

THIS FILING IS

EI804-06-AR

Item 1: ☒ An Initial (Original) Submission OR ☐ Resubmission No. \_\_\_\_\_

Form 1-F Approved  
OMB No. 1902-0029  
(Expires 6/30/2007)  
Form 3-Q Approved  
OMB No. 1902-0205  
(Expires 6/30/2007)



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**FERC FINANCIAL REPORT**  
**FERC FORM No. 1: Annual Report of**  
**Major Electric Utilities, Licensees**  
**and Others and Supplemental**  
**Form 3-Q: Quarterly Financial Report**

These reports are mandatory under the Federal Power Act, Sections 3, 4(a), 304 and 309, and 18 CFR 141.1 and 141.400. Failure to report may result in criminal fines, civil penalties and other sanctions as provided by law. The Federal Energy Regulatory Commission does not consider these reports to be of confidential nature

**Exact Legal Name of Respondent (Company)**

Gulf Power Company

**Year/Period of Report**

**End of** 2006/Q4

## SIGNATURE PAGE

I certify that I am the responsible accounting officer of

**Gulf Power Company**

;

that I have examined the following report; that to the best of my knowledge, information, and belief, all statements of fact contained in the said report are true and the said report is a correct statement of the business and affairs of the above-named respondent in respect to each and every matter set forth therein during the period from January 1, 2006 to December 31, 2006, inclusive.

I also certify that all affiliated transfer prices and affiliated cost allocations were determined consistent with the methods reported to this Commission on the appropriate forms included in this report.

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

4/18/2007

**Date**

Connie J. Erickson

**Signature**

Connie J. Erickson

**Name**

Comptroller

**Title**



**Deloitte & Touche LLP**  
191 Peachtree Street NE  
Suite 1500  
Atlanta, Georgia 30303  
USA

Tel: +1 404 220 1500  
[www.deloitte.com](http://www.deloitte.com)

## INDEPENDENT AUDITORS' REPORT

### Gulf Power Company

We have audited the balance sheet—regulatory basis of Gulf Power Company (the “Company”) as of December 31, 2006, and the related statements of income—regulatory basis; retained earnings—regulatory basis; cash flows—regulatory basis, and accumulated comprehensive income, comprehensive income, and hedging activities—regulatory basis for the year ended December 31, 2006, included on pages 110 through 123 of the accompanying Federal Energy Regulatory Commission Form 1. These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes considerations of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As discussed in Note 1, these financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America.

In our opinion, such regulatory-basis financial statements present fairly, in all material respects, the assets, liabilities, and proprietary capital of Gulf Power Company at December 31, 2006, and the results of its operations and its cash flows for the year ended December 31, 2006, in accordance with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases.

This report is intended solely for the information and use of the board of directors and management of Gulf Power Company and for filing with the Federal Energy Regulatory Commission and is not intended to be and should not be used by anyone other than these specified parties.

February 26, 2007

## INSTRUCTIONS FOR FILING FERC FORM NOS. 1 and 3-Q

### GENERAL INFORMATION

#### I. Purpose

FERC Form No. 1 (FERC Form 1) is an annual regulatory requirement for Major electric utilities, licensees and others (18 C.F.R. § 141.1). FERC Form No. 3-Q (FERC Form 3-Q) is a quarterly regulatory requirement which supplements the annual financial reporting requirement (18 C.F.R. § 141.400). These reports are designed to collect financial and operational information from electric utilities, licensees and others subject to the jurisdiction of the Federal Energy Regulatory Commission. These reports are also considered to be non-confidential public use forms.

#### II. Who Must Submit

Each Major electric utility, licensee, or other, as classified in the Commission's Uniform System of Accounts Prescribed for Public Utilities and Licensees Subject To the Provisions of The Federal Power Act (18 C.F.R. Part 101), must submit FERC Form 1 (18 C.F.R. § 141.1), and FERC Form 3-Q (18 C.F.R. § 141.400).

Note: Major means having, in each of the three previous calendar years, sales or transmission service that exceeds one of the following:

- (1) one million megawatt hours of total annual sales,
- (2) 100 megawatt hours of annual sales for resale,
- (3) 500 megawatt hours of annual power exchanges delivered, or
- (4) 500 megawatt hours of annual wheeling for others (deliveries plus losses).

#### III. What and Where to Submit

(a) Submit FERC Forms 1 and 3-Q electronically through the forms submission software. Retain one copy of each report for your files. Any electronic submission must be created by using the forms submission software provided free by the Commission at its web site: <http://www.ferc.gov/docs-filing/eforms/form-1/elec-subm-soft.asp>. The software is used to submit the electronic filing to the Commission via the Internet.

(b) The Corporate Officer Certification must be submitted electronically as part of the FERC Forms 1 and 3-Q filings.

(c) Submit immediately upon publication, by either eFiling or mail, two (2) copies to the Secretary of the Commission, the latest Annual Report to Stockholders. Unless eFiling the Annual Report to Stockholders, mail the stockholders report to the Secretary of the Commission at:

Secretary  
Federal Energy Regulatory Commission  
888 First Street, NE  
Washington, DC 20426

(d) For the CPA Certification Statement, submit within 30 days after filing the FERC Form 1, a letter or report (not applicable to filers classified as Class C or Class D prior to January 1, 1984). The CPA Certification Statement can be either eFiled or mailed to the Secretary of the Commission at the address above.



The CPA Certification Statement should:

- a) Attest to the conformity, in all material aspects, of the below listed (schedules and pages) with the Commission's applicable Uniform System of Accounts (including applicable notes relating thereto and the Chief Accountant's published accounting releases), and
- b) Be signed by independent certified public accountants or an independent licensed public accountant certified or licensed by a regulatory authority of a State or other political subdivision of the U. S. (See 18 C.F.R. §§ 41.10-41.12 for specific qualifications.)

<u>Reference Schedules</u>	<u>Pages</u>
Comparative Balance Sheet	110-113
Statement of Income	114-117
Statement of Retained Earnings	118-119
Statement of Cash Flows	120-121
Notes to Financial Statements	122-123

- e) The following format must be used for the CPA Certification Statement unless unusual circumstances or conditions, explained in the letter or report, demand that it be varied. Insert parenthetical phrases only when exceptions are reported.

"In connection with our regular examination of the financial statements of \_\_\_\_\_ for the year ended on which we have reported separately under date of \_\_\_\_\_, we have also reviewed schedules \_\_\_\_\_ of FERC Form No. 1 for the year filed with the Federal Energy Regulatory Commission, for conformity in all material respects with the requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases. Our review for this purpose included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

Based on our review, in our opinion the accompanying schedules identified in the preceding paragraph (except as noted below) conform in all material respects with the accounting requirements of the Federal Energy Regulatory Commission as set forth in its applicable Uniform System of Accounts and published accounting releases."

The letter or report must state which, if any, of the pages above do not conform to the Commission's requirements. Describe the discrepancies that exist.

- (f) Filers are encouraged to file their Annual Report to Stockholders, and the CPA Certification Statement using eFiling. To further that effort, new selections, "Annual Report to Stockholders," and "CPA Certification Statement" have been added to the dropdown "pick list" from which companies must choose when eFiling. Further instructions are found on the Commission's website at <http://www.ferc.gov/help/how-to.asp>.

- (g) Federal, State and Local Governments and other authorized users may obtain additional blank copies of FERC Form 1 and 3-Q free of charge from <http://www.ferc.gov/docs-filing/eforms/form-1/form-1.pdf> and <http://www.ferc.gov/docs-filing/eforms.asp#3Q-gas>.

#### **IV. When to Submit:**

FERC Forms 1 and 3-Q must be filed by the following schedule:

- a) FERC Form 1 for each year ending December 31 must be filed by April 18<sup>th</sup> of the following year (18 CFR § 141.1), and
- b) FERC Form 3-Q for each calendar quarter must be filed within 60 days after the reporting quarter (18 C.F.R. § 141.400).

#### **V. Where to Send Comments on Public Reporting Burden.**

The public reporting burden for the FERC Form 1 collection of information is estimated to average 1,144 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data-needed, and completing and reviewing the collection of information. The public reporting burden for the FERC Form 3-Q collection of information is estimated to average 150 hours per response.

Send comments regarding these burden estimates or any aspect of these collections of information, including suggestions for reducing burden, to the Federal Energy Regulatory Commission, 888 First Street NE, Washington, DC 20426 (Attention: Information Clearance Officer); and to the Office of Information and Regulatory Affairs, Office of Management and Budget, Washington, DC 20503 (Attention: Desk Officer for the Federal Energy Regulatory Commission). No person shall be subject to any penalty if any collection of information does not display a valid control number (44 U.S.C. § 3512 (a)).

## GENERAL INSTRUCTIONS

- I. Prepare this report in conformity with the Uniform System of Accounts (18 CFR Part 101) (USofA). Interpret all accounting words and phrases in accordance with the USofA.
- II. Enter in whole numbers (dollars or MWH) only, except where otherwise noted. (Enter cents for averages and figures per unit where cents are important. The truncating of cents is allowed except on the four basic financial statements where rounding is required.) The amounts shown on all supporting pages must agree with the amounts entered on the statements that they support. When applying thresholds to determine significance for reporting purposes, use for balance sheet accounts the balances at the end of the current reporting period, and use for statement of income accounts the current year's year to date amounts.
- III. Complete each question fully and accurately, even if it has been answered in a previous report. Enter the word "None" where it truly and completely states the fact.
- IV. For any page(s) that is not applicable to the respondent, omit the page(s) and enter "NA," "NONE," or "Not Applicable" in column (d) on the List of Schedules, pages 2 and 3.
- V. Enter the month, day, and year for all dates. Use customary abbreviations. **The "Date of Report" included in the header of each page is to be completed only for resubmissions** (see VII. below).
- VI. Generally, except for certain schedules, all numbers, whether they are expected to be debits or credits, must be reported as positive. Numbers having a sign that is different from the expected sign must be reported by enclosing the numbers in parentheses.
- VII. For any resubmissions, submit the electronic filing using the form submission software only. Please explain the reason for the resubmission in a footnote to the data field.
- VIII. Do not make references to reports of previous periods/years or to other reports in lieu of required entries, except as specifically authorized.
- IX. Wherever (schedule) pages refer to figures from a previous period/year, the figures reported must be based upon those shown by the report of the previous period/year, or an appropriate explanation given as to why the different figures were used.

Definitions for statistical classifications used for completing schedules for transmission system reporting are as follows:

FNS - Firm Network Transmission Service for Self. "Firm" means service that can not be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff. "Self" means the respondent.

FNO - Firm Network Service for Others. "Firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Network Service" is Network Transmission Service as described in Order No. 888 and the Open Access Transmission Tariff.

LFP - for Long-Term Firm Point-to-Point Transmission Reservations. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. "Point-to-Point Transmission Reservations" are described in Order No. 888 and the Open Access Transmission Tariff. For all transactions identified as LFP, provide in a footnote the

termination date of the contract defined as the earliest date either buyer or seller can unilaterally cancel the contract.

OLF - Other Long-Term Firm Transmission Service. Report service provided under contracts which do not conform to the terms of the Open Access Transmission Tariff. "Long-Term" means one year or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions. For all transactions identified as OLF, provide in a footnote the termination date of the contract defined as the earliest date either buyer or seller can unilaterally get out of the contract.

SFP - Short-Term Firm Point-to-Point Transmission Reservations. Use this classification for all firm point-to-point transmission reservations, where the duration of each period of reservation is less than one-year.

NF - Non-Firm Transmission Service, where firm means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions.

OS - Other Transmission Service. Use this classification only for those services which can not be placed in the above-mentioned classifications, such as all other service regardless of the length of the contract and service FERC Form. Describe the type of service in a footnote for each entry.

AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment.

#### DEFINITIONS

I. Commission Authorization (Comm. Auth.) -- The authorization of the Federal Energy Regulatory Commission, or any other Commission. Name the commission whose authorization was obtained and give date of the authorization.

II. Respondent -- The person, corporation, licensee, agency, authority, or other Legal entity or instrumentality in whose behalf the report is made.

## EXCERPTS FROM THE LAW

### Federal Power Act, 16 U.S.C. § 791a-825r

Sec. 3. The words defined in this section shall have the following meanings for purposes of this Act, to with:

(3) 'Corporation' means any corporation, joint-stock company, partnership, association, business trust, organized group of persons, whether incorporated or not, or a receiver or receivers, trustee or trustees of any of the foregoing. It shall not include 'municipalities, as hereinafter defined;

(4) 'Person' means an individual or a corporation;

(5) 'Licensee, means any person, State, or municipality Licensed under the provisions of section 4 of this Act, and any assignee or successor in interest thereof;

(7) 'municipality means a city, county, irrigation district, drainage district, or other political subdivision or agency of a State competent under the Laws thereof to carry and the business of developing, transmitting, unitizing, or distributing power; .....

(11) "project' means. a complete unit of improvement or development, consisting of a power house, all water conduits, all dams and appurtenant works and structures (including navigation structures) which are a part of said unit, and all storage, diverting, or fore bay reservoirs directly connected therewith, the primary line or lines transmitting power there from to the point of junction with the distribution system or with the interconnected primary transmission system, all miscellaneous structures used and useful in connection with said unit or any part thereof, and all water rights, rights-of-way, ditches, dams, reservoirs, Lands, or interest in Lands the use and occupancy of which are necessary or appropriate in the maintenance and operation of such unit;

"Sec. 4. The Commission is hereby authorized and empowered

(a) To make investigations and to collect and record data concerning the utilization of the water 'resources of any region to be developed, the water-power industry and its relation to other industries and to interstate or foreign commerce, and concerning the location, capacity, development -costs, and relation to markets of power sites; ... to the extent the Commission may deem necessary or useful for the purposes of this Act."

"Sec. 304. (a) Every Licensee and every public utility shall file with the Commission such annual and other periodic or special\* reports as the Commission may be rules and regulations or other prescribe as necessary or appropriate to assist the Commission in the -proper administration of this Act. The Commission may prescribe the manner and FERC Form in which such reports salt be made, and require from such persons specific answers to all questions upon which the Commission may need information. The Commission may require that such reports shall include, among other things, full information as to assets and Liabilities, capitalization, net investment, and reduction thereof, gross receipts, interest due and paid, depreciation, and other reserves, cost of project and other facilities, cost of maintenance and operation of the project and other facilities, cost of renewals and replacement of the project works and other facilities, depreciation, generation, transmission, distribution, delivery, use, and sale of electric energy. The Commission may require any such person to make adequate provision for currently determining such costs and other facts. Such reports shall be made under oath unless the Commission otherwise specifies\*.10

"Sec. 309. The Commission shall have power to perform any and all acts, and to prescribe, issue, make, and rescind such orders, rules and regulations as it may find necessary or appropriate to carry out the provisions of this Act. Among other things, such rules and regulations may define accounting, technical, and trade terms used in this Act; and may prescribe the FERC Form or FERC Forms of all statements, declarations, applications, and reports to be filed with the Commission, the information which they shall contain, and the time within which they shall be filed..."

#### **General Penalties**

The Commission may assess up to \$1 million per day per violation of its rules and regulations. *See* FPA § 316(a) (2005), 16 U.S.C. § 825o(a).

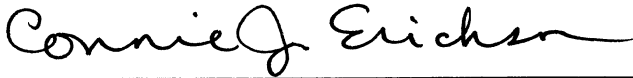
**FERC FORM NO. 1/3-Q:  
REPORT OF MAJOR ELECTRIC UTILITIES, LICENSEES AND OTHER**

IDENTIFICATION		
01 Exact Legal Name of Respondent Gulf Power Company		02 Year/Period of Report End of <u>2006/Q4</u>
03 Previous Name and Date of Change (if name changed during year) / /		
04 Address of Principal Office at End of Period (Street, City, State, Zip Code) 500 Bayfront Pkwy, Pensacola FL 32520		
05 Name of Contact Person Connie J. Erickson		06 Title of Contact Person Comptroller
07 Address of Contact Person (Street, City, State, Zip Code) Mailing Address: One Energy Place, Pensacola FL 32520-0761		
08 Telephone of Contact Person, Including Area Code (850) 444-6384	09 This Report Is (1) <input checked="" type="checkbox"/> An Original      (2) <input type="checkbox"/> A Resubmission	10 Date of Report (Mo, Da, Yr) / /

**ANNUAL CORPORATE OFFICER CERTIFICATION**

The undersigned officer certifies that:

I have examined this report and to the best of my knowledge, information, and belief all statements of fact contained in this report are correct statements of the business affairs of the respondent and the financial statements, and other financial information contained in this report, conform in all material respects to the Uniform System of Accounts.

01 Name Connie J. Erickson	03 Signature 	04 Date Signed (Mo, Da, Yr) 04/18/2007
02 Title Comptroller		

Title 18, U.S.C. 1001 makes it a crime for any person to knowingly and willingly to make to any Agency or Department of the United States any false, fictitious or fraudulent statements as to any matter within its jurisdiction.

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
LIST OF SCHEDULES (Electric Utility)					
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".					
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)		
1	General Information	101			
2	Control Over Respondent	102			
3	Corporations Controlled by Respondent	103			
4	Officers	104			
5	Directors	105			
6	Important Changes During the Year	108-109			
7	Comparative Balance Sheet	110-113			
8	Statement of Income for the Year	114-117			
9	Statement of Retained Earnings for the Year	118-119			
10	Statement of Cash Flows	120-121			
11	Notes to Financial Statements	122-123			
12	Statement of Accum Comp Income, Comp Income, and Hedging Activities	122(a)(b)			
13	Summary of Utility Plant & Accumulated Provisions for Dep, Amort & Dep	200-201			
14	Nuclear Fuel Materials	202-203	NA		
15	Electric Plant in Service	204-207			
16	Electric Plant Leased to Others	213	NA		
17	Electric Plant Held for Future Use	214			
18	Construction Work in Progress-Electric	216			
19	Accumulated Provision for Depreciation of Electric Utility Plant	219			
20	Investment of Subsidiary Companies	224-225			
21	Materials and Supplies	227			
22	Allowances	228-229			
23	Extraordinary Property Losses	230	NA		
24	Unrecovered Plant and Regulatory Study Costs	230	NA		
25	Transmission Service and Generation Interconnection Study Costs	231			
26	Other Regulatory Assets	232			
27	Miscellaneous Deferred Debits	233			
28	Accumulated Deferred Income Taxes	234			
29	Capital Stock	250-251			
30	Other Paid-in Capital	253			
31	Capital Stock Expense	254			
32	Long-Term Debt	256-257			
33	Reconciliation of Reported Net Income with Taxable Inc for Fed Inc Tax	261			
34	Taxes Accrued, Prepaid and Charged During the Year	262-263			
35	Accumulated Deferred Investment Tax Credits	266-267			
36	Other Deferred Credits	269			



Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
LIST OF SCHEDULES (Electric Utility) (continued)					
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".					
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)		
37	Accumulated Deferred Income Taxes-Accelerated Amortization Property	272-273			
38	Accumulated Deferred Income Taxes-Other Property	274-275			
39	Accumulated Deferred Income Taxes-Other	276-277			
40	Other Regulatory Liabilities	278			
41	Electric Operating Revenues	300-301			
42	Sales of Electricity by Rate Schedules	304			
43	Sales for Resale	310-311			
44	Electric Operation and Maintenance Expenses	320-323			
45	Purchased Power	326-327			
46	Transmission of Electricity for Others	328-330			
47	Transmission of Electricity by ISO/RTOs	331	NA		
48	Transmission of Electricity by Others	332			
49	Miscellaneous General Expenses-Electric	335			
50	Depreciation and Amortization of Electric Plant	336-337			
51	Regulatory Commission Expenses	350-351			
52	Research, Development and Demonstration Activities	352-353			
53	Distribution of Salaries and Wages	354-355			
54	Common Utility Plant and Expenses	356	NA		
55	Amounts included in ISO/RTO Settlement Statements	397	NA		
56	Purchase and Sale of Ancillary Services	398			
57	Monthly Transmission System Peak Load	400			
58	Monthly ISO/RTO Transmission System Peak Load	400a	NA		
59	Electric Energy Account	401			
60	Monthly Peaks and Output	401			
61	Steam Electric Generating Plant Statistics	402-403			
62	Hydroelectric Generating Plant Statistics	406-407	NA		
63	Pumped Storage Generating Plant Statistics	408-409	NA		
64	Generating Plant Statistics Pages	410-411	NA		
65	Transmission Line Statistics Pages	422-423			
66	Transmission Lines Added During the Year	424-425			

