary	54,476	-1.02%		57,299	5.18%	
4	<u>Fringe Benefits</u>						
5	Flexible Benefits Plan (less transf)	4,629,434	-8.14%		4,976,423	7.50%	
6	Pensions - Accrual(less transferred)	(5,876,250)	1.82%		(6,140,906)	4.50%	
7	Performance Sharing Pension Plan	479,420	41.01%		549,200	14.56%	
8	Employee Benefits Paid to Assoc.Cos.	735,688	34.79%		750,086	1.96%	
9	Employee Savings Plan(less Transf/Cap.)	2,248,596	6.58%		2,366,920	5.26%	
10	FICA, Federal,State Unemployment Taxes	6,344,000	0.99%		6,530,000	2.93%	
11	Pension Administrative Expenses	7,743	295.45%		9,000	16.23%	
12	Educational Assistance	49,730	-14.04%		47,564	-4.36%	
13	Supplemental Pension	592,665	19.34%		612,001	3.26%	
14	Other Employee Benefits	883,192	1.73%		962,597	8.99%	
15	Other Retirement Benefits	-	-100.00%		-	0.00%	
16	Post-Retirement Life	1,049,710	11.40%		1,110,855	5.82%	
17	Post-Retirement Medical	3,541,770	14.46%		3,707,545	4.68%	
18	Post-Employment Benefit	-	-100.00%		-	0.00%	
19	Relocation Assistance	429,810	-15.20%		486,580	13.21%	
20	Sub-Total - Fringes	15,115,508	3.84%		15,967,865	5.64%	
21	Total Payroll and Fringes	88,058,790	1.04%		94,296,208	7.08%	
22	Average Employees	1,339			1,367		
23	Payroll and Fringes Per Employee	65,765			68,980		

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation expense computed on plant balances for each account or sub-account to which an individual depreciation rate is applied, on a monthly basis.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00  
 Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

(\$000)

Line No.	Account/ Sub-account Title	Account/ Sub-account Number	(A) 2002 June	(B) July	(C) August	(D) September	(E) October	(F) November
1	Steam Production-Depreciable:							
2	Crist Plant		1,451	1,457	1,457	1,457	1,457	1,458
3	Scholz Plant		106	106	106	106	106	106
4	Smith Plant		419	420	420	420	420	420
5	Daniel Plant		501	501	501	501	501	501
6	Scherer Plant		343	343	343	343	343	343
7	Easements	310.2	0	0	0	0	0	0
8	Total Depreciable Steam Plant		2,820	2,827	2,827	2,827	2,827	2,828
9	Other Production Plant:							
10	Pace Plant		44	44	43	44	44	43
11	Smith CT		4	4	4	4	4	4
12	Smith CC		582	582	582	582	582	582
13	Total Other Production Plant		630	630	629	630	630	629
14	Transmission Plant:							
15	Easements	350.2	20	21	21	21	21	21
16	Structures & Improvements	352	9	10	10	10	9	10
17	Station Equipment	353	164	164	165	165	166	168
18	Towers & Fixtures	354	70	70	70	70	70	70
19	Poles & Fixtures	355	105	107	107	107	108	108
20	Overhead Conductors & Devices	356	126	126	126	130	133	133
21	Underground Conductors & Devices	358	33	34	33	34	33	34
22	Roads & Trails	359	0	0	0	0	0	1
23	Scherer GSU	352	0	1	0	1	0	1
24	Scherer GSU	353	9	9	8	9	8	9
25	Total Transmission		536	542	540	547	548	555

139

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation expense computed on plant balances for each account or sub-account to which an individual depreciation rate is applied, on a monthly basis.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00  
 Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

(\$000)

Line No.	Account/ Sub-account Title	Account/ Sub-account Number	(A) 2002 December	(B) 2003 January	(C) February	(D) March	(E) April	(F) May	(G) 12-Month Total
1	Steam Production-Depreciable:								
2	Crist Plant		1,459	1,461	1,461	1,462	1,462	1,462	17,504
3	Scholz Plant		106	106	106	106	106	106	1,272
4	Smith Plant		420	420	421	422	422	423	5,047
5	Daniel Plant		503	506	506	506	506	506	6,039
6	Scherer Plant		343	344	344	344	344	344	4,121
7	Easements	310.2	0	0	0	0	0	0	0
8	Total Depreciable Steam Plant		2,831	2,837	2,838	2,840	2,840	2,841	33,983
9	Other Production Plant:								
10	Pace Plant		44	44	43	44	44	43	524
11	Smith CT		4	4	4	4	3	4	47
12	Smith CC		582	582	583	583	583	583	6,988
13	Total Other Production Plant		630	630	630	631	630	630	7,559
14	Transmission Plant:								
15	Easements	350.2	21	21	21	21	21	21	251
16	Structures & Improvements	352	10	10	10	9	10	10	117
17	Station Equipment	353	172	176	176	176	176	176	2,044
18	Towers & Fixtures	354	70	70	70	70	70	69	839
19	Poles & Fixtures	355	130	151	151	151	151	151	1,527
20	Overhead Conductors & Devices	356	133	132	132	132	133	133	1,569
21	Underground Conductors & Devices	358	33	34	33	34	33	34	402
22	Roads & Trails	359	0	0	0	0	0	1	2
23	Scherer GSU	352	0	1	0	1	0	1	6
24	Scherer GSU	353	8	9	8	9	8	8	102
25	Total Transmission		577	604	601	603	602	604	6,859

149

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation expense computed on plant balances for each account or sub-account to which an individual depreciation rate is applied, on a monthly basis.

Type of Data Shown:

Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Witness: R. R. Labrato

(\$000)

Line No.	Account/ Sub-account Title	Account/ Sub-account Number	(A) 2002 June	(B) July	(C) August	(D) September	(E) October	(F) November
1	Distribution Plant:							
2	Easements	360.2	0	0	0	0	0	0
3	Structures & Improvements	361	31	32	31	32	31	32
4	Station Equipment	362	358	358	359	362	365	365
5	Poles, Towers & Fixtures	364	288	289	290	291	292	293
6	Overhead Conductors & Devices	365	318	319	320	321	321	322
7	Underground Conduit	366	3	4	4	4	3	4
8	Underground Conductors & Devices	367	208	209	211	212	213	214
9	Line Transformers	368	482	483	485	486	488	489
10	Services-Overhead	369.1	116	116	117	117	118	118
11	Services-Underground	369.2	75	75	75	75	75	76
12	Services-House Power Panel	369.3	15	16	16	16	16	16
13	Meter	370	120	121	122	123	124	125
14	Street Lighting & Signal Systems	373	136	137	137	138	139	140
15	Total Distribution		2,150	2,159	2,167	2,177	2,185	2,194
16	General Plant-Depreciable:							
17	Structures & Improvements	390	110	110	110	109	111	111
18	Automobiles	392.1	0	0	0	0	0	0
19	Light Trucks	392.2	24	24	25	24	24	25
20	Heavy Trucks	392.3	94	94	94	94	95	95
21	Trailers	392.4	6	6	6	6	6	7
22	Power Operated Equipment	396	3	3	3	3	3	3
23	Communications Equipment	397	125	125	126	126	127	128
24	Total General Plant-Depreciable		362	362	364	362	366	369

141

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation expense computed on plant balances for each account or sub-account to which an individual depreciation rate is applied, on a monthly basis.

Type of Data Shown:

Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Witness: R. R. Labrato

(\$000)

Line No.	Account/ Sub-account Title	Account/ Sub-account Number	(A) 2002 December	(B) 2003 January	(C) February	(D) March	(E) April	(F) May	(G) 12-Month Total
1	Distribution Plant:								
2	Easements	360.2	0	0	0	0	0	0	0
3	Structures & Improvements	361	32	31	32	32	31	32	379
4	Station Equipment	362	374	383	384	384	384	384	4,460
5	Poles, Towers & Fixtures	364	295	297	298	299	300	302	3,534
6	Overhead Conductors & Devices	365	323	324	325	325	326	328	3,872
7	Underground Conduit	366	4	4	4	3	4	4	45
8	Underground Conductors & Devices	367	215	217	218	219	220	221	2,577
9	Line Transformers	368	490	492	493	495	496	498	5,877
10	Services-Overhead	369.1	118	118	119	119	120	120	1,416
11	Services-Underground	369.2	76	76	76	77	77	77	910
12	Services-House Power Panel	369.3	16	16	16	16	16	16	191
13	Meter	370	126	127	128	129	130	131	1,506
14	Street Lighting & Signal Systems	373	141	142	143	144	145	146	1,688
15	Total Distribution		2,210	2,227	2,236	2,242	2,249	2,259	26,455
16	General Plant-Depreciable:								
17	Structures & Improvements	390	112	112	112	112	112	113	1,334
18	Automobiles	392.1	0	0	0	0	0	0	0
19	Light Trucks	392.2	25	25	25	25	25	25	296
20	Heavy Trucks	392.3	95	96	96	96	96	97	1,142
21	Trailers	392.4	6	7	7	7	7	7	78
22	Power Operated Equipment	396	4	4	4	4	4	4	42
23	Communications Equipment	397	129	130	130	130	130	130	1,536
24	Total General Plant-Depreciable		371	374	374	374	374	376	4,428

142

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation expense computed on plant balances for each account or sub-account to which an individual depreciation rate is applied, on a monthly basis.

Type of Data Shown:

Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R. R. Labrato

DOCKET NO.: 010949-EI

(\$000)

Line No.	Account/ Sub-account Title	Account/ Sub-account Number	(A)	(B)	(C)	(D)	(E)	(F)
			2002 June	July	August	September	October	November
1	Merchandise-Depreciable	390	1	1	1	1	1	1
2		392	0	0	0	0	0	0
3		397	0	0	0	0	0	0
4	Total Merchandise-Depreciable		1	1	1	1	1	1
5	Total Provision for Depreciation		6,499	6,521	6,528	6,544	6,557	6,576
6	Less: Merchandise Depreciation		1	1	1	1	1	1
7	Transportation Depreciation		124	124	125	124	125	127
8	Miscellaneous		2	4	2	6	0	7
9	Electric Depreciation Expense		6,372	6,392	6,400	6,413	6,431	6,441

143

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the depreciation expense computed on plant balances for each account or sub-account to which an individual depreciation rate is applied, on a monthly basis.

Type of Data Shown:

 Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historical Year Ended 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

(\$000)

Line No.	Account/ Sub-account Title	Account/ Sub-account Number	(A) 2002 December	(B) 2003 January	(C) February	(D) March	(E) April	(F) May	(G) 12-Month Total
1	Merchandise-Depreciable	390	0	1	1	1	1	1	11
2		392	0	0	0	0	0	0	0
3		397	0	0	0	0	0	0	0
4	Total Merchandise-Depreciable		0	1	1	1	1	1	11
5	Total Provision for Depreciation		6,619	6,673	6,680	6,691	6,696	6,711	79,295
6	Less: Merchandise Depreciation		0	1	1	1	1	1	11
7	Transportation Depreciation		126	128	128	128	128	129	1,516
8	Miscellaneous		3	5	5	6	3	5	48
9	Electric Depreciation Expense		6,490	6,539	6,546	6,556	6,564	6,576	77,720

144

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule for each Amortization/  
Recovery amount by account or sub-account currently in effect  
or proposed.

Type of Data Shown:

Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Year Ended 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

(\$000)

Line No.	Account/ Sub-account Title	Account/ Sub-account Number	(A) 2002 June	(B) July	(C) August	(D) September	(E) October	(F) November
1	Steam Production-Amortizable:							
2	Prod. Plt. Furn. & Equip. - 5-Yr.	316	0	0	1	0	0	1
3	Prod. Plt. Furn. & Equip. - 7-Yr.	316	24	24	25	24	24	25
4	Daniel Cooling Lake		32	32	32	33	32	32
5	Total Amortizable Steam Plant		56	56	58	57	56	58
6	General Plant-Amortizable:							
7	Office Furn. & Equip. - 5-Yr.	391	3	3	3	3	3	3
8	Office Furn. & Equip. - 7-Yr.	391	16	16	16	15	15	15
9	Transport.-Marine & Other - 5-Yr.	392	2	2	2	2	2	2
10	Stores Equipment-7 Yr	393	16	15	15	15	15	15
11	Tools, Shop & Garage Equip.-7 Yr	394	25	24	25	25	25	24
12	Laboratory Equipment-7 Yr	395	21	21	21	21	21	21
13	Communications Equipment - 7Yr	397	26	26	25	25	25	25
14	Miscellaneous Equipment -7 Yr	398	130	129	129	129	130	129
15	Total General Plant-Amortizable		239	236	236	235	236	234

145

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule for each Amortization/  
Recovery amount by account or sub-account currently in effect  
or proposed.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00  
Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

(\$000)

Line No.	Account/ Sub-account Title	Account/ Sub-account Number	(A) 2002 June	(B) July	(C) August	(D) September	(E) October	(F) November
16	Merchandise-Amortizable	391-7 Yr.	0	0	0	1	0	0
17	Total Merchandise-Amortizable		0	0	0	1	0	0
18	Total Provision for Amortization		295	292	294	293	292	292
19	Less: Merchandise Depreciation		0	0	0	1	0	0
20	Transportation Depreciation		2	2	2	2	2	2
21	Miscellaneous		1	(2)	0	(2)	(2)	(2)
22	Electric Amortization Expense		292	292	292	292	292	292
23	Amortization of 3rd Floor Corporate Office		96	96	96	96	96	96
24	Adjusted Electric Amortization Expense		388	388	388	388	388	388

145

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule for each Amortization/  
Recovery amount by account or sub-account currently in effect  
or proposed.

Type of Data Shown:

Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Year Ended 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-E1

(\$000)

Line No.	Account/ Sub-account Title	Account/ Sub-account Number	(A) 2002 December	(B) 2003 January	(C) February	(D) March	(E) April	(F) May	(G) 12-Month Total
1	Steam Production-Amortizable:								
2	Prod. Plt. Furn. & Equip. - 5-Yr.	316	0	0	1	0	0	1	4
3	Prod. Plt. Furn. & Equip. - 7-Yr.	316	24	23	23	23	23	23	285
4	Daniel Cooling Lake		32	33	32	32	32	33	387
5	Total Amortizable Steam Plant		56	56	56	55	55	57	676
6	General Plant-Amortizable:								
7	Office Furn. & Equip. - 5-Yr.	391	3	5	5	5	5	5	46
8	Office Furn. & Equip. - 7-Yr.	391	14	14	14	14	14	14	177
9	Transport.-Marine & Other - 5-Yr.	392	2	2	2	2	2	3	25
10	Stores Equipment - 7Yr	393	15	14	14	14	14	14	176
11	Tools, Shop & Garage Equip. - 7 Yr	394	25	22	23	23	23	22	286
12	Laboratory Equipment-7 Yr	395	21	19	19	19	19	19	242
13	Communications Equipment - 7 Yr	397	25	16	16	16	16	16	257
14	Miscellaneous Equipment - 7 Yr	398	129	119	118	118	118	119	1,497
15	Total General Plant-Amortizable		234	211	211	211	211	212	2,706

147

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule for each Amortization/  
Recovery amount by account or sub-account currently in effect  
or proposed.

Type of Data Shown:

 Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Witness: R. R. Labrato

(\$000)

Line No.	Account/ Sub-account Title	Account/ Sub-account Number	(A) 2002 December	(B) 2003 January	(C) February	(D) March	(E) April	(F) May	(G) 12-Month Total
16	Merchandise-Amortizable	391-7 Yr.	2	0	0	0	0	0	3
17	Total Merchandise-Amortizable		2	0	0	0	0	0	3
18	Total Provision for Amortization		292	267	267	266	266	269	3,385
19	Less: Merchandise Depreciation		2	0	0	0	0	0	3
20	Transportation Depreciation		2	2	2	2	2	3	25
21	Miscellaneous		(4)	2	2	1	1	2	(3)
22	Electric Amortization Expense		292	263	263	263	263	264	3,360
23	Amortization of 3rd Floor Corporate Office		96	97	97	97	97	97	1,157
24	Adjusted Electric Amortization Expense		388	360	360	360	360	361	4,517

148

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information for the company's current depreciation rates.

Type of Data Shown:

COMPANY: Gulf Power Company

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

DOCKET NO.: 010949-EI

Witness: R.R. Labrato

149

Line No.	Account/ Sub-Account Number	Plant Account Title	CURRENT			
			Life (Indicate if Other than Remaining Life)	Salvage (A)	Rate	Dismantlement (B)
1		<u>STEAM PRODUCTION PLANT</u>		(Net Salvage)		
2		Daniel Plant	26.0	(7.0)	2.4	792,938
3		Daniel Rail Tracks	34.0	0.0	1.3	
4		Crist Plant	17.7	(3.0)	3.5	2,825,842
5		Scholz Plant	13.2	(2.0)	2.5	511,321
6		Smith Plant	16.6	(4.0)	3.2	1,208,663
7		Scherer Plant	35.0	(4.0)	2.1	312,723
8	316	Prod. Plt. Furn. & Eqpt.	7 YEAR AMORTIZATION			
9	316	Prod. Plt. Furn. & Eqpt.	5 YEAR AMORTIZATION			
10	310.2	Easement - Crist	21.0	0.0	2.5	
11	310.2	Easement - Daniel	34.0	0.0	1.4	
12		<u>OTHER PRODUCTION PLANT - SMITH CT</u>				9,845
13	341	Structures & Improvements	8.5	0.0	0.8	
14	342	Fuel Hldrs, Prod. & Access.	8.5	0.0	0.8	
15	343	Prime Movers	8.5	0.0	0.8	
16	344	Generators	8.5	0.0	0.8	
17	345	Access. Elec. Eqpt.	8.5	0.0	0.8	
18	346	Misc. Power Plant Eqpt.	8.5	0.0	0.8	

(A) A negative net salvage means that cost of removal is greater than salvage.

(B) Dismantlement is now based on fixed annual accrual amounts and not on an actual rate. The amounts shown in this column are the fixed annual accruals for dismantlement.

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information  
for the company's current depreciation rates.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

COMPANY: Gulf Power Company

DOCKET NO.: 010949-EI

Line No.	Account/ Sub-Account Number	Plant Account Title	CURRENT			
			Life (Indicate if Other than Remaining Life)	Salvage (A)	Rate	Dismantlement (B)
19		<u>OTHER PRODUCTION - PACE PLANT *</u>				
20	341	Structures & Improvements	20.0	0.0	5.0	
21	342	Fuel Hldrs, Prod. & Access.	20.0	0.0	5.0	
22	343	Prime Movers	20.0	0.0	5.0	
23	344	Generators	20.0	0.0	5.0	
24	345	Access. Elec. Eqpt.	20.0	0.0	5.0	
25	346	Misc. Power Plant Eqpt.	20.0	0.0	5.0	
26		<u>TRANSMISSION</u>				
27	352	Structures & Improvements	35.0	(10.0)	2.2	
28	353	Station Equipment	27.0	(10.0)	2.7	
29	354	Towers and Fixtures	20.0	(20.0)	2.4	
30	355	Poles and Fixtures	27.0	(40.0)	4.0	
31	356	Overhead Conductors & Devices	21.0	(20.0)	2.9	
32	358	Underground Conductors & Devices	31.0	(5.0)	2.8	
33	359	Roads & Trails	26.0	0.0	2.7	
34	350.2	Easements & Rights-of-Way	26.0	0.0	2.4	

150

\*Rates approved in Docket No.: 980366-EQ

(A) A negative net salvage means that cost of removal is greater than salvage.