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
LIST OF SCHEDULES (Electric Utility) (continued)					
Enter in column (c) the terms "none," "not applicable," or "NA," as appropriate, where no information or amounts have been reported for certain pages. Omit pages where the respondents are "none," "not applicable," or "NA".					
Line No.	Title of Schedule (a)	Reference Page No. (b)	Remarks (c)		
67	Substations	426-427			
68	Footnote Data	450			
	Stockholders' Reports Check appropriate box: <input checked="" type="checkbox"/> Four copies will be submitted <input type="checkbox"/> No annual report to stockholders is prepared				

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2006/Q4</u>
<b>GENERAL INFORMATION</b>			
<p>1. Provide name and title of officer having custody of the general corporate books of account and address of office where the general corporate books are kept, and address of office where any other corporate books of account are kept, if different from that where the general corporate books are kept.</p> <p>Connie J. Erickson          Comptroller          500 Bayfront Parkway          Pensacola, FL 32520-0761</p>			
<p>2. Provide the name of the State under the laws of which respondent is incorporated, and date of incorporation. If incorporated under a special law, give reference to such law. If not incorporated, state that fact and give the type of organization and the date organized.</p> <p>Incorporated on November 2, 2005, in Florida.</p>			
<p>3. If at any time during the year the property of respondent was held by a receiver or trustee, give (a) name of receiver or trustee, (b) date such receiver or trustee took possession, (c) the authority by which the receivership or trusteeship was created, and (d) date when possession by receiver or trustee ceased.</p> <p>N/A</p>			
<p>4. State the classes or utility and other services furnished by respondent during the year in each State in which the respondent operated.</p> <p>Production of electricity in Northwest Florida (Mississippi and Georgia for use in Northwest Florida), and other miscellaneous services.</p>			
<p>5. Have you engaged as the principal accountant to audit your financial statements an accountant who is not the principal accountant for your previous year's certified financial statements?</p> <p>(1) <input type="checkbox"/> Yes...Enter the date when such independent accountant was initially engaged:          (2) <input checked="" type="checkbox"/> No</p>			

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of <u>2006/Q4</u>
CONTROL OVER RESPONDENT			
<p>1. If any corporation, business trust, or similar organization or a combination of such organizations jointly held control over the repondent at the end of the year, state name of controlling corporation or organization, manner in which control was held, and extent of control. If control was in a holding company organization, show the chain of ownership or control to the main parent company or organization. If control was held by a trustee(s), state name of trustee(s), name of beneficiary or beneficiaries for whom trust was maintained, and purpose of the trust.</p>			
<p>1. Southern Company, a registered holding company, owns all of the Common Stock of the respondent.</p>			
<p>2. 2006 Notes to Financial Statements (Gulf Power Company), Note 1 Summary of Significant Accounting Policies, General.</p>			

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
CORPORATIONS CONTROLLED BY RESPONDENT				
<p>1. Report below the names of all corporations, business trusts, and similar organizations, controlled directly or indirectly by respondent at any time during the year. If control ceased prior to end of year, give particulars (details) in a footnote.</p> <p>2. If control was by other means than a direct holding of voting rights, state in a footnote the manner in which control was held, naming any intermediaries involved.</p> <p>3. If control was held jointly with one or more other interests, state the fact in a footnote and name the other interests.</p>				
<p><b>Definitions</b></p> <p>1. See the Uniform System of Accounts for a definition of control.</p> <p>2. Direct control is that which is exercised without interposition of an intermediary.</p> <p>3. Indirect control is that which is exercised by the interposition of an intermediary which exercises direct control.</p> <p>4. Joint control is that in which neither interest can effectively control or direct action without the consent of the other, as where the voting control is equally divided between two holders, or each party holds a veto power over the other. Joint control may exist by mutual agreement or understanding between two or more parties who together have control within the meaning of the definition of control in the Uniform System of Accounts, regardless of the relative voting rights of each party.</p>				
Line No.	Name of Company Controlled (a)	Kind of Business (b)	Percent Voting Stock Owned (c)	Footnote Ref. (d)
1	Gulf Power Capital Trust III	Trust established for the	100%	Redeemed
2		purpose of issuing preferred		12/18/2006
3		securities and subsequently		
4		linking the proceeds to		
5		Gulf Power Company.		
6				
7	Gulf Power Capital Trust IV	Trust established for the	100%	
8		purpose of issuing preferred		
9		securities and subsequently		
10		linking the proceeds to		
11		Gulf Power Company.		
12				
13	Gulf Power Capital Trust V	Trust established for the	100%	
14		purpose of issuing preferred		
15		securities and subsequently		
16		linking the proceeds to		
17		Gulf Power Company.		
18				
19	Gulf Power Capital Trust VI	Trust established for the	100%	
20		purpose of issuing preferred		
21		securities and subsequently		
22		linking the proceeds to		
23		Gulf Power Company.		
24				
25				
26				
27				

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**OFFICERS**

1. Report below the name, title and salary for each executive officer whose salary is \$50,000 or more. An "executive officer" of a respondent includes its president, secretary, treasurer, and vice president in charge of a principal business unit, division or function (such as sales, administration or finance), and any other person who performs similar policy making functions.
2. If a change was made during the year in the incumbent of any position, show name and total remuneration of the previous incumbent, and the date the change in incumbency was made.

Line No.	Title (a)	Name of Officer (b)	Salary for Year (c)
1	President and Chief Executive Officer	Susan N. Story	637,250
2			
3	Vice President-External Affairs/Corporate Services	P. Bernard Jacob	367,804
4			
5	Vice President - Customer Operations	Francis M. Fisher, Jr.	444,470
6			
7	Vice President - Chief Financial Officer & Comptroller	Ronnie R. Labrato	427,342
8			
9	Vice President - Power Generation	Penny M. Manuel	320,425
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Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
DIRECTORS					
1. Report below the information called for concerning each director of the respondent who held office at any time during the year. Include in column (a), abbreviated titles of the directors who are officers of the respondent.					
2. Designate members of the Executive Committee by a triple asterisk and the Chairman of the Executive Committee by a double asterisk.					
Line No.	Name (and Title) of Director (a)			Principal Business Address (b)	
1	Susan N. Story			One Energy Place	
2	President and Chief Executive Officer			Pensacola, FL 32520	
3					
4	C. LeDon Anchors			909 Mar Walt Drive, Suite 1014	
5				Ft. Walton Beach, FL 32547	
6					
7	William C. Cramer, Jr.			2251 West 23rd Street	
8				Panama City, FL 32405	
9					
10	Fred C. Donovan, Sr.			449 West Main Street	
11				Pensacola, FL 32502	
12					
13	William A. Pullum			8494 Navarre Parkway	
14				Navarre, FL 32566	
15					
16	Winston E. Scott			2224 Bay Area Boulevard	
17				Suite 200	
18				Houston, TX 77058	
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Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report / /	Year/Period of Report End of 2006/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR			
<p>Give particulars (details) concerning the matters indicated below. Make the statements explicit and precise, and number them in accordance with the inquiries. Each inquiry should be answered. Enter "none," "not applicable," or "NA" where applicable. If information which answers an inquiry is given elsewhere in the report, make a reference to the schedule in which it appears.</p> <p>1. Changes in and important additions to franchise rights: Describe the actual consideration given therefore and state from whom the franchise rights were acquired. If acquired without the payment of consideration, state that fact.</p> <p>2. Acquisition of ownership in other companies by reorganization, merger, or consolidation with other companies: Give names of companies involved, particulars concerning the transactions, name of the Commission authorizing the transaction, and reference to Commission authorization.</p> <p>3. Purchase or sale of an operating unit or system: Give a brief description of the property, and of the transactions relating thereto, and reference to Commission authorization, if any was required. Give date journal entries called for by the Uniform System of Accounts were submitted to the Commission.</p> <p>4. Important leaseholds (other than leaseholds for natural gas lands) that have been acquired or given, assigned or surrendered: Give effective dates, lengths of terms, names of parties, rents, and other condition. State name of Commission authorizing lease and give reference to such authorization.</p> <p>5. Important extension or reduction of transmission or distribution system: State territory added or relinquished and date operations began or ceased and give reference to Commission authorization, if any was required. State also the approximate number of customers added or lost and approximate annual revenues of each class of service. Each natural gas company must also state major new continuing sources of gas made available to it from purchases, development, purchase contract or otherwise, giving location and approximate total gas volumes available, period of contracts, and other parties to any such arrangements, etc.</p> <p>6. Obligations incurred as a result of issuance of securities or assumption of liabilities or guarantees including issuance of short-term debt and commercial paper having a maturity of one year or less. Give reference to FERC or State Commission authorization, as appropriate, and the amount of obligation or guarantee.</p> <p>7. Changes in articles of incorporation or amendments to charter: Explain the nature and purpose of such changes or amendments.</p> <p>8. State the estimated annual effect and nature of any important wage scale changes during the year.</p> <p>9. State briefly the status of any materially important legal proceedings pending at the end of the year, and the results of any such proceedings culminated during the year.</p> <p>10. Describe briefly any materially important transactions of the respondent not disclosed elsewhere in this report in which an officer, director, security holder reported on Page 106, voting trustee, associated company or known associate of any of these persons was a party or in which any such person had a material interest.</p> <p>11. (Reserved.)</p> <p>12. If the important changes during the year relating to the respondent company appearing in the annual report to stockholders are applicable in every respect and furnish the data required by Instructions 1 to 11 above, such notes may be included on this page.</p> <p>13. Describe fully any changes in officers, directors, major security holders and voting powers of the respondent that may have occurred during the reporting period.</p> <p>14. In the event that the respondent participates in a cash management program(s) and its proprietary capital ratio is less than 30 percent please describe the significant events or transactions causing the proprietary capital ratio to be less than 30 percent, and the extent to which the respondent has amounts loaned or money advanced to its parent, subsidiary, or affiliated companies through a cash management program(s). Additionally, please describe plans, if any to regain at least a 30 percent proprietary ratio.</p>			
<p>PAGE 108 INTENTIONALLY LEFT BLANK SEE PAGE 109 FOR REQUIRED INFORMATION.</p>			



Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Gulf Power Company			2006/Q4
IMPORTANT CHANGES DURING THE QUARTER/YEAR (Continued)			

1) N/A

2) N/A

3) N/A

4) N/A

5) N/A

6) As of December 31, 2006, Gulf Power had \$80.8 million in Commercial Paper borrowing with authorization from the Florida Public Service Commission under Docket No. 050751-EI, Order No. PSC-05-1220-FOF-EI.

The Company also had \$40 million in short-term borrowing with authorization from the Florida Public Service Commission Docket No. 050751-EI, Order No. PSC-05-1220-FOF-EI.

7) N/A

8) N/A

9) See Notes to Financial Statements beginning on page 123.1.

10) N/A

11) (Reserved)

12) See Notes to Financial Statements beginning on page 123.1.

13) N/A

14) N/A

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
<b>1</b>	<b>UTILITY PLANT</b>			
2	Utility Plant (101-106, 114)	200-201	2,574,517,318	2,502,057,264
3	Construction Work in Progress (107)	200-201	62,814,992	28,177,402
4	TOTAL Utility Plant (Enter Total of lines 2 and 3)		2,637,332,310	2,530,234,666
5	(Less) Accum. Prov. for Depr. Amort. Depl. (108, 110, 111, 115)	200-201	1,066,974,094	1,019,654,085
6	Net Utility Plant (Enter Total of line 4 less 5)		1,570,358,216	1,510,580,581
7	Nuclear Fuel in Process of Ref., Conv., Enrich., and Fab. (120.1)	202-203	0	0
8	Nuclear Fuel Materials and Assemblies-Stock Account (120.2)		0	0
9	Nuclear Fuel Assemblies in Reactor (120.3)		0	0
10	Spent Nuclear Fuel (120.4)		0	0
11	Nuclear Fuel Under Capital Leases (120.6)		0	0
12	(Less) Accum. Prov. for Amort. of Nucl. Fuel Assemblies (120.5)	202-203	0	0
13	Net Nuclear Fuel (Enter Total of lines 7-11 less 12)		0	0
14	Net Utility Plant (Enter Total of lines 6 and 13)		1,570,358,216	1,510,580,581
15	Utility Plant Adjustments (116)	122	0	0
16	Gas Stored Underground - Noncurrent (117)		0	0
<b>17</b>	<b>OTHER PROPERTY AND INVESTMENTS</b>			
18	Nonutility Property (121)		12,336,864	2,559,612
19	(Less) Accum. Prov. for Depr. and Amort. (122)		602,526	377,375
20	Investments in Associated Companies (123)		0	0
21	Investment in Subsidiary Companies (123.1)	224-225	1,243,777	2,171,627
22	(For Cost of Account 123.1, See Footnote Page 224, line 42)			
23	Noncurrent Portion of Allowances	228-229	0	0
24	Other Investments (124)		1,868,345	1,713,952
25	Sinking Funds (125)		0	0
26	Depreciation Fund (126)		0	0
27	Amortization Fund - Federal (127)		0	0
28	Other Special Funds (128)		0	0
29	Special Funds (Non Major Only) (129)		0	0
30	Long-Term Portion of Derivative Assets (175)		0	0
31	Long-Term Portion of Derivative Assets - Hedges (176)		154,544	3,805,459
32	TOTAL Other Property and Investments (Lines 18-21 and 23-31)		15,001,004	9,873,275
<b>33</b>	<b>CURRENT AND ACCRUED ASSETS</b>			
34	Cash and Working Funds (Non-major Only) (130)		0	0
35	Cash (131)		7,191,260	3,512,576
36	Special Deposits (132-134)		126,531	185,750
37	Working Fund (135)		334,903	334,603
38	Temporary Cash Investments (136)		0	0
39	Notes Receivable (141)		0	0
40	Customer Accounts Receivable (142)		56,489,310	51,566,976
41	Other Accounts Receivable (143)		8,795,461	9,942,774
42	(Less) Accum. Prov. for Uncollectible Acct.-Credit (144)		1,278,739	1,134,086
43	Notes Receivable from Associated Companies (145)		0	0
44	Accounts Receivable from Assoc. Companies (146)		19,470,694	25,871,174
45	Fuel Stock (151)	227	65,453,351	44,739,796
46	Fuel Stock Expenses Undistributed (152)	227	0	0
47	Residuals (Elec) and Extracted Products (153)	227	0	0
48	Plant Materials and Operating Supplies (154)	227	35,243,306	32,921,329
49	Merchandise (155)	227	0	0
50	Other Materials and Supplies (156)	227	0	0
51	Nuclear Materials Held for Sale (157)	202-203/227	0	0
52	Allowances (158.1 and 158.2)	228-229	10,583,116	6,186

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
COMPARATIVE BALANCE SHEET (ASSETS AND OTHER DEBITS)(Continued)					
Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)	
53	(Less) Noncurrent Portion of Allowances		0	0	
54	Stores Expense Undistributed (163)	227	62,629	48,656	
55	Gas Stored Underground - Current (164.1)		0	0	
56	Liquefied Natural Gas Stored and Held for Processing (164.2-164.3)		0	0	
57	Prepayments (165)		91,243,777	62,119,297	
58	Advances for Gas (166-167)		0	0	
59	Interest and Dividends Receivable (171)		92,633	404,688	
60	Rents Receivable (172)		0	0	
61	Accrued Utility Revenues (173)		38,286,555	39,950,503	
62	Miscellaneous Current and Accrued Assets (174)		0	5,662,000	
63	Derivative Instrument Assets (175)		0	27,756	
64	(Less) Long-Term Portion of Derivative Instrument Assets (175)		0	0	
65	Derivative Instrument Assets - Hedges (176)		844,620	13,950,390	
66	(Less) Long-Term Portion of Derivative Instrument Assets - Hedges (176)		154,544	3,805,459	
67	Total Current and Accrued Assets (Lines 34 through 66)		332,784,863	286,304,909	
68	<b>DEFERRED DEBITS</b>				
69	Unamortized Debt Expenses (181)		6,563,242	6,846,038	
70	Extraordinary Property Losses (182.1)	230	0	0	
71	Unrecovered Plant and Regulatory Study Costs (182.2)	230	0	0	
72	Other Regulatory Assets (182.3)	232	201,732,465	154,365,850	
73	Prelim. Survey and Investigation Charges (Electric) (183)		2,983,723	2,565,837	
74	Preliminary Natural Gas Survey and Investigation Charges 183.1)		0	0	
75	Other Preliminary Survey and Investigation Charges (183.2)		0	0	
76	Clearing Accounts (184)		16,263	6,336	
77	Temporary Facilities (185)		0	0	
78	Miscellaneous Deferred Debits (186)	233	330,141	978,312	
79	Def. Losses from Disposition of Utility Plt. (187)		0	0	
80	Research, Devel. and Demonstration Expend. (188)	352-353	0	0	
81	Unamortized Loss on Reaquired Debt (189)		18,583,877	19,433,501	
82	Accumulated Deferred Income Taxes (190)	234	59,955,522	57,805,718	
83	Unrecovered Purchased Gas Costs (191)		0	0	
84	Total Deferred Debits (lines 69 through 83)		290,165,233	242,001,592	
85	TOTAL ASSETS (lines 14-16, 32, 67, and 84)		2,208,309,316	2,048,760,357	

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Rresubmission	Date of Report (mo, da, yr) / /	Year/Period of Report end of 2006/Q4
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**COMPARATIVE BALANCE SHEET (LIABILITIES AND OTHER CREDITS)**

Line No.	Title of Account (a)	Ref. Page No. (b)	Current Year End of Quarter/Year Balance (c)	Prior Year End Balance 12/31 (d)
1	PROPRIETARY CAPITAL			
2	Common Stock Issued (201)	250-251	38,060,000	38,060,000
3	Preferred Stock Issued (204)	250-251	55,000,000	55,000,000
4	Capital Stock Subscribed (202, 205)	252	0	0
5	Stock Liability for Conversion (203, 206)	252	0	0
6	Premium on Capital Stock (207)	252	0	0
7	Other Paid-In Capital (208-211)	253	428,591,804	400,815,157
8	Installments Received on Capital Stock (212)	252	0	0
9	(Less) Discount on Capital Stock (213)	254	0	0
10	(Less) Capital Stock Expense (214)	254	1,113,464	1,109,137
11	Retained Earnings (215, 215.1, 216)	118-119	171,968,031	166,279,163
12	Unappropriated Undistributed Subsidiary Earnings (216.1)	118-119	0	0
13	(Less) Reaquired Capital Stock (217)	250-251	0	0
14	Noncorporate Proprietorship (Non-major only) (218)		0	0
15	Accumulated Other Comprehensive Income (219)	122(a)(b)	-4,597,138	-2,810,288
16	Total Proprietary Capital (lines 2 through 15)		687,909,233	656,234,895
17	LONG-TERM DEBT			
18	Bonds (221)	256-257	0	25,000,000
19	(Less) Reaquired Bonds (222)	256-257	0	0
20	Advances from Associated Companies (223)	256-257	41,238,000	72,165,850
21	Other Long-Term Debt (224)	256-257	662,555,000	564,630,000
22	Unamortized Premium on Long-Term Debt (225)		0	0
23	(Less) Unamortized Discount on Long-Term Debt-Debit (226)		7,694,546	8,167,068
24	Total Long-Term Debt (lines 18 through 23)		696,098,454	653,628,782
25	OTHER NONCURRENT LIABILITIES			
26	Obligations Under Capital Leases - Noncurrent (227)		0	0
27	Accumulated Provision for Property Insurance (228.1)		-39,090,223	-43,573,815
28	Accumulated Provision for Injuries and Damages (228.2)		2,009,729	1,725,102
29	Accumulated Provision for Pensions and Benefits (228.3)		55,413,270	39,947,024
30	Accumulated Miscellaneous Operating Provisions (228.4)		0	0
31	Accumulated Provision for Rate Refunds (229)		15,689	82,026
32	Long-Term Portion of Derivative Instrument Liabilities		0	0
33	Long-Term Portion of Derivative Instrument Liabilities - Hedges		838,109	7,800
34	Asset Retirement Obligations (230)		12,718,365	15,297,441
35	Total Other Noncurrent Liabilities (lines 26 through 34)		31,904,939	13,485,578
36	CURRENT AND ACCRUED LIABILITIES			
37	Notes Payable (231)		120,446,020	89,464,835
38	Accounts Payable (232)		64,876,090	62,216,651
39	Notes Payable to Associated Companies (233)		0	0
40	Accounts Payable to Associated Companies (234)		48,543,898	38,587,520
41	Customer Deposits (235)		21,363,156	18,834,154
42	Taxes Accrued (236)	262-263	15,032,812	15,614,826
43	Interest Accrued (237)		7,644,910	7,713,021
44	Dividends Declared (238)		825,000	403,333
45	Matured Long-Term Debt (239)		0	0



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STATEMENT OF INCOME							
<p>Quarterly</p> <p>1. Enter in column (d) the balance for the reporting quarter and in column (e) the balance for the same three month period for the prior year.</p> <p>2. Report in column (f) the quarter to date amounts for electric utility function; in column (h) the quarter to date amounts for gas utility, and in (j) the quarter to date amounts for other utility function for the current year quarter.</p> <p>3. Report in column (g) the quarter to date amounts for electric utility function; in column (i) the quarter to date amounts for gas utility, and in (k) the quarter to date amounts for other utility function for the prior year quarter.</p> <p>4. If additional columns are needed place them in a footnote.</p> <p>Annual or Quarterly if applicable</p> <p>5. Do not report fourth quarter data in columns (e) and (f)</p> <p>6. Report amounts for accounts 412 and 413, Revenues and Expenses from Utility Plant Leased to Others, in another utility column in a similar manner to a utility department. Spread the amount(s) over lines 2 thru 26 as appropriate. Include these amounts in columns (c) and (d) totals.</p> <p>7. Report amounts in account 414, Other Utility Operating Income, in the same manner as accounts 412 and 413 above.</p> <p>8. Report data for lines 8, 10 and 11 for Natural Gas companies using accounts 404.1, 404.2, 404.3, 407.1 and 407.2.</p>							
Line No.	Title of Account (a)	(Ref.) Page No. (b)	Total Current Year to Date Balance for Quarter/Year (c)	Total Prior Year to Date Balance for Quarter/Year (d)	Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)	
1	UTILITY OPERATING INCOME						
2	Operating Revenues (400)	300-301	1,204,034,860	1,083,848,118			
3	Operating Expenses						
4	Operation Expenses (401)	320-323	801,241,292	691,033,322			
5	Maintenance Expenses (402)	320-323	67,144,348	73,149,935			
6	Depreciation Expense (403)	336-337	88,484,751	85,053,561			
7	Depreciation Expense for Asset Retirement Costs (403.1)	336-337	670,665	576,868			
8	Amort. & Depl. of Utility Plant (404-405)	336-337	2,353,825	2,249,103			
9	Amort. of Utility Plant Acq. Adj. (406)	336-337					
10	Amort. Property Losses, Unrecov Plant and Regulatory Study Costs (407)		516,265				
11	Amort. of Conversion Expenses (407)						
12	Regulatory Debits (407.3)		528,672	278,936			
13	(Less) Regulatory Credits (407.4)		1,456,289	963,504			
14	Taxes Other Than Income Taxes (408.1)	262-263	79,807,800	76,386,579			
15	Income Taxes - Federal (409.1)	262-263	39,261,136	10,656,280			
16	- Other (409.1)	262-263	4,456,642	345,365			
17	Provision for Deferred Income Taxes (410.1)	234, 272-277	47,556,748	72,244,521			
18	(Less) Provision for Deferred Income Taxes-Cr. (411.1)	234, 272-277	46,380,806	39,075,168			
19	Investment Tax Credit Adj. - Net (411.4)	266	-1,847,655	-1,918,948			
20	(Less) Gains from Disp. of Utility Plant (411.6)						
21	Losses from Disp. of Utility Plant (411.7)						
22	(Less) Gains from Disposition of Allowances (411.8)		866,325	660,917			
23	Losses from Disposition of Allowances (411.9)						
24	Accretion Expense (411.10)		785,623	386,637			
25	TOTAL Utility Operating Expenses (Enter Total of lines 4 thru 24)		1,082,256,692	969,742,570			
26	Net Util Oper Inc (Enter Tot line 2 less 25) Carry to Pg117,line 27		121,778,168	114,105,548			

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**STATEMENT OF INCOME FOR THE YEAR (Continued)**

9. Use page 122 for important notes regarding the statement of income for any account thereof.
10. Give concise explanations concerning unsettled rate proceedings where a contingency exists such that refunds of a material amount may need to be made to the utility's customers or which may result in material refund to the utility with respect to power or gas purchases. State for each year effected the gross revenues or costs to which the contingency relates and the tax effects together with an explanation of the major factors which affect the rights of the utility to retain such revenues or recover amounts paid with respect to power or gas purchases.
- 11 Give concise explanations concerning significant amounts of any refunds made or received during the year resulting from settlement of any rate proceeding affecting revenues received or costs incurred for power or gas purchases, and a summary of the adjustments made to balance sheet, income, and expense accounts.
12. If any notes appearing in the report to stokholders are applicable to the Statement of Income, such notes may be included at page 122.
13. Enter on page 122 a concise explanation of only those changes in accounting methods made during the year which had an effect on net income, including the basis of allocations and apportionments from those used in the preceding year. Also, give the appropriate dollar effect of such changes.
14. Explain in a footnote if the previous year's/quarter's figures are different from that reported in prior reports.
15. If the columns are insufficient for reporting additional utility departments, supply the appropriate account titles report the information in a footnote to this schedule.

ELECTRIC UTILITY		GAS UTILITY		OTHER UTILITY		Line No.
Current Year to Date (in dollars) (g)	Previous Year to Date (in dollars) (h)	Current Year to Date (in dollars) (i)	Previous Year to Date (in dollars) (j)	Current Year to Date (in dollars) (k)	Previous Year to Date (in dollars) (l)	
						1
1,204,034,860	1,083,848,118					2
						3
801,241,292	691,033,322					4
67,144,348	73,149,935					5
88,484,751	85,053,561					6
670,665	576,868					7
2,353,825	2,249,103					8
						9
516,265						10
						11
528,672	278,936					12
1,456,289	963,504					13
79,807,800	76,386,579					14
39,261,136	10,656,280					15
4,456,642	345,365					16
47,556,748	72,244,521					17
46,380,806	39,075,168					18
-1,847,655	-1,918,948					19
						20
						21
866,325	660,917					22
						23
785,623	386,637					24
1,082,256,692	969,742,570					25
121,778,168	114,105,548					26

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2006/Q4	
STATEMENT OF INCOME FOR THE YEAR (continued)							
Line No.	Title of Account (a)	(Ref.) Page No. (b)	TOTAL		Current 3 Months Ended Quarterly Only No 4th Quarter (e)	Prior 3 Months Ended Quarterly Only No 4th Quarter (f)	
			Current Year (c)	Previous Year (d)			
27	Net Utility Operating Income (Carried forward from page 114)		121,778,168	114,105,548			
28	Other Income and Deductions						
29	Other Income						
30	Nonutility Operating Income						
31	Revenues From Merchandising, Jobbing and Contract Work (415)		932,814	808,862			
32	(Less) Costs and Exp. of Merchandising, Job. & Contract Work (416)		412,049	402,500			
33	Revenues From Nonutility Operations (417)						
34	(Less) Expenses of Nonutility Operations (417.1)						
35	Nonoperating Rental Income (418)		-104,093	-138,532			
36	Equity in Earnings of Subsidiary Companies (418.1)	119	56,989	108,890			
37	Interest and Dividend Income (419)		5,466,873	4,079,054			
38	Allowance for Other Funds Used During Construction (419.1)		363,274	1,168,004			
39	Miscellaneous Nonoperating Income (421)		10,175	15,226			
40	Gain on Disposition of Property (421.1)		67,230	222,319			
41	TOTAL Other Income (Enter Total of lines 31 thru 40)		6,381,213	5,861,323			
42	Other Income Deductions						
43	Loss on Disposition of Property (421.2)			36,063			
44	Miscellaneous Amortization (425)	340	255,312	255,312			
45	Donations (426.1)	340	1,732,339	270,358			
46	Life Insurance (426.2)						
47	Penalties (426.3)		65,583	88,886			
48	Exp. for Certain Civic, Political & Related Activities (426.4)		1,563,943	1,535,934			
49	Other Deductions (426.5)		707,450	671,051			
50	TOTAL Other Income Deductions (Total of lines 43 thru 49)		4,324,627	2,857,604			
51	Taxes Applicable to Other Income and Deductions						
52	Taxes Other Than Income Taxes (408.2)	262-263	13,275	12,865			
53	Income Taxes-Federal (409.2)	262-263	1,210,432	673,397			
54	Income Taxes-Other (409.2)	262-263	-805,949	144,516			
55	Provision for Deferred Inc. Taxes (410.2)	234, 272-277	12,148	15,412			
56	(Less) Provision for Deferred Income Taxes-Cr. (411.2)	234, 272-277	17,678	23,332			
57	Investment Tax Credit Adj.-Net (411.5)			-956			
58	(Less) Investment Tax Credits (420)						
59	TOTAL Taxes on Other Income and Deductions (Total of lines 52-58)		412,228	821,902			
60	Net Other Income and Deductions (Total of lines 41, 50, 59)		1,644,358	2,181,817			
61	Interest Charges						
62	Interest on Long-Term Debt (427)		33,377,107	34,308,614			
63	Amort. of Debt Disc. and Expense (428)		1,073,795	1,196,105			
64	Amortization of Loss on Required Debt (428.1)		1,820,491	1,767,268			
65	(Less) Amort. of Premium on Debt-Credit (429)						
66	(Less) Amortization of Gain on Required Debt-Credit (429.1)						
67	Interest on Debt to Assoc. Companies (430)	340					
68	Other Interest Expense (431)	340	8,022,552	3,560,250			
69	(Less) Allowance for Borrowed Funds Used During Construction-Cr. (432)		160,288	515,360			
70	Net Interest Charges (Total of lines 62 thru 69)		44,133,657	40,316,877			
71	Income Before Extraordinary Items (Total of lines 27, 60 and 70)		79,288,869	75,970,488			
72	Extraordinary Items						
73	Extraordinary Income (434)						
74	(Less) Extraordinary Deductions (435)						
75	Net Extraordinary Items (Total of line 73 less line 74)						
76	Income Taxes-Federal and Other (409.3)	262-263					
77	Extraordinary Items After Taxes (line 75 less line 76)						
78	Net Income (Total of line 71 and 77)		79,288,869	75,970,488			



Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**STATEMENT OF RETAINED EARNINGS**

1. Do not report Lines 49-53 on the quarterly version.
2. Report all changes in appropriated retained earnings, unappropriated retained earnings, year to date, and unappropriated undistributed subsidiary earnings for the year.
3. Each credit and debit during the year should be identified as to the retained earnings account in which recorded (Accounts 433, 436 - 439 inclusive). Show the contra primary account affected in column (b)
4. State the purpose and amount of each reservation or appropriation of retained earnings.
5. List first account 439, Adjustments to Retained Earnings, reflecting adjustments to the opening balance of retained earnings. Follow by credit, then debit items in that order.
6. Show dividends for each class and series of capital stock.
7. Show separately the State and Federal income tax effect of items shown in account 439, Adjustments to Retained Earnings.
8. Explain in a footnote the basis for determining the amount reserved or appropriated. If such reservation or appropriation is to be recurrent, state the number and annual amounts to be reserved or appropriated as well as the totals eventually to be accumulated.
9. If any notes appearing in the report to stockholders are applicable to this statement, include them on pages 122-123.

Line No.	Item (a)	Contra Primary Account Affected (b)	Current Quarter/Year Year to Date Balance (c)	Previous Quarter/Year Year to Date Balance (d)
	UNAPPROPRIATED RETAINED EARNINGS (Account 216)			
1	Balance-Beginning of Period		166,279,163	159,581,538
2	Changes			
3	Adjustments to Retained Earnings (Account 439)			
4	Preferred Stock Redemption Expenses			( 307,050)
5				
6				
7				
8				
9	TOTAL Credits to Retained Earnings (Acct. 439)			( 307,050)
10				
11				
12				
13				
14				
15	TOTAL Debits to Retained Earnings (Acct. 439)			
16	Balance Transferred from Income (Account 433 less Account 418.1)		79,288,868	75,970,488
17	Appropriations of Retained Earnings (Acct. 436)			
18				
19				
20				
21				
22	TOTAL Appropriations of Retained Earnings (Acct. 436)			
23	Dividends Declared-Preferred Stock (Account 437)			
24	4.64% Series - 14,503.48	238		( 43,510)
25	5.16% Series - 17,510.46	238		( 52,531)
26	5.44% Series - 22,146.24	238		( 66,439)
27	6.00% Preference	238	-3,300,000	( 403,333)
28				
29	TOTAL Dividends Declared-Preferred Stock (Acct. 437)		-3,300,000	( 565,813)
30	Dividends Declared-Common Stock (Account 438)			
31	20,000,000 shares authorized	238	-70,300,000	( 68,400,000)
32	992,717 shares outstanding			
33				
34				
35				
36	TOTAL Dividends Declared-Common Stock (Acct. 438)		-70,300,000	( 68,400,000)
37	Transfers from Acct 216.1, Unapprop. Undistrib. Subsidiary Earnings			
38	Balance - End of Period (Total 1,9,15,16,22,29,36,37)		171,968,031	166,279,163

STATEMENT OF RETAINED EARNINGS	
Retained earnings, January 1, 2017	\$ 1,000,000
Net income	200,000
Retained earnings, December 31, 2017	\$ 1,200,000

1. Do not report Lines 40-52 on the quarterly version.

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Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.  
(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.  
(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.  
(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
1	Net Cash Flow from Operating Activities:		
2	Net Income (Line 78(c) on page 117)	79,288,869	75,970,488
3	Noncash Charges (Credits) to Income:		
4	Depreciation and Depletion	91,943,950	88,346,218
5	Amortization of		
6	Limited Term Property	2,353,825	2,249,103
7	Other, net	168,363	294,790
8	Deferred Income Taxes (Net)	1,170,412	33,161,433
9	Investment Tax Credit Adjustment (Net)		
10	Net (Increase) Decrease in Receivables	-3,017,125	-28,886,282
11	Net (Increase) Decrease in Inventory	-23,049,504	-7,960,274
12	Net (Increase) Decrease in Allowances Inventory	-10,576,930	5,023
13	Net Increase (Decrease) in Payables and Accrued Expenses	11,869,762	-69,338,307
14	Net (Increase) Decrease in Other Regulatory Assets	-45,565,650	-23,617,573
15	Net Increase (Decrease) in Other Regulatory Liabilities	2,694,111	757,222
16	(Less) Allowance for Other Funds Used During Construction	363,274	1,168,004
17	(Less) Undistributed Earnings from Subsidiary Companies	192,465	246,646
18	Other (provide details in footnote):	36,709,634	83,119,424
19			
20			
21			
22	Net Cash Provided by (Used in) Operating Activities (Total 2 thru 21)	143,433,978	152,686,615
23			
24	Cash Flows from Investment Activities:		
25	Construction and Acquisition of Plant (including land):		
26	Gross Additions to Utility Plant (less nuclear fuel)	-147,085,718	-142,583,245
27	Gross Additions to Nuclear Fuel		
28	Gross Additions to Common Utility Plant		
29	Gross Additions to Nonutility Plant		
30	(Less) Allowance for Other Funds Used During Construction	-363,274	-1,168,004
31	Other (provide details in footnote):	-12,218,266	-10,260,164
32			
33			
34	Cash Outflows for Plant (Total of lines 26 thru 33)	-158,940,710	-151,675,405
35			
36	Acquisition of Other Noncurrent Assets (d)		
37	Proceeds from Disposal of Noncurrent Assets (d)		
38			
39	Investments in and Advances to Assoc. and Subsidiary Companies		
40	Contributions and Advances from Assoc. and Subsidiary Companies	927,850	
41	Disposition of Investments in (and Advances to)		
42	Associated and Subsidiary Companies		
43			
44	Purchase of Investment Securities (a)	-154,393	-440,386
45	Proceeds from Sales of Investment Securities (a)		

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**STATEMENT OF CASH FLOWS**

(1) Codes to be used:(a) Net Proceeds or Payments;(b)Bonds, debentures and other long-term debt; (c) Include commercial paper; and (d) Identify separately such items as investments, fixed assets, intangibles, etc.

(2) Information about noncash investing and financing activities must be provided in the Notes to the Financial statements. Also provide a reconciliation between "Cash and Cash Equivalents at End of Period" with related amounts on the Balance Sheet.

(3) Operating Activities - Other: Include gains and losses pertaining to operating activities only. Gains and losses pertaining to investing and financing activities should be reported in those activities. Show in the Notes to the Financials the amounts of interest paid (net of amount capitalized) and income taxes paid.

(4) Investing Activities: Include at Other (line 31) net cash outflow to acquire other companies. Provide a reconciliation of assets acquired with liabilities assumed in the Notes to the Financial Statements. Do not include on this statement the dollar amount of leases capitalized per the USofA General Instruction 20; instead provide a reconciliation of the dollar amount of leases capitalized with the plant cost.

Line No.	Description (See Instruction No. 1 for Explanation of Codes) (a)	Current Year to Date Quarter/Year (b)	Previous Year to Date Quarter/Year (c)
46	Loans Made or Purchased		
47	Collections on Loans		
48			
49	Net (Increase) Decrease in Receivables		
50	Net (Increase ) Decrease in Inventory		
51	Net (Increase) Decrease in Allowances Held for Speculation		
52	Net Increase (Decrease) in Payables and Accrued Expenses	3,308,533	
53	Other (provide details in footnote):	-9,552,101	-8,805,372
54			
55			
56	Net Cash Provided by (Used in) Investing Activities		
57	Total of lines 34 thru 55)	-164,410,821	-160,921,163
58			
59	Cash Flows from Financing Activities:		
60	Proceeds from Issuance of:		
61	Long-Term Debt (b)	110,000,000	60,000,000
62	Preferred Stock		55,000,000
63	Common Stock		
64	Other (provide details in footnote):		-94,483
65			
66	Net Increase in Short-Term Debt (c)	30,981,185	39,464,835
67	Other (provide details in footnote):		
68	Capital Contributions from Partners	26,139,513	
69			
70	Cash Provided by Outside Sources (Total 61 thru 69)	167,120,698	154,370,352
71			
72	Payments for Retirement of:		
73	Long-term Debt (b)		-100,000,000
74	Preferred Stock		-4,236,100
75	Common Stock		
76	Other (provide details in footnote):	-68,864,871	-3,719,917
77			-30,000,000
78	Net Decrease in Short-Term Debt (c)		
79			
80	Dividends on Preferred Stock	-3,300,000	-761,417
81	Dividends on Common Stock	-70,300,000	-68,400,000
82	Net Cash Provided by (Used in) Financing Activities		
83	(Total of lines 70 thru 81)	24,655,827	-52,747,082
84			
85	Net Increase (Decrease) in Cash and Cash Equivalents		
86	(Total of lines 22,57 and 83)	3,678,984	-60,981,630
87			
88	Cash and Cash Equivalents at Beginning of Period	3,847,179	64,828,809
89			
90	Cash and Cash Equivalents at End of period	7,526,163	3,847,179

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Gulf Power Company			2006/Q4
FOOTNOTE DATA			

**Schedule Page: 120 Line No.: 18 Column: b**

Other Operating Activities:

Pension, Postretirement, & Other Employee Benefits	\$ 292,767
Stock Option Expense	1,005,103
Tax Benefit of Executive Stock Option	211,005
Prepayments	(8,086,576)
Other Current Assets	24,571,901
Accumulated Provision for Property Insurance	6,500,000
Other Deferred Credits	16,052,776
Preliminary Survey & Investigation Charges	(417,886)
Clearing Accounts	(9,927)
Miscellaneous Deferred Debits	(326,239)
Other Comprehensive Income	364,095
Interest on Storm Settlement & Stipulation	(602,325)
Miscellaneous, Other net	(6,196,632)
Other Current Liabilities	3,351,572

Total Other Operating Activities \$36,709,634

**Schedule Page: 120 Line No.: 31 Column: b**

Other Construction & Acquisition of Plant Activities:

Cost of Removal	\$ (4,564,307)
Gross Property Additions Adjustments	<u>(7,653,959)</u>
Total Other Constr. & Acquisition of Plant Activities	<u>\$ (12,218,266)</u>

**Schedule Page: 120 Line No.: 53 Column: b**

Other Investment Activities:

Non-Utility Property	\$ (9,777,252)
Provision for Depr. & Amort. of Non-Utility Property	<u>225,151</u>
Total Other Investment Activities	<u>\$ (9,552,101)</u>

**Schedule Page: 120 Line No.: 76 Column: b**

Other Financing Activities:

Long-Term Debt to Affiliate Trust	\$ (30,927,850)
First Mortgage Bonds	(25,000,000)
Pollution Control Bonds	(12,075,000)
Bond Premium & Discount	(318,477)
Capital Stock Expense	4,327
Gains/Losses on Reacquired Debt	(970,867)
Proceeds-Gross Excess Tax Benefit of Stock Options	<u>422,996</u>
Total Other Financing Activities	<u>\$ (68,864,871)</u>

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report / /	Year/Period of Report End of 2006/Q4
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**NOTES TO FINANCIAL STATEMENTS**

1. Use the space below for important notes regarding the Balance Sheet, Statement of Income for the year, Statement of Retained Earnings for the year, and Statement of Cash Flows, or any account thereof. Classify the notes according to each basic statement, providing a subheading for each statement except where a note is applicable to more than one statement.
2. Furnish particulars (details) as to any significant contingent assets or liabilities existing at end of year, including a brief explanation of any action initiated by the Internal Revenue Service involving possible assessment of additional income taxes of material amount, or of a claim for refund of income taxes of a material amount initiated by the utility. Give also a brief explanation of any dividends in arrears on cumulative preferred stock.
3. For Account 116, Utility Plant Adjustments, explain the origin of such amount, debits and credits during the year, and plan of disposition contemplated, giving references to Commission orders or other authorizations respecting classification of amounts as plant adjustments and requirements as to disposition thereof.
4. Where Accounts 189, Unamortized Loss on Reacquired Debt, and 257, Unamortized Gain on Reacquired Debt, are not used, give an explanation, providing the rate treatment given these items. See General Instruction 17 of the Uniform System of Accounts.
5. Give a concise explanation of any retained earnings restrictions and state the amount of retained earnings affected by such restrictions.
6. If the notes to financial statements relating to the respondent company appearing in the annual report to the stockholders are applicable and furnish the data required by instructions above and on pages 114-121, such notes may be included herein.
7. For the 3Q disclosures, respondent must provide in the notes sufficient disclosures so as to make the interim information not misleading. Disclosures which would substantially duplicate the disclosures contained in the most recent FERC Annual Report may be omitted.
8. For the 3Q disclosures, the disclosures shall be provided where events subsequent to the end of the most recent year have occurred which have a material effect on the respondent. Respondent must include in the notes significant changes since the most recently completed year in such items as: accounting principles and practices; estimates inherent in the preparation of the financial statements; status of long-term contracts; capitalization including significant new borrowings or modifications of existing financing agreements; and changes resulting from business combinations or dispositions. However were material contingencies exist, the disclosure of such matters shall be provided even though a significant change since year end may not have occurred.
9. Finally, if the notes to the financial statements relating to the respondent appearing in the annual report to the stockholders are applicable and furnish the data required by the above instructions, such notes may be included herein.

PAGE 122 INTENTIONALLY LEFT BLANK  
SEE PAGE 123 FOR REQUIRED INFORMATION.

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
NOTES TO FINANCIAL STATEMENTS (Continued)			

1) The Notes to the Financial Statements of the respondent's 2006 10K filing with the Securities and Exchange Commission are attached hereto.

2) Applicable to Statement of Cash Flows:

A. "Cash and Cash Equivalents at End of Year"	Current Year
Cash	\$7,191,260
Working Funds	334,903
Total	\$7,526,163
	=====
B. Cash paid during the year for Interest	\$37,296,706
Cash paid during the year for Income Taxes	\$54,532,795

3) These financial statements were prepared in accordance with the accounting requirements of the Federal Energy Regulatory Commission ("FERC") as set forth in the applicable Uniform System of Accounts and published accounting releases, which is a comprehensive basis of accounting other than US generally accepted accounting principles ("GAAP") primarily in 1) the classification of the components of accumulated deferred income taxes, certain miscellaneous current and accrued liabilities, prepaid assets, maturities of long-term debt, deferred debits, deferred credits, 2) comparative presentation, 3) classification of other cost of removal obligations, 4) presentation of non-hedging derivatives gains and losses, and 5) the presentation of the impact of the adoption of Statement of Financial Accounting Standard No. 158, Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans."

The Notes to the Financial Statements have been prepared in conformity with generally accepted accounting principles. Accordingly, certain footnotes are not prepared on the same basis as the financial statements presented herein.

**NOTES TO FINANCIAL STATEMENTS**  
**Gulf Power Company 2006 Annual Report**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING  
POLICIES**

**General**

Gulf Power Company (the Company) is a wholly owned subsidiary of Southern Company, which is the parent company of four traditional operating companies, Southern Power Company (Southern Power), Southern Company Services (SCS), Southern Communications Services (SouthernLINC Wireless), Southern Company Holdings (Southern Holdings), Southern Nuclear Operating Company (Southern Nuclear), Southern Telecom, and other direct and indirect subsidiaries. The traditional operating companies, Alabama Power, Georgia Power, the Company, and Mississippi Power are vertically integrated utilities providing electric service in four Southeastern states. The Company provides retail service to customers in northwest Florida and to wholesale customers in the Southeast. Southern Power constructs, acquires, and manages generation assets and sells electricity at market-based rates in the wholesale market. SCS, the system service company, provides, at cost, specialized services to Southern Company and the subsidiary companies. SouthernLINC Wireless provides digital wireless communications services to the traditional operating companies and also markets these services to the public within the Southeast. Southern Telecom provides fiber cable services within the Southeast. Southern Holdings is an intermediate holding company subsidiary for Southern Company's investments in synthetic fuels and leveraged leases and various other energy-related businesses. Southern Nuclear operates and provides services to Southern Company's nuclear power plants. On January 4, 2006, Southern Company completed the sale of substantially all of the assets of Southern Company Gas, its competitive retail natural gas marketing subsidiary.

The equity method is used for subsidiaries in which the Company has significant influence but does not control and for variable interest entities where the Company is not the primary beneficiary. Certain prior years' data presented in the financial statements have been reclassified to conform with current year presentation.

The Company is subject to regulation by the Federal Energy Regulatory Commission (FERC) and the Florida Public Service Commission (PSC). The Company follows accounting principles generally accepted in the United States and complies with the accounting policies and practices prescribed by its regulatory commissions. The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the use of estimates, and the actual results may differ from those estimates.

**Affiliate Transactions**

The Company has an agreement with SCS under which the following services are rendered to the Company at direct or allocated cost: general and design engineering, purchasing, accounting and statistical analysis, finance and treasury, tax, information resources, marketing, auditing, insurance and pension administration, human resources, systems and procedures, and other services with respect to business and operations and power pool operations. Costs for these services amounted to \$59 million, \$54 million, and \$56 million during 2006, 2005, and 2004, respectively. Cost allocation methodologies used by SCS were approved by the Securities and Exchange Commission prior to the repeal of the Public Utility Holding Company Act of 1935, as amended, and management believes they are reasonable. The FERC permits services to be rendered at cost by system service companies.

The Company has agreements with Georgia Power and Mississippi Power under which the Company owns a portion of Plant Scherer and Plant Daniel. Georgia Power operates Plant Scherer and Mississippi Power operates Plant Daniel. The Company reimbursed Georgia Power \$8.0 million, \$4.3 million, and \$6.8 million and Mississippi Power \$19.7 million, \$19.5 million, and \$17.4 million in 2006, 2005, and 2004, respectively, for its proportionate share of related expenses. See Note 4 and Note 7 under "Operating Leases" for additional information.

The Company provides incidental services to and receives such services from other Southern Company subsidiaries which are generally minor in duration and amount. However, with the hurricane damage experienced in 2004 and 2005, assistance provided to aid in storm restoration, including Company labor, contract labor, and materials, has caused an increase in these activities. The total amount of storm restoration provided to Mississippi Power was \$0.2 million and \$11.1 million in 2006 and 2005, respectively. The Company received storm restoration assistance from other Southern Company subsidiaries totaling \$5.8 million and \$12.7 million in 2005 and 2004, respectively. These activities were billed at cost.

The traditional operating companies, including the Company, and Southern Power jointly enter into various types of wholesale energy, natural gas, and certain other contracts, either directly or through SCS, as agent. Each participating company may be jointly and severally liable for the obligations incurred under these agreements. See Note 7 under "Fuel Commitments" for additional information.



**NOTES (continued)**  
**Gulf Power Company 2006 Annual Report**

**Regulatory Assets and Liabilities**

The Company is subject to the provisions of Financial Accounting Standards Board (FASB) Statement No. 71, "Accounting for the Effects of Certain Types of Regulation" (SFAS No. 71). Regulatory assets represent probable future revenues associated with certain costs that are expected to be recovered from customers through the ratemaking process. Regulatory liabilities represent probable future reductions in revenues associated with amounts that are expected to be credited to customers through the ratemaking process. Regulatory assets and (liabilities) reflected in the balance sheets at December 31 relate to:

	2006	2005	Note
	(in thousands)		
Environmental remediation	\$ 57,230	\$ 58,235	(a)
Loss on reacquired debt	18,584	19,433	(b)
Vacation pay	5,795	5,662	(c)
Deferred income tax charges	17,148	17,379	(d)
Fuel-hedging assets	8,031	2,411	(e)
Underfunded retiree benefit plans	17,968	-	(h)
Other assets	3,319	3,374	(f)
Under recovered regulatory clause revenues	77,480	31,634	(f)
Property damage reserve	45,654	74,352	(g)
Asset retirement obligations	(3,313)	(640)	(d)
Other cost of removal obligations	(165,410)	(153,665)	(d)
Deferred income tax credits	(17,935)	(20,627)	(d)
Fuel-hedging liabilities	(845)	(13,950)	(e)
Over recovered regulatory clause revenues	(8,139)	(5,333)	(f)
Other liabilities	(1,804)	(1,916)	(f)
Overfunded retiree benefit plans	(23,478)	-	(h)
<b>Total</b>	<b>\$ 30,285</b>	<b>\$ 16,349</b>	

*Note:* The recovery and amortization periods for these regulatory assets and (liabilities) are as follows:

- (a) Recovered through the environmental cost recovery clause when the expense is incurred.
- (b) Recovered over the remaining life of the original issue, which may range up to 40 years.
- (c) Recorded as earned by employees and recovered as paid, generally within one year.
- (d) Asset retirement and removal liabilities are recorded, deferred income tax assets are recovered, and deferred tax liabilities are amortized over the related property lives, which may range up to 50 years. Asset retirement and removal liabilities will be settled and trued up following completion of the related activities.
- (e) Fuel-hedging assets and liabilities are recorded over the life of the underlying hedged purchase contracts, which generally do not exceed three years. Upon final settlement, costs are recovered through the fuel cost recovery clause.
- (f) Recorded and recovered or amortized as approved by the Florida PSC.

- (g) Recorded and recovered or amortized as approved by the Florida PSC. Storm cost recovery surcharge ends in June 2009.
- (h) Recovered and amortized over the average remaining service period which may range up to 15 years. See Note 2 under "Retirement Benefits."

In the event that a portion of the Company's operations is no longer subject to the provisions of SFAS No. 71, the Company would be required to write off related regulatory assets and liabilities that are not specifically recoverable through regulated rates. In addition, the Company would be required to determine if any impairment to other assets, including plant, exists and write down the assets, if impaired, to their fair values. All regulatory assets and liabilities are reflected in rates.

**Revenues**

Energy and other revenues are recognized as services are provided. Unbilled revenues related to retail sales are accrued at the end of each fiscal period. Wholesale capacity revenues are generally recognized on a levelized basis over the appropriate contract period. The Company's retail electric rates include provisions to adjust billings for fluctuations in fuel costs, the energy component of purchased power costs, and certain other costs. The Company is required to notify the Florida PSC if the projected fuel revenue over or under recovery exceeds 10 percent of the projected fuel costs for the period and indicate if an adjustment to the fuel cost recovery factor is being requested. The Company has similar retail cost recovery clauses for energy conservation costs, purchased power capacity costs, and environmental compliance costs. Revenues are adjusted for differences between these actual costs and amounts billed in current regulated rates. Under or over recovered regulatory clause revenues are recorded in the balance sheets and are recovered or returned to customers through adjustments to the billing factors. Annually, the Company petitions for recovery of projected costs including any true-up amount from prior periods, and approved rates are implemented each January.

The Company has a diversified base of customers. No single customer or industry comprises 10 percent or more of revenues. For all periods presented, uncollectible accounts averaged less than 1 percent of revenues.

**Fuel Costs**

Fuel costs are expensed as the fuel is used.

**Property, Plant, and Equipment**

Property, plant, and equipment is stated at original cost less regulatory disallowances and impairments. Original cost includes: materials; labor; minor items of property; appropriate administrative and general costs; payroll-related costs such as taxes, pensions, and other benefits; and the interest capitalized and/or cost of funds used during construction.

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The Company's property, plant, and equipment consisted of the following at December 31:

	2006	2005
	(in thousands)	
Generation	\$ 1,347,881	\$ 1,326,766
Transmission	270,658	262,168
Distribution	831,494	788,711
General	120,666	120,339
Plant acquisition adjustment	3,818	4,073
Total plant in service	\$ 2,574,517	\$ 2,502,057

The cost of replacements of property, exclusive of minor items of property, is capitalized. The cost of maintenance, repairs, and replacement of minor items of property is charged to maintenance expense as incurred or performed.

**Income and Other Taxes**

The Company uses the liability method of accounting for deferred income taxes and provides deferred income taxes for all significant income tax temporary differences. Investment tax credits utilized are deferred and amortized to income over the average life of the related property. Taxes that are collected from customers on behalf of governmental agencies to be remitted to these agencies are presented net on the statements of income.

**Depreciation and Amortization**

Depreciation of the original cost of utility plant in service is provided primarily by using composite straight-line rates, which approximated 3.7 percent in 2006 and 3.8 percent in 2005 and 2004. Depreciation studies are conducted periodically to update the composite rates. These studies are approved by the Florida PSC. When property subject to depreciation is retired or otherwise disposed of in the normal course of business, its original cost, together with the cost of removal, less salvage, is charged to accumulated depreciation. For other property dispositions, the applicable cost and accumulated depreciation is removed from the balance sheet accounts and a gain or loss is recognized. Minor items of property included in the original cost of the plant are retired when the related property unit is retired.

**Asset Retirement Obligations and Other Costs of Removal**

Effective January 1, 2003, the Company adopted FASB Statement No. 143, "Accounting for Asset Retirement Obligations" (SFAS No. 143), which established new accounting and reporting standards for legal obligations associated with the ultimate costs of retiring long-lived assets. The present value of the ultimate costs of an asset's future retirement is recorded in the period in which the liability is incurred. The costs are capitalized as part of the related long-lived asset and depreciated over the asset's useful life. In addition, effective December 31, 2005, the Company adopted the provisions of FASB

Interpretation No. 47, "Conditional Asset Retirement Obligations" (FIN 47), which requires that an asset retirement obligation be recorded even though the timing and/or method of settlement are conditional on future events. Prior to December 2005, the Company did not recognize asset retirement obligations for asbestos removal and disposal of polychlorinated biphenyls in certain transformers because the timing of their retirements was dependent on future events. The Company has received accounting guidance from the Florida PSC allowing the continued accrual of other future retirement costs for long-lived assets that the Company does not have a legal obligation to retire. Accordingly, the accumulated removal costs for these obligations will continue to be reflected in the balance sheets as a regulatory liability. Therefore, the Company had no cumulative effect to net income resulting from the adoption of SFAS No. 143 or FIN 47.

The liability recognized to retire long-lived assets primarily relates to the Company's combustion turbines at its Pea Ridge facility, various landfill sites, and a barge unloading dock. In connection with the adoption of FIN 47, the Company also recorded additional asset retirement obligations (and assets) of \$9.1 million, primarily related to asbestos removal, ash ponds, and disposal of polychlorinated biphenyls in certain transformers. The Company also has identified retirement obligations related to certain transmission and distribution facilities, certain wireless communication towers, and certain structures authorized by the United States Army Corps of Engineers. However, liabilities for the removal of these assets have not been recorded because the range of time over which the Company may settle these obligations is unknown and cannot be reasonably estimated. The Company will continue to recognize in the statements of income allowed removal costs in accordance with its regulatory treatment. Any differences between costs recognized under SFAS No. 143 and FIN 47 and those reflected in rates are recognized as either a regulatory asset or liability, as ordered by the Florida PSC, and are reflected in the balance sheets.

Details of the asset retirement obligations included in the balance sheets are as follows:

	2006	2005
	(in thousands)	
Balance beginning of year	\$ 15,298	\$ 5,789
Liabilities incurred	-	9,122
Liabilities settled	-	-
Accretion	785	387
Cash flow revisions	(3,365)	-
Balance end of year	\$ 12,718	\$ 15,298

### **Allowance for Funds Used During Construction (AFUDC)**

In accordance with regulatory treatment, the Company records AFUDC, which represents the estimated debt and equity costs of capital funds that are necessary to finance the construction of new regulated facilities. While cash is not realized currently from such allowance, it increases the revenue requirement over the service life of the plant through a higher rate base and higher depreciation expense. For the years 2006, 2005, and 2004, the average annual AFUDC rate was 7.48 percent. AFUDC, net of taxes, as a percentage of net income after dividends on preferred and preference stock was 0.61 percent, 1.97 percent, and 3.46 percent, respectively, for 2006, 2005, and 2004.

### **Impairment of Long-Lived Assets and Intangibles**

The Company evaluates long-lived assets for impairment when events or changes in circumstances indicate that the carrying value of such assets may not be recoverable. The determination of whether an impairment has occurred is based on either a specific regulatory disallowance or an estimate of undiscounted future cash flows attributable to the assets, as compared with the carrying value of the assets. If an impairment has occurred, the amount of the impairment recognized is determined by either the amount of regulatory disallowance or by estimating the fair value of the assets and recording a loss if the carrying value is greater than the fair value. For assets identified as held for sale, the carrying value is compared to the estimated fair value less the cost to sell in order to determine if an impairment loss is required. Until the assets are disposed of, their estimated fair value is re-evaluated when circumstances or events change.

### **Property Damage Reserve**

The Company accrues for the cost of repairing damages from major storms and other uninsured property damages, including uninsured damages to transmission and distribution facilities, generation facilities, and other property. The cost of such damages is charged to the reserve. The Florida PSC approved annual accrual to the property damage reserve is \$3.5 million, with a target level for the reserve between \$25.1 million and \$36.0 million. The Florida PSC also authorized the Company to make additional accruals above the \$3.5 million at the Company's discretion. The Company accrued total expenses of \$6.5 million in 2006, \$9.5 million in 2005, and \$18.5 million in 2004. At December 31, 2006, the unrecovered balance in the property damage reserve totaled approximately \$45.7 million, of which approximately \$28.8 million and \$16.9 million is included in Current Assets and Deferred Charges and Other Assets, respectively, in the balance sheets. See Note 3 under "Retail Regulatory Matters – Storm Damage Cost Recovery" for additional information regarding the surcharge mechanism approved by the Florida PSC to replenish these reserves.

### **Environmental Remediation Cost Recovery**

The Company must comply with other environmental laws and regulations that cover the handling and disposal of waste and releases of hazardous substances. Under these various laws and regulations, the Company may also incur substantial costs to clean up properties. The Company received authority from the Florida PSC to recover approved environmental compliance costs through the environmental cost recovery clause. The Florida PSC reviews costs and adjusts rates up or down annually.

The Company's environmental remediation liability balances as of December 31, 2006 and 2005 totaled \$57.2 million and \$58.2 million, respectively. These estimated costs relate to new regulations and more stringent site closure criteria by the Florida Department of Environmental Protection (FDEP) for impacts to groundwater from herbicide applications at the Company's substations. The schedule for completion of the remediation projects will be subject to FDEP approval. The projects have been approved by the Florida PSC for recovery, as expended, through the Company's environmental cost recovery clause; therefore, there was no impact on the Company's net income as a result of these estimates.