(B) Dismantlement is now based on fixed annual accrual amounts and not on an actual rate. The amounts shown in this column are the fixed annual accruals for dismantlement.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information for the company's current depreciation rates.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
XX Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

COMPANY: Gulf Power Company

DOCKET NO.: 010949-EI

Line No.	Account/ Sub-Account Number	Plant Account Title	CURRENT		
			Life (Indicate if Other than Remaining Life)	Salvage (A)	Rate Dismantlement (B)
35		<u>DISTRIBUTION</u>			
36	361	Structures & Improvements	27.0	(10.0)	2.9
37	362	Station Equipment	27.0	(10.0)	3.0
38	364	Poles, Towers & Fixtures	24.0	(60.0)	5.2
39	365	Overhead Conductors & Devices	23.0	(10.0)	3.2
40	366	Underground Conduit	26.0	0.0	1.9
41	367	Underground Conductors & Devices	21.0	0.0	3.4
42	368	Line Transformers	21.0	(15.0)	3.7
43	369.1	Services - Overhead	19.6	(15.0)	3.1
44	369.2	Services - Underground	21.0	(5.0)	3.7
45	369.3	Service - House Power Panels	8.4	0.0	3.2
46	370	Meters	19.0	(3.0)	3.0
47	373	Street Lighting & Signal System	10.7	(10.0)	7.4

(A) A negative net salvage means that cost of removal is greater than salvage.

(B) Dismantlement is now based on fixed annual accrual amounts and not on an actual rate. The amounts shown in this column are the fixed annual accruals for dismantlement.

Supporting Schedules:

Recap Schedules:

151

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information for the company's current depreciation rates.

Type of Data Shown:

COMPANY: Gulf Power Company

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

DOCKET NO.: 010949-EI

Witness: R.R. Labrato

Line No.	Account/ Sub-Account Number	Plant Account Title	CURRENT			
			Life (Indicate if Other than Remaining Life)	Salvage (A)	Rate	Dismantlement
48		GENERAL PLANT				
49	390	Structures & Improvements	30	0.0	2.4	
50	391	Office Furnitures & Equipment	7 YEAR AMORTIZATION			
51	391	Office Furnitures & Equipment	5 YEAR AMORTIZATION			
52	392.1	Automobiles	N/A	N/A	N/A	
53	392.2	Light Trucks	3.5	20.0	4.8	
54	392.3	Heavy Trucks	7.2	20.0	7.0	
55	392.4	Trailers	11.8	15.0	5.1	
56	392	Marine & Other	5 YEAR AMORTIZATION			
57	393	Stores Equipment	7 YEAR AMORTIZATION			
58	394	Tools Shop & Garage Equipment	7 YEAR AMORTIZATION			
59	395	Laboratory Equipment	7 YEAR AMORTIZATION			
60	396	Power Operated Equipment	6.3	15.0	3.3	
61	397	Communication Equipment	7 YEAR AMORTIZATION			
62	397	Communication Equipment	10.0	(2.0)	9.3	
63	398	Miscellaneous Equipment	7 YEAR AMORTIZATION			

152

(A) A negative net salvage means that cost of removal is greater than salvage.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information for the company's proposed depreciation rates if a change is being requested.

Type of Data Shown:

N/A Projected Test Year Ended 5/31/03

N/A Prior Year Ended 5/31/02

N/A Historical Year Ended 12/31/00

Witness: R.R. Labrato

COMPANY: Gulf Power Company

DOCKET 010949-EI

Line No.	Account/Sub-Account Number	Plant Account Title	Life (Indicate if Other than Remaining Life)	Current	
				Salvage (A)	Rate Dismantlement (B)
1		STEAM PRODUCTION PLANT		(Net Salvage)	
2		Daniel Plant	19.8	(4.0)	724,822
3		Daniel Rail Tracks	24.5	0.0	
4		Crist Plant	14.1	(3.0)	2,866,326
5		Scholz Plant	9.3	(3.0)	527,395
6		Smith Plant	14.0	(3.0)	1,240,212
7		Scherer Plant	32.8	(4.0)	185,846
8	316	Prod. Plt. Furn. & Eqpt.	7 YEAR AMORTIZATION		
9	316	Prod. Plt. Furn. & Eqpt.	5 YEAR AMORTIZATION		
10	310.2	Easement - Daniel	24.5	0.0	1.7
11		OTHER PRODUCTION PLANT - SMITH CT			11,259
12	341	Structures & Improvements	4.5	0.0	0.9
13	342	Fuel Hldrs, Prod. & Access.	4.5	0.0	0.9
14	343	Prime Movers	4.5	0.0	0.9
15	344	Generators	4.5	0.0	0.9
16	345	Access. Elec. Eqpt.	4.5	0.0	0.9
17	346	Misc. Power Plant Eqpt.	4.5	0.0	0.9

153

(A) A negative net salvage means that cost of removal is greater than salvage.

(B) Dismantlement is now based on fixed annual accrual amounts and not on an actual rate. The amounts shown in this column are the fixed annual accruals for dismantlement.

Note: Current depreciation rates have been utilized in the appropriate MFR schedules; however, the 2001 Depreciation Study (Doc. 010786-EI) has been filed with the FPSC.

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information for the company's proposed depreciation rates if a change is being requested.

Type of Data Shown:  
N/A Projected Test Year Ended 5/31/03  
N/A Prior Year Ended 5/31/02  
N/A Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

COMPANY: Gulf Power Company

DOCKET 010949-EI

154

Line No.	Account/Sub-Account Number	Plant Account Title	Life (Indicate if Other than Remaining Life)	Current		
				Salvage (A)	Rate	Dismantlement (B)
18		OTHER PRODUCTION - PACE PLANT				24,927
19	341	Structures & Improvements	16.5	0.0	5.0	
20	342	Fuel Hldrs, Prod. & Access.	16.5	0.0	5.0	
21	343	Prime Movers	16.5	0.0	5.0	
22	344	Generators	16.5	0.0	5.0	
23	345	Access. Elec. Eqpt.	16.5	0.0	5.0	
24	346	Misc. Power Plant Eqpt.	16.5	0.0	5.0	
25		TRANSMISSION				
26	352	Structures & Improvements	28.9	(5.0)	2.2	
27	353	Station Equipment	36.9	(5.0)	2.1	
28	354	Towers and Fixtures	24.7	(30.0)	2.4	
29	355	Poles and Fixtures	26.2	(40.0)	4.2	
30	356	Overhead Conductors & Devices	40.2	(30.0)	2.5	
31	358	Underground Conductors & Devices	32.7	0.0	2.2	
32	359	Roads & Trails	24.4	0.0	2.5	
33	350.2	Easements & Rights-of-Way	32.2	0.0	1.7	

(A) A negative net salvage means that cost of removal is greater than salvage.

(B) Dismantlement is now based on fixed annual accrual amounts and not on an actual rate. The amounts shown in this column are the fixed annual accruals for dismantlement.

Note: Current depreciation rates have been utilized in the appropriate MFR schedules; however, the 2001 Depreciation Study (Doc. 010786-EI) has been filed with the FPSC.

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information for the company's proposed depreciation rates if a change is being requested.

Type of Data Shown:  
N/A Projected Test Year Ended 5/31/03  
N/A Prior Year Ended 5/31/02  
N/A Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

COMPANY: Gulf Power Company

DOCKET 010949-EI

Line No.	Account/Sub-Account Number	Plant Account Title	Life (Indicate if Other than Remaining Life)	Current		
				Salvage (A)	Rate	Dismantlement
34		DISTRIBUTION		(Net Salvage)		
35	361	Structures & Improvements	29.3	(5.0)	2.2	
36	362	Station Equipment	28.8	(5.0)	2.5	
37	364	Poles, Towers & Fixtures	22.4	(70.0)	5.8	
38	365	Overhead Conductors & Devices	25.2	(5.0)	2.5	
39	366	Underground Conduit	33.2	0.0	1.2	
40	367	Underground Conductors & Devices	20.1	10.0	3.0	
41	368	Line Transformers	20.5	(25.0)	4.2	
42	369.1	Services - Overhead	22.8	(25.0)	3.0	
43	369.2	Services - Underground	29.4	0.0	2.4	
44	369.3	Service - House Power Panels	6.7	0.0	3.0	
45	370	Meters	25.6	0.0	2.3	
46	373	Street Lighting & Signal System	10.8	0.0	5.8	

155

(A) A negative net salvage means that cost of removal is greater than salvage.

(B) The proposed rates on this schedule are the rates that have been filed with the FPSC in the 2001 Depreciation Study (Docket No. 010789-EI). Gulf has requested approval to apply these proposed rates for depreciation and accruals for dismantlement effective January 1, 2002.

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information for the company's proposed depreciation rates if a change is being requested.

Type of Data Shown:  
N/A Projected Test Year Ended 5/31/03  
N/A Prior Year Ended 5/31/02  
N/A Historical Year Ended 12/31/00  
 Witness: R.R. Labrato

COMPANY: Gulf Power Company

DOCKET 010949-EI

Line No.	Account/Sub-Account Number	Plant Account Title	Life (Indicate if Other than Remaining Life)	Current	
				Salvage (A)	Rate Dismantlement
47		GENERAL PLANT			
48	390	Structures & Improvements	30.3	(5.0)	2.2
49	391	Office Furnitures & Equipment	7 YEAR AMORTIZATION		
50	391	Office Furnitures & Equipment	5 YEAR AMORTIZATION		
51	392.1	Automobiles	N/A	N/A	N/A
52	392.2	Light Trucks	5.0	15.0	7.7
53	392.3	Heavy Trucks	4.7	20.0	9.4
54	392.4	Trailers	8.7	20.0	5.6
55	392	Marine & Other	5 YEAR AMORTIZATION		
56	393	Stores Equipment	7 YEAR AMORTIZATION		
57	394	Tools Shop & Garage Equipment	7 YEAR AMORTIZATION		
58	395	Laboratory Equipment	7 YEAR AMORTIZATION		
59	396	Power Operated Equipment	9.8	20.0	5.7
60	397	Communication Equipment	7 YEAR AMORTIZATION		
61	397	Communication Equipment	7.1	0.0	9.4
62	398	Miscellaneous Equipment	7 YEAR AMORTIZATION		

156

(A) A negative net salvage means that cost of removal is greater than salvage.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of taxes other than income taxes for the test year and the prior year. For each tax, indicate the amount charged to operating expenses.

Type of Data Shown:  
Projected Test Year Ended 5/31/03  
Prior Year Ended 5/31/02  
XX Historical Year Ended 12/31/00  
Witness: R.J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

Line No.	Type of Tax	(1)	(2)	(3)	(4)	(5)	(6)	(7)
		Rate	Basis	Total Amount	Amount Charged to Operating Expense	Jurisdictional Factor	Jurisdictional Amount	Jurisdictional Amount Charged to Operating Expenses
(\$000)								
<b>1. Revenue Taxes</b>								
2.	Fla. Gross Receipts	0.025	Revenue	14,596	14,596	1.0000000	14,596	14,596
3.	Regulatory Assessment Fee	0.00072	Revenue	418	418	1.0000000	418	418
4.	Municipal Franchise Fee	Various	Revenue	9,452	9,452	1.0000000	9,452	9,452
5.	County Franchise Fee	Various	Revenue	8,986	8,986	1.0000000	8,986	8,986
<b>6. Real Estate and Property Taxes</b>								
7.	Real and Personal Property	Various	Assessed Values	17,060	17,024	0.9498689	16,205	16,170
<b>8. Payroll Taxes</b>								
9.	Old Age Benefits (FICA)	.0765	Wages	6,222	5,108	0.9576190	5,958	4,892
10.	Federal Unemployment Tax	.008	Wages	100	93	0.9576190	96	89
11.	State Unemployment Tax	Various	Wages	37	34	0.9576190	35	32
<b>12. Miscellaneous</b>								
13.	Mississippi Franchise Tax	.0025	Taxable Capital	49	49	0.9642857	47	47
14.	Florida Intangible Tax	.001	Intangible Property	25	24	0.9827586	25	24
15.	Other Taxes	Various	Various	122	120	0.9827586	120	118
				57,067	55,904			

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of taxes other than income taxes for the test year and the prior year. For each tax, indicate the amount charged to operating expenses.

Type of Data Shown:

Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

Historical Test Year Ended 12/31/00

Witness: R.J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.	Type of Tax	(1)	(2)	(3)	(4)	(5)	(6)	(7)
		Rate	Basis	Total Amount	Amount Charged to Operating Expense	Jurisdictional Factor	Jurisdictional Amount	Jurisdictional Amount Charged to Operating Expenses
(\$000)								
<b>1. Revenue Taxes</b>								
2.	Fla. Gross Receipts	0.025	Revenue	14,423	14,423	1.0000000	14,423	14,423
3.	Regulatory Assessment Fee	0.00072	Revenue	427	427	1.0000000	427	427
4.	Municipal Franchise Fee	Various	Revenue	9,167	9,167	1.0000000	9,167	9,167
5.	County Franchise Fee	Various	Revenue	8,749	8,749	1.0000000	8,749	8,749
<b>6. Real Estate and Property Taxes</b>								
7.	Real and Personal Property	Various	Assessed Value	17,687	17,646	0.9498689	16,800	16,761
<b>8. Payroll Taxes</b>								
9.	Old Age Benefits (FICA)	.0765	Wages	6,230	5,056	0.9576190	5,966	4,842
10.	Federal Unemployment Tax	.008	Wages	88	82	0.9576190	84	79
11.	State Unemployment Tax	Various	Wages	26	23	0.9576190	25	22
<b>12. Miscellaneous</b>								
13.	Mississippi Franchise Tax	.0025	Taxable Capital	158	158	0.9642857	152	152
14.	Other Taxes	Various	Various	179	174	0.9827586	176	171
Total				<u>57,134</u>	<u>55,905</u>			

159

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of taxes other than income taxes for the test year and the prior year. For each tax, indicate the amount charged to operating expenses.

Type of Data Shown:  
 XX Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Test Year Ended 12/31/00  
 Witness: R.J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO. 010949-EI

Line No.	Type of Tax	(1)	(2)	(3)	(4)	(5) Jurisdictional		(7)
		Rate	Basis	Total Amount	Amount Charged to Operating Expense	Factor	Amount	Jurisdictional Amount Charged to Operating Expenses
				(\$000)	(\$000)			
<b>1. Revenue Taxes</b>								
2.	Fla. Gross Receipts	0.025	Revenue	15,228	15,228	1.0000000	15,228	15,228
3.	Regulatory Assessment Fee	0.00072	Revenue	451	451	1.0000000	451	451
4.	Municipal Franchise Fee	Various	Revenue	9,438	9,438	1.0000000	9,438	9,438
5.	County Franchise Fee	Various	Revenue	9,008	9,008	1.0000000	9,008	9,008
<b>6. Real Estate and Property Taxes</b>								
7.	Real and Personal Property	Various	Assessed Value	20,024	19,971	0.9498689	19,020	18,970
<b>8. Payroll Taxes</b>								
9.	Old Age Benefits (FICA)	.0765	Wages	6,410	5,199	0.9576190	6,138	4,979
10.	Federal Unemployment Tax	.008	Wages	92	85	0.9576190	88	81
11.	State Unemployment Tax	Various	Wages	28	25	0.9576190	27	24
<b>12. Miscellaneous</b>								
13.	Mississippi Franchise Tax	.0025	Taxable Capital	167	167	0.9642857	161	161
14.	Other Taxes	Various	Various	178	174	0.9827586	175	171
<b>Total</b>				<u>61,024</u>	<u>59,746</u>			

159

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a calculation of the Gross Receipts Tax and Regulatory Assessment Fee for the test year and prior year.

Type of Data Shown:

X Projected Test Year Ended 5/31/03

X Prior Year Ended 5/31/02

X Historical Year Ended 12/31/00

Witness: R.J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

Line No.		GROSS RECEIPTS TAX			(\$000)	REGULATORY ASSESSMENT FEE		
		HISTORICAL YEAR	PRIOR YEAR	TEST YEAR		HISTORICAL YEAR	PRIOR YEAR	TEST YEAR
1.	TOTAL OPERATING REVENUES	\$ 714,319	\$ 703,659	\$ 766,491		\$ 714,319	\$ 703,659	\$ 766,491
2.	ADJUSTMENTS:							
3.	Less: Miscellaneous Service Revenues	2,491	2,928	3,000		0	0	0
4.	Rent - Electric Property	5,323	4,624	4,837		0	0	0
5.	O/U Recovery - Fuel, Conservation	(13,523)	0	0		0	0	0
6.	Other Operating Revenues	5,017	6,199	6,247		0	0	0
7.	Non - Territorial Sales	121,236	97,683	127,543		121,236	97,683	127,543
8.	Sales for Resale - Territorial	12,649	12,734	13,261		12,649	12,734	13,261
9.	Unbilled Revenue	3,817	2,568	2,539		0	0	0
10.	Base Rate Sharing	(6,935)	0	0		0	0	0
11.	Bad Debts	1,409	0	0		0	0	0
	Telecommunication Costs	(1,040)	0	0		0	0	0
	Interdepartmental Sales -Non Utility	30	0	0		0	0	0
12.	TOTAL ADJUSTMENTS	130,474	126,736	157,427		133,885	110,417	140,804
13.	ADJUSTED OPERATING REVENUES	583,845	576,923	609,064		580,434	593,242	625,687
14.	TAX RATE	0.025	0.025	0.025		0.001	0.001	0.001
15.	TAX AMOUNT PER GULF POWER BUDGET	14,596	14,423	15,228		418	427	451

160

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide the calculation of state deferred income taxes for the test year. Provide detail on other items resulting in tax deferrals besides accelerated depreciation.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year 12/31/00  
 Witness: R. J. McMillan

(000's)

Line No	Total Utility	Jurisdictional	
		Factor	Amount
1	Property Related State Deferred Taxes		
2	Tax Depreciation		(70,039)
3	Book Depreciation		78,855
4	Non Deductible Book Depreciation		(1,708)
5	Book Basis Adjustments		(5,816)
6	Capitalized Depreciation		(120)
7	Retirement Activities		(2,223)
8	Tax Basis Adjustments		14,550
9	Total Property Related Items		13,499
10	Tax Rate		5.50%
11	Tax at Current Rates		743
12	Tax Rate Differential		(63)
13	Property Related State Deferred Taxes		680

161

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide the calculation of state deferred income taxes for the test year. Provide detail on other items resulting in tax deferrals besides accelerated depreciation.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year 12/31/00

Witness: R. J. McMillan

(000's)

Line No	Total Utility	Jurisdictional	
		Factor	Amount
14	Non Property Related State Deferred Taxes		
15	Property Insurance	174	
16	Injuries and Damages	(1)	
17	Career Transition	(4)	
18	SCS Early Retirement Plans	(1)	
19	AT&T Lease	(1)	
20	ITC Delta Comm Fiber Optics	(8)	
21	Railcar Rental	(7)	
22	Loss on Sale of Railcars	(2)	
23	Outside Directors Pension Plans	-	
24	Group Medical Insurance	(14)	
25	Post Retirement Life and Medical	120	
26	Merchandise Deferred Revenue	(2)	
27	Deferred Directors and Employees Compensation	17	
28	Supplemental Benefits	19	
29	Third Floor	(28)	
30	Accrued Vacation	(1)	
31	Loss on Reacquired Debt	73	
32	Prepaid Pensions	(309)	
33	Total Non-Property Related State Deferred Taxes	<u>25</u>	
34	Total Property and Non-Property Related State Deferred Income Taxes	<u>705</u>	0.8624113 <u>608</u>
35	FASB 109 Related State Deferred Taxes		
36	Property	(191)	
37	Investment Tax Credit	(158)	
38	Total FASB 109 Related State Deferred Taxes	<u>(349)</u>	