### **Injuries and Damages Reserve**

The Company is subject to claims and suits arising in the ordinary course of business. As permitted by the Florida PSC, the Company accrues for the uninsured costs of injuries and damages by charges to income amounting to \$1.6 million annually. The Florida PSC has also given the Company the flexibility to increase its annual accrual above \$1.6 million to the extent the balance in the reserve does not exceed \$2 million and to defer expense recognition of liabilities greater than the balance in the reserve. The cost of settling claims is charged to the reserve. The injuries and damages reserve was \$2.0 million and \$1.7 million at December 31, 2006 and 2005, respectively, and are included in Current Liabilities in the balance sheets. Liabilities in excess of the reserve balance of \$1.7 million and \$3.0 million at December 31, 2006 and 2005, respectively, are included in Deferred Credits and Other Liabilities in the balance sheets. Corresponding regulatory assets of \$1.6 million at both December 31, 2006 and 2005 are included in Current Assets in the balance sheets. At December 31, 2006 and 2005, respectively, \$0.1 million and \$1.4 million are included in Deferred Charges and Other Assets in the balance sheets.

### **Cash and Cash Equivalents**

For purposes of the financial statements, temporary cash investments are considered cash equivalents. Temporary cash investments are securities with original maturities of 90 days or less.

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**Materials and Supplies**

Generally, materials and supplies include the average cost of transmission, distribution, and generating plant materials. Materials are charged to inventory when purchased and then expensed or capitalized to plant, as appropriate, when installed.

**Fuel Inventory**

Fuel inventory includes the average costs of oil, coal, natural gas, and emission allowances. Fuel is charged to inventory when purchased and then expensed as used. Emission allowances granted by the Environmental Protection Agency (EPA) are included in inventory at zero cost.

**Stock Options**

Southern Company provides non-qualified stock options to a large segment of the Company's employees ranging from line management to executives. Prior to January 1, 2006, the Company accounted for options granted in accordance with Accounting Principles Board Opinion No. 25; thus, no compensation expense was recognized because the exercise price of all options granted equaled the fair market value on the date of the grant.

Effective January 1, 2006, the Company adopted the fair value recognition provisions of FASB Statement No. 123(R), "Share-Based Payment" (SFAS No. 123(R)), using the modified prospective method. Under that method, compensation cost for the year ended December 31, 2006 is recognized as the requisite service is rendered and includes: (a) compensation cost for the portion of share-based awards granted prior to and that were outstanding as of January 1, 2006, for which the requisite service has not been rendered, based on the grant-date fair value of those awards as calculated in accordance with the original provisions of FASB Statement No. 123, "Accounting for Stock-based Compensation" (SFAS No. 123), and (b) compensation cost for all share-based awards granted subsequent to January 1, 2006, based on the grant-date fair value estimated in accordance with the provisions of SFAS No. 123(R). Results for prior periods have not been restated.

The compensation cost and tax benefit related to the grant and exercise of Southern Company stock options to the Company's employees are recognized in the Company's financial statements with a corresponding credit to equity, representing a capital contribution from Southern Company.

For the Company, the adoption of SFAS No. 123(R) has resulted in a reduction in earnings before income taxes and net income of \$1.0 million and \$0.6 million, respectively, for the year ended December 31, 2006. Additionally, SFAS No. 123(R) requires the gross excess tax benefit from stock option exercises to be reclassified as a financing cash flow as opposed to an

operating cash flow; the reduction in operating cash flows and increase in financing cash flows for the year ended December 31, 2006 was \$0.4 million.

For the years prior to the adoption of SFAS No. 123(R), the pro forma impact on net income of fair-value accounting for options granted is as follows:

Net Income	As Reported	Options Impact After Tax (in thousands)	Pro Forma
2005	\$ 75,209	\$ (586)	\$ 74,623
2004	68,223	(522)	67,701

Because historical forfeitures have been insignificant and are expected to remain insignificant, no forfeitures are assumed in the calculation of compensation expense; rather they are recognized when they occur.

The estimated fair values of stock options granted in 2006, 2005, and 2004 were derived using the Black-Scholes stock option pricing model. Expected volatility is based on historical volatility of Southern Company's stock over a period equal to the expected term. The Company uses historical exercise data to estimate the expected term that represents the period of time that options granted to employees are expected to be outstanding. The risk-free rate is based on the U.S. Treasury yield curve in effect at the time of grant that covers the expected term of the stock options. The following table shows the assumptions used in the pricing model and the weighted average grant-date fair value of stock options granted:

Period ended December 31	2006	2005	2004
Expected volatility	16.9%	17.9%	19.6%
Expected term (in years)	5.0	5.0	5.0
Interest rate	4.6%	3.9%	3.1%
Dividend yield	4.4%	4.4%	4.8%
Weighted average grant-date fair value	\$ 4.15	\$ 3.90	\$ 3.29

**Financial Instruments**

The Company uses derivative financial instruments to limit exposure to fluctuations in interest rates, the prices of certain fuel purchases, and electricity purchases and sales. All derivative financial instruments are recognized as either assets or liabilities and are measured at fair value. Substantially all of the Company's bulk energy purchases and sales contracts that meet the definition of a derivative are exempt from fair value accounting requirements and are accounted for under the accrual method. Other derivative contracts qualify as cash flow hedges of anticipated transactions or are recoverable through the Florida PSC-approved hedging program. This results in the deferral of related gains and losses in other comprehensive income or regulatory assets and liabilities, respectively, until the hedged

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transactions occur. Any ineffectiveness arising from cash flow hedges is recognized currently in net income. Other derivative contracts are marked to market through current period income and are recorded on a net basis in the statements of income.

The Company is exposed to losses related to financial instruments in the event of counterparties' nonperformance. The Company has established controls to determine and monitor the creditworthiness of counterparties in order to mitigate the Company's exposure to counterparty credit risk.

Other financial instruments for which the carrying amounts did not equal fair values at December 31 were as follows:

	Carrying Amount	Fair Value
	(in thousands)	
Long-term debt:		
2006	\$ 696,098	\$ 682,641
2005	653,629	644,677

The fair values were based on either closing market prices or closing prices of comparable instruments.

### Comprehensive Income

The objective of comprehensive income is to report a measure of all changes in common stock equity of an enterprise that result from transactions and other economic events of the period other than transactions with owners. Comprehensive income consists of net income, changes in the fair value of qualifying cash flow hedges and marketable securities, and changes in additional minimum pension liability, less income taxes and reclassifications for amounts included in net income.

### Variable Interest Entities

The primary beneficiary of a variable interest entity must consolidate the related assets and liabilities. The Company has established certain wholly-owned trusts to issue preferred securities. See Note 6 under "Long-Term Debt Payable to Affiliated Trusts" for additional information. However, the Company is not considered the primary beneficiary of the trusts. Therefore, the investments in these trusts are reflected as Other Investments for the Company, and the related loans from the trusts are reflected as Long-term Debt Payable to Affiliated Trusts in the balance sheets.

## 2. RETIREMENT BENEFITS

The Company has a defined benefit, trustee, pension plan covering substantially all employees. The plan is funded in accordance with requirements of the Employee Retirement Income Security Act of 1974, as amended (ERISA). No contributions to the plan are expected for the year ending December 31, 2007. The Company also provides a defined benefit pension plan for a selected group of management and

highly compensated employees. Benefits under this non-qualified plan are funded on a cash basis. In addition, the Company provides certain medical care and life insurance benefits for retired employees through other postretirement benefit plans. The Company funds related trusts to the extent required by the Florida PSC. For the year ending December 31, 2007, postretirement trust contributions are expected to total approximately \$60,000.

On December 31, 2006, the Company adopted FASB Statement No. 158, "Employers' Accounting for Defined Benefit Pension and Other Postretirement Plans" (SFAS No. 158), which requires recognition of the funded status of its defined benefit postretirement plans in its balance sheet. Prior to the adoption of SFAS No. 158, the Company generally recognized only the difference between the benefit expense recognized and employer contributions to the plan as either a prepaid asset or as a liability. With respect to its underfunded non-qualified pension plan, the Company recognized an additional minimum liability representing the difference between the plan's accumulated benefit obligation and its assets.

With the adoption of SFAS No. 158, the Company was required to recognize on its balance sheet previously unrecognized assets and liabilities related to unrecognized prior service cost, unrecognized gains or losses (from changes in actuarial assumptions and the difference between actual and expected returns on plan assets), and any unrecognized transition amounts (resulting from the change from cash-basis accounting to accrual accounting). These amounts will continue to be amortized as a component of expense over the employees' remaining average service life as SFAS No. 158 did not change the recognition of pension and other postretirement benefit expense in the statements of income. With the adoption of SFAS No. 158, the Company recorded an additional prepaid pension asset of \$23.5 million with respect to its overfunded defined benefit plan and additional liabilities of \$2.5 million and \$12.9 million, respectively, related to its underfunded non-qualified pension plan and retiree benefit plans. The incremental effect of applying SFAS No. 158 on individual line items in the balance sheets at December 31, 2006 follows:

	Before	Adjustments	After
	(in millions)		
Prepaid pension cost	\$ 47	\$ 23	\$ 70
Other regulatory assets	92	18	110
Other property and investments	16	(1)	15
Total assets	2,300	40	2,340
Accumulated deferred income taxes	(237)	(1)	(238)
Other regulatory liabilities	(23)	(23)	(46)
Employee benefit obligation	(59)	(15)	(74)
Total liabilities	(1,614)	(39)	(1,653)
Accumulated other comprehensive income	6	(1)	5
Total stockholder's equity	(687)	(1)	(688)

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Because the recovery of postretirement benefit expense through rates is considered probable, the Company recorded offsetting regulatory assets or regulatory liabilities under the provisions of SFAS No. 71 with respect to the prepaid assets and the liabilities.

The measurement date for plan assets and obligations is September 30 for each year presented. Pursuant to SFAS No. 158, the Company will be required to change the measurement date for its defined benefit postretirement plans from September 30 to December 31 beginning with the year ending December 31, 2008.

**Pension Plans**

The accumulated benefit obligation for the pension plans was \$242 million in 2006 and \$226 million in 2005. Changes during the year in the projected benefit obligations and fair value of plan assets were as follows:

	2006	2005
	(in thousands)	
<b>Change in benefit obligation</b>		
Benefit obligation at beginning of year	\$ 248,026	\$ 228,414
Service cost	6,980	6,318
Interest cost	13,359	12,866
Benefits paid	(11,034)	(10,081)
Plan amendments	385	1,568
Actuarial (gain) loss	(11,147)	8,941
Balance at end of year	246,569	248,026
<b>Change in plan assets</b>		
Fair value of plan assets at beginning of year	280,366	250,238
Actual return on plan assets	34,440	38,478
Employer contributions	682	732
Benefits paid	(11,034)	(10,081)
Employee transfers	1,071	999
Fair value of plan assets at end of year	305,525	280,366
Funded status at end of year	58,956	32,340
Unrecognized prior service cost	-	12,780
Unrecognized net (gain) loss	-	(3,845)
Fourth quarter contributions	147	200
Prepaid pension asset, net	\$ 59,103	\$ 41,475

At December 31, 2006, the projected benefit obligations for the qualified and non-qualified pension plans were \$235.6 million and \$10.9 million, respectively. All plan assets are related to the qualified pension plan.

Pension plan assets are managed and invested in accordance with all applicable requirements, including ERISA and the Internal Revenue Code of 1986, as amended (Internal Revenue Code). The Company's investment policy covers a diversified mix of assets, including equity and fixed income securities, real estate, and private equity. Derivative instruments are used primarily as hedging tools but may also be used to gain efficient exposure to the various asset classes. The Company primarily minimizes the risk of large losses through diversification but also monitors and manages other aspects of risk. The actual composition of the Company's pension plan assets as of the end of the year, along with the targeted mix of assets, is presented below:

	Target	2006	2005
Domestic equity	36%	38%	40%
International equity	24	23	24
Fixed income	15	16	17
Real estate	15	16	13
Private equity	10	7	6
Total	100%	100%	100%

Amounts recognized in the balance sheets related to the Company's pension plans consist of the following:

	2006	2005
	(in thousands)	
Prepaid pension costs	\$ 69,895	\$ 46,374
Other regulatory assets	5,091	-
Current liabilities, other	(585)	-
Other regulatory liabilities	(23,478)	-
Employee benefit obligations	(10,207)	(7,893)
Other property and investments	-	868
Accumulated other comprehensive income	-	2,126

Presented below are the amounts included in regulatory assets and regulatory liabilities at December 31, 2006, related to the defined benefit pension plans that have not yet been recognized in net periodic pension cost along with the estimated amortization of such amounts for the next fiscal year:

	Prior Service Cost	Net (Gain)/ Loss
	(in thousands)	
<b>Balance at December 31, 2006:</b>		
Regulatory assets	\$ 401	\$ 4,690
Regulatory liabilities	11,153	(34,631)
Total	\$ 11,554	\$ (29,941)

**NOTES (continued)**  
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**Estimated amortization in net periodic pension cost in 2007:**

	Prior Service Cost (in thousands)	Net (Gain)/ Loss
Regulatory assets	\$ 114	\$ 360
Regulatory liabilities	1,221	-
<b>Total</b>	<b>\$ 1,335</b>	<b>\$ 360</b>

Components of net periodic pension cost (income) were as follows:

	2006	2005	2004
	(in thousands)		
Service cost	\$ 6,980	\$ 6,317	\$ 5,915
Interest cost	13,358	12,866	12,136
Expected return on plan assets	(20,727)	(20,816)	(20,689)
Recognized net (gain)/loss	463	350	(317)
Net amortization	1,313	502	486
Net periodic pension cost (income)	\$ 1,387	\$ (781)	\$ (2,469)

Net periodic pension cost (income) is the sum of service cost, interest cost, and other costs netted against the expected return on plan assets. The expected return on plan assets is determined by multiplying the expected rate of return on plan assets and the market-related value of plan assets. In determining the market-related value of plan assets, the Company has elected to amortize changes in the market value of all plan assets over five years rather than recognize the changes immediately. As a result, the accounting value of plan assets that is used to calculate the expected return on plan assets differs from the current fair value of the plan assets.

Future benefit payments reflect expected future service and are estimated based on assumptions used to measure the projected benefit obligation for the pension plans. At December 31, 2006, estimated benefit payments were as follows:

	(in thousands)
2007	\$11,080
2008	11,451
2009	11,852
2010	12,369
2011	13,055
2012 to 2016	77,555

**Other Postretirement Benefits**

Changes during the year in the accumulated postretirement benefit obligations (APBO) and in the fair value of plan assets were as follows:

	2006	2005
	(in thousands)	
<b>Change in benefit obligation</b>		
Benefit obligation at beginning of year	\$ 73,280	\$ 69,186
Service cost	1,424	1,357
Interest cost	3,940	3,892
Benefits paid	(3,728)	(3,124)
Actuarial (gain) loss	(1,124)	1,969
Retiree drug subsidy	193	-
Balance at end of year	73,985	73,280
<b>Change in plan assets</b>		
Fair value of plan assets at beginning of year	16,434	14,296
Actual return on plan assets	1,951	2,114
Employer contributions	3,583	3,148
Benefits paid	(4,328)	(3,124)
Fair value of plan assets at end of year	17,640	16,434
Funded status at end of year	(56,345)	(56,846)
Unrecognized transition amount	-	2,589
Unrecognized prior service cost	-	4,311
Unrecognized net (gain)/loss	-	9,026
Fourth quarter contributions	932	973
Accrued liability (recognized in the balance sheet)	\$ (55,413)	\$ (39,947)

Other postretirement benefits plan assets are managed and invested in accordance with all applicable requirements, including ERISA and the Internal Revenue Code. The Company's investment policy covers a diversified mix of assets, including equity and fixed income securities, real estate, and private equity. Derivative instruments are used primarily as hedging tools but may also be used to gain efficient exposure to the various asset classes. The Company primarily minimizes the risk of large losses through diversification but also monitors and manages other aspects of risk. The actual composition of the Company's other postretirement benefit plan assets as of the end of the year, along with the targeted mix of assets, is presented below:

	Target	2006	2005
Domestic equity	35%	37%	38%
International equity	23	22	23
Fixed income	18	19	21
Real estate	14	15	12
Private equity	10	7	6
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Amounts recognized in the balance sheets related to the Company's other postretirement benefit plans consist of the following:

**NOTES (continued)**  
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	2006	2005
	(in thousands)	
Regulatory assets	\$ 12,877	\$ -
Current liabilities, other	(448)	-
Employee benefit obligations	(54,965)	(39,947)

Presented below are the amounts included in regulatory assets at December 31, 2006, related to the other postretirement benefit plans that have not yet been recognized in net periodic postretirement benefit cost along with the estimated amortization of such amounts for the next fiscal year.

	Prior Service Cost	Net (Gain)/Loss	Transition Obligation
	(in thousands)		
<b>Balance at December 31, 2006:</b>			
Regulatory assets	\$ 3,965	\$ 6,678	\$ 2,234
<b>Estimated amortization as net periodic postretirement benefit cost in 2007:</b>			
Regulatory assets	\$ 346	\$ 97	\$ 356

Components of the other postretirement plans' net periodic cost were as follows:

	2006	2005	2004
	(in thousands)		
Service cost	\$ 1,424	\$ 1,357	\$ 1,275
Interest cost	3,940	3,892	4,081
Expected return on plan assets	(1,264)	(1,202)	(1,220)
Transition obligation	356	356	355
Prior service cost	346	346	346
Recognized net (gain)/loss	155	33	241
Net postretirement cost	\$ 4,957	\$ 4,782	\$ 5,078

In the third quarter 2004, the Company prospectively adopted FASB Staff Position 106-2, "Accounting and Disclosure Requirements" (FSP 106-2) related to the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (Medicare Act). The Medicare Act provides a 28 percent prescription drug subsidy for Medicare eligible retirees. FSP 106-2 requires recognition of the impacts of the Medicare Act in the APBO and future cost of service for postretirement medical plan. The effect of the subsidy reduced the Company's expenses for the six months ended December 31, 2004 and for the years ended December 31, 2005 and 2006 by approximately \$0.5 million, \$1.1 million, and \$1.7 million, respectively, and is expected to have a similar impact on future expenses.

Future benefit payments, including prescription drug benefits, reflect expected future service and are estimated based on assumptions used to measure the APBO for the postretirement plans. Estimated benefit payments are reduced by drug subsidy receipts expected as a result of the Medicare Act as follows:

	Benefit Payments	Subsidy Receipts	Total
	(in thousands)		
2007	\$ 3,373	\$ (285)	\$ 3,088
2008	3,723	(333)	3,390
2009	4,075	(384)	3,691
2010	4,358	(447)	3,911
2011	4,711	(504)	4,207
2012 to 2016	26,937	(3,627)	23,310

### Actuarial Assumptions

The weighted average rates assumed in the actuarial calculations used to determine both the benefit obligations as of the measurement date and the net periodic costs for the pension and other postretirement benefit plans for the following year are presented below. Net periodic benefit costs for 2004 were calculated using a discount rate of 6.00 percent.

	2006	2005	2004
Discount	6.00%	5.50%	5.75%
Annual salary increase	3.50	3.00	3.50
Long-term return on plan assets	8.50	8.50	8.50

The Company determined the long-term rate of return based on historical asset class returns and current market conditions, taking into account the diversification benefits of investing in multiple asset classes.

An additional assumption used in measuring the APBO was a weighted average medical care cost trend rate of 9.56 percent for 2007, decreasing gradually to 5.00 percent through the year 2015 and remaining at that level thereafter. An annual increase or decrease in the assumed medical care cost trend rate of 1 percent would affect the APBO and the service and interest cost components at December 31, 2006 as follows:

	1 Percent Increase	1 Percent Decrease
	(in thousands)	
Benefit obligation	\$ 4,586	\$ 3,911
Service and interest costs	293	259

### Employee Savings Plan

The Company also sponsors a 401(k) defined contribution plan covering substantially all employees. The Company provides an 85 percent matching contribution up to 6 percent of an employee's base salary. Prior to November 2006, the Company matched employee contributions at a rate of 75 percent up to 6 percent of the employee's base salary. Total matching contributions made to the plan for 2006, 2005, and 2004 were \$3.0 million, \$2.9 million, and \$2.7 million, respectively.