152

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide the calculation of federal deferred income taxes for the test year. Provide detail on other items resulting in tax deferrals besides accelerated depreciation.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year 12/31/00  
 Witness: R. J. McMillan

(000's)

Line No		Total Utility	Factor	Jurisdictional Amount
1	Property Related Federal Deferred Taxes			
2	Tax Depreciation	(69,548)		
3	Book Depreciation	78,855		
4	Non Deductible Book Depreciation	(1,853)		
5	Book Basis Adjustments	(5,816)		
6	Capitalized Depreciation	(120)		
7	Retirement Activities	(2,229)		
8	Tax Basis Adjustments	<u>14,550</u>		
9	Total Property Related Items	13,839		
10	Tax Rate	<u>35.0%</u>		
11	Tax at Current Rates	4,844		
12	Tax Rate Differential	1,625		
13	State Deferred Tax Impact at Current Rates	(260)		
14	State Deferred Tax Impact Rate Differential	<u>(71)</u>		
15	Property Related Federal Deferred Taxes	6,138		

103

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of federal deferred income taxes for the test year. Provide detail on other items resulting in tax deferrals besides accelerated depreciation.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year 12/31/00  
 Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

(000's)

Line No	Total Utility	Factor	Jurisdictional Amount
16	Non Property Related Deferred Taxes		
17	Property Insurance		1,051
18	Injuries and Damages		(4)
19	Career Transition		(25)
20	SCS Early Retirement Plans		(9)
21	AT&T Lease		(7)
22	ITC Delta Comm Fiber Optics		(51)
23	Railcar Rental		(44)
24	Loss on Sale of Railcars		(13)
25	Outside Directors Pension Plans		(1)
26	Group Medical Insurance		(83)
27	Post Retirement Life and Medical		724
28	Merchandise Deferred Revenue		(12)
29	Deferred Directors and Employees Compensation		102
30	Supplemental Benefits		118
31	Third Floor		(167)
32	Accrued Vacation		(8)
33	Loss on Reacquired Debt		441
34	Prepaid Pensions		<u>(1,854)</u>
35	Total Non-Property Related Federal Deferred Taxes		<u>158</u>
36	Total Property and Non-Property Federal Deferred Income Taxes	0.922014	<u>5,805</u>
37	FASB 109 Related Federal Deferred Taxes		
38	Property		(3,026)
39	Investment Tax Credit		<u>(953)</u>
40	Total FASB 109 Related Federal Deferred Taxes		<u>(3,979)</u>

164

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide the information required to present the excess deferred tax balances due to protected and unprotected timing differences at statutory tax rates in excess of the current tax rate. The protected deferred tax balances represent timing differences due to life and method effect on depreciation rates.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

\_\_\_ Historical Year 12/31/00

Witness: R. J. McMillan

(000'S)

165

	Timing Differences		Current Deferred Taxes		Historic Deferred Taxes		Protected (Excess)		Unprotected (Excess)		
	Federal	State	Federal 35.0%	State 5.5%	Federal	State	Federal	State	Federal	State	
1	PROPERTY RELATED EXCESS DEFERRED TAXES:										
2	Timing:										
3	AFUDC Debt	20,167	18,875	7,058	1,038	7,629	1,015			(571)	23
4	Cost of Removal	(142,620)	(142,620)	(49,917)	(7,844)	(50,963)	(7,833)	298	21 (a)	748	(32)
5	Indirect Costs	15,337	14,404	5,368	792	6,637	755			(1,269)	37
6	Life Variance	43,188	49,872	15,116	2,743	16,549	2,681			(1,433)	62
7	Method	51,591	79,731	18,057	4,385	22,550	4,157	(4,493)	228	-	
8	Method Life	458,667	429,988	160,533	23,649	163,639	23,621	(3,106)	28	-	
9	Other Deferred	11,451	9,810	4,008	540	5,558	486			(1,550)	54
10	Repair Allowances	9,231	9,230	3,231	508	3,177	508			54	-
11	Tax Basis	(59,497)	(59,497)	(20,824)	(3,272)	(20,773)	(3,273)			(51)	1
12	State Deferred										
13	Income Tax Impact			(7,889)		(8,373)	-	389	(b)	95	-
14	Total Property Related	<u>407,515</u>	<u>409,793</u>	<u>134,741</u>	<u>22,539</u>	<u>145,630</u>	<u>22,117</u>	<u>(6,912)</u>	<u>277</u>	<u>(3,977)</u>	<u>145</u>
15	(a) COST OF REMOVAL - PROTECTED										
16	Cost of Removal	(114,377)	(114,377)	(40,032)	(6,291)	(40,330)	(6,270)	298	21 (a)		-
17	(b) OFFSET RATE DIFFERENTIAL - PROTECTED										
18	Method	-	79,731	(1,535)	4,385	(1,860)		325		-	
19	Method Life	-	429,988	(8,277)	23,649	(8,344)		67		-	
20	Cost of Removal	-	(114,377)	2,202	(6,291)	2,205		(3)		-	
21								<u>389</u>	(b)		

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of state and federal income taxes for the test year. Provide detail on adjustments to income and investment tax credits generated.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

\_\_\_ Historical Year 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

(000's)

166

Line No.	Description	Total Utility \$	Jurisdictional	
			Factor	Amount \$
1	Utility Taxable Operating Income	98,543		
2	Less: Interest Charges	<u>(47,360)</u>		
3		51,183		
4	Other (Deductions) / Additions:			
5	Meals and Entertainment	340		
6	Preferred Stock Deduction	(20)		
7	Amortization of ITC	(1,831)		
8	Excess Book Over Tax Depreciation	1,855		
9	Other	<u>0</u>		
10	Taxable Income	51,527		
11	Adjustments to State Taxable Income	<u>13,813</u>		
12	State Taxable Income	65,340		
13	State Income Tax Rate	x <u>5.5%</u>		
14	State Income Tax Currently Payable	3,594	0.8764608	3,150
15	State Income Tax Deferred	<u>(705)</u>	0.8624113	<u>(608)</u>
16	State Income Taxes	<u>2,889</u>		<u>2,542</u>

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of state and federal income taxes for the test year. Provide detail on adjustments to income and investment tax credits generated.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year 12/31/00  
 Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

(000's)

Line No.	Total Utility \$	Jurisdictional	
		Factor	Amount \$
17	Adjustments to Federal Taxable Income		10,660
18	Federal Taxable Income (Line 10 + Line 17)		62,187
19	Federal Income Tax Rate	x	35%
20	Federal Income Tax Currently Payable	0.8779692	19,109
21	Federal income Tax Deferred	0.9220140	(5,805)
22	Federal Income Taxes		<u>13,304</u>

167

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of state and federal income taxes for the test year. Provide detail on adjustments to income and investment tax credits generated.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

\_\_\_ Historical Year 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

(000's)

168

Line No.	Total Utility \$	Jurisdictional	
		Factor	Amount \$
23	<u>Line 11 - Adjustments to State Taxable Income</u>		
24	Excess Book Depreciation	(145)	
25	State Exemption	(5)	
26	State Rate Change (63 / .055)	1,145	
27	State Timing Difference (705 / .055)	<u>12,818</u>	
28		<u>13,813</u>	
29	<u>Line 17 - Adjustments to Federal Taxable Income</u>		
30	State Income Tax	(2,889)	
31	Rate Change (1554 / .35)	(4,440)	
32	Federal Timing Difference (6296 / .35)	<u>17,989</u>	
33		<u>10,660</u>	

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

EXPLANATION: Provide a reconciliation of the tax expense in the filing with the tax check figure. Provide on a per book basis and at the revenue requested. If a projected test year is used, provide both on a projected and historical basis. If a year end rate base is used, provide on both a year-end and 13 months average basis. If a formula working capital is used, provide on that basis and on the basis of a balance sheet working capital calculation.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 XX Historical Year Ended 12/31/00  
 Witness: R.J. McMillan

169

Line No.		Federal (000's)	State (000's)	Total (000's)
1	Net Operating Income	88,235	88,234	
2	Add: Income Taxes	27,018	31,647	
3	Deduct: Interest Charges	<u>(34,285)</u>	<u>(34,285)</u>	
4				
5	Taxable Income	<u>80,968</u>	<u>85,596</u>	
6				
7				
8	Adjustments to Taxable Income:			
9	Reverse Flow Through	1,791	1,653	
10	Non - deductible Expenses	0	0	
11	Meals and Entertainment	326	326	
12	Florida Emergency Excise Tax	0	0	
13	Preferred Stock Deduction	(20)	(20)	
14	Amorization of ITC	(1,834)	(1,834)	
15	State Income Tax Exemption	0	(5)	
16	Miscellaneous	<u>275</u>	<u>275</u>	
17				
18	Total Adjustments	<u>538</u>	<u>395</u>	
19				
20				
21	Taxable Income as Adjusted	81,506	85,991	
22	Statutory Tax Rates	<u>35%</u>	<u>5.5%</u>	
23				
24				
25	Taxes at Statutory Rates	28,527	4,730	33,257
26	Write Off of Excess Deferred Taxes	(1,623)	0	(1,623)
27	Prior Years' Tax Adjustments	<u>114</u>	<u>(101)</u>	<u>13</u>
28				
29	Federal and State Income Tax Expense	<u>27,018</u>	<u>4,629</u>	<u>31,647</u>
30				
31				
32	Tax Expense in Filing			<u>31,647</u>
33				
34	Difference			<u>0</u>
35				
36				

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 930139-EI

EXPLANATION: Provide a reconciliation of the tax expense in the filing with the tax check figure. Provide on a per book basis and at the revenue requested. If a projected test year is used, provide both on a projected and historical basis. If a year end rate base is used, provide on both a year-end and 13 months average basis. If a formula working capital is used, provide on that basis and on the basis of a balance sheet working capital calculation.

Type of Data Shown: Type of Data Shown:  
 Projected Test Year Ended 12/31/94  
 XX Prior Year Ended 12/31/93  
 Historical Year Ended 12/31/92  
 Witness: R.J. McMillan

Line No.		Federal (000's)	State (000's)	Total (000's)
1	Net Operating Income	82,815	82,815	
2	Add: Income Taxes	20,662	24,418	
3	Deduct: Interest Charges	<u>(40,290)</u>	<u>(40,290)</u>	
4				
5	Taxable Income	<u>63,187</u>	<u>66,943</u>	
6				
7				
8	Adjustments to Taxable Income:			
9	Reverse Flow Through	1,901	1,741	
10	Non - deductible Expenses	0	0	
11	Meals and Entertainment	340	340	
12	Florida Emergency Excise Tax	0	0	
13	Preferred Stock Deduction	(20)	(20)	
14	Amortization of ITC	(1,832)	(1,832)	
15	State Income Tax Exemption	0	(5)	
16	Miscellaneous (Includes AFUDC Equity)	<u>0</u>	<u>0</u>	
17				
18	Total Adjustments	<u>389</u>	<u>224</u>	
19				
20				
21	Taxable Income as Adjusted	63,576	67,167	
22	Statutory Tax Rates	<u>35%</u>	<u>5.5%</u>	
23				
24				
25	Taxes at Statutory Rates	22,252	3,694	25,946
26	Write Off of Excess Deferred Taxes	<u>(1,589)</u>	<u>63</u>	<u>(1,526)</u>
27				
28				
29	Federal and State Income Tax Expense	<u>20,663</u>	<u>3,757</u>	<u>24,420</u>
30				
31				
32	Tax Expense in Filing			<u>24,418</u>
33				
34	Difference			<u>2</u>
35				
36				

Supporting Schedules:

Recap Schedules: C-42

170

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a reconciliation of the tax expense in the filing with the tax check figure. Provide on a per book basis and at the revenue requested. If a projected test year is used, provide both on a projected and historical basis. If a year end rate base is used, provide on both a year-end and 13 months average basis. If a formula working capital is used, provide on that basis and on the basis of a balance sheet working capital calculation.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

Witness: R.J. McMillan

Line No.		Federal (000's)	State (000's)	Total (000's)
1	Net Operating Income	80,185	80,185	
2	Add: Income Taxes	15,469	18,358	
3	Deduct: Interest Charges	<u>(47,360)</u>	<u>(47,360)</u>	
4				
5	Taxable Income	<u>48,294</u>	<u>51,183</u>	
6				
7				
8	Adjustments to Taxable Income:			
9	Reverse Flow Through	1,855	1,710	
10	Non - deductible Expenses	0	0	
11	Meals and Entertainment	340	340	
12	Florida Emergency Excise Tax	0	0	
13	Preferred Stock Deduction	(20)	(20)	
14	Amortization of ITC	(1,831)	(1,831)	
15	State Income Tax Exemption	0	(5)	
16	Miscellaneous	<u>0</u>	<u>0</u>	
17				
18	Total Adjustments	<u>344</u>	<u>194</u>	
19				
20				
21	Taxable Income as Adjusted	48,638	51,377	
22	Statutory Tax Rates	<u>35%</u>	<u>5.5%</u>	
23				
24				
25	Taxes at Statutory Rates	17,023	2,826	19,849
26	Write Off of Excess Deferred Taxes	(1,554)	63	(1,491)
27	Effect of Prior Tax Year Adjustments	<u>0</u>	<u>0</u>	<u>0</u>
28				
29				
30	Federal and State Income Tax Expense	<u>15,469</u>	<u>2,889</u>	<u>18,358</u>
31				
32				
33	Tax Expense in Filing			<u>18,358</u>
34				
35	Difference			<u>0</u>
36				
37				

171

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

EXPLANATION: Provide a reconciliation of the tax expense in the filing with the tax check figure. Provide on a per book basis and at the revenue requested. If a projected test year is used, provide both on a projected and historical basis. If a year end rate base is used, provide on both a year-end and 13 months average basis. If a formula working capital is used, provide on that basis and on the basis of a balance sheet working capital calculation.

Type of Data Shown:  
 XX Projected Test Year Ended 5/31/03  
 Prior Year Ended  
 Historical Year Ended 12/31/00  
 Witness: R.J. McMillan

Line No.	Jurisdictional Rate Base	Weighted Cost Rate	Costed Equity (000's)	Federal (000's)	State (000's)	Total (000's)
1	Common Equity	1,198,502	0.0534	64,000		
2	Preferred Stock	1,198,502	0.0042	5,034		
3	Post 1970 JDIC	1,198,502	0.0009	1,079		
4	Total			<u>70,113</u>	70,113	70,113
5						
6	Taxes - Federal			36,013	36,013	
7	- State				6,318	
8	Total			<u>106,126</u>	<u>112,444</u>	
9						
10	Adjustments to Book Taxable Income:					
11	Reversal of Timing Differences Flowed Through			1,593	2,491	
12	Amortization of ITC			(1,289)	(1,289)	
13	Other			276	(434)	
14	Total Adjustments			<u>580</u>	<u>768</u>	
15						
16	Adjusted Taxable Income			106,706	113,212	
17	Statutory Tax Rates			<u>0.35</u>	<u>0.055</u>	
18						
19	Tax Expense at Statutory Rate			37,347	6,227	
20	Write off of Excess Deferred Taxes			<u>(1,334)</u>	<u>91</u>	
21						
22	Tax Expense Adjusted			36,013	6,318	42,331
23						
24	Tax Expense in Filing					<u>42,331</u>
25						
26	Difference					<u>0</u>
27						
28						
29						
30						
31						
32						
33						

172

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET: 010949-EI

EXPLANATION: Provide the amount of interest expense used to calculate jurisdictional net operating income taxes on Schedules C-1 & C-2. Explain any changes in interest expense in detail giving amount of change and reason for change. If the basis for allocating interest used in the tax calculation differs from the basis used in allocating current income taxes payable, the differing basis should be clearly identified.

Type of Data Shown:  
 \_\_\_ Projected Test Year Ended 5/31/03  
XX Prior Year Ended 5/31/02  
XX Historical Year Ended 12/31/00  
 Witness: R.J. McMillan

(000's)

Line No.	Description	(A) Historical Year Ended 12/31/00	(B) Prior Year Ended 5/31/02	(C) Amount of Change	(D) Reason for Change
1.	Interest on First Mortgage Bonds	5,525	5,520	(5)	No Change
2.	Interest on Pollution Control Bonds	8,866	8,736	(130)	This change is a result of the increases and decreases of the variable rate pollution control bonds already outstanding. These rates are forecast as follows: Second Quarter 200 3.95% Third Quarter 2001 3.95% (Applied to \$60,930,000 of Principal) Fourth Quarter 2001 3.95% First Quarter 2002 3.95% Second Quarter 2002 3.95%
4.	Interest on Other Long-Term Debt	8,231	17,613	9,382	Issued \$80,000,000, 7.75% 30 year Note in June, 2001. Issued \$20,000,000, 7.05% 10 year Note in June, 2001. Issued \$10,000,000, 7.65% 30 year Note in October, 2001. Issued \$10,000,000, 7.30% 10 year Note in October, 2001. Issued \$30,000,000, 7.50%, 10 year Note in March, 2002. Issued \$12,000,000, 7.70%, 30 year Note in March, 2003.
5	Trust Preferred Stock	6,200	7,850	1,650	Issued \$20,000,000, 8.25%, 40 year term in October, 2001. Issued \$10,000,000, 8.25%, 40 year term in October, 2001.

173

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

EXPLANATION Provide the amount of interest expense used to calculate jurisdictional net operating income taxes on Schedules C-1 & C-2. Explain any changes in interest expense in detail giving amount of change and reason for change. If the basis for allocating interest used in the tax calculation differs from the basis used in allocating current income taxes payable, the differing basis should be clearly identified.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02XX Historical Year Ended 12/31/00

Witness: R.J. McMillan

(000's)

Line No.	Description	(A)	(B)	(C)	(D) Reason for Change
		Historical Year Ended 12/31/00	Prior Year Ended 5/31/02	Amount of Change	
6	Amortization of Debt, Discount, Premium, Issuing Expense & Loss on Reacquired Debt	2,047	1,914	(133)	Amortization related to various financings/refinancings.
7	Interest on Interim Indebtedness	2,804	1,675	(1,129)	Decrease in Short-Term Debt due to issue of long term notes and Trust Preferred issued to finance Smith CC.
8	Other Interest Expense	1,052	1,080	28	Increase in Miscellaneous Interest .
9	Allowance for Funds Used During Construction	<u>(440)</u>	<u>(4,098)</u>	<u>(3,658)</u>	Increase in CWIP Eligible for Calculation of AFUDC.
10.	Total Interest Expense	<u>34,285</u>	<u>40,290</u>	<u>6,005</u>	
11.	Jurisdictional Factor		<u>0.8906428</u>		
12	Jurisdictional Interest Expense		<u>35,884</u>		

Supporting Schedules:

Recap Schedules:

174

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET: 010949-EI

EXPLANATION Provide the amount of interest expense used to calculate jurisdictional net operating income taxes on Schedules C-1 & C-2. Explain any changes in interest expense in detail giving amount of change and reason for change. If the basis for allocating interest used in the tax calculation differs from the basis used in allocating current income taxes payable, the differing basis should be clearly identified.

Type of Data Shown:  
XX Projected Test Year Ended 5/31/03  
XX Prior Year Ended 5/31/02  
 \_\_\_ Historical Year Ended 12/31/00  
 Witness: R.J. McMillan

(000's)

Line No.	Description	(A)	(B)	(C)	(D)
		Prior Year Ended 5/31/02	Test Year Ended 5/31/03	Amount of Change	
1.	Interest on First Mortgage Bonds	5,520	5,520	0	No Change
2.	Interest on Pollution Control Bonds	8,736	8,925	189	This change is a result of the increases and decreases of the variable rate pollution control bonds already outstanding. These rates are forecast as follows: Second Quarter 200 3.95% Third Quarter 2001 3.95% (Applied to \$60,930,000 of Principal) Fourth Quarter 2001 3.95% First Quarter 2002 3.95% Second Quarter 2002 3.95% Third Quarter 2002 4.25% Fourth Quarter 2002 4.30% First Quarter 2003 4.30% Second Quarter 2003 4.30%
4	Interest on Other Long-Term Debt	17,613	20,520	2,907	Issued \$80,000,000, 7.75% 30 year Note in June, 2001. Issued \$20,000,000, 7.05% 10 year Note in June, 2001. Issued \$10,000,000, 7.65% 30 year Note in October, 2001. Issued \$10,000,000, 7.30% 10 year Note in October, 2001. Issued \$30,000,000, 7.50%, 10 year Note in March, 2002. Issued \$12,000,000, 7.70%, 30 year Note in March, 2003.
5	Trust Preferred Stock	7,850	8,676	826	Issued \$20,000,000, 8.25%, 40 year term in October, 2001. Issued \$10,000,000, 8.25%, 40 year term in October, 2001.

175

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET: 010949-EI

EXPLANATION Provide the amount of interest expense used to calculate jurisdictional net operating income taxes on Schedules C-1 & C-2. Explain any changes in interest expense in detail giving amount of change and reason for change. If the basis for allocating interest used in the tax calculation differs from the basis used in allocating current income taxes payable, the differing basis should be clearly identified.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Year Ended 12/31/00  
 Witness: R.J. McMillan

(000's)

Line No.	Description	(A) Prior Year Ended 5/31/02	(B) Test Year Ended 5/31/03	(C) Amount of Change	(D) Reason for Change
6	Amortization of Debt, Discount, Premium, Issuing Expense & Loss on Reacquired Debt	1,914	1,831	(83)	Amortization related to various financings/refinancings.
7	Interest on Interim Indebtedness	1,675	1,192	(483)	Decrease in Short-Term Debt due to issue of long term notes issued to finance Smith CC.
8	Other Interest Expense	1,080	921	(159)	Decrease in Miscellaneous Interest .
9	Allowance for Funds Used During Construction	<u>(4,098)</u>	<u>(225)</u>	<u>3,873</u>	Decrease in CWIP Eligible for Calculation of AFUDC.
10.	Total Interest Expense	<u>40,290</u>	<u>47,360</u>	<u>7,070</u>	
11.	Jurisdictional Factor		<u>0.9061022</u>		
12	Jurisdictional Interest Expense		<u>42,913</u>		

176

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide a summary of the specific tax effects (in dollars) of filing a consolidated return for the test year.	Type of Data Shown:
COMPANY: Gulf Power Company	Identify the nature and amount of benefits to the company and to the ratepayers. Provide a copy of any existing tax-sharing agreements with affiliated companies.	<u>XX</u> Projected Test Year Ended 5/31/03
DOCKET NO.: 010949-EI		<u>XX</u> Prior Year Ended 5/31/02
		<u>XX</u> Historical Year 12/31/00
		Witness: R. J. McMillan

For the Southern system, the only tax effect that occurs from the filing of a consolidated Federal Income Tax Return relates to the allocation of Southern Company's Tax loss on taxable income to the members of the consolidated group. Prior to 1999, the allocation of Southern Company's tax loss was recorded as a reduction to income tax expense at Gulf Power. Beginning in 1999, Gulf Power began recording their portion of the tax loss from Southern Company as a capital contribution. The reduction in income tax expense is now recorded at The Southern Company. Gulf's portion of The Southern Company's liability or refund is determined by the Securities and Exchange Commission.

The Southern Company's consolidated tax reduction should not be treated as a reduction in Gulf Power Company's tax expense for ratemaking purposes because the related expenses creating the benefit have not been included in expenses for ratemaking purposes.

The tax loss of The Southern Company results from the deductions of various corporate expenses of The Southern Company such as Annual Report costs, director's fees and expenses, stockholders' meeting expenses, transfer agents and dividend paying agent's fees and expenses, legal fees and interest expenses. These expenses of The Southern Company are not paid by Gulf Power Company, its ratepayers or any other company included in this affiliated group. These expenses are borne solely by the stockholders of The Southern Company rather than the ratepayers of Gulf Power Company.

If The Southern Company were to allocate its expenses to the operating companies, and if these expenses were included in the computation of Gulf's net operating income for ratemaking purposes, then, and only then, would it be appropriate for the related tax reduction to be included as an adjustment and "passed on."

The requested information will be made available for your review at the Company's General Office located at 500 Bayfront Parkway, Pensacola, FL 32501.

177

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: Gulf Power Company

DOCKET NO.: 010949-EI

EXPLANATION: Provide a copy of the company's most recent consolidated Federal Income Tax Return, State Income Tax Return and most recent final IRS revenue agent's report.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year 12/31/00

Witness: R. J. McMillan

Gulf's portion of the Consolidated Federal Income Tax Return and Gulf's section of the most recent final IRS revenue agent's report along with the State Income Tax Return will be made available for your review at the Company's General Office located at 500 Bayfront Parkway, Pensacola, FL 32501.

The remaining portions of the Consolidated Return and the IRS agent's report are located at 241 Ralph McGill Blvd., Atlanta, GA 30308-3374.

178

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide information required in order to adjust income tax expenses by reason of interest expense of parent(s) that may be invested in the equity of the utility in question. If year end rate base is used, provide on both a year end and 13 month average basis. If a projected test period is used, provide on both a projected and historical basis.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

XX Prior Year Ended 05/31/02

XX Historical Test Year Ended 12/31/00

Witness: R. J. McMillan

Not Applicable. The only debt outstanding for the parent represents commercial paper. Commercial paper is used to meet the short-term cash needs of Southern Company, not as a permanent source for investments.

179

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a reconciliation between the total operating income tax provision for the test period and the currently payable income taxes on operating income for the test period. The reconciling amounts should equal deferred taxes on operating income for the period. Explain any differences.

Type of Data Shown:  
 Projected Test Year Ended 5/31/03  
 Prior Year Ended 5/31/02  
 Historical Test Year Ended 12/31/00  
 Witness: R.J. McMillan

Line No	Description	Amount
1.	Total Operating Income Tax Provision	16,527 *
2.	Less: Deferred Federal and State Income Taxes on Operating Income	(7,001)
3.	Current Year Investment Tax Credit on Utility Assets	-
4.	Add: Investment Tax Credit Amortization on Utility Assets	1,831
5.	Current Income Tax Provision on Operating Income	<u>25,359</u>

\* Includes Amortization of ITC

180

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the requested miscellaneous tax information.

Type of Data Shown:

COMPANY: Gulf Power Company

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year 12/31/00

DOCKET NO.: 010949-EI

Witness: R. J. McMillan

1	For profit and loss purposes, which IRC section 1552				
2	method is used for tax allocation?	1552(a)(1)			
3	What tax years are open with the IRS?	1988 and forward			
4	Is the treatment of customer deposits at issues with the IRS?	No.			
5	For the last five tax years, what dollars were paid to or	1996	1997	1998	1999
6	received from the parent for federal income taxes?	\$32,705,205	\$31,322,591	\$30,232,203	\$29,545,780
					2000
					\$32,974,000

7 How were the amounts on line 6 treated? Estimated payments were remitted to The Southern Company (parent)  
 8 who remitted the consolidated payment to the IRS.

9 For each of the last five years, what was the dollar amount of  
 10 interest deducted on the parent ONLY tax return? Southern Company files a consolidated tax return and does not have a parent only tax return.

11	Complete the following chart for the last five years:	Income (loss)				
12		Book Basis				
13		Year				
14		1996	1997	1998	1999	2000
15	Parent Only	(\$17,184,181)	(\$88,414,925)	(\$89,528,446)	(\$146,780,312)	(\$129,622,389)
16	Applicant Only	\$63,609,962	\$61,227,114	\$57,156,852	\$53,883,612	\$52,076,988
17	Total Group	\$1,127,061,493	\$971,576,114	\$976,556,190	\$1,275,667,555	\$1,312,991,848
18	Total Group Excluding	\$1,080,635,712	\$998,763,925	\$1,008,927,784	\$1,368,564,255	\$1,390,537,249
19	Parent & Applicant					

Supporting Schedules:

Recap Schedules:

181

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the requested miscellaneous tax information.

Type of Data Shown:

COMPANY: Gulf Power Company

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year 12/31/00

DOCKET NO.: 010949-EI

Witness: R. J. McMillan

	Tax Basis					
	Year					
	1996	1997	1998	1999	2000	
1						
2						
3						
4	Parent Only	(\$41,048,637)	(\$111,829,618)	(\$106,735,121)	(\$137,517,791)	(\$218,411,814)
5						
6	Applicant Only	\$94,362,684	\$93,617,138	\$89,800,072	\$90,403,968	\$102,876,494
7	Total Group	\$1,646,318,625	\$1,612,374,173	\$1,751,371,467	\$1,284,704,741	\$1,437,040,537
8	Total Group Excluding	\$1,593,004,578	\$1,630,586,653	\$1,768,306,516	\$1,331,818,564	\$1,552,575,857
9	Parent & Applicant					

10 Detail for Page 1, Line 6

	Gulf Power Company					
	Summary of Estimated Tax Payments (Refunds)					
	1996	1997	1998	1999	2000	
11						
12	Tax Year					
13	1st Installment	2,864,000	8,002,800	1,264,000	(1,000,000)	1,902,000
14	2nd Installment	2,335,000	2,827,000	694,000	-	(270,000)
15	3rd Installment	11,707,000	3,909,000	17,605,000	9,525,000	12,967,000
16	4th Installment	16,247,000	18,025,000	15,364,000	18,788,000	16,791,000
17	Form 7004				1,229,438	1,584,000
18	As Filed	(447,795)	(1,441,209)	(4,694,797)	1,003,342	
19	Total	32,705,205	31,322,591	30,232,203	29,545,780	32,974,000

182

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Supply a statement of the company's policy on treatment of profit or loss from reacquired bonds. Detail any profit or loss on reacquired bonds for the test year and prior year.

Type of Data Shown:

Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

Witness: R. R. Labrato

Gulf Power Company treats profits or loss on reacquired bonds in accordance with the Code of Federal Regulations: Title 18; Conservation of Power and Water Resources, Part 101; General Instructions, paragraph 17. The test year and prior year do not include any projected reacquired bonds.

183

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of gains and losses on disposition of plant and property previously used in providing electric service for the test year and the four prior years. List each item with a gain or loss of \$1 million or more, or more than .1% of total plant. List amounts allowed in prior cases, and the test year of such prior cases.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Years 1998-2000  
 Witness: R. R. Labrato

Description of Property	Date Acquired	Date Disposed	Original Classification Account	Reclassification Account(s)	Reclassification Date(s)	Original Amount Recorded	Additions or (Retirements)	Depreciation and Amortization	Net Book Value on Disposal Date	Gain or (Loss)	Amounts Allowed Prior Cases	Prior Cases Test Year Ended
-------------------------	---------------	---------------	---------------------------------	-----------------------------	--------------------------	--------------------------	----------------------------	-------------------------------	---------------------------------	----------------	-----------------------------	-----------------------------

NONE

184

Supporting Schedules:

Recap Schedules:

<p>FLORIDA PUBLIC SERVICE COMMISSION</p> <p>COMPANY: GULF POWER COMPANY</p> <p>DOCKET NO.: 010949-EI</p>	<p>EXPLANATION: Provide a comparison of the change in operation and maintenance expenses (excluding fuel) for the last three years and the test year to CPI.</p>	<p>Type of Data Shown:</p> <p><u>XX</u> Projected Test Year Ended 05/31/03</p> <p><u>XX</u> Prior Year Ended 05/31/02</p> <p><u>XX</u> Historical Year Ended 12/31/00</p> <p><u>XX</u> Historical Year Ended 12/31/99</p> <p>Witness: R. J. McMillan</p>
--	--	--

	1999 Actual	2000 Actual	Prior Year Ended 5/31/02	Test Year Ended 5/31/03
Non-Fuel Operations & Maintenance Expenses (Excluding ECCR & ECRC & Transmission Energy & Capacity adjusted for Regulatory Adjustments).	169,395,085	170,808,356	185,198,906	193,495,417
Percent Change in Non-Fuel Operations & Maintenance Expense Over Previous Year.	-0.0011%	0.8343%	8.4250%	4.4798%
Percent Change in CPI Over Previous Year. (A)	<u>1.3990%</u>	<u>3.3593%</u>	<u>2.6117%</u>	<u>2.4887%</u>
Difference Between Change in CPI and Non-Fuel Operations & Maintenance Expense.	-1.4002%	-2.5250%	5.8133%	1.9911%

185

(A) Source is RFA's 02/01 Forecast

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: For test year functionalized O&M expenses,  
provide the benchmark variances.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Year Ended 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

(\$000)

Line No.	(1) Function	(2) Projected Test Year Total Company Per Books	(3) O&M Adjustments	(4) Adjusted Projected Test Year Total Company	(5) 1990 Base Year Adjusted O&M (See MFR C-55)	(6) Compound Multiplier (See MFR C-56)	(7) Projected Test Year System Benchmark (5)x(6)	(8) System Benchmark Variance (4)-(7)
1	Production - Steam	79,052	(8,182)	70,870	46,945	1.38638	65,084	5,786
2	Production - Other	3,905	0	3,905	47	1.38638	65	3,840
3	Production - Other	2,427	0	2,427	966	1.38638	1,339	1,088
4	Power Supply							
5	Transmission Facility	1,163	0	1,163	1,978	1.83105	3,622	(2,459)
6	Charges							
7	Transmission - Other	6,726	320	7,046	4,159	1.83105	7,615	(569)
8	Distribution	33,799	(751)	33,048	15,196	1.83105	27,825	5,223
9	Customer Accounts	16,605	57	16,662	7,733	1.83105	14,160	2,502
10	Customer Service and	13,907	(3,985)	9,922	5,680	1.83105	10,400	(478)
11	Information							
12	Sales Expense	1,363	(357)	1,006	0	1.83105	0	1,006
13	Production Related A&G	6,493	0	6,493	5,655	1.38638	7,840	(1,347)
14	Administrative and General	35,685	(1,873)	33,812	28,451	1.83105	52,095	(18,283)
15	Total	201,125	(14,771)	186,354	116,810		190,045	(3,691)

185

O & M ADJUSTMENTS BY FUNCTION

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide the detail of adjustments made to test year per books.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R. R. Labrato, R. J. McMillan

DOCKET NO: 010949-EI

Line No.	(1) Function	(2) Test Year System Per Books	(3) Direct Fuel, Fuel-Related Expenses and Purchased Power	(4) Temp Subtotal	(\$000)													(16) Subtotal Adjustments	(17) Total Adjusted O&M
					(5) ECCR	(6) ECRC	(7) Depreciation Study	(8) Economic Development	(9) Industry Assn. Dues	(10) Tallahassee Regulatory Office (SAB No. 36)	(11) Plant Scherer/ UPS	(12) Marketing Support Activities	(13) Chamber Dues	(14) Management Tax Preparation Services	(15) Bulk Power Energy Sales				
1	Production																		
2	Steam Production	297,480	(218,428)	79,052			(2,317)	34				(5,899)						(8,182)	70,870
3	Other Production	94,295	(90,390)	3,905														0	3,905
4	Other Power Supply	20,080	(17,663)	2,427														0	2,427
5	Total Production	411,855	(326,471)	85,384	0		(2,317)	34	0	0	0	(5,899)	0				0	(8,182)	77,202
6	Transmission	8,069	(200)	7,889			283	45				(8)						320	8,209
7	Distribution	33,799		33,799			(1,165)	414										(751)	33,048
8	Customer Accounts	16,605		16,605				57										57	16,662
9	Customer Service & Information	13,907		13,907	(3,991)			6										(3,985)	9,922
10	Sales Expenses	1,363		1,363				(53)					(61)				(243)	(357)	1,006
11	Administrative & General	42,178		42,178	(321)			3		(14)	(226)	(1,310)		(1)		(4)		(1,873)	40,305
12	Total Adjusted System O&M	527,796	(326,671)	201,125	(4,312)	(3,199)	559	(53)	(14)	(226)	(7,217)	(61)	(1)	(4)	(243)		(14,771)	186,354	

187

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide adjustments to benchmark year O&M expenses related to expenses recoverable through mechanisms other than base rates. Explain any adjustments.

Type of Data Shown:

XX Projected Test Year Ended 12/31/90

\_\_\_ Prior Year Ended 05/31/02

\_\_\_ Historical Year Ended 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

(\$000)

Line No.	(1) Description	(2) Steam Production	(3) Other Production	(4) Other Power Supply	(5) Total Production	(6) Transmission Facility Charges	(7) Other Transmission	(8) Total Transmission
1	1990 Budget	233,998	59	3,828	237,885	3,018	4,280	7,298
2	Less: Direct Fuel & Purchase Power	(182,451)	(12)	(7,818)	(190,281)			0
3	Net O&M	51,547	47	(3,990)	47,604	3,018	4,280	7,298
4	Less: Gulf Filed NOI Adjustments							
5	Unit Power Sales	(4,024)			(4,024)	(617)	(6)	(623)
6	ECCR				0			0
7	Marketing Support Activity				0			0
8	General & Nat'l Advertising				0			0
9	Industry Association Dues				0			0
10	Investigation Expenses				0			0
11	Adjusted O&M As Filed	47,523	47	(3,990)	43,580	2,401	4,274	6,675
12	Less: Commission Adjustments							
13	Navy House	(1)			(1)		(1)	(1)
14	Plant Scherer	(510)		4,956	4,446		(81)	(81)
15	Non-Recurring	(97)			(97)		(21)	(21)
16	Industry Association Dues				0			0
17	Rate Case Expenses				0			0
18	Cogeneration & Industry Programs				0			0

(1) This adjustment reflects changes in account distributions for certain SCS charges that were charged to A&G in 1990 and are now charged to the functional area receiving the services.

Supporting Schedules:

Recap Schedules: C-53

188

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide adjustments to benchmark year O&M expenses related to expenses recoverable through mechanisms other than base rates. Explain any adjustments.

Type of Data Shown:

 Projected Test Year Ended 12/31/90 Prior Year Ended 05/31/02 Historical Year Ended 12/31/00

COMPANY: GULF POWER COMPANY

Witness: R. J. McMillan

DOCKET NO: 010949-EI

(\$000)

Line No.	(1) Description	(9) Distribution	(10) Customer Accounts	(11) Customer Service & Information	(12) Sales	(13) Production Related A&G	(14) Non- Production A&G	(15) Total A&G	(16) Total Operation & Maintenance
1	1990 Budget	14,530	7,779	7,066	835	5,655	33,812	39,467	314,860
2	Less: Direct Fuel & Purchase Power							0	(190,281)
3	Net O&M	14,530	7,779	7,066	835	5,655	33,812	39,467	124,579
4	Less: Gulf Filed NOI Adjustments								
5	Unit Power Sales						(1,176)	(1,176)	(5,823)
6	ECCR			(1,640)			(147)	(147)	(1,787)
7	Marketing Support Activity				(148)			0	(148)
8	General & Nat'l Advertising						(226)	(226)	(226)
9	Industry Association Dues						(32)	(32)	(32)
10	Investigation Expenses						(615)	(615)	(615)
11	Adjusted O&M As Filed	14,530	7,779	5,426	687	5,655	31,616	37,271	115,948
12	Less: Commission Adjustments								
13	Navy House						(6)	(6)	(8)
14	Plant Scherer						(148)	(148)	4,217
15	Non-Recurring	(22)					(55)	(55)	(195)
16	Industry Association Dues						(20)	(20)	(20)
17	Rate Case Expenses						(250)	(250)	(250)
18	Cogeneration & Industry Programs			(426)				0	(426)

(1) This adjustment reflects changes in account distributions for certain SCS charges that were charged to A&amp;G in 1990 and are now charged to the functional area receiving the services.