### **3. CONTINGENCIES AND REGULATORY MATTERS**

#### **General Litigation Matters**

The Company is subject to certain claims and legal actions arising in the ordinary course of business. In addition, the Company's business activities are subject to extensive governmental regulation related to public health and the environment. Litigation over environmental issues and claims of various types, including property damage, personal injury, and citizen enforcement of environmental requirements such as opacity and other air quality standards, has increased generally throughout the United States. In particular, personal injury claims for damages caused by alleged exposure to hazardous materials have become more frequent. The ultimate outcome of such pending or potential litigation against the Company cannot be predicted at this time; however, for current proceedings not specifically reported herein, management does not anticipate that the liabilities, if any, arising from such current proceedings would have a material adverse effect on the Company's financial statements.

#### **Environmental Matters**

##### ***New Source Review Actions***

In November 1999, the EPA brought a civil action in the U.S. District Court for the Northern District of Georgia against certain Southern Company subsidiaries, including Alabama Power and Georgia Power, alleging that these subsidiaries had violated the New Source Review (NSR) provisions of the Clean Air Act and related state laws at certain coal-fired generating facilities. Through subsequent amendments and other legal procedures, the EPA filed a separate action in January 2001 against Alabama Power in the U.S. District Court for the Northern District of Alabama after it was dismissed from the original action. In these lawsuits, the EPA alleged that NSR violations occurred at eight coal-fired generating facilities operated by Alabama Power and Georgia Power (including a facility formerly owned by Savannah Electric). The civil actions request penalties and injunctive relief, including an order requiring the installation of the best available control technology at the affected units. The EPA concurrently issued notices of violation relating to the Company's Plant Crist and a unit partially owned by the Company at Plant Scherer. See Note 4 for information on the Company's ownership interest in Plant Scherer Unit 3. In early 2000, the EPA filed a motion to amend its complaint to add the allegations in the notices of violation and to add the Company as a defendant. However, in March 2001, the court denied the motion based on lack of jurisdiction, and the EPA has not refiled.

On June 19, 2006, the U.S. District Court for the Northern District of Alabama entered a consent decree between Alabama Power and the EPA, resolving the alleged NSR violations at Plant Miller. The consent decree required Alabama Power to pay \$100,000 to resolve the government's claim for a civil penalty and to donate \$4.9 million of sulfur dioxide emission allowances to a nonprofit charitable organization and formalized specific emissions reductions to be accomplished by Alabama Power, consistent with other Clean Air Act programs that require emissions reductions. On August 14, 2006, the district court in Alabama granted Alabama Power's motion for summary judgment and entered final judgment in favor of Alabama Power on the EPA's claims related to Plants Barry, Gaston, Gorgas, and Greene County. The plaintiffs have appealed this decision to the U.S. Court of Appeals for the Eleventh Circuit and, on November 14, 2006, the Eleventh Circuit granted the plaintiffs' request to stay the appeal, pending the U.S. Supreme Court's ruling in a similar NSR case filed by the EPA against Duke Energy. The action against Georgia Power has been administratively closed since the spring of 2001, and none of the parties has sought to reopen the case.

The Company believes that it complied with applicable laws and the EPA regulations and interpretations in effect at the time the work in question took place. The Clean Air Act authorizes maximum civil penalties of \$25,000 to \$32,500 per day, per violation at each generating unit, depending on the date of the alleged violation. An adverse outcome in this matter could require substantial capital expenditures that cannot be determined at this time and could possibly require payment of substantial penalties. Such expenditures could affect future results of operations, cash flows, and financial condition if such costs are not recovered through regulated rates.

##### ***Environmental Remediation***

At December 31, 2006, the Company's liability for the estimated costs of environmental remediation projects for known sites was \$57.2 million. The schedule for completion of the remediation projects will be subject to Florida Department of Environmental Protection (FDEP) approval. These projects have been approved by the Florida PSC for recovery through the environmental cost recovery clause. Therefore, the Company has recorded \$1.7 million in Current Assets and Current Liabilities and \$55.5 million in Deferred Charges and Other Assets and Deferred Credits and Other Liabilities representing the future recoverability of these costs.

The final outcome of these matters cannot now be determined. However, based on the currently known conditions at these sites and the nature and extent of the Company's activities relating to these sites, management does not believe that the Company's additional liability, if any, at these sites would be material to the financial statements.

**FERC Matters**

***Market-Based Rate Authority***

The Company has authorization from the FERC to sell power to non-affiliates, including short-term opportunity sales, at market-based prices. Specific FERC approval must be obtained with respect to a market-based contract with an affiliate.

In December 2004, the FERC initiated a proceeding to assess Southern Company's generation dominance within its retail service territory. The ability to charge market-based rates in other markets is not an issue in that proceeding. Any new market-based rate sales by the Company in Southern Company's retail service territory entered into during a 15-month refund period beginning February 27, 2005 could be subject to refund to the level of the default cost-based rates, pending the outcome of the proceeding. Such sales through May 27, 2006, the end of the refund period, were approximately \$0.8 million for the Company. In the event that the FERC's default mitigation measures for entities that are found to have market power are ultimately applied, the Company may be required to charge cost-based rates for certain wholesale sales in the Southern Company retail service territory, which may be lower than negotiated market-based rates. The final outcome of this matter will depend on the form in which the final methodology for assessing generation market power and mitigation rules may be ultimately adopted and cannot be determined at this time.

In addition, in May 2005, the FERC started an investigation to determine whether Southern Company satisfies the other three parts of the FERC's market-based rate analysis: transmission market power, barriers to entry, and affiliate abuse or reciprocal dealing. The FERC established a new 15-month refund period related to this expanded investigation. Any new market-based rate sales involving any Southern Company subsidiary, including the Company, could be subject to refund to the extent the FERC orders lower rates as a result of this new investigation. Such sales through October 19, 2006, the end of the refund period, were approximately \$3 million for the Company, of which \$0.6 million relates to sales inside the retail service territory discussed above. The FERC also directed that this expanded proceeding be held in abeyance pending the outcome of the proceeding on the Intercompany Interchange Contract (IIC) discussed below. On January 3, 2007, the FERC issued an order noting settlement of the IIC proceeding and seeking comment identifying any remaining issues and the proper procedure for addressing any such issues.

The Company believes that there is no meritorious basis for these proceedings and is vigorously defending itself in this matter. However, the final outcome of this matter, including any remedies to be applied in the event of an adverse ruling in these proceedings, cannot now be determined.

***Intercompany Interchange Contract***

The Company's generation fleet is operated under the IIC, as approved by the FERC. In May 2005, the FERC initiated a new proceeding to examine (1) the provisions of the IIC among Alabama Power, Georgia Power, the Company, Mississippi Power, Savannah Electric, Southern Power, and SCS, as agent, under the terms of which the power pool of Southern Company is operated, and, in particular, the propriety of the continued inclusion of Southern Power as a party to the IIC, (2) whether any parties to the IIC have violated the FERC's standards of conduct applicable to utility companies that are transmission providers, and (3) whether Southern Company's code of conduct defining Southern Power as a "system company" rather than a "marketing affiliate" is just and reasonable. In connection with the formation of Southern Power, the FERC authorized Southern Power's inclusion in the IIC in 2000. The FERC also previously approved Southern Company's code of conduct.

On October 5, 2006, the FERC issued an order accepting a settlement resolving the proceeding subject to Southern Company's agreement to accept certain modifications to the settlement's terms. On October 20, 2006, Southern Company notified the FERC that it accepted the modifications. The modifications largely involve functional separation and information restrictions related to marketing activities conducted on behalf of Southern Power. Southern Company filed with the FERC on November 6, 2006 an implementation plan to comply with the modifications set forth in the order. The impact of the modifications is not expected to have a material impact on the Company's financial statements.

***Generation Interconnection Agreements***

In July 2003, the FERC issued its final rule on the standardization of generation interconnection agreements and procedures (Order 2003). Order 2003 shifts much of the financial burden of new transmission investment from the generator to the transmission provider. The FERC has indicated that Order 2003, which was effective January 20, 2004, is to be applied prospectively to new generating facilities interconnecting to a transmission system. Order 2003 was affirmed by the U.S. Court of Appeals for the District of Columbia Circuit on January 12, 2007. The cost impact resulting from Order 2003 will vary on a case-by-case basis for each new generator interconnecting to the transmission system.

On November 22, 2004, generator company subsidiaries of Tenaska, Inc (Tenaska), as counterparties to three previously executed interconnection agreements with subsidiaries of Southern Company filed complaints at the FERC requesting that the FERC modify the agreements and that those Southern Company subsidiaries refund a total of \$19 million previously paid for interconnection facilities, with interest. Southern Company has also received requests for similar modifications from other entities, though no other complaints are pending with

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the FERC. On January 19, 2007, the FERC issued an order granting Tenaska's requested relief. Although the FERC's order requires the modification of Tenaska's interconnection agreements, the order reduces the amount of the refund that had been requested by Tenaska. As a result, Southern Company estimates indicate that no refund is due to Tenaska. Southern Company has requested rehearing of the FERC's order. The final outcome of this matter cannot now be determined.

**Right of Way Litigation**

Southern Company and certain of its subsidiaries, including the Company, Georgia Power, Mississippi Power, and Southern Telecom, have been named as defendants in numerous lawsuits brought by landowners since 2001. The plaintiffs' lawsuits claim that defendants may not use, or sublease to third parties, some or all of the fiber optic communications lines on the rights of way that cross the plaintiffs' properties, and that such actions exceed the easements or other property rights held by defendants. The plaintiffs assert claims for, among other things, trespass and unjust enrichment, and seek compensatory and punitive damages and injunctive relief. The Company's management believes that it has complied with applicable laws and that the plaintiffs' claims are without merit.

In November 2003, the Second Circuit Court in Gadsden County, Florida, ruled in favor of the plaintiffs on their motion for partial summary judgment concerning liability in one such lawsuit brought by landowners regarding the installation and use of fiber optic cable over the Company's rights of way located on the landowners' property. Subsequently, the plaintiffs sought to amend their complaint and asked the court to enter a final declaratory judgment and to enter an order enjoining the Company from allowing expanded general telecommunications use of the fiber optic cables that are the subject of this litigation. In January 2005, the trial court granted in part the plaintiffs' motion to amend their complaint and denied the requested declaratory and injunctive relief. In November 2005, the trial court ruled in favor of the plaintiffs and against the Company on their respective motions for partial summary judgment. In that same order, the trial court also denied the Company's motion to dismiss certain claims. The court's ruling allowed for an immediate appeal to the Florida First District Court of Appeal, which the Company filed in December 2005. On October 26, 2006, the Florida First District Court of Appeal issued an order dismissing the Company's December 2005 appeal on the basis that the trial court's order was a non-final order and therefore not subject to review on appeal at this time. The case is once again pending in the trial court for further proceedings. The final outcome of this matter cannot now be determined. In the event of an adverse verdict in this case, the Company could appeal the issues of both liability and damages or other relief granted.

In addition, in late 2001, certain subsidiaries of Southern Company, including the Company, Alabama Power, Georgia Power, Mississippi Power, Savannah Electric, and Southern

Telecom, were named as defendants in a lawsuit brought by a telecommunications company that uses certain of the defendants' rights of way. This lawsuit alleges, among other things, that the defendants are contractually obligated to indemnify, defend, and hold harmless the telecommunications company from any liability that may be assessed against it in pending and future right of way litigation. The Company believes that the plaintiff's claims are without merit. In the fall of 2004, the trial court stayed the case until resolution of the underlying landowner litigation discussed above. In January 2005, the Georgia Court of Appeals dismissed the telecommunications company's appeal of the trial court's order for lack of jurisdiction. An adverse outcome in this matter, combined with an adverse outcome against the telecommunications company in one or more of the right of way lawsuits, could result in substantial judgments; however, the final outcome of these matters cannot now be determined.

**Property Tax Dispute**

Georgia Power and the Company are involved in a significant property tax dispute with Monroe County, Georgia (Monroe County). The Monroe County Board of Tax Assessors (Monroe Board) has issued assessments reflecting substantial increases in the ad valorem tax valuation of the Company's 6.25 percent ownership interest in Plant Scherer, which is located in Monroe County, for tax years 2003 through 2006. Georgia Power and the Company are aggressively pursuing administrative appeals in Monroe County and have filed notices of arbitration for all four years. The appeals are currently stayed, pending the outcome of the litigation discussed below.

In November 2004, Georgia Power filed suit, on its own behalf, against the Monroe Board in the Superior Court of Monroe County. The suit could impact all co-owners. Georgia Power contends that Monroe County acted without statutory authority in changing the valuation of a centrally assessed utility as established by the Revenue Commissioner of the State of Georgia and requests injunctive relief prohibiting Monroe County and the Monroe Board from unlawfully changing the value of Plant Scherer and ultimately collecting additional ad valorem taxes from Georgia Power. In December 2005, the Court granted Monroe County's motion for summary judgment. Georgia Power has filed an appeal of the Superior Court's decision to the Georgia Supreme Court.

If Georgia Power is not successful in its administrative appeals and if Monroe County is successful in defending the litigation, the Company could be subject to total additional taxes through December 31, 2006 of up to \$4.4 million, plus penalties and interest. In accordance with the Company's unit power sales contract for Plant Scherer, such property taxes would be recoverable from the customer. The final outcome of this matter cannot now be determined.

## **Retail Regulatory Matters**

### ***Environmental Cost Recovery***

The Florida Legislature adopted legislation for an environmental cost recovery clause, which allows an electric utility to petition the Florida PSC for recovery of prudent environmental compliance costs that are not being recovered through base rates or any other recovery mechanism. Such environmental costs include operation and maintenance expense, emission allowance expense, depreciation, and a return on invested capital. This legislation also allows recovery of costs incurred as a result of an agreement between the Company and the FDEP for the purpose of ensuring compliance with ozone ambient air quality standards adopted by the EPA. During 2006, 2005, and 2004, the Company recorded environmental cost recovery clause revenues of \$40.9 million, \$26.3 million, and \$14.7 million, respectively. Annually, the Company seeks recovery of projected costs including any true-up amounts from prior periods. At December 31, 2006, the over recovered balance was \$6.8 million primarily due to operations and maintenance expenses being less than anticipated.

### ***Storm Damage Cost Recovery***

Under authority granted by the Florida PSC, the Company maintains a reserve for property damage to cover the cost of uninsured damages from major storms to its transmission and distribution facilities, generation facilities, and other property.

Hurricanes Dennis and Katrina hit the Gulf Coast of Florida in July 2005 and August 2005, respectively, damaging portions of the Company's service area. In September 2004, Hurricane Ivan hit the Gulf Coast of Florida, causing substantial damage within the Company's service area. In 2005, the Florida PSC issued an order (2005 Order) that approved a stipulation and settlement between the Company and several consumer groups and thereby authorized the recovery of the Company's storm damage costs related to Hurricane Ivan through the two-year surcharge that began in April 2005.

In July 2006, the Florida PSC issued an order (2006 Order) approving another stipulation and settlement between the Company and several consumer groups that resolved all matters relating to the Company's request for recovery of incurred costs for storm-recovery activities related to the 2005 storms and the replenishment of the Company's property damage reserve. The 2006 Order provides for an extension of the storm-recovery surcharge currently being collected by the Company for an additional 27 months, expiring in June 2009.

According to the 2006 Order, the funds resulting from the extension of the current surcharge will first be credited to the unrecovered balance of storm-recovery costs associated with Hurricane Ivan until these costs have been fully recovered. The

funds will then be credited to the property reserve for recovery of the storm-recovery costs of \$52.6 million associated with Hurricanes Dennis and Katrina that were previously charged to the reserve. Should revenues collected by the Company through the extension of the storm-recovery surcharge exceed the storm-recovery costs associated with Hurricanes Dennis and Katrina, the excess revenues will be credited to the reserve.

The annual accrual to the reserve of \$3.5 million and the Company's limited discretionary authority to make additional accruals to the reserve will continue as previously approved by the Florida PSC. The Company made discretionary accruals to the reserve of \$3 million, \$6 million, and \$15 million in 2006, 2005, and 2004, respectively. As part of the 2005 Order regarding Hurricane Ivan costs that established the existing surcharge, the Company agreed that it would not seek any additional increase in its base rates and charges to become effective on or before March 1, 2007. The terms of the 2006 Order do not alter or affect that portion of the prior agreement.

According to the 2006 Order, in the case of future storms, if the Company incurs cumulative costs for storm-recovery activities in excess of \$10 million during any calendar year, the Company will be permitted to file a streamlined formal request for an interim surcharge. Any interim surcharge would provide for the recovery, subject to refund, of up to 80 percent of the claimed costs for storm-recovery activities. The Company would then petition the Florida PSC for full recovery through a final or non-interim surcharge or other cost recovery mechanism.

See Note 1 under "Property Damage Reserve" for additional information.

## **4. JOINT OWNERSHIP AGREEMENTS**

The Company and Mississippi Power jointly own Plant Daniel Units 1 and 2, which together represent capacity of 1,000 megawatts (MW). Plant Daniel is a generating plant located in Jackson County, Mississippi. In accordance with the operating agreement, Mississippi Power acts as the Company's agent with respect to the construction, operation, and maintenance of these units.

The Company and Georgia Power jointly own the 818 MW capacity Plant Scherer Unit 3. Plant Scherer is a generating plant located near Forsyth, Georgia. In accordance with the operating agreement, Georgia Power acts as the Company's agent with respect to the construction, operation, and maintenance of the unit.

The Company's pro rata share of expenses related to both plants is included in the corresponding operating expense accounts in the statements of income.

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At December 31, 2006, the Company's percentage ownership and its investment in these jointly owned facilities were as follows:

	Plant Scherer Unit 3 (coal)	Plant Daniel Units 1 & 2 (coal)
	(in thousands)	
Plant in service	\$ 191,319 <sup>(a)</sup>	\$ 253,370
Accumulated depreciation	90,889	138,472
Construction work in progress	2,430	699
Ownership	25%	50%

(a) Includes net plant acquisition adjustment of \$3.8 million.

## 5. INCOME TAXES

Southern Company files a consolidated federal income tax return and combined State of Mississippi and State of Georgia income tax returns. Under a joint consolidated income tax allocation agreement, each subsidiary's current and deferred tax expense is computed on a stand-alone basis and no subsidiary is allocated more expense than would be paid if they filed a separate income tax return. In accordance with Internal Revenue Service regulations, each company is jointly and severally liable for the tax liability.

At December 31, 2006, the tax-related regulatory assets to be recovered from customers were \$17.1 million. These assets are attributable to tax benefits flowed through to customers in prior years and to taxes applicable to capitalized allowance for funds used during construction. At December 31, 2006, the tax-related regulatory liabilities to be credited to customers were \$17.9 million. These liabilities are attributable to deferred taxes previously recognized at rates higher than the current enacted tax law and to unamortized investment tax credits.

Details of income tax provisions are as follows:

	2006	2005	2004
	(in thousands)		
Federal –			
Current	\$ 40,472	\$ 11,330	\$ (4,255)
Deferred	(470)	26,693	39,373
	<b>40,002</b>	<b>38,023</b>	<b>35,118</b>
State –			
Current	3,651	490	(2,305)
Deferred	1,640	6,468	6,882
	<b>5,291</b>	<b>6,958</b>	<b>4,577</b>
Total	<b>\$ 45,293</b>	<b>\$ 44,981</b>	<b>\$ 39,695</b>

The tax effects of temporary differences between the carrying amounts of assets and liabilities in the financial statements and their respective tax bases, which give rise to deferred tax assets and liabilities, are as follows:

	2006	2005
	(in thousands)	
Deferred tax liabilities:		
Accelerated depreciation	\$ 245,147	\$ 245,906
Fuel recovery clause	31,380	12,812
Pension benefits and employee benefit obligations	23,888	14,817
Property reserve	17,612	29,393
Regulatory assets associated with employee benefit obligations	10,940	-
Regulatory assets associated with asset retirement obligations	5,151	6,195
Other	6,492	6,352
Total	<b>340,610</b>	<b>315,475</b>
Deferred tax assets:		
Federal effect of state deferred taxes	\$ 13,713	\$ 13,591
Post retirement benefits	15,082	13,430
Pension benefits	13,310	2,054
Other comprehensive loss	2,887	1,765
Regulatory liabilities associated with employee benefit obligations	9,057	-
Asset retirement obligations	5,151	6,195
Other	13,777	13,082
Total	<b>72,977</b>	<b>50,117</b>
Net deferred tax liabilities	<b>267,633</b>	<b>265,358</b>
Less current portion, net	<b>(29,771)</b>	<b>(8,868)</b>
Accumulated deferred income taxes in the balance sheets	<b>\$ 237,862</b>	<b>\$ 256,490</b>

In accordance with regulatory requirements, deferred investment tax credits are amortized over the lives of the related property with such amortization normally applied as a credit to reduce depreciation in the statements of income. Credits amortized in this manner amounted to \$1.8 million in 2006, \$1.9 million in 2005, and \$2.0 million in 2004. At December 31, 2006, all investment tax credits available to reduce federal income taxes payable had been utilized.