Supporting Schedules:

Recap Schedules: C-53

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide adjustments to benchmark year O&M expenses related to expenses recoverable through mechanisms other than base rates. Explain any adjustments.

Type of Data Shown:

 Projected Test Year Ended 12/31/90 Prior Year Ended 05/31/02 Historical Year Ended 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

(\$000)

Line No.	(1) Description	(2) Steam Production	(3) Other Production	(4) Other Power Supply	(5) Total Production	(6) Transmission Facility Charges	(7) Other Transmission	(8) Total Transmission
19	Good Cents Incentive				0			0
20	Marketing Presentations & Seminars				0			0
21	Shine Against Crime				0			0
22	Economic Development				0			0
23	Lobbying				0			0
24	IRS, Grand Jury, etc.				0			0
25	Research & Development	(43)			(43)			0
26	Transmission Facility Charges				0	(423)		(423)
27	Labor Complement Vacancies	(161)			(161)		(13)	(13)
28	Productivity Improvement Plan				0			0
29	Emp. Relocation & Development				0			0
30	Management Tax Preparation Services				0			0
31	Caryville Subsurface	69			69			0
32	Subtotal FPSC Adjustments	0	(743)	0	4,956	4,213	(423)	(116)
33	1990 System Allowed	47,523	(696)	(3,990)	48,536	6,614	3,851	6,559
34	SCS Functional Adjustments (1)	165			165		1	1
35	Adjusted 1990 System Allowed	47,688	(696)	(3,990)	48,701	6,614	3,852	6,560

(1) This adjustment reflects changes in account distributions for certain SCS charges that were charged to A&amp;G in 1990 and are now charged to the functional area receiving the services.

Supporting Schedules:

Recap Schedules: C-53

190

FLORIDA PUBLIC SERVICE COMMISSION

Explanation: Provide adjustments to benchmark year O&M expenses related to expenses recoverable through mechanisms other than base rates. Explain any adjustments.

Type of Data Shown:

 Projected Test Year Ended 12/31/90 Prior Year Ended 05/31/02 Historical Year Ended 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO: 010949-EI

(\$000)

Line No.	(1) Description	(9) Distribution	(10) Customer Accounts	(11) Customer Service & Information	(12) Sales	(13) Production Related A&G	(14) Non- Production A&G	(15) Total A&G	(16) Total Operation & Maintenance
19	Good Cents Incentive			(50)				0	(50)
20	Marketing Presentations & Seminars			(55)				0	(55)
21	Shine Against Crime			(92)				0	(92)
22	Economic Development				(687)			0	(687)
23	Lobbying						(278)	(278)	(278)
24	IRS, Grand Jury, etc.						(5)	(5)	(5)
25	Research & Development							0	(43)
26	Transmission Facility Charges							0	(423)
27	Labor Complement Vacancies	(55)	(46)	(34)			(104)	(104)	(413)
28	Productivity Improvement Plan						(358)	(358)	(358)
29	Emp. Relocation & Development						(56)	(56)	(56)
30	Management Tax Preparation Services						(65)	(65)	(65)
31	Caryville Subsurface							0	69
32	Subtotal FPSC Adjustments	(77)	(46)	(657)	(687)	0	(1,345)	(1,345)	862
33	1990 System Allowed	14,453	7,733	4,769	0	5,655	30,271	35,926	116,810
34	SCS Functional Adjustments (1)	743		911			(1,820)	(1,820)	0
35	Adjusted 1990 System Allowed	15,196	7,733	5,680	0	5,655	28,451	34,106	116,810

(1) This adjustment reflects changes in account distributions for certain SCS charges that were charged to A&G in 1990 and are now charged to the functional area receiving the services.

Supporting Schedules:

Recap Schedules: C-53

161

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: For each year since the benchmark year, provide the amounts and percent increases associated with customers and average CPI. Show the calculation for each compound multiplier.

Type of Data Shown:  
 XX Projected Year Ended 12/31/02  
 Prior Year Ended 05/31/02  
 Historical Test Year Ended 12/31/00  
 Witness: R. J. McMillan

	(1) Year		(2) Total Average Customers			(5) Average CPI-U			(8) Inflation and Growth Compound Multiplier (4) x (7)
			(3) Amount	(4) % Increase *	(4) Compound Multiplier **	(5) Amount***	(6) % Increase *	(7) Compound Multiplier **	
1	1990	Actual	289,400		1.00000	1.307		1.00000	1.00000
2	1991		294,094	1.622%	1.01622	1.362	4.208%	1.04208	1.05898
3	1992		301,719	2.593%	1.04257	1.403	3.010%	1.07345	1.11914
4	1993		310,419	2.883%	1.07263	1.445	2.994%	1.10559	1.18588
5	1994		318,578	2.628%	1.10082	1.482	2.561%	1.13389	1.24822
6	1995		325,119	2.053%	1.12342	1.524	2.834%	1.16603	1.30995
7	1996		330,571	1.677%	1.14226	1.569	2.953%	1.20046	1.37124
8	1997		340,944	3.138%	1.17811	1.607	2.422%	1.22953	1.44852
9	1998		350,447	2.787%	1.21094	1.644	2.302%	1.25784	1.52318
10	1999		360,113	2.758%	1.24434	1.667	1.399%	1.27544	1.58709
11	2000		367,740	2.118%	1.27070	1.723	3.359%	1.31829	1.67514
12	2001	Budget	374,559	1.854%	1.29426	1.768	2.612%	1.35272	1.75077
13	2002		382,223	2.046%	1.32074	1.812	2.489%	1.38638	1.83105

\* Percent change from prior year to current year.  
 \*\* Current year Col. (2) or Col. (5) divided by the base year (1990) in the same column.  
 \*\*\*Based on RFA 2002 Trendlong Forecast

192

FLORIDA PUBLIC SERVICE COMMISSION COMPANY: GULF POWER COMPANY DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	X Type of Data Shown: Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. J. McMillan; R.G. Moore; M.W. Howell; F.M. Fisher; M.D. Neyman; R.M. Saxon
---	--	---

## INDEX

	<u>Page No.</u>
Summary Justification for each Functional Benchmark Variance	
Summary of Test Year Benchmark Expenses	2
(A) Total Production Summary	
(1) Steam Production	3
(2) Production Other	5
(3) Production Other Power Supply	8
(B) Transmission Facility Charges and Transmission Other	11
(C) Distribution	15
(D) Customer Accounts	26
(E) Customer Service & Information	31
(F) Sales	35
(G) Administrative & General	
(1) Production Related	37
(2) Other	40

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: R. J. McMillan;  
 R.G. Moore; M.W. Howell; F.M.  
 Fisher; M.D. Neyman; R.M. Saxon

**TOTAL ADJUSTED O & M LESS FUEL, PURCHASED POWER, ECCR AND ECRC  
 BENCHMARK VARIANCE BY FUNCTION**

1990 ALLOWED COMPARED TO TEST YEAR REQUEST EXPENSES

Description	1990 Allowed	Test Year Benchmark	Test Year Request	Variance
Steam Production	46,945	65,084	70,870	5,786
Other Production	47	65	3,905	3,840
Other Power Supply	966	1,339	2,427	1,088
<b>Total Production</b>	<b>47,958</b>	<b>66,488</b>	<b>77,202</b>	<b>10,714</b>
Transmission Facility Charges	1,978	3,622	1,163	(2,459)
Transmission - Other	4,159	7,615	7,046	(569)
<b>Total Transmission</b>	<b>6,137</b>	<b>11,237</b>	<b>8,209</b>	<b>(3,028)</b>
Distribution	15,196	27,825	33,048	5,223
Customer Accounts	7,733	14,160	16,662	2,502
Customer Service & Information	5,680	10,400	9,922	(478)
Sales	0	0	1,006	1,006
Production Related A & G	5,655	7,840	6,493	(1,347)
Administrative & General-Other	28,451	52,095	33,812	(18,283)
<b>Total A &amp; G</b>	<b>34,106</b>	<b>59,935</b>	<b>40,305</b>	<b>(19,630)</b>
<b>Total Adjusted O &amp; M</b>	<b>116,810</b>	<b>190,045</b>	<b>186,354</b>	<b>(3,691)</b>

194

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: R. G. Moore

**STEAM PRODUCTION**

\$(000)

1990 Allowed	46,945
Test Year Adjusted Benchmark	65,084
Test Year Adjusted Request	70,870
System Benchmark Variance	5,786

<u>Description</u>	<u>1990 Allowed</u>	<u>Test Year Benchmark</u>	<u>Test Year Request</u>	<u>Variance</u>
1. Planned outage	5,895	8,173	13,980	5,807
				<u>5,807</u>

195

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. G. Moore
---	--	---

**STEAM PRODUCTION**

1. Planned Outages

	\$(000)
1990 Allowed	5,895
Test Year Adjusted Benchmark	8,173
Test Year Adjusted Request	13,980
System Benchmark Variance	5,807

Justification

In 1990, the Commission allowed \$5.9 million for boiler and turbine inspections as adjusted to a Benchmark of \$8.2 million. In the test year, Gulf's total planned outage costs are \$14.0 million or an increase of \$5.8 million over the Benchmark. This is due, in part, to the additional maintenance costs associated with the increased amounts of generation required. Our generating units have aged significantly and have been required to produce more electricity on an annual basis. Since 1990 there has been a 37% increase in total generation to the historical year 2000.

In addition, we now use diagnostic tools that were not readily available in 1990 such as: thermography, boiler mapping, tube sampling, non-destructive examination, and motor signature testing. These tools allow us to locate problems before they actually occur, thereby increasing the maintenance activities performed today. The added cost of these additional maintenance activities are incurred to help reduce EFOR and provide more reliable, low cost generation to our customers. The Benchmark does not recognize this more inclusive outage philosophy used today as compared with 1990.

196

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:

X Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historic Test Year Ended 12/31/00

Witness: R. G. Moore

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**PRODUCTION OTHER**\$(000)

1990 Allowed	47
Test Year Adjusted Benchmark	65
Test Year Adjusted Request	3,905
System Benchmark Variance	3,840

<u>Description</u>	<u>1990 Allowed</u>	<u>Test Year Benchmark</u>	<u>Test</u>	<u>Test</u>	<u>Variance</u>
			<u>Year</u>	<u>Year</u>	
1. Smith Unit 3 O & M	0	0	3,376		3,376
2. Pea Ridge	0	0	450		450
					<u>3,826</u>

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: R. G. Moore

**PRODUCTION OTHER**

1. Smith Unit 3 O & M

	<u>\$(000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	3,376
System Benchmark Variance	3,376

Justification

The major factor creating the need for rate relief is the addition of Smith Unit 3. Gulf will increase staffing at Plant Smith to maintain and operate Smith Unit 3 by 29 full-time positions. The increase of \$3.4 million is to provide the necessary resources to operate and maintain Smith Unit 3.

198

---

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. G. Moore
---	--	---

---

**PRODUCTION OTHER**

2. Pea Ridge

	<u>\$(000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	450
System Benchmark Variance	450

Justification

Gulf Power is the owner of a cogeneration facility located on the plant site of one of Gulf's industrial customers. All electric energy produced by Gulf's cogeneration facility is delivered to Gulf's electric grid and the customer hosting Gulf's cogeneration facility then purchases energy back from Gulf. The \$450,000 annual expense is the amount Gulf is obligated to pay the equipment manufacturer under an extended service agreement ("ESA") that addresses virtually all maintenance needs for the electric generating components of the cogeneration facility. Gulf's financial obligation for the maintenance covered by the ESA is fixed at \$450,000 per year for 20 years beginning in 1998.

199

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. G. Moore
---	--	---

**PRODUCTION OTHER POWER SUPPLY**

\$(000)

1990 Allowed	966
Test Year Adjusted Benchmark	1,339
Test Year Adjusted Request	2,427
System Benchmark Variance	1,088

<u>Description</u>	<u>1990 Allowed</u>	<u>Test Year Benchmark</u>	<u>Test Year Request</u>	<u>Variance</u>
1. Southern Company Energy Marketing	0	0	896	896
2. Power Coordination Center	173	239	447	208
				<u>1,104</u>

100

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: R. G. Moore

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**PRODUCTION OTHER POWER SUPPLY**

## 1. Southern Company Energy Marketing

	<u>\$(000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	896
System Benchmark Variance	896

Justification

The variance of \$896,000 is directly related to Gulf's share of costs associated with operating the Southern electric system's wholesale energy trading floor. This activity provides: 1) better utilization of the most efficient generating sources; 2) management of reliability power purchases; 3) economic purchases of lowest-cost wholesale power; and 4) wholesale sales of excess system generating capacity. Gulf's customers benefit from greater system reliability and reduced costs.

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: R. G. Moore

**PRODUCTION OTHER POWER SUPPLY**

## 2. Power Coordination Center

	<u>\$(000)</u>
1990 Allowed	173
Test Year Adjusted Benchmark	239
Test Year Adjusted Request	447
System Benchmark Variance	208

Justification

The variance for the Production Other Power Supply segment is related to increased costs of the Power Coordination Center (PCC) which coordinates the bulk power supply operations for Gulf and the other operating companies of the Southern electric system. The bulk power supply operations provided by the PCC include interchange evaluations, real time generation control, transmission security and sales, and operations planning. FERC regulations related to Orders 888, 889, and 2000 have all been issued since the benchmark year. Activities associated with compliance with these orders have caused the increase of \$208,000 associated with the development and implementation of relevant automated systems. These costs are offset by the benefits that Gulf's customers receive through an enhanced competitive wholesale energy market.

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: M. W. Howell

**TRANSMISSION FACILITY CHARGES**

\$(000)

1990 Allowed	1,978
Test Year Adjusted Benchmark	3,622
Test Year Adjusted Request	1,163
System Benchmark Variance	(2,459)

<u>Description</u>	1990	Test	Test	<u>Variance</u>
	<u>Allowed</u>	<u>Year</u>	<u>Year</u>	
	<u>Benchmark</u>	<u>Request</u>		
1. Facility Charges	1,978	3,622	1,163	(2,459)
				<u>(2,459)</u>

203

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: M. W. Howell

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**TRANSMISSION FACILITY CHARGES**

## 1. Facility Charges

	<u>\$(000)</u>
1990 Allowed	1,978
Test Year Adjusted Benchmark	3,622
Test Year Adjusted Request	1,163
System Benchmark Variance	(2,459)

Justification

The requested test year amount is under the benchmark primarily since the monthly charges under the transmission facility agreements with Alabama Power Company and Mississippi Power Company are essentially fixed in price.

204

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: M. W. Howell

**TRANSMISSION OTHER**

	<u>\$(000)</u>
1990 Allowed	4,159
Test Year Adjusted Benchmark	7,615
Test Year Adjusted Request	7,046
System Benchmark Variance	(569)

<u>Description</u>	<u>1990</u>	<u>Test</u>	<u>Test</u>	
	<u>Allowed</u>	<u>Year</u>	<u>Year</u>	<u>Variance</u>
		<u>Benchmark</u>	<u>Request</u>	
1. Overhead Line Maintenance	1,129	2,067	1,083	(984)
				<u>(984)</u>

205

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
X Projected Test Year Ended 05/31/03  
Prior Year Ended 05/31/02  
Historic Test Year Ended 12/31/00  
Witness: M. W. Howell

**TRANSMISSION OTHER**

1. Overhead Line Maintenance

	<u>\$(000)</u>
1990 Allowed	1,129
Test Year Adjusted Benchmark	2,067
Test Year Adjusted Request	1,083
System Benchmark Variance	(984)

Justification

The requested test year amount is under the benchmark due to improved maintenance practices and the use of equipment and materials utilizing advanced technologies that contribute to lower transmission system maintenance costs.

206

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS

	<u>\$(000)</u>
1990 Allowed	15,196
Test Year Adjusted Benchmark	27,825
Test Year Adjusted Request	33,048
System Benchmark Variance	5,223

<u>Description</u>	<u>1990 Allowed</u>	<u>Test Year Benchmark</u>	<u>Test Year Request</u>	<u>Variance</u>
1. Information Technology (IT) Products & Services	851	1,558	3,384	1,826
2. Automated Resource Management System (ARMS)	0	0	237	237
3. Energy Management System (EMS)	0	0	193	193
4. Southern Electric Geographic (GIS)	0	0	172	172
5. Outdoor Light Maintenance/ Street Light Maintenance & Relamping	505	925	1,438	513
6. Distribution Substation Maintenance	754	1,381	1,647	266
7. Depreciation Study Adjustment	0	0	414	414
8. Facility Expenses	132	242	988	746
9. Underground Cable Injection	0	0	166	166
10. Pole Line Inspection Program	0	0	734	734
			<u>734</u>	<u>5,267</u>

207

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

**O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS**

1. Information Technology Products & Services

	<u>\$(000)</u>
1990 Allowed	851
Test Year Adjusted Benchmark	1,558
Test Year Adjusted Request	3,384
System Benchmark Variance	1,826

Justification

In 1990, the majority of all IT costs were in the Administrative and General (A & G) function. These IT costs are now charged directly to the functional area incurring the costs wherever it is feasible to do so. With the evolution of computer technology use within the workforce over the past 10-12 years, there has been a decrease in the need for support personnel to handle correspondence, presentations, reports, etc., for other professional job classifications. Computer technology has enabled the general workforce to do more with automated processes, thus increasing total productivity.

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

208

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS

2. Automated Resource Management System (ARMS)

	<u>\$(000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	237
System Benchmark Variance	237

Justification

ARMS consists of three major components: dispatcher workstations, a digital wireless communications network, and field computers. These components provide the dispatcher with the tools to manage and electronically dispatch orders to field personnel. Orders are dispatched to field personnel based on their ability to perform the work, the equipment required to do the work, the proximity to the work, the current workload, and our customer commitment date. The dispatcher knows the current status of field personnel and orders, and is able to balance the work, ensure that our customer commitments are met and adjust to changes requested by customers while the order is in the field, all real time. Through the use of ARMS we have improved field productivity, streamlined the management and tracking of field orders, and enhanced communication of information on the status of customer requests.

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

209

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

**O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS**

3. Energy Management System (EMS)

	\$(000)
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	193
System Benchmark Variance	193

Justification

EMS was installed and placed into service in 1996. This system is a replacement for the previous Power Management System (PMS). This was an old obsolete system which was not able to be expanded and was no longer supported by the vendor. PMS was originally budgeted in FERC 556 (Other Power Production) and not allocated to the Distribution function in 1990.

EMS continually monitors all of Gulf's transmission and distribution lines, substation equipment and devices, etc., and provides the operator with detailed information on system parameters such as load flows, voltage levels, breaker status, frequency, etc. It also provides the operator the capability to operate system devices such as power circuit breakers, line switches, capacitor banks, etc. It collects and stores operating data and events and provides essential tools to assist the operator in evaluating the efficiency, safety, and security of Gulf's electric system.

210

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS**

4. Southern Electric Geographic Information System (GIS)

	<u>\$(000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	172
System Benchmark Variance	172

Justification

GIS replaces Gulf Power's existing DOS-Based mapping system which is outdated, uses inefficient technology and is no longer supported by its vendor. A more flexible mapping system is needed to provide more efficient support to Distribution Operation Center Operators for the Trouble Call Management System (TCMS) and faster information to the field for storm restoration. The new mapping system works with Environmental Systems Research Institute's ArcMap utilizing an Oracle database which is compatible with TCMS, Customer Service System (CSS), and other applications allowing more efficient operations and reduces interface cost.

217

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS**

5. Outdoor Light Maintenance/Street Light Maintenance & Relamping

	<u>\$(000)</u>
1990 Allowed	505
Test Year Adjusted Benchmark	925
Test Year Adjusted Request	1,438
System Benchmark Variance	513

Justification

In 1990, a total of 47,413 high pressure sodium street and outdoor lights were in service. At the end of 2000, this total has grown to 124,891 lights which equates to a growth rate of 263%. The actual growth in the number of street and outdoor lights applied to the 1990 allowed expenses equates to \$1,328,000 of the \$1,438,000 request. The remaining \$110,000 requested is due to the additional lights that are included in the test year, and to the group street light relamping that is scheduled during the test year. The group relamping program reduces inefficiencies of individually rebulbing streetlights as they fail.

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

212

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

**O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS**

6. Distribution Substation Maintenance

	<u>\$(000)</u>
1990 Allowed	754
Test Year Adjusted Benchmark	1,381
Test Year Adjusted Request	1,647
System Benchmark Variance	266

Justification

At year-end 2000, Gulf had distribution substation equipment plant in service of approximately \$110 million. Based on diagnostic procedures such as Dobel and dielectric testing, an increase in maintenance of \$555,000 annually is required to adhere to Gulf's Substation Maintenance Program and prevent increased failures of this aging substation equipment.

During the 2001 to 2003 time period, Gulf will install an additional seven substation transformer banks, 32 breakers and six capacitor banks. Maintenance associated with this equipment will cost an additional \$200,000 annually. Also, we have experienced insulator arching and outages at one of our distribution substations due to salt contamination. In order to prevent reoccurrence of this, approximately \$60,000 will be expended each year to clean the insulators in this substation.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS**

## 7. Depreciation Study Adjustment

	<u>\$(000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	414
System Benchmark Variance	414

Justification

This adjustment represents the change of \$414,000 in depreciation of transportation equipment, which is charged to a clearing account and then allocated to the appropriate O & M accounts. This is a Net Operating Income (NOI) adjustment which reflects the Company's new proposed depreciation rates and dismantlement accruals, which have been filed in Docket No. 010789-EI with the Commission on May 29, 2001, through the Company's 2001 Depreciation and Dismantling Study.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS

## 8. Facility Expenses

	<u>\$(000)</u>
1990 Allowed	132
Test Year Adjusted Benchmark	242
Test Year Adjusted Request	988
System Benchmark Variance	746

Justification

The Company implemented cost-saving measures to manage facility expenses resulting in the overall corporate and district facility expenses being \$1.0 million under the benchmark. As part of an effort to keep costs down, the Company centralized the operation and maintenance of the corporate and district facilities and revised the functional accounts being charged to more accurately allocate facility expenses to the business functions. Although total corporate and district facility expenses are below the Benchmark, a change in allocation of these expenses accounts for approximately \$746,000 of the Distribution variance.

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS**

9. Underground Cable Injection

	<u>\$ (000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	166
System Benchmark Variance	166

Justification

Gulf had over 600 trench miles of underground primary cable installed before 1990. The cable injection process involves injecting underground primary cables with a silicone fluid to remove water and fill voids. This process has proven to retard the deterioration of the cable insulation. The life of a selected group of these aging cables can be greatly extended by this cable injection process. Injecting these cables in a planned manner will reduce the likelihood of outages caused by premature failures and is less expensive than cable replacement which incurs cost associated with boring under or trenching through established yards and commercial sites. The projected cost of this program is \$166,000.

216

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: F. M. Fisher, Jr.

O & M BENCHMARK VARIANCE BY FUNCTION  
 DISTRIBUTION ACCOUNTS

10. Pole Line Inspection Program

	\$(000)
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	734
System Benchmark Variance	734

Justification

In 1991, Gulf began a ground-line inspection program to inspect and, as necessary, treat, repair or replace the Creosote and Penta treated poles the Company has in service. Gulf's distribution poles are located in the worst of five wood decay zones (zone 5 "Severe") as defined in the American Wood Preservers Association Standard C-4-99. Prior to 1980, Gulf installed Southern Pine Creosote and Penta treated wood poles. Since the early 1980's, Gulf has installed Chromated Copper Arsenate (CCA) treated wood poles with superior decay resistance. To date, approximately 48,000 poles have been inspected. Based on these inspections, it was determined that 82 percent of the poles could be retreated without additional repairs, 4 percent needed to be reinforced to remain in service, and 14 percent required replacement.

Due to the condition of its aging poles, Gulf has determined it is necessary to speed up this program. We will inspect and, as necessary, treat, repair or replace the remaining 60,000 Creosote and Penta poles over the next five years. Proceeding with this program in a planned, organized manner allows repairs to be made without prolonged outages under emergency conditions. This will result in better customer satisfaction and greater safety. The pole inspection program accounts for \$734,000 of the increase in the test budget year for Distribution.

217

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. M. Saxon
COMPANY: GULF POWER COMPANY		
DOCKET NO.: 010949-EI		

**CUSTOMER ACCOUNTS**

\$(000)

1990 Allowed	7,733
Test Year Adjusted Benchmark	14,160
Test Year Adjusted Request	16,662
System Benchmark Variance	2,502

<u>Description</u>	<u>1990 Allowed</u>	<u>Test Year Benchmark</u>	<u>Test Year Request</u>	<u>Variance</u>
1. CSS	2,041	3,737	4,677	940
2. ARMS	0	0	58	58
3. Information Technology (IT) Products & Service	132	242	1,382	1,140
4. Uncollectible Accounts	511	936	1,543	607
			<u>2,745</u>	

218

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. M. Saxon
COMPANY: GULF POWER COMPANY		
DOCKET NO.: 010949-EI		

**CUSTOMER ACCOUNTS**

1. Customer Service System (CSS)

	<u>\$(000)</u>
1990 Allowed	2,041
Test Year Adjusted Benchmark	3,737
Test Year Adjusted Request	4,677
System Benchmark Variance	940

Justification

The Customer Service System (CSS) is a powerful tool that is critical to Gulf's future. This system replaced the General On-Line System (GOLS) in October, 1997. The system has been designed to benefit many departments, including Customer Service, Marketing, Accounting and Power Delivery. It meets the demands of our customers for outstanding service, while controlling costs and providing the flexibility to respond to opportunities that arise in the marketplace. CSS was modified and enhanced to meet the Company's business strategies and needs. Purchasing a standard system and making enhancements was the most cost-effective way to satisfy Gulf's need for a state-of-the-art customer information system across all five operating companies.

219

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:

X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: R. M. Saxon

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**CUSTOMER ACCOUNTS**

## 2. Automated Resource Management System (ARMS)

	<u>\$(000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	58
System Benchmark Variance	58

Justification

ARMS is a very valuable tool for managing the daily work schedules of Field Service Representatives and Service Technicians engaged in service work orders. It allows management to proactively determine the number of orders to be assigned and the number of personnel needed to meet customer commitments on a daily basis. It allows management to determine instantly where the field personnel are, how many orders they have left to complete and decide if additional manpower is needed to minimize overtime and meet customer commitments. ARMS has increased productivity and efficiency.

220

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. M. Saxon
---	--	---

**CUSTOMER ACCOUNTS**

3. Information Technology (IT) Products & Services

	<u>\$(000)</u>
1990 Allowed	132
Test Year Adjusted Benchmark	242
Test Year Adjusted Request	1,382
System Benchmark Variance	1,140

Justification

In 1990, the majority of all Information Technology (IT) costs were in the A & G function. These IT costs are now charged directly to the business unit incurring the costs wherever it is feasible to do so. With the evolution of computer technology use within the workforce over the past 10-12 years, there has been marked decreases in the need for support personnel to handle correspondence, presentations, reports, etc. for other professional job classifications. Computer technology has enabled the general workforce to do more with automated processes, thus increasing total productivity.

221

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. M. Saxon
---	--	---

**CUSTOMER ACCOUNTS**  
4. Uncollectible Accounts

	\$(000)
1990 Allowed	511
Test Year Adjusted Benchmark	936
Test Year Adjusted Request	1,543
System Benchmark Variance	607

Justification

The uncollectible budget in 1990 was understated and the 1990 actual uncollectible expenses of \$1,267,283 were over budget by 148%. Using the actual 1990 uncollectible expense as the base year amount, Gulf would be \$777,000 under the benchmark with its current request. The average uncollectible expense for 1997, 1998, 1999, 2000, and estimated 2001 is \$1,408,000. This supports the reasonableness of Gulf's current test year request of \$1,543,000.

2  
2  
2

Some of the factors impacting uncollectible expenses include national economic conditions, local economic conditions and weather. Gulf provides electricity to national accounts and other customers whose economic well being depends on the national economy for both its supplier and customer base. It also provides electricity to customers that depend almost entirely on the local economy for their source of income. In addition, during extreme weather conditions, we do not disconnect electric service for non-payment. Gulf's policy is not to disconnect for non-payment when temperatures are forecasted to be 32 degrees or less, 95 degrees or greater, or when the heat index is forecasted to be 105 degrees or greater. The weather conditions, in effect, increase arrears amounts and, consequently, uncollectibles.

---

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown:
COMPANY: GULF POWER COMPANY		X Projected Test Year Ended 05/31/03
DOCKET NO.: 010949-EI		Prior Year Ended 05/31/02
		Historic Test Year Ended 12/31/00
		Witness: M. D. Neyman

---

**CUSTOMER SERVICE & INFORMATION**

	<u>\$(000)</u>
1990 Allowed	5,680
Test Year Adjusted Benchmark	10,400
Test Year Adjusted Request	9,922
System Benchmark Variance	(478)

<u>Description</u>	<u>1990 Allowed</u>	<u>Test Year Benchmark</u>	<u>Test Year Request</u>	<u>Variance</u>
1. IT Products & Services	0	0	23	23
2. Personnel Reductions	223	409	0	(409)
3. GoodCents New and Existing	437	800	708	(92)
				<u>(478)</u>

223

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:

X Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historic Test Year Ended 12/31/00

Witness: M. D. Neyman

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**CUSTOMER SERVICE & INFORMATION**

## 1. IT Products &amp; Services

	<u>\$(000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	23
System Benchmark Variance	23

Justification

In 1990, the majority of all Information Technology (IT) costs were in the A & G function. These IT costs are now charged directly to the business unit incurring the costs wherever it is feasible to do so. With the evolution of computer technology use within the workforce over the past 10-12 years, there has been marked decreases in the need for support personnel to handle correspondence, presentations, reports, etc. for other professional job classifications. Computer technology has enabled the general workforce to do more with automated processes, thus increasing total productivity.

224

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: M. D. Neyman

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**CUSTOMER SERVICE & INFORMATION**

2. Personnel Reductions

	<u>\$(000)</u>
1990 Allowed	223
Test Year Adjusted Benchmark	409
Test Year Adjusted Request	0
System Benchmark Variance	(409)

Justification

The personnel structure of Marketing was evaluated and six exempt level positions were reduced. The positions included managers and professional positions. One non-exempt staff position was added to assist with meeting the needs and expectations of the customers.

225

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
X Projected Test Year Ended 05/31/03  
Prior Year Ended 05/31/02  
Historic Test Year Ended 12/31/00  
Witness: M. D. Neyman

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**CUSTOMER SERVICE & INFORMATION**

3. GoodCents New and Existing

	<u>\$(000)</u>
1990 Allowed	437
Test Year Adjusted Benchmark	800
Test Year Adjusted Request	708
System Benchmark Variance	(92)

Justification

The GoodCents new and existing programs have reduced non-labor expenses due to increased efficiencies.

226

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: M. D. Neyman

**SALES**

\$(000)

1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	1,006
System Benchmark Variance	1,006

<u>Description</u>	<u>1990 Allowed</u>	<u>Test Year Benchmark</u>	<u>Test Year Request</u>	<u>Variance</u>
1. Economic Development	0	0	1,006	<u>1,006</u>
				<u>1,006</u>

227

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: M. D. Neyman

**SALES**

1. Economic Development

	<u>\$(000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	1,006
System Benchmark Variance	1,006

Justification

In 1994, the State of Florida recognized that economic development improves the quality of life and that public utilities play an important role in its success. This was codified in Section 288.035, Florida Statutes, and provides the FPSC with the authority to permit public utilities to recover reasonable economic development expenses. FPSC Dockets 971334-PU and 000418-PU further defined the boundaries of reasonably recoverable economic development expenses. The expenses Gulf Power Company seeks to recover meet the rules as specified by the FPSC. The Company's economic development activities support state, regional, and local development agencies in recruitment, retention, prospecting, planning assistance, community revitalization, trade shows, and other approved activities which promote Northwest Florida's competitive economy.

228

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
 X Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historic Test Year Ended 12/31/00  
 Witness: R. G. Moore

**PRODUCTION RELATED A & G**

	<u>\$(000)</u>
1990 Allowed	5,655
Test Year Adjusted Benchmark	7,840
Test Year Adjusted Request	6,493
System Benchmark Variance	(1,347)

<u>Description</u>	<u>1990 Allowed</u>	<u>Test Year Benchmark</u>	<u>Test Year Request</u>	<u>Variance</u>
1. Plant Daniel A & G	2,698	3,740	2,826	(914)
2. Property Insurance & Emp. Benefits	2,694	3,736	2,865	(871)
				<u>(1,785)</u>

229

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

X Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

DOCKET NO.: 010949-EI

Historic Test Year Ended 12/31/00

Witness: R. G. Moore

**PRODUCTION RELATED A & G**

## 1. Plant Daniel A &amp; G

	<u>\$(000)</u>
1990 Allowed	2,698
Test Year Adjusted Benchmark	3,740
Test Year Adjusted Request	2,826
System Benchmark Variance	(914)

Justification

The decrease in the A & G dollars charged at Daniel is consistent with the overall decrease in A & G expenses, relative to the benchmark, at Mississippi Power Company. Since 1990, there has been a decrease in the number of employees overall at Mississippi Power and that coupled with the initiative to charge cost directly to functional accounts whenever possible has resulted in less A & G expenses related to the Plant Daniel joint ownership agreement.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:

X Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historic Test Year Ended 12/31/00

Witness: R. G. Moore

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**PRODUCTION RELATED A & G**

## 2. Property Insurance and Employee Benefits

	<u>\$(000)</u>
1990 Allowed	2,694
Test Year Adjusted Benchmark	3,736
Test Year Adjusted Request	2,865
System Benchmark Variance	(871)

Justification

Production related property insurance was \$915,000 in 1990 and only increased slightly in the test year to \$935,000, resulting in a \$334,000 variance under the Benchmark. Production related employee benefits increased from \$1,779,000 in 1990 to \$1,930,000 in the test year, resulting in a \$537,000 variance under the Benchmark.

Supporting Schedules: C-53, C-54, C-55

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. J. McMillan
---	--	--

**A & G - Other**

	<u>\$(000)</u>
1990 Allowed	28,451
Test Year Adjusted Benchmark	52,095
Test Year Adjusted Request	33,812
System Benchmark Variance	(18,283)

<u>Description</u>	<u>1990 Allowed</u>	<u>Test Year Benchmark</u>	<u>Test Year Request</u>	<u>Variance</u>
1. Labor Reductions and Organizational Changes	20,243	37,066	23,221	(13,845)
2. Facility Expenses	2,318	4,244	1,344	(2,900)
3. Employee Benefits	3,780	6,920	4,575	(2,345)
4. Property Insurance	958	1,755	3,360	1,605
5. Injuries and Damages	1,681	3,077	1,729	(1,348)
6. Corporate Advertising Expenses	0	0	550	550
				<u>(18,283)</u>

233

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. J. McMillan
---	--	--

**A & G - Other**

## 1. Labor Reductions and Organizational Changes

	<u>\$(000)</u>
1990 Allowed	20,243
Test Year Adjusted Benchmark	37,066
Test Year Adjusted Request	23,221
System Benchmark Variance	(13,845)

Justification

Due to advances in technology during the past 12.5 years, the Company and Southern Company Services (SCS) have streamlined many functions. As a result, they have reduced employees and related expenses through workforce reductions and organization changes. Also, in 1990, professional services for Information Technology, Internal Auditing and Human Resources were provided primarily by Company employees and the expenses were charged to A & G. In the mid-nineties, these functions were reorganized and moved to SCS from each Southern Company subsidiary. These costs are now charged to the business unit incurring the costs wherever it is feasible to do so.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.

Type of Data Shown:  
X Projected Test Year Ended 05/31/03  
Prior Year Ended 05/31/02  
Historic Test Year Ended 12/31/00  
Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

**A & G - Other**  
2. Facility Expenses

	<u>\$(000)</u>
1990 Allowed	2,318
Test Year Adjusted Benchmark	4,244
Test Year Adjusted Request	1,344
System Benchmark Variance	(2,900)

Justification

In 1990, corporate and district operations and maintenance facility expenses were primarily charged to A & G. In an effort to keep costs low during the past 12.5 years, the Company has centralized facility operation and maintenance (O & M) expenses and revised the functional accounts being charged to more accurately allocate facility expenses to the business functions. This resulted in the decrease to A & G and increases to other functional areas. Overall, facility expenses are \$1 million under the benchmark.

234

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. J. McMillan
---	--	--

**A & G - Other**

## 3. Employee Benefits

	<u>\$(000)</u>
1990 Allowed	3,780
Test Year Adjusted Benchmark	6,920
Test Year Adjusted Request	4,575
System Benchmark Variance	(2,345)

Justification

Employee Benefits includes pensions, post retirement benefits, and other employee benefits such as: employee medical, life, and disability insurance. The benchmark variance is primarily due to pension benefits being under the benchmark by \$4.1 million and is partially offset by post retirement and other employee benefits being over the benchmark by \$1.8 million.

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. J. McMillan
---	--	--

**A & G - Other**

## 4. Property Insurance

	<u>\$(000)</u>
1990 Allowed	958
Test Year Adjusted Benchmark	1,755
Test Year Adjusted Request	3,360
System Benchmark Variance	1,605

Justification

Property insurance is over the benchmark primarily due to the FPSC authorizing the Company to increase the annual property reserve accrual from \$1.2 to \$3.5 million in 1996 in Docket No. 951433-EI. The increase was necessitated primarily due to extensive hurricane damage received in 1995.

236

FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: R. J. McMillan
COMPANY: GULF POWER COMPANY		
DOCKET NO.: 010949-EI		

**A & G - Other**

## 5. Injuries &amp; Damages (I&amp;D)

	<u>\$(000)</u>
1990 Allowed	1,681
Test Year Adjusted Benchmark	3,077
Test Year Adjusted Request	1,729
System Benchmark Variance	(1,348)

Justification

The I&D expenses have not grown at the same pace of customer growth and inflation used to calculate the benchmark. The I&D annual reserve accrual of \$1.2 million has not changed from the 1990 budget and is \$1.0 million of the variance. Insurance premiums have increased only 10% since 1990 and I&D administrative expenses have decreased since 1990 due to organizational changes. Insurance premiums and administrative expenses are approximately \$300 thousand under the benchmark.