A reconciliation of the federal statutory income tax rate to the effective income tax rate is as follows:

	2006	2005	2004
Federal statutory rate	35.0%	35.0%	35.0%
State income tax, net of federal deduction	2.8	3.7	2.8
Non-deductible book depreciation	0.5	0.7	0.6
Difference in prior years' deferred and current tax rate	(0.8)	(0.8)	(1.1)
Other, net	(1.1)	(1.4)	(0.6)
Effective income tax rate	<b>36.4%</b>	<b>37.2%</b>	<b>36.7%</b>

## **6. FINANCING**

### **Long-Term Debt Payable to Affiliated Trusts**

The Company has formed certain wholly owned trust subsidiaries for the purpose of issuing preferred securities. The proceeds of the related equity investments and preferred security sales were loaned back to the Company through the issuance of junior subordinated notes totaling \$41.2 million, which constitute substantially all of the assets of these trusts and are reflected in the balance sheets as Long-term Debt Payable to Affiliated Trusts. The Company considers that the mechanisms and obligations relating to the preferred securities issued for its benefit, taken together, constitute a full and unconditional guarantee by it of the trusts' payment obligations with respect to these securities. At December 31, 2006, \$41.2 million of these securities were outstanding. See Note 1 under "Variable Interest Entities" for additional information on the accounting treatment for these trusts and the related securities.

### **Outstanding Classes of Capital Stock**

The Company currently has preferred stock, Class A preferred stock, preference stock, and common stock authorized. The Company's preferred stock and Class A preferred stock, without preference between classes, rank senior to the Company's preference stock and common stock with respect to the payment of dividends and voluntary or involuntary dissolution. No shares of preferred stock or Class A preferred stock were outstanding at December 31, 2006. The Company's preference stock ranks senior to the common stock with respect to the payment of dividends and voluntary or involuntary dissolution. The outstanding preference stock is subject to redemption at the option of the Company on or after November 15, 2010.

On January 19, 2007, the Company issued to Southern Company 800,000 shares of the Company's common stock, without par value, and realized proceeds of \$80 million. The proceeds were used to repay a portion of the Company's short-term indebtedness and for other general corporate purposes.

### **Pollution Control Bonds**

Pollution control obligations represent loans to the Company from public authorities of funds derived from sales by such authorities of revenue bonds issued to finance pollution control facilities. The Company is required to make payments sufficient for the authorities to meet principal and interest requirements of such bonds totaling \$157.6 million.

### **Assets Subject to Lien**

In January 2007, the Company's first mortgage bond indenture was discharged. As a result, there are no longer any first mortgage liens on the Company's property and the Company no

longer has to comply with the covenants and restrictions of the first mortgage bond indenture. The Company has granted a lien on its property at Plant Daniel in connection with the issuance of two series of pollution control bonds with an outstanding principal amount of \$41 million.

There are no agreements or other arrangements among the affiliated companies under which the assets of one company have been pledged or otherwise made available to satisfy obligations of Southern Company or any of its subsidiaries.

### **Bank Credit Arrangements**

At the beginning of 2007, the Company had \$120 million of lines of credit with banks subject to renewal each year, all of which remained unused. Of the \$120 million, \$116 million provides liquidity support for the Company's commercial paper program and \$4 million of daily variable rate pollution control bonds. In connection with these credit lines, the Company has agreed to pay commitment fees.

Certain credit arrangements contain covenants that limit the level of indebtedness to capitalization to 65 percent, as defined in the arrangements. At December 31, 2006, the Company was in compliance with these covenants.

In addition, certain credit arrangements contain cross default provisions to other indebtedness that would trigger an event of default if the Company defaulted on indebtedness over a specified threshold. The cross default provisions are restricted only to indebtedness of the Company. The Company is currently in compliance with all such covenants. In the event of a material adverse change, as defined in the Company's credit agreements, the Company would be prohibited from borrowing against unused credit arrangements totaling \$10 million.

The Company borrows primarily through a commercial paper program that has the liquidity support of committed bank credit arrangements. The Company may also borrow through various other arrangements with banks and through an extendible commercial note program. At December 31, 2006, the Company had \$80.4 million in commercial paper and \$40 million in bank notes outstanding. At December 31, 2005, the Company had \$14.5 million in commercial paper and \$75 million in bank notes outstanding. During 2006, the peak amount outstanding for short term debt was \$181.6 million and the average amount outstanding was \$113.8 million. The average annual interest rate on commercial paper was 5.36 percent.

### **Financial Instruments**

The Company enters into energy-related derivatives to hedge exposures to electricity, gas, and other fuel price changes. However, due to cost-based rate regulations, the Company has limited exposure to market volatility in commodity fuel prices

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and prices of electricity. The Company has implemented fuel-hedging programs with the approval of the Florida PSC. The Company enters into hedges of forward electricity sales. There was no material ineffectiveness recorded in earnings in 2006, 2005, and 2004.

At December 31, 2006, the fair value gains/(losses) of energy-related derivative contracts were reflected in the financial statements as follows:

	Amounts (in thousands)
Regulatory assets, net	\$(7,186)
Net income	-
Total fair value	\$(7,186)

The fair value gains or losses for cash flow hedges that are recoverable through the regulatory fuel clauses are recorded as regulatory assets and liabilities and are recognized in earnings at the same time the hedged items affect earnings. The Company has energy-related hedges in place up to and including 2009.

The Company also may enter into derivatives to hedge exposure to interest rate changes. The derivatives employed as hedging instruments are structured to minimize ineffectiveness. As such, no material ineffectiveness has been recorded in earnings.

In 2006, the Company terminated interest rate derivatives, at the same time the related debt was issued, with a notional value of \$80 million at a cost of \$5.4 million. The hedge cost will be amortized over a 10-year period. The Company had no interest rate derivatives at December 31, 2006. For the years 2006, 2005, and 2004, approximately \$0.4 million, \$0.3 million, and \$0.3 million, respectively, of pre-tax losses were reclassified from other comprehensive income to interest expense. For 2007, pre-tax losses of approximately \$0.9 million are expected to be reclassified from other comprehensive income to interest expense. The Company has losses that are being amortized through 2016.

## **7. COMMITMENTS**

### **Construction Program**

The Company is engaged in a continuous construction program, the cost of which is currently estimated to total \$278 million in 2007, \$458 million in 2008, and \$395 million in 2009. The construction program is subject to periodic review and revision, and actual construction costs may vary from the above estimates because of numerous factors. These factors include changes in business conditions; acquisition of additional generating assets; revised load growth estimates; changes in environmental regulations; changes in FERC rules and regulations; increasing costs of labor, equipment, and materials; and cost of capital. At

December 31, 2006, significant purchase commitments were outstanding in connection with the ongoing construction program.

Included in the amounts above are \$171 million in 2007, \$378 million in 2008, and \$300 million in 2009 for environmental expenditures. The Company does not have any new generating capacity under construction. Construction of new transmission and distribution facilities and other capital improvements, including those needed to meet environmental standards for the Company's existing generation, transmission, and distribution facilities, are ongoing.

### **Long-Term Service Agreements**

The Company has a Long-Term Service Agreement (LTSA) with General Electric (GE) for the purpose of securing maintenance support for combined cycle generating facility. The LTSA provides that GE will perform all planned inspections on the covered equipment, which includes the cost of all labor and materials. GE is also obligated to cover the costs of unplanned maintenance on the covered equipment subject to a limit specified in the contract.

In general, the LTSA is in effect through two major inspection cycles of the unit. Scheduled payments to GE are made at various intervals based on actual operating hours of the unit. Total remaining payments to GE under this agreement for facilities owned are currently estimated at \$74.9 million over the remaining life of the agreement, which is currently estimated to be up to 9 years. However, the LTSA contains various cancellation provisions at the option of the Company.

Payments made to GE prior to the performance of any planned inspections are recorded as prepayments. These amounts are included in Current Assets and Deferred Charges and Other Assets in the balance sheets. Inspection costs are capitalized or charged to expense based on the nature of the work performed.

### **Purchased Power and Fuel Commitments**

The Company has entered into long-term commitments for the purchase of electricity.

To supply a portion of the fuel requirements of the generating plants, the Company has entered into various long-term commitments for the procurement of fossil fuel. In most cases, these contracts contain provisions for price escalations, minimum purchase levels, and other financial commitments. Coal commitments include forward contract purchases for sulfur dioxide emission allowances. Natural gas purchase commitments contain fixed volumes with prices based on various indices at the time of delivery. Amounts included in the chart below represent estimates based on New York Mercantile Exchange future prices at December 31, 2006.



**NOTES (continued)**  
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Total estimated minimum long-term obligations at December 31, 2006 were as follows:

Year	Purchased Power*	Natural Gas	Coal
		(in thousands)	
2007	\$ -	\$ 117,726	\$ 281,401
2008	-	90,371	240,222
2009	23,832	65,975	69,998
2010	26,811	43,194	70,764
2011	26,861	20,081	-
2012 and thereafter	57,915	189,106	-
<b>Total commitments</b>	<b>\$ 135,419</b>	<b>\$ 526,453</b>	<b>\$ 662,385</b>

\*Included above is \$76 million in obligations with affiliated companies.

Additional commitments for fuel will be required to supply the Company's future needs.

SCS may enter into various types of wholesale energy and natural gas contracts acting as an agent for the Company and all of the other Southern Company traditional operating companies and Southern Power. Under these agreements, each of the traditional operating companies and Southern Power may be jointly and severally liable. The creditworthiness of Southern Power is currently inferior to the creditworthiness of the traditional operating companies. Accordingly, Southern Company has entered into keep-well agreements with the Company and each of the other traditional operating companies to ensure the Company will not subsidize or be responsible for any costs, losses, liabilities, or damages resulting from the inclusion of Southern Power as a contracting party under these agreements.

### Operating Leases

The Company has operating lease agreements with various terms and expiration dates. Total operating lease expenses were \$4.9 million, \$3.0 million, and \$2.0 million, for 2006, 2005, and 2004, respectively. Included in these lease expenses are railcar lease costs which are charged to fuel inventory and are allocated to fuel expense as the fuel is used. These expenses are then recovered through the Company's fuel cost recovery clause. The Company's share of the lease costs charged to fuel inventories was \$4.6 million in 2006, \$3.0 million in 2005, and \$1.9 million in 2004. The Company includes any step rents, escalations, and lease concessions in its computation of minimum lease payments, which are recognized on a straight-line basis over the minimum lease term.

At December 31, 2006, estimated minimum rental commitments for noncancelable operating leases were as follows:

Year	Rail Cars	Other	Total
	(in thousands)		
2007	\$ 4,043	\$ 337	\$ 4,380
2008	3,072	339	3,411
2009	2,039	185	2,224
2010	2,006	59	2,065
2011	596	-	596
2012 and thereafter	3,574	-	3,574
<b>Total minimum payments</b>	<b>\$ 15,330</b>	<b>\$ 920</b>	<b>\$ 16,250</b>

The Company and Mississippi Power jointly entered into operating lease agreements for aluminum railcars for the transportation of coal to Plant Daniel. The Company has the option to purchase the railcars at the greater of lease termination value or fair market value or to renew the leases at the end of each lease term. The Company and Mississippi Power also have separate lease agreements for other railcars that do not include purchase options.

In addition to railcar leases, the Company has other operating leases for fuel handling equipment at Plant Daniel. The Company's share of these leases was charged to fuel handling expense in the amount of \$0.3 million in 2006. The Company's annual lease payments for 2007 to 2010 will average approximately \$0.2 million.

### 8. STOCK OPTION PLAN

Southern Company provides non-qualified stock options to a large segment of the Company's employees ranging from line management to executives. As of December 31, 2006, there were 283 current and former employees of the Company participating in the stock option plan. The maximum number of shares of Southern Company common stock that may be issued under these programs may not exceed 57 million. The prices of options granted to date have been at the fair market value of the shares on the dates of grant. Options granted to date become exercisable pro rata over a maximum period of three years from the date of grant. The Company generally recognizes stock option expense on a straight-line basis over the vesting period which equates to the requisite service period; however, for employees who are eligible for retirement the total cost is expensed at the grant date. Options outstanding will expire no later than 10 years after the date of grant, unless terminated earlier by the Southern Company Board of Directors in accordance with the stock option plan. For certain stock option awards a change in control will provide accelerated vesting. As part of the adoption of SFAS No. 123(R), as discussed in Note 1 under "Stock Options," Southern Company has not modified its stock option plan or outstanding stock options, nor has it changed the underlying valuation assumptions used in valuing the stock options, that were used under SFAS No. 123.



**NOTES (continued)**  
**Gulf Power Company 2006 Annual Report**

The Company's activity in the stock option plan for 2006 is summarized below:

	Shares Subject to Option	Weighted- Average Exercise Price
Outstanding at Dec. 31, 2005	1,099,549	\$ 27.07
Granted	242,373	33.81
Exercised	(142,941)	24.20
Cancelled	(460)	32.66
Outstanding at Dec. 31, 2006	1,198,521	\$ 28.77
Exercisable at Dec. 31, 2006	735,425	\$ 26.27

The number of stock options vested, and expected to vest in the future, as of December 31, 2006 is not significantly different from the number of stock options outstanding at December 31, 2006 as stated above.

As of December 31, 2006, the weighted average remaining contractual term for options outstanding and options exercisable is 6.6 years and 5.5 years, respectively, and the aggregate intrinsic value for the options outstanding and options exercisable is \$9.7 million and \$7.8 million, respectively.

As of December 31, 2006, there was \$0.5 million of total unrecognized compensation cost related to stock option awards not yet vested. That cost is expected to be recognized over a weighted average period of approximately 11 months.

The total intrinsic value of options exercised during the years ended December 31, 2006, 2005, and 2004 was \$1.6 million, \$4.4 million, and \$4.6 million, respectively.

The actual tax benefit realized by the Company for the tax deductions from stock option exercises totaled \$0.6 million, \$1.7 million, and \$1.8 million, respectively, for the years ended December 31, 2006, 2005, and 2004.

**9. QUARTERLY FINANCIAL INFORMATION**  
**(UNAUDITED)**

Summarized quarterly financial data for 2006 and 2005 are as follows:

Quarter Ended	Operating Revenues	Operating Income	Net Income After Dividends on Preferred and Preference Stock
		(in thousands)	
<b>March 2006</b>	<b>\$ 263,042</b>	<b>\$ 31,079</b>	<b>\$12,402</b>
<b>June 2006</b>	<b>292,722</b>	<b>47,062</b>	<b>22,038</b>
<b>September 2006</b>	<b>373,030</b>	<b>66,511</b>	<b>34,577</b>
<b>December 2006</b>	<b>275,120</b>	<b>22,020</b>	<b>6,972</b>
March 2005	\$ 224,597	\$ 31,229	\$14,646
June 2005	251,297	44,153	21,458
September 2005	344,080	68,571	37,197
December 2005	263,648	14,324	1,908

The Company's business is influenced by seasonal weather conditions.

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Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
SUMMARY OF UTILITY PLANT AND ACCUMULATED PROVISIONS FOR DEPRECIATION, AMORTIZATION AND DEPLETION					
Report in Column (c) the amount for electric function, in column (d) the amount for gas function, in column (e), (f), and (g) report other (specify) and in column (f) common function.					
Line No.	Classification (a)	Total Company for the Current Year/Quarter Ended (b)	Electric (c)		
1	Utility Plant				
2	In Service				
3	Plant in Service (Classified)	2,400,797,367	2,400,797,367		
4	Property Under Capital Leases				
5	Plant Purchased or Sold				
6	Completed Construction not Classified	166,739,224	166,739,224		
7	Experimental Plant Unclassified				
8	Total (3 thru 7)	2,567,536,591	2,567,536,591		
9	Leased to Others				
10	Held for Future Use	3,162,635	3,162,635		
11	Construction Work in Progress	62,814,992	62,814,992		
12	Acquisition Adjustments	3,818,092	3,818,092		
13	Total Utility Plant (8 thru 12)	2,637,332,310	2,637,332,310		
14	Accum Prov for Depr, Amort, & Depl	1,066,974,094	1,066,974,094		
15	Net Utility Plant (13 less 14)	1,570,358,216	1,570,358,216		
16	Detail of Accum Prov for Depr, Amort & Depl				
17	In Service:				
18	Depreciation	1,051,306,955	1,051,306,955		
19	Amort & Depl of Producing Nat Gas Land/Land Right				
20	Amort of Underground Storage Land/Land Rights				
21	Amort of Other Utility Plant	15,667,139	15,667,139		
22	Total In Service (18 thru 21)	1,066,974,094	1,066,974,094		
23	Leased to Others				
24	Depreciation				
25	Amortization and Depletion				
26	Total Leased to Others (24 & 25)				
27	Held for Future Use				
28	Depreciation				
29	Amortization				
30	Total Held for Future Use (28 & 29)				
31	Abandonment of Leases (Natural Gas)				
32	Amort of Plant Acquisition Adj				
33	Total Accum Prov (equals 14) (22,26,30,31,32)	1,066,974,094	1,066,974,094		

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106)				
<p>1. Report below the original cost of electric plant in service according to the prescribed accounts.</p> <p>2. In addition to Account 101, Electric Plant in Service (Classified), this page and the next include Account 102, Electric Plant Purchased or Sold; Account 103, Experimental Electric Plant Unclassified; and Account 106, Completed Construction Not Classified-Electric.</p> <p>3. Include in column (c) or (d), as appropriate, corrections of additions and retirements for the current or preceding year.</p> <p>4. For revisions to the amount of initial asset retirement costs capitalized, included by primary plant account, increases in column (c) additions and reductions in column (e) adjustments.</p> <p>5. Enclose in parentheses credit adjustments of plant accounts to indicate the negative effect of such accounts.</p> <p>6. Classify Account 106 according to prescribed accounts, on an estimated basis if necessary, and include the entries in column (c). Also to be included in column (c) are entries for reversals of tentative distributions of prior year reported in column (b). Likewise, if the respondent has a significant amount of plant retirements which have not been classified to primary accounts at the end of the year, include in column (d) a tentative distribution of such retirements, on an estimated basis, with appropriate contra entry to the account for accumulated depreciation provision. Include also in column (d)</p>				
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)	
1	1. INTANGIBLE PLANT			
2	(301) Organization	7,418		
3	(302) Franchises and Consents	594		
4	(303) Miscellaneous Intangible Plant			
5	TOTAL Intangible Plant (Enter Total of lines 2, 3, and 4)	8,012		
6	2. PRODUCTION PLANT			
7	A. Steam Production Plant			
8	(310) Land and Land Rights	10,426,409	1,514,842	
9	(311) Structures and Improvements	171,653,243	5,822,111	
10	(312) Boiler Plant Equipment	652,651,357	24,691,430	
11	(313) Engines and Engine-Driven Generators			
12	(314) Turbogenerator Units	175,306,502	9,875,520	
13	(315) Accessory Electric Equipment	91,047,363	-4,621,350	
14	(316) Misc. Power Plant Equipment	16,465,203	1,460,718	
15	(317) Asset Retirement Costs for Steam Production	3,838,940		
16	TOTAL Steam Production Plant (Enter Total of lines 8 thru 15)	1,121,389,017	38,743,271	
17	B. Nuclear Production Plant			
18	(320) Land and Land Rights			
19	(321) Structures and Improvements			
20	(322) Reactor Plant Equipment			
21	(323) Turbogenerator Units			
22	(324) Accessory Electric Equipment			
23	(325) Misc. Power Plant Equipment			
24	(326) Asset Retirement Costs for Nuclear Production			
25	TOTAL Nuclear Production Plant (Enter Total of lines 18 thru 24)			
26	C. Hydraulic Production Plant			
27	(330) Land and Land Rights			
28	(331) Structures and Improvements			
29	(332) Reservoirs, Dams, and Waterways			
30	(333) Water Wheels, Turbines, and Generators			
31	(334) Accessory Electric Equipment			
32	(335) Misc. Power PLant Equipment			
33	(336) Roads, Railroads, and Bridges			
34	(337) Asset Retirement Costs for Hydraulic Production			
35	TOTAL Hydraulic Production Plant (Enter Total of lines 27 thru 34)			
36	D. Other Production Plant			
37	(340) Land and Land Rights	337,696		
38	(341) Structures and Improvements	11,437,144	3,541	
39	(342) Fuel Holders, Products, and Accessories	3,156,499	53,941	
40	(343) Prime Movers	101,521,596	6,710,959	
41	(344) Generators	73,266,913		
42	(345) Accessory Electric Equipment	11,386,623	28,122	
43	(346) Misc. Power Plant Equipment	710,257		
44	(347) Asset Retirement Costs for Other Production	397,195		
45	TOTAL Other Prod. Plant (Enter Total of lines 37 thru 44)	202,213,923	6,796,563	
46	TOTAL Prod. Plant (Enter Total of lines 16, 25, 35, and 45)	1,323,602,940	45,539,834	

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)**

distributions of these tentative classifications in columns (c) and (d), including the reversals of the prior years tentative account distributions of these amounts. Careful observance of the above instructions and the texts of Accounts 101 and 106 will avoid serious omissions of the reported amount of respondent's plant actually in service at end of year.