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, justify the difference.	Type of Data Shown: X Projected Test Year Ended 05/31/03 Prior Year Ended 05/31/02 Historic Test Year Ended 12/31/00 Witness: M. D. Neyman
---	--	--

**A & G - Other**

## 6. Corporate Advertising Expenses

	<u>\$(000)</u>
1990 Allowed	0
Test Year Adjusted Benchmark	0
Test Year Adjusted Request	550
System Benchmark Variance	550

Justification

These advertising expenditures are the most cost-effective way to communicate with customers and to establish the Company as a credible energy provider and information source. This credibility is crucial to encouraging customers to participate in Company conservation and energy efficiency programs.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the revenue expansion factor for the test year.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03

Prior Year Ended 5/31/02

Historical Year Ended 12/31/00

Witness: R.R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET: 010949-EI

239

Line No.	Description	Percent	Percent	Percent	% Factor With Gross Receipts Breakout On Customer Bill
1.	Revenue Requirement		100.0000		100.0000
2.	Gross Receipts Tax Rate		1.5000		0.0000
3.	Regulatory Assessment Rate		0.0720		0.0720
4.	Bad Debt Rate *		<u>0.1583</u>		<u>0.1583</u>
5.	Net Before Income Taxes (1) - (2) - (3) - (4)		98.2697		99.7697
6.	State Income Tax Rate	5.5000		5.5000	
7.	State Income Tax (5) x (6)		<u>5.4048</u>		<u>5.4873</u>
8.	Net Before Federal Income Tax (5) - (7)		92.8649		94.2824
9.	Federal Income Tax Rate	35.0000		35.0000	
10.	Federal Income Tax (8) x (9)		<u>32.5027</u>		<u>32.9988</u>
11.	Revenue Expansion Factor (8) - (10)		60.3622		61.2836
12.	Net Operating Income Multiplier (100% / Line 11)		1.656666		1.631758
	* Provision for Bad Debt Accrual		<u>1,011,692</u>		
	Divided By		=	0.001583	
	Total Territorial Sales & Other Operating Revenues		638,948,000		

FLOIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If any attrition allowance is requested, provide detailed supporting calculations for:

Type of Data Shown:

Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Test Year Ended 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

1) the attrition expected from the test year to the next year, and

2) the actual attrition from the prior 3 years to the test year.

DOCKET NO.: 010949-EI

Explain any differences. Submit Schedules \_\_\_\_\_ for the year following the test year.

NOT APPLICABLE

240

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule detailing transactions with affiliated companies and related parties for the test year, and the prior year if the test year is projected, including intercompany charges, licenses, contracts, and fees.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

**XX** Historical Year Ended 12/31/00

Witness: R. J. McMillan

241

Line No.	Name of Company or Related Party	Relation to Utility	Type of Service Provided or Received	Effective Contract Date	Charge or Credit During Year		Allocation Method Used to Allocate Charges Between Companies
					Amount (000s)	Acct. No.	
1	Alabama Power Company	Associated Company	Trans. Facilities Services	June 18, 1980	82	567	Cost
2			Trans. Facilities Services	February 25, 1981	540	567	Cost
3			Substation Design Services		886	308	Cost
4			Appliance Sales Expense		1,164	Various	Cost
5			Fuel & Fuel Testing		351	151,501,506	Cost
6			Misc. Business Transaction		329	Various	Cost
7			Material & Misc. Bus. Trans.		(86)	Various	Cost
8					<u>3,266</u>		
9	Georgia Power Company	Associated Company	Plant Scherer Unit No. 3	March 1, 1984	31,705	Various	Cost
10			Misc. Business Transactions		570	Various	Cost
11			Material & Misc. Bus. Trans.		(519)	Various	Cost
12					<u>31,756</u>		
13	Mississippi Power Company	Associated Company	Trans. Facilities Services	April 20, 1981	588	567	Cost
14			Plant Daniel	June 1, 1981	63,298	Various	Cost
15			Misc. Business Transactions		237	Various	Cost
16			Material & Misc. Bus. Trans.		(215)	Various	Cost
17					<u>63,908</u>		

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule detailing transactions with affiliated companies and related parties for the test year, and the prior year if the test year is projected, including intercompany charges, licenses, contracts, and fees.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

Witness: R. J. McMillan

242

Line No.	Name of Company or Related Party	Relation to Utility	Type of Service Provided or Received	Effective Contract Date	Charge or Credit During Year		Allocation Method Used to Allocate Charges Between Companies
					Amount (000s)	Acct. No.	
18	Savannah Electric & Power Company	Associated Company	Material & Misc. Bus. Trans.		11	Various	Cost
19			Material & Misc. Bus. Trans.		(131)	Various	Cost
20					(120)		
21	Southern Communications Services, Inc.	Associated Company	Radio Equipment, Accessories, & Service Charges	October 1, 1995	821	Various	Market
22			Material & Misc. Bus. Trans.		(165)	Various	Cost
23					656		
24							
25	Southern Company Energy Marketing, LP	Associated Company	Fuel		453	151	Market
26							
27							
28	Southern Company Energy Solutions, Inc.	Associated Company	Materials & Misc. Bus. Trans.	March 1, 1995	379	Various	Cost
29			Remittance of Collections from Billing on Behalf of SCES, Inc.	March 1, 1995	3,759	Various	Cost
30			Materials & Misc. Bus. Trans.	March 1, 1995	(118)	Various	Cost
31					4,020		
32							
33	Southern Energy, Inc.	Associated Company	Materials & Supplies Trans.	July 1, 1981	77	154, 701	Cost
34			Materials & Misc. Bus. Trans.	July 1, 1981	(13)	Various	Cost
35					64		

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule detailing transactions with affiliated companies and related parties for the test year, and the prior year if the test year is projected, including intercompany charges, licenses, contracts, and fees.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

\_\_\_ Prior Year Ended 5/31/02

XX Historical Year Ended 12/31/00

Witness: R. J. McMillan

Line No.	Name of Company or Related Party	Relation to Utility	Type of Service Provided or Received	Effective Contract Date	Charge or Credit During Year		Allocation Method Used to Allocate Charges Between Companies
					Amount (000s)	Acct. No.	
36	Southern Nuclear Operating Company, Inc.	Associated Company	Materials & Misc. Bus. Trans.		(5)	Various	Cost
37							
38							
39	Southern Company	Parent Company	Common Stock Dividends Paid		59,000	238	Earnings
40					(5)		
41					58,995		
42	Southern Company Services, Inc.	Service Company	Service Agreement	January 1, 1984		Various	Cost
43				Amended			
44				September 6, 1985	119,775		
45			Agency Agreement	January 26, 2000			
46			Interchange-Purchases	January 1, 1989	3,978	Various	Cost
47			Interchange-Sales	January 1, 1989	(16,769)	Various	Cost
48			Misc. Business Transactions		(2,921)	Various	Cost
49			Unit Power Sales		(45,442)	Various	Cost
50					58,621		
51	TOTAL Transactions with Affiliated Companies					221,614	

243

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule detailing transactions with affiliated companies and related parties for the test year, and the prior year if the test year is projected, including intercompany charges, licenses, contracts, and fees.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Year Ended 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-E1

244

Line No.	Name of Company or Related Party	Relation to Utility	Type of Service Provided or Received	Effective Contract Date	Charge or Credit During Year		Allocation Method Used to Allocate Charges Between Companies
					Amount (000s)	Acct. No.	
1	Alabama Power	Associated	Trans. Facilities Services	June 18, 1980	82	567	Cost
2	Company	Company	Trans. Facilities Services	February 25, 1981	540	567	Cost
3					622		
4	Georgia Power	Associated	Plant Scherer Unit No. 3	March 1, 1984	28,331	Various	Cost
5	Company	Company					
6					28,331		
7	Mississippi Power	Associated	Trans. Facilities Services	April 20, 1981	588	567	Cost
8	Company	Company	Plant Daniel	June 1, 1981	76,159	Various	Cost
9					76,747		
10	Southern	Associated	Radio Equipment, Accessories,				
11	Communications	Company	& Service Charges	October 1, 1995	768	Various	Market
12	Services, Inc.						
13					768		

14 Note: The amounts shown above are the significant amounts included in Gulf's financial forecast that could be specifically identified as transactions to be made with an affiliate.  
 15 The affiliated transactions shown are not all-inclusive. Gulf's budgeting process does not include the identification of specific vendors (affiliated or non-affiliated) that will be  
 16 utilized in company transactions.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule detailing transactions with affiliated companies and related parties for the test year, and the prior year if the test year is projected, including intercompany charges, licenses, contracts, and fees.

Type of Data Shown:

\_\_\_ Projected Test Year Ended 5/31/03

XX Prior Year Ended 5/31/02

\_\_\_ Historical Year Ended 12/31/00

Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.	Name of Company or Related Party	Relation to Utility	Type of Service Provided or Received	Effective Contract Date	Charge or Credit During Year		Allocation Method Used to Allocate Charges Between Companies
					Amount (000s)	Acct. No.	
17	Southern Company	Parent	Common Stock Dividends Paid		58,500	238	Earnings
18		Company					
19					<u>58,500</u>		
20	Southern Company	Service	Service Agreement	January 1, 1984			
21	Services, Inc.	Company		Amended			
22				September 6, 1985	111,063	Various	Cost
23			Agency Agreement	January 26, 2000			
24			Interchange-Purchases	January 1, 1989	20,582	Various	Cost
25			Interchange-Sales	January 1, 1989	(53,068)	Various	Cost
26			Unit Power Sales		<u>(40,796)</u>	Various	Cost
27					<u>37,781</u>		
28	TOTAL Transactions with Affiliated Companies				<u>202,749</u>		

245

29 Note: The amounts shown above are the significant amounts included in Gulf's financial forecast that could be specifically identified as transactions to be made with an affiliate.  
 30 The affiliated transactions shown are not all-inclusive. Gulf's budgeting process does not include the identification of specific vendors (affiliated or non-affiliated) that will be  
 31 utilized in company transactions.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule detailing transactions with affiliated companies and related parties for the test year, and the prior year if the test year is projected, including intercompany charges, licenses, contracts, and fees.

Type of Data Shown:  
XX Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
 \_\_\_ Historical Year Ended 12/31/00  
 Witness: R. J. McMillan

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.	Name of Company or Related Party	Relation to Utility	Type of Service Provided or Received	Effective Contract Date	Charge or Credit During Year		Allocation Method Used to Allocate Charges Between Companies
					Amount (000s)	Acct. No.	
1	Alabama Power Company	Associated Company	Trans. Facilities Services	June 18, 1980	82	567	Cost
2			Trans. Facilities Services	February 25, 1981	540	567	Cost
3					<u>622</u>		
4	Georgia Power Company	Associated Company	Plant Scherer Unit No. 3	March 1, 1984	24,098	Various	Cost
5					<u>24,098</u>		
6							
7	Mississippi Power Company	Associated Company	Trans. Facilities Services	April 20, 1981	588	567	Cost
8			Plant Daniel	June 1, 1981	75,185	Various	Cost
9					<u>75,773</u>		
10	Southern Communications Services, Inc.	Associated Company	Radio Equipment, Accessories, & Service Charges	October 1, 1995	768	Various	Market
11					<u>768</u>		
12							
13							

246

14 Note: The amounts shown above are the significant amounts included in Gulf's financial forecast that could be specifically identified as transactions to be made with an affiliate.  
 15 The affiliated transactions shown are not all-inclusive. Gulf's budgeting process does not include the identification of specific vendors (affiliated or non-affiliated) that will be  
 16 utilized in company transactions.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a schedule detailing transactions with affiliated companies and related parties for the test year, and the prior year if the test year is projected, including intercompany charges, licenses, contracts, and fees.

Type of Data Shown:  
XX Projected Test Year Ended 5/31/03  
 \_\_\_ Prior Year Ended 5/31/02  
 \_\_\_ Historical Year Ended 12/31/00  
 Witness: R. J. McMillan

Line No.	Name of Company or Related Party	Relation to Utility	Type of Service Provided or Received	Effective Contract Date	Charge or Credit During Year		Allocation Method Used to Allocate Charges Between Companies
					Amount (000s)	Acct. No.	
17	Southern Company	Parent	Common Stock Dividends Paid		66,850	238	Earnings
18		Company					
19					<u>66,850</u>		
20	Southern Company	Service	Service Agreement	January 1, 1984			
21	Services, Inc.	Company		Amended			
22				September 6, 1985	107,724	Various	Cost
23			Agency Agreement	January 26, 2000			
24			Interchange-Purchases	January 1, 1989	9,544	Various	Cost
25			Interchange-Sales	January 1, 1989	(81,059)	Various	Cost
26			Unit Power Sales		<u>(43,253)</u>	Various	Cost
27					<u>(7,044)</u>		
28	TOTAL Transactions with Affiliated Companies				<u>161,067</u>		

247

29 Note: The amounts shown above are the significant amounts included in Gulf's financial forecast that could be specifically identified as transactions to be made with an affiliate.  
 30 The affiliated transactions shown are not all-inclusive. Gulf's budgeting process does not include the identification of specific vendors (affiliated or non-affiliated) that will be  
 31 utilized in company transactions.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949 - EI

EXPLANATION: Provide a schedule for the last four years and the test year of other operation and maintenance expense summary by average customer and annual plant additions by additional customers.

Type of Data Shown:

XX Projected Test Year Ended 5/31/03XX Prior Year Ended 5/31/02XX Historical Year Ended 12/31/00

Witness: R.R.Labrato

Line No.	Test Year	Prior Year	2000 Actual	1999 Actual	1998 Actual	
SUMMARY OF EXPENSES (DOLLARS PER CUSTOMER)						
1	OTHER O & M EXPENSES SUMMARY					
2	Power Production Expense	221.52	223.72	193.16	197.27	187.13
3	Transmission Expenses	20.98	21.12	19.87	18.57	22.96
4	Distribution Expenses	87.69	76.08	71.31	68.94	75.03
5	Customer Account Expenses	43.08	41.27	41.78	43.03	47.54
6	Customer Service Expenses	36.08	30.82	35.48	30.71	29.47
7	Sales Expenses	3.54	3.11	2.65	3.80	3.59
8	Administration & General Expenses	109.43	110.90	117.33	126.17	134.19
9	Total Other O & M Expenses	522.31	507.02	481.58	488.49	499.91
ANNUAL PLANT ADDITIONS (DOLLARS PER ADDITIONAL CUSTOMER)						
11	ELECTRIC PLANT IN SERVICE					
12	Production Plant	2,458.73	25,441.40	2,147.39	2,217.09	2,234.83
13	Transmission Plant	3,784.39	3,530.41	731.35	1,019.38	460.05
14	Distribution Plant	5,417.85	5,522.86	4,384.91	3,394.26	3,588.99
15	General Plant	643.10	380.29	466.22	641.61	650.54
16	Total Plant in Service	<u>12,304.07</u>	<u>34,874.96</u>	<u>7,729.87</u>	<u>7,272.34</u>	<u>6,934.41</u>
17	GROWTH INDICES					
18	Consumer Price Index	1.812	1.768	1.723	1.667	1.644
19	Average Customer	385,450	377,672	367,740	360,112	350,447
20	CPI Percent Increase	2.489%	2.612%	3.359%	1.399%	2.302%
21	Average Customer Percent Increase	2.059%	2.701%	2.118%	2.758%	2.787%
22	Index Percent CPI x Customer Growth	1.2641	1.2087	1.1565	1.0957	1.0515
23	Average Customer Increase	7,778	9,932	7,628	9,665	9,503

Supporting Schedules:

Recap Schedules:

248

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide an analysis of all non-utility operations such as orange groves, parking lots, etc. that utilized all or part of any utility plant.

Type of Data Shown:

Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Test Year Ended 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line Number	Account Number	Description	Original Purchase Cost	Test Year Revenues (All Accts. 454)	Expense Amounts	Net Revenues

NOT APPLICABLE TO PRIOR YEAR DUE TO NON-UTILITY OPERATIONS BEING REMOVED FROM RATE BASE

249

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide an analysis of all non-utility operations such as orange groves, parking lots, etc. that utilized all or part of any utility plant.

Type of Data Shown:

Projected Test Year Ended 05/31/03

Prior Year Ended 05/31/02

Historical Test Year Ended 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-E1

(1) Line Number	(2) Account Number	(3) Description	(4) Original Purchase Cost	(5) Test Year Revenues (All Accts. 454)	(6) Expense Amounts	(7) Net Revenues
-----------------------	--------------------------	--------------------	-------------------------------------	--	---------------------------	------------------------

NOT APPLICABLE TO TEST YEAR DUE TO NON-UTILITY OPERATIONS BEING REMOVED FROM RATE BASE

250

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a statement of cash flows for the test year.

Type of Data Shown:  
XX Projected Test Year Ended 05/31/03  
XX Prior Year Ended 05/31/02  
 \_\_\_ Historical Year Ended 12/31/00  
 Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.		12 Months Ended 05/31/02 (\$000)	12 Months Ended 05/31/03 (\$000)
1	Net Cash Flow from Operating Activities:		
2	Net Income	49,574	31,723
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Amortization	74,801	64,766
5	Coal Buyout Amortization	0	0
6	Deferred Income Taxes (Net)	(7,058)	(7,001)
7	Investment Tax Credit Adjustment (Net)	(1,920)	(1,920)
8	Net (Increase) Decrease in Receivables	(8,515)	(13,623)
9	Net (Increase) Decrease in Inventory	1,851	(2,226)
10	Net increase (Decrease) in Payables and Accrued Expenses	2,170	(7,188)
11	(less) Allowance for Other Funds Used During Construction	(8,773)	(481)
12	(less) Undistributed Earnings from Subsidiary Companies	0	0
13	Other	14,317	11,028
14	Net Cash Provided by (Used in) Operating Activities (lines 2 thru 13)	116,247	95,076
15	Cash Flows from Investment Activities:		
16	Construction and Acquisition of Plant (including land):		
17	Gross Additions Utility Plant	(281,819)	(70,491)
18	Gross Additions to Nonutility Plant	0	0
19	(less) Allowance for Other Funds Used During Construction	8,773	481
20	Cash Outflows for Plant (lines 17 thru 19)	(273,046)	(70,010)
21	Proceeds from Sales of Investment Securities	0	0
22	Net Cash Provided by (Used in) Investing Activities (lines 20 thru 21)	(273,046)	(70,010)

251

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a statement of cash flows for the test year.

Type of Data Shown:

XX Projected Test Year Ended 05/31/03

XX Prior Year Ended 05/31/02

Historical Year Ended 12/31/00

Witness: R. R. Labrato

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

Line No.		12 Months Ended 05/31/02 (\$000)	12 Months Ended 05/31/03 (\$000)
23	Cash Flows from Financing Activities		
24	Proceeds from Issuance of:		
25	Long-Term Debt	162,000	0
26	Preferred Stock	30,000	0
27	Common Stock	0	0
28	Other - Capital Contributions from Southern Co.	67,000	17,271
29	Net Increase in Short-Term Debt	<u>(43,485)</u>	<u>24,729</u>
30	Cash Provided by Outside Sources (lines 25 thru 29)	215,515	42,000
31	Payments for Retirement of:		
32	Long-Term Debt	0	0
33	Preferred Stock	0	0
34	Common Stock	0	0
35	Long-Term Note	0	0
36	Dividends on Preferred Stock	(216)	(216)
37	Dividends on Common Stock	<u>(58,500)</u>	<u>(66,850)</u>
38	Net Cash Provided by (Used in) Financing Activities (lines 30 thru 37)	<u>156,799</u>	<u>(25,066)</u>
39	Net Increase (Decrease) in Cash And Cash Equivalents (lines 14, 22 and 38)	0	0
40	Cash and Cash Equivalents at Beginning of Year	<u>3,979</u>	<u>3,979</u>
41	Cash and Cash Equivalents at End of Year	<u>3,979</u>	<u>3,979</u>

252

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide a summary of the earnings test to determine to what extent CWIP should be included in the rate base along with a detail of assumptions. As a minimum, the data provided should show the impact on the utility's financial integrity indicators with and without the level of CWIP requested. This summary should clearly correlate with any requested attrition allowance.

Type of Data Shown:

Projected Test Year Ended 05/31/03

Projected Prior Year Ended 05/31/02

Historical Year Ended 12/31/00

Witness: R. R. Labrato

Not applicable. Gulf is not requesting the inclusion of Interest Bearing CWIP in rate base.

259

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide the following information regarding the use of outside professional services during the test year. Segregate the service by types such as accounting, financial, engineering, legal or other. If a projected test period is used, provide on both a projected and a historical basis.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 XX Historical Test Year Ended 12/31/00  
 Witness: R. G. Moore, F. M. Fisher, M. D. Neyman  
 R. M. Saxon, R. J. McMillan, R. R. Labrato

Line No.	Type of Service	Vendor	Description of Service(s)	Contract Period OT = One-Time C = Continuing	Account(s) Charged	Historical Year Contract Cost \$
1	Accounting	Arthur Andersen	Auditing Services, Tax Preparation.	C Annual	923	193,574
2		O'Sullivan, Hicks, Patton	Tax Preparation	C Annual	923	685
3	Engineering	Alabama Power Co	Fuel Testing	C 1-1-00 to 12-31-00	501,506	44,244
4		Atlantic Technologies	Aerial Survey of Coal Pile	C 1-1-00 to 12-31-00	501	8,634
5		Buchanan & Harper, Inc.	Property Surveyors	OT	506,511	31,336
6		Chemithon	#7 Flue Gas Conditioning System	C 1-1-00 to 12-31-00	512	6,074
7		Educational Associates	Provide First Response Class	OT	506	1,995
8		Envirochem	Asbestos	C 1-1-00 to 12-31-00	506	1,125
9		Environmental Services Corp	Audits of ambient air monitoring	C 1-1-00 to 12-31-00	514	6,689
10		Erin Engineering & Research	Develop maintenance Plan (SCRM)	OT	510	25,992
11		Gulf Coast Environ- mental	Groundwater Monitoring	OT 1-1-00 to 12-31-00	506	1,857
12		Medical Center Clinic	Provide respirator physicals	C 1-1-00 to 12-31-00	506	17,193
13		National Crane Services	Safety inspection of cranes	C 1-1-00 to 12-31-00	511	1,376
14		National Tribology Services	Analytical Testing	C 1-1-00 to 12-31-00	513,514	8,799
15		Occupational Testing	Provide Hearing Tests	C 1-1-00 to 12-31-00	506	3,500
16		Puckorius Associates	Condenser Analysis	C 1-1-00 to 12-31-00	512	22,982
17		Sanders Engineering	Particulate Testing	C 1-1-00 to 12-31-00	506	128,330
18		Savannah Laboratories	Water Quality Testing	C 1-1-00 to 12-31-00	506	25,203
19		Seyern Trent Laboratories	Analytical Testing	C 1-1-00 to 12-31-00	506	29,231
20		Shephard T. Powell	Boiler Analysis	C 1-1-00 to 12-31-00	512	12,714
21		Southern Earth Sciences	Analyze exposure levels	C 1-1-00 to 12-31-00	512	113,852
22		Spectrum Systems	Emission Monitoring	C 1-1-00 to 12-31-00	512,514,553	371,256
23		STL	Asbestos/Hazardous Waste	C 1-1-00 to 12-31-00	506	3,668
24		The Water Spigot	Analytical Testing	C 1-1-00 to 12-31-00	506,512	3,905

254

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide the following information regarding the use of outside professional services during the test year. Segregate the service by types such as accounting, financial, engineering, legal or other. If a projected test period is used, provide on both a projected and a historical basis.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 XX Historical Test Year Ended 12/31/00  
 Witness: R. G. Moore, F. M. Fisher, M. D. Neyman  
 R. M. Saxon, R. J. McMillan, R. R. Labrato

255

Line No.	Type of Service	Vendor	Description of Service(s)	Contract Period OT = One-Time C = Continuing	Account(s) Charged	Historical Year Contract Cost \$	
25	Engineering	Thompson Engineering	Density Test of Coal	C 1-1-00 to 12-31-00	501	403	
26	Continued	Whiting Services	Safety Inspection of cranes	C 1-1-00 to 12-31-00	511	2,900	
27	Legal	Beggs & Lane	Legal Counsel to management - main general counsel and regulatory representation	C 1-1-00 to 12-31-00	Various	1,180,937	
28		Balch & Bingham	Legal Counsel on System Issues	C 1-1-00 to 12-31-00	923	5,744	
29		Hopping, Green, et.al.	Environmental Legal counsel	C 1-1-00 to 12-31-00	Various	15,784	
30		Troutman Sanders	Legal Counsel on System Issues	C 1-1-00 to 12-31-00	Various	63,062	
31		Ed Holt	District Collections	C 1-1-00 to 12-31-00	Various	5,000	
32		Thomas Sale, Jr	Legal Counsel	C 1-1-00 to 12-31-00	Various	5,500	
33		Ausley & McMullen	Regulatory representation	C 1-1-00 to 12-31-00	Various	7,500	
34		Messer, Vickers, et.al.	Regulatory representation	C 1-1-00 to 12-31-00	Various	30,123	
35	Other	Bid Outstanding	Compliance Consultant	C 1-1-00 to 12-31-00	923	1,298	
36		NYCO Security	Guard Services	C 1-1-00 to 12-31-00	Various	401,072	
38	Total Outside Professional Services						2,783,537

FLORIDA PUBLIC SERVICE COMMISSION  COMPANY: GULF POWER COMPANY  DOCKET NO.: 010949-EI	EXPLANATION: Provide the following information regarding the use of outside professional services during the test year. Segregate the service by types such as accounting, financial, engineering, legal or other. If a projected test period is used, provide on both a projected and a historical basis.	Type of Data Shown: Projected Test Year Ended 05/31/03 XX Prior Year Ended 05/31/02 Historical Test Year Ended 12/31/00 Witness: R. G. Moore, F. M. Fisher, M. D. Neyman R. M. Saxon, R. J. McMillan, R. R. Labrato
---	--	--

Line No.	Type of Service	Vendor	Description of Service(s)	Contract Period OT = One-Time C = Continuing	Account(s) Charged	Prior Year Contract Cost \$	
1	Accounting	Arthur Andersen	Auditing Services, Tax Preparation.	C	6-1-01 to 5-31-02	923	187,165
2		O'Sullivan, Hicks, Patton	Tax Preparation	C	6-1-01 to 5-31-02	923	725
3		Hayden, James A	Tax Preparation	C	6-1-01 to 5-31-02	923	500
4	Engineering	Alabama Power Co	Fuel Testing	C	6-1-01 to 5-31-02	501	41,500
5		Atlantic Technologies	Aerial Survey of Coal Pile	C	6-1-01 to 5-31-02	501	9,092
6		Buchanan & Harper, Inc.	Property Surveyors	OT		506,511	26,500
7		Chemithon	#7 Flue Gas Conditioning System	C	6-1-01 to 5-31-02	512	6,500
8		Bid Outstanding	Sulfur Analysis of Natural Gas	C	6-1-01 to 5-31-02	506	1,000
9		Envirochem	Asbestos	C	6-1-01 to 5-31-02	506	5,000
10		Environmental Services Corp	Audits of ambient air monitoring	C	6-1-01 to 5-31-02	514	8,000
11		Gulf Coast Environmental	Groundwater Monitoring	OT	6-1-01 to 5-31-02	506	9,600
12		Medical Center Clinic	Provide respirator physicals	C	6-1-01 to 5-31-02	506	18,350
13		National Crane Services	Safety inspection of cranes	C	6-1-01 to 5-31-02	511	1,700
14		National Tribology Services	Analytical Testing	C	6-1-01 to 5-31-02	513,514	10,100
15		Occupational Testing	Provide Hearing Tests	C	6-1-01 to 5-31-02	506	8,300
16		Puckorius Associates	Condenser Analysis	C	6-1-01 to 5-31-02	512	25,000
17		Sanders Engineering	Particulate Testing	C	6-1-01 to 5-31-02	506	188,930
18		Savannah Laboratories	Water Quality Testing	C	6-1-01 to 5-31-02	506	38,915
19		Severn Trent Laboratories	Analytical Testing	C	6-1-01 to 5-31-02	506	31,640
20		Shephard T. Powell	Boiler Analysis	C	6-1-01 to 5-31-02	512	15,000
21		Southern Earth Sciences	Analyze exposure levels	C	6-1-01 to 5-31-02	512	121,100
22		Spectrum Systems	Emission Monitoring	C	6-1-01 to 5-31-02	512,514,553	358,986
23		STL	Asbestos/Hazardous Waste	C	6-1-01 to 5-31-02	506	5,000
24		The Water Spigot	Analytical Testing	C	6-1-01 to 5-31-02	506,512	4,000

256

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide the following information regarding the use of outside professional services during the test year. Segregate the service by types such as accounting, financial, engineering, legal or other. If a projected test period is used, provide on both a projected and a historical basis.

Type of Data Shown:  
 Projected Test Year Ended 05/31/03  
 XX Prior Year Ended 05/31/02  
 Historical Test Year Ended 12/31/00  
 Witness: R. G. Moore, F. M. Fisher, M. D. Neyman  
 R. M. Saxon, R. J. McMillan, R. R. Labrato

Line No.	Type of Service	Vendor	Description of Service(s)	Contract Period OT = One-Time C = Continuing	Account(s) Charged	Prior Year Contract Cost \$	
25	Engineering	Thompson Engineering	Density Test of Coal	C 6-1-01 to 5-31-02	501	1,000	
26	Continued	Bid Outstanding	Wetlands Mitigation	C 6-1-01 to 5-31-02	506	16,665	
27		Bid Outstanding	Thermal Study	C 6-1-01 to 5-31-02	506	41,715	
28		Whiting Services	Safety Inspection of cranes	C 6-1-01 to 5-31-02	511	2,900	
29	Legal	Beggs & Lane	Legal Counsel to management - main general counsel and regulatory representation	C 6-1-01 to 5-31-02	Various	831,672	
30		Hopping, Green, et.al.	Environmental Legal counsel	C 6-1-01 to 5-31-02	Various	4,167	
31		Troutman Sanders	Legal Counsel on System Issues	C 6-1-01 to 5-31-02	Various	58,057	
32		Ed Holt	District Collections	C 6-1-01 to 5-31-02	Various	5,000	
33		Thomas Sale, Jr	Legal Counsel	C 6-1-01 to 5-31-02	Various	5,250	
34		Ausley & McMullen	Regulatory representation	C 6-1-01 to 5-31-02	Various	7,573	
35		Messer, Vickers, et.al.	Regulatory representation	C 6-1-01 to 5-31-02	Various	30,596	
36	Other	Bid Outstanding	Compliance Consultant	C 6-1-01 to 5-31-02	923	15,325	
37		NYCO Security	Guard Services	C 6-1-01 to 5-31-02	Various	400,130	
38		Messer, Vickers, et.al.	Consultant	C 6-1-01 to 5-31-02	923	24,456	
39	Total Outside Professional Services						2,567,109

257

Supporting Schedules:

Recap Schedules:

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 010949-EI

EXPLANATION: Provide the following information regarding the use of outside professional services during the test year. Segregate the service by types such as accounting, financial, engineering, legal or other. If a projected test period is used, provide on both a projected and a historical basis.

Type of Data Shown:  
 XX Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Test Year Ended 12/31/00  
 Witness: R. G. Moore, F. M. Fisher, M. D. Neyman  
 R. M. Saxon, R. J. McMillan, R. R. Labrato

Line No.	Type of Service	Vendor	Description of Service(s)	Contract Period		Account(s) Charged	Test Year Contract Cost \$
				OT = One-Time	C = Continuing		
1	Accounting	Arthur Andersen	Auditing Services, Tax Preparation	C	6-1-02 to 5-31-03	923	192,137
2		O'Sullivan, Hicks, Patton	Tax Preparation	C	6-1-02 to 5-31-03	923	750
3	Engineering	Hayden, James A	Tax Preparation	C	6-1-02 to 5-31-03	923	500
4		Alabama Power Co	Fuel Testing	C	6-1-02 to 5-31-03	501	42,500
5		Atlantic Technologies	Aerial Survey of Coal Pile	C	6-1-02 to 5-31-03	501	9,085
6		Chemithon	#7 Flue Gas Conditioning System	C	6-1-02 to 5-31-03	512	6,500
7		Bid Outstanding	Sulfur Analysis of Natural Gas	C	6-1-02 to 5-31-03	506	1,000
8		Envirochem	Asbestos	C	6-1-02 to 5-31-03	506	5,000
9		Environmental Services Corp	Audits of ambient air monitoring	C	6-1-02 to 5-31-03	514	8,000
10		Gulf Coast Environmental	Groundwater Monitoring	OT	6-1-02 to 5-31-03	506	9,600
11		Medical Center Clinic	Provide respirator physicals	C	6-1-02 to 5-31-03	506	18,420
12		National Crane Services	Safety inspection of cranes	C	6-1-02 to 5-31-03	511	1,750
13		National Tribology Services	Analytical Testing	C	6-1-02 to 5-31-03	513,514	10,060
14	Occupational Testing	Provide Hearing Tests	C	6-1-02 to 5-31-03	506	8,300	
15	Puckorious Associates	Condenser Analysis	C	6-1-02 to 5-31-03	512	25,000	
16	Sanders Engineering	Particulate Testing	C	6-1-02 to 5-31-03	506	190,490	
17	Savannah Laboratories	Water Quality Testing	C	6-1-02 to 5-31-03	506	39,200	
18	Severn Trent Laboratories	Analytical Testing	C	6-1-02 to 5-31-03	506	32,100	
19	Shephard T. Powell	Boiler Analysis	C	6-1-02 to 5-31-03	512	15,000	
20	Southern Earth Sciences	Analyze exposure levels	C	6-1-02 to 5-31-03	512	121,500	
21	Spectrum Systems	Emission Monitoring	C	6-1-02 to 5-31-03	512,514,553	406,551	
22	STL	Asbestos/Hazardous Waste	C	6-1-02 to 5-31-03	506	5,000	
23	The Water Spigot	Analytical Testing	C	6-1-02 to 5-31-03	506,512	4,200	

258

FLORIDA PUBLIC SERVICE COMMISSION  
 COMPANY: GULF POWER COMPANY  
 DOCKET NO.: 010949-EI

EXPLANATION: Provide the following information regarding the use of outside professional services during the test year. Segregate the service by types such as accounting, financial, engineering, legal or other. If a projected test period is used, provide on both a projected and a historical basis.

Type of Data Shown:  
 XX Projected Test Year Ended 05/31/03  
 Prior Year Ended 05/31/02  
 Historical Test Year Ended 12/31/00  
 Witness: R. G. Moore, F. M. Fisher, M. D. Neyman  
 R. M. Saxon, R. J. McMillan, R. R. Labrato

Line No.	Type of Service	Vendor	Description of Service(s)	Contract Period OT = One-Time C = Continuing	Account(s) Charged	Test Year Contract Cost \$	
25	Engineering	Thompson Engineering	Density Test of Coal	C 6-1-02 to 5-31-03	501	1,012	
26	Continued	Bid Outstanding	Wetlands Mitigation	C 6-1-02 to 5-31-03	506	40,020	
27		Bid Outstanding	Thermal Study	C 6-1-02 to 5-31-03	506	100,000	
28		Whiting Services	Safety Inspection of cranes	C 6-1-02 to 5-31-03	511	2,900	
29	Legal	Beggs & Lane	Legal Counsel to management - main general counsel and regulatory representation	C 6-1-02 to 5-31-03	Various	846,957	
30		Hopping, Green, et.al.	Environmental Legal counsel	C 6-1-02 to 5-31-03	Various	4,444	
31		Troutman Sanders	Legal Counsel on System Issues	C 6-1-02 to 5-31-03	Various	74,009	
32		Ed Holt	District Collections	C 6-1-02 to 1-31-03	Various	5,000	
33		Thomas Sale, Jr.	Legal Counsel	C 6-1-02 to 5-31-03	Various	6,050	
34		Ausley & McMullen	Regulatory representation	C 6-1-02 to 5-31-03	Various	7,753	
35		Messer, Vickers, et.al.	Regulatory representation	C 6-1-02 to 5-31-03	Various	30,477	
36	Other	Bid Outstanding	Compliance Consultant	C 6-1-02 to 5-31-03	923	16,080	
37		NYCO Security	Guard Services	C 6-1-02 to 5-31-03	Various	451,044	
38		Messer, Vickers, et.al.	Consultant	C 6-1-02 to 5-31-03	923	36,604	
39	Total Outside Professional Services						2,774,993

259

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information concerning pension cost for the test year, and the prior year if the test year is projected.

Type of Data Shown:

COMPANY: Gulf Power Company

XX Projected Test Year Ended 05/31/03

XX Prior Year Ended 05/31/02

XX Historic Test Year Ended 12/31/00

DOCKET NO.: 010949-EI

Witness: R. J. McMillan

Line No.	Description	Amount		
		(000) Test Year 5/31/03 *	(000) Prior Year 5/31/02 *	(000) Historical Year 12/31/2000
1	Service Cost	\$5,078	\$4,799	\$4,282
2	Interest Cost	\$12,427	\$11,766	\$10,394
3	Actual Return on Assets	(\$20,952)	(\$19,679)	(\$17,504) *
4	Net Amortization and Deferral	(\$3,618)	(\$3,620)	(\$3,303)
5	Amortization of Prior Service Cost	\$908	\$830	\$374
6	Total Net Periodic Pension Cost	(\$6,157)	(\$5,904)	(\$5,757)
7	For the Year:			
8	Expected Return on Assets	(\$20,952)	(\$19,679)	(\$17,503)
9	Assumed Rate of Return on Plan Assets	8.50%	8.50%	8.50%
10	Amortization of Transition Asset or Obligation	(\$720)	(\$720)	(\$720)
11	Percent of Pension Cost Capitalized	23.78%	23.78%	23.05%
12	Pension Cost Recorded in Account 926	(\$6,157)	(\$5,904)	(\$5,757)
13	Minimum Required Contribution Per IRS	0	0	0
14	Maximum Allowable Contribution Per IRS	0	0	0
15	Actual Contribution Made to the Trust Fund	0	0	0
16	Actuarial Attribution Approach Used for Funding	Frozen Entry Age	Frozen Entry Age	Frozen Entry Age
17	Assumed Discount Rate for Computing Funding	8.50%	8.50%	8.50%
18	Allocation Method Used to Assign Costs if the Utility Is Not the			
19	Sole Participant in the Plan. Attach the Relevant Procedures.	N/A	N/A	N/A

260

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information concerning pension cost for the test year, and the prior year if the test year is projected.

Type of Data Shown:

COMPANY: Gulf Power Company

XX Projected Test Year Ended 05/31/03

XX Prior Year Ended 05/31/02

DOCKET NO.: 010949-EI

XX Historic Test Year Ended 12/31/00

Witness: R. J. McMillan

Line No.	Description	Amount		
		(000) Test Year 5/31/03 *	(000) Prior Year 5/31/02 *	(000) Historical Year 12/31/2000
20	At Year End:			
21	Accumulated Benefit Obligation	(1)	(1)	(1)
22	Projected Benefit Obligation	\$179,034	\$169,859	\$148,981
23	Vested Benefit Obligation	(1)	(1)	(1)
24	Assumed Discount Rate (Settlement Rate)	7.50%	7.50%	7.50%
25	Assumed Rate for Salary Increases	5.00%	5.00%	5.00%
26	Fair Value of Plan Assets	\$285,329	\$272,157	\$253,781
27	Market Related Value of Assets	\$265,684	\$249,448	\$227,632 *
28	Balance in Working Capital (Specify Account No.165-911)	\$37,935	\$31,778	\$23,491
29	* Projections			
30	(1) Amount is not required to be disclosed by FAS132 and			
31	is not readily available.			

261