7. Show in column (f) reclassifications or transfers within utility plant accounts. Include also in column (f) the additions or reductions of primary account classifications arising from distribution of amounts initially recorded in Account 102, include in column (e) the amounts with respect to accumulated provision for depreciation, acquisition adjustments, etc., and show in column (f) only the offset to the debits or credits distributed in column (f) to primary account classifications.

8. For Account 399, state the nature and use of plant included in this account and if substantial in amount submit a supplementary statement showing subaccount classification of such plant conforming to the requirement of these pages.

9. For each amount comprising the reported balance and changes in Account 102, state the property purchased or sold, name of vendor or purchase, and date of transaction. If proposed journal entries have been filed with the Commission as required by the Uniform System of Accounts, give also date

Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)	Line No.
				1
			7,418	2
			594	3
				4
			8,012	5
				6
				7
	-3,091		11,938,160	8
77,333			177,398,021	9
6,766,226			670,576,561	10
				11
6,909,778			178,272,244	12
2,445,073			83,980,940	13
484,437			17,441,484	14
			3,838,940	15
16,682,847	-3,091		1,143,446,350	16
				17
				18
				19
				20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
				34
				35
				36
			337,696	37
			11,440,685	38
13,400			3,197,040	39
7,704,417			100,528,138	40
			73,266,913	41
20,866			11,393,879	42
			710,257	43
			397,195	44
7,738,683			201,271,803	45
24,421,530	-3,091		1,344,718,153	46

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Line No.	Account (a)	Balance Beginning of Year (b)	Additions (c)		
47	3. TRANSMISSION PLANT				
48	(350) Land and Land Rights	12,928,689	-121,616		
49	(352) Structures and Improvements	6,317,603	667,618		
50	(353) Station Equipment	82,397,126	4,969,653		
51	(354) Towers and Fixtures	35,253,619	600,330		
52	(355) Poles and Fixtures	59,130,167	1,714,825		
53	(356) Overhead Conductors and Devices	51,973,075	2,237,799		
54	(357) Underground Conduit				
55	(358) Underground Conductors and Devices	14,094,209	293		
56	(359) Roads and Trails	64,917			
57	(359.1) Asset Retirement Costs for Transmission Plant	8,987			
58	TOTAL Transmission Plant (Enter Total of lines 48 thru 57)	262,168,392	10,068,902		
59	4. DISTRIBUTION PLANT				
60	(360) Land and Land Rights	1,835,301	190,449		
61	(361) Structures and Improvements	13,348,284	117,797		
62	(362) Station Equipment	135,057,654	6,468,787		
63	(363) Storage Battery Equipment				
64	(364) Poles, Towers, and Fixtures	101,891,892	5,036,251		
65	(365) Overhead Conductors and Devices	107,770,423	5,163,427		
66	(366) Underground Conduit	1,210,865	6,726		
67	(367) Underground Conductors and Devices	82,854,567	8,840,445		
68	(368) Line Transformers	172,944,752	14,861,011		
69	(369) Services	80,183,244	4,487,778		
70	(370) Meters	43,799,759	3,389,356		
71	(371) Installations on Customer Premises				
72	(372) Leased Property on Customer Premises				
73	(373) Street Lighting and Signal Systems	47,764,844	4,989,197		
74	(374) Asset Retirement Costs for Distribution Plant	49,827			
75	TOTAL Distribution Plant (Enter Total of lines 60 thru 74)	788,711,412	53,551,224		
76	5. REGIONAL TRANSMISSION AND MARKET OPERATION PLANT				
77	(380) Land and Land Rights				
78	(381) Structures and Improvements				
79	(382) Computer Hardware				
80	(383) Computer Software				
81	(384) Communication Equipment				
82	(385) Miscellaneous Regional Transmission and Market Operation Plant				
83	(386) Asset Retirement Costs for Regional Transmission and Market Oper				
84	TOTAL Transmission and Market Operation Plant (Total lines 77 thru 83)				
85	6. GENERAL PLANT				
86	(389) Land and Land Rights	6,862,707	1,631,234		
87	(390) Structures and Improvements	55,865,421	835,779		
88	(391) Office Furniture and Equipment	3,436,255	955,494		
89	(392) Transportation Equipment	27,866,451	1,610,490		
90	(393) Stores Equipment	493,186	159,529		
91	(394) Tools, Shop and Garage Equipment	2,179,073	31,093		
92	(395) Laboratory Equipment	2,460,053	333,005		
93	(396) Power Operated Equipment	593,661			
94	(397) Communication Equipment	18,241,763	999,618		
95	(398) Miscellaneous Equipment	2,131,092	389,139		
96	SUBTOTAL (Enter Total of lines 86 thru 95)	120,129,662	6,945,381		
97	(399) Other Tangible Property				
98	(399.1) Asset Retirement Costs for General Plant	200,807			
99	TOTAL General Plant (Enter Total of lines 96, 97 and 98)	120,330,469	6,945,381		
100	TOTAL (Accounts 101 and 106)	2,494,821,225	116,105,341		
101	(102) Electric Plant Purchased (See Instr. 8)				
102	(Less) (102) Electric Plant Sold (See Instr. 8)				
103	(103) Experimental Plant Unclassified				
104	TOTAL Electric Plant in Service (Enter Total of lines 100 thru 103)	2,494,821,225	116,105,341		

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ELECTRIC PLANT IN SERVICE (Account 101, 102, 103 and 106) (Continued)					
Retirements (d)	Adjustments (e)	Transfers (f)	Balance at End of Year (g)		Line No.
					47
	-3,857		12,803,216		48
14,159			6,971,062		49
1,082,433		-68,549	86,215,797		50
139,464			35,714,485		51
115,486		13,750	60,743,256		52
123,322		-46,077	54,041,475		53
					54
			14,094,502		55
			64,917		56
			8,987		57
1,474,864	-3,857	-100,876	270,657,697		58
					59
	-1,706		2,024,044		60
34,680			13,431,401		61
1,810,524		130,154	139,846,071		62
					63
691,277		25,809	106,262,675		64
1,324,230		-408,551	111,201,069		65
			1,217,591		66
723,509		410,737	91,382,240		67
2,988,934		-60,552	184,756,277		68
807,043			83,863,979		69
1,179,287		3,279	46,013,107		70
					71
					72
1,308,239			51,445,802		73
			49,827		74
10,867,723	-1,706	100,876	831,494,083		75
					76
					77
					78
					79
					80
					81
					82
					83
					84
					85
	-1,361,331		7,132,610		86
263,031			56,438,169		87
286,125			4,105,624		88
3,675,574			25,801,367		89
			652,715		90
110,822			2,099,344		91
206,568			2,586,490		92
			593,661		93
513,907			18,727,474		94
199,846			2,320,385		95
5,255,873	-1,361,331		120,457,839		96
					97
			200,807		98
5,255,873	-1,361,331		120,658,646		99
42,019,990	-1,369,985		2,567,536,591		100
					101
					102
					103
42,019,990	-1,369,985		2,567,536,591		104



Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ELECTRIC PLANT HELD FOR FUTURE USE (Account 105)					
1. Report separately each property held for future use at end of the year having an original cost of \$250,000 or more. Group other items of property held for future use.					
2. For property having an original cost of \$250,000 or more previously used in utility operations, now held for future use, give in column (a), in addition to other required information, the date that utility use of such property was discontinued, and the date the original cost was transferred to Account 105.					
Line No.	Description and Location Of Property (a)	Date Originally Included in This Account (b)	Date Expected to be used in Utility Service (c)	Balance at End of Year (d)	
1	Land and Rights:				
2	Caryville Electric Generating Plant -				
3	Future Site, Located in Holmes Cnty., FL	09/19/1963	12/31/2017	1,355,569	
4	Pace Blvd. Land Acquisition -				
5	Future Expansion Located in Pensacola, FL	11/07/1988	12/31/2017	467,221	
6	Smith Plant - Future Ash Disposal Site -				
7	Located in Bay County, FL	04/18/1989	12/31/2017	710,968	
8	Mossy Head Electric Generating Center -				
9	Located in Walton County, FL	08/01/1999	12/31/2017	315,101	
10					
11	Other Land - Misc:			313,776	
12	Plant Daniel - Future Ash Disposal Site				
13	Located in Mississippi				
14	Panama City District Office expansion -				
15	Located in Bay County, FL				
16	General Repair Facility Located in Pensacola, FL				
17	Sandestin Sub. Located in Sandestin, FL				
18	Corporate Office Building Site -				
19	Located in Pensacola, FL				
20	Altha Sub. Site Located in Calhoun County, FL				
21	Other Property:				
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46					
47	Total			3,162,635	

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)					
1. Report below descriptions and balances at end of year of projects in process of construction (107) 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts) 3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.					
Line No.	Description of Project (a)	Construction work in progress - Electric (Account 107) (b)			
1	1019 Crist 4 Repl Rotor and Blades	1,028,603			
2	1031 ECRC-Air-Crist 7 SCR Catalyst	407,077			
3	1222 ECRC-Air-Crist 6 & 7 Scrubber	24,457,895			
4	1237 Envir-Repl Crist SCADA	268,246			
5	1276 Envir-Crist Ash Pond Disc WEIR	122,260			
6	1278 Crist 6 & 7 Replace Elevator	167,559			
7	1285 Crist Doors & Sump Pumps	100,756			
8	1429 Smith 1 Replace Horiz Superheater	1,693,150			
9	1451 Smith 1 Replace Hot Reheat Piping	193,989			
10	1461 ECRC-Air-Smith 1 Upgrade Precipit	3,906,778			
11	1482 Smith 1 Replace LP Feedwater Heater	129,114			
12	1613 Envir-Waste-Smith 1 & 2-Cap Ash	214,179			
13	1700 Scherer Miscellaneous Additions & Improvements	255,223			
14	1729 Envir-Air-Scherer Baghouse	1,134,613			
15	1737 Scherer 3 Serv Water Piping	628,222			
16	1743 Scherer CMN Service Water Piping	265,343			
17	1801 Daniel CMN Floor Drains/Wash S	334,473			
18	1812 Replace Daniel 2 Economizer	269,905			
19	2552 New Business Distribution	3,470,039			
20	2556 Private Street & Yard Lights	333,162			
21	2801 Trans Sub Infrastructure Project	859,309			
22	2802 Trans Line Infrastructure Project	740,892			
23	2821 Miller Bayou 230/115KV Power Sup	1,562,425			
24	2841 Callaway-Parker Tap 115KV Line	134,466			
25	2854 Trans Pilot Project Relay Impr	489,786			
26	2859 Const Hidden Creek 115KV Substation	199,577			
27	3401 Distribution Sub Infrastructure Project	615,049			
28	3402 Miscellaneous Distribution Line Additions & Improvements	593,920			
29	3403 Distribution Additions & Ret Due to Hwy Com	590,930			
30	3405 Underground System - Additions & Improvements	4,339,837			
31	3418 Long Beach 115KV 30MVAR Cap Bank	572,312			
32	3456 Hathway Sub Upgrade Transformers	109,540			
33	3501 Miscellaneous Distribution Line Specific Feed	462,327			
34	3693 Devilliers Sub OCB 7414 Protec	140,252			
35	3723 Longshot 115/12KV Power Supply	134,116			
36	3740 New Crooked Creek Sub & Feeder	1,443,886			
37	3751 Santa Rosa - Miramar 115KV #2	6,011,773			
38	4302 Miscellaneous Building Land & Equipment	227,760			
39	4311 Transport Network	668,544			
40	4371 Milton Trnsp/Maintenance Facility	699,563			
41	4376 GLSCAPE and MRO Development	803,463			
42	4785 Accrued Payroll	733,393			
43	TOTAL	62,814,992			

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
CONSTRUCTION WORK IN PROGRESS - - ELECTRIC (Account 107)					
1. Report below descriptions and balances at end of year of projects in process of construction (107) 2. Show items relating to "research, development, and demonstration" projects last, under a caption Research, Development, and Demonstrating (see Account 107 of the Uniform System of Accounts) 3. Minor projects (5% of the Balance End of the Year for Account 107 or \$100,000, whichever is less) may be grouped.					
Line No.	Description of Project (a)				Construction work in progress - Electric (Account 107) (b)
1	Minor Projects less than \$100,000				1,301,286
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
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39					
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41					
42					
43	TOTAL				62,814,992

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ACCUMULATED PROVISION FOR DEPRECIATION OF ELECTRIC UTILITY PLANT (Account 108)					
<p>1. Explain in a footnote any important adjustments during year.</p> <p>2. Explain in a footnote any difference between the amount for book cost of plant retired, Line 11, column (c), and that reported for electric plant in service, pages 204-207, column 9d), excluding retirements of non-depreciable property.</p> <p>3. The provisions of Account 108 in the Uniform System of accounts require that retirements of depreciable plant be recorded when such plant is removed from service. If the respondent has a significant amount of plant retired at year end which has not been recorded and/or classified to the various reserve functional classifications, make preliminary closing entries to tentatively functionalize the book cost of the plant retired. In addition, include all costs included in retirement work in progress at year end in the appropriate functional classifications.</p> <p>4. Show separately interest credits under a sinking fund or similar method of depreciation accounting.</p>					
Section A. Balances and Changes During Year					
Line No.	Item (a)	Total (c+d+e) (b)	Electric Plant in Service (c)	Electric Plant Held for Future Use (d)	Electric Plant Leased to Others (e)
1	Balance Beginning of Year	1,005,027,763	1,005,027,763		
2	Depreciation Provisions for Year, Charged to				
3	(403) Depreciation Expense	88,484,751	88,484,751		
4	(403.1) Depreciation Expense for Asset Retirement Costs	670,665	670,665		
5	(413) Exp. of Elec. Plt. Leas. to Others				
6	Transportation Expenses-Clearing	1,938,395	1,938,395		
7	Other Clearing Accounts				
8	Other Accounts (Specify, details in footnote):	27,416	27,416		
9		1,058	1,058		
10	TOTAL Deprec. Prov for Year (Enter Total of lines 3 thru 9)	91,122,285	91,122,285		
11	Net Charges for Plant Retired:				
12	Book Cost of Plant Retired	40,672,274	40,672,274		
13	Cost of Removal	7,515,320	7,515,320		
14	Salvage (Credit)	2,683,497	2,683,497		
15	TOTAL Net Chrgs. for Plant Ret. (Enter Total of lines 12 thru 14)	45,504,097	45,504,097		
16	Other Debit or Cr. Items (Describe, details in footnote):				
17	Plant Adjustments	661,004	661,004		
18	Book Cost or Asset Retirement Costs Retired				
19	Balance End of Year (Enter Totals of lines 1, 10, 15, 16, and 18)	1,051,306,955	1,051,306,955		
Section B. Balances at End of Year According to Functional Classification					
20	Steam Production	587,022,323	587,022,323		
21	Nuclear Production				
22	Hydraulic Production-Conventional				
23	Hydraulic Production-Pumped Storage				
24	Other Production	18,361,104	18,361,104		
25	Transmission	98,721,423	98,721,423		
26	Distribution	303,022,192	303,022,192		
27	Regional Transmission and Market Operation				
28	General	44,179,913	44,179,913		
29	TOTAL (Enter Total of lines 20 thru 28)	1,051,306,955	1,051,306,955		

Name of Respondent	This Report is:	Date of Report	Year/Period of Report
Gulf Power Company	(1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	(Mo, Da, Yr) / /	2006/Q4
FOOTNOTE DATA			

**Schedule Page: 219 Line No.: 8 Column: c**

Balance for Rail Road Track

**Schedule Page: 219 Line No.: 12 Column: c**

Book Cost of Plant Retired: Does not include amortizable property retirements (FERC 111) totaling \$1,347,716.40.

**Schedule Page: 219 Line No.: 17 Column: c**

Plant Adjustments: (1) 373,151 Manual entry in Power Plant to create a Regulatory Asset for the Net Book Value of Unit 2. (Net Book Value defined as EPIS less Accumulated Depreciation excluding Dismantlement (one time only)).

(2) 287,853 Manual entry in Power Plant to create a Regulatory Asset for the Net Book Value of Unit 3. (Net Book Value defined as EPIS less Accumulated Depreciation excluding Dismantlement (one time only)).

661,004 Total Reserve Adjustments  
=====

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1)					
<p>1. Report below investments in Accounts 123.1, investments in Subsidiary Companies.</p> <p>2. Provide a subheading for each company and List there under the information called for below. Sub - TOTAL by company and give a TOTAL in columns (e),(f),(g) and (h)</p> <p>(a) Investment in Securities - List and describe each security owned. For bonds give also principal amount, date of issue, maturity and interest rate.</p> <p>(b) Investment Advances - Report separately the amounts of loans or investment advances which are subject to repayment, but which are not subject to current settlement. With respect to each advance show whether the advance is a note or open account. List each note giving date of issuance, maturity date, and specifying whether note is a renewal.</p> <p>3. Report separately the equity in undistributed subsidiary earnings since acquisition. The TOTAL in column (e) should equal the amount entered for Account 418.1.</p>					
Line No.	Description of Investment (a)	Date Acquired (b)	Date Of Maturity (c)	Amount of Investment at Beginning of Year (d)	
1	Account 123.1 Investment in Subsidiary Companies:				
2					
3	Gulf Power Capital Trust III	11/16/01	09/30/41		
4	Other Paid-in-Capital				
5	Equity in Undistributed Earning			927,850	
6	Subtotal			927,850	
7					
8	Gulf Power Capital Trust IV	12/13/02	11/30/42		
9	Other Paid-in-Capital				
10	Equity in Undistributed Earning			1,243,777	
11	Subtotal			1,243,777	
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
25					
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30					
31					
32					
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36					
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39					
40					
41					
42	Total Cost of Account 123.1 \$	1,243,777	TOTAL	2,171,627	

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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INVESTMENTS IN SUBSIDIARY COMPANIES (Account 123.1) (Continued)

4. For any securities, notes, or accounts that were pledged designate such securities, notes, or accounts in a footnote, and state the name of pledgee and purpose of the pledge.
5. If Commission approval was required for any advance made or security acquired, designate such fact in a footnote and give name of Commission, date of authorization, and case or docket number.
6. Report column (f) interest and dividend revenues from investments, including such revenues from securities disposed of during the year.
7. In column (h) report for each investment disposed of during the year, the gain or loss represented by the difference between cost of the investment (or the other amount at which carried in the books of account if difference from cost) and the selling price thereof, not including interest adjustment includible in column (f).
8. Report on Line 42, column (a) the TOTAL cost of Account 123.1

Equity in Subsidiary Earnings of Year (e)	Revenues for Year (f)	Amount of Investment at End of Year (g)	Gain or Loss from Investment Disposed of (h)	Line No.
				1
				2
				3
				4
	-927,850			5
	-927,850			6
				7
				8
				9
		1,243,777		10
		1,243,777		11
				12
				13
				14
				15
				16
				17
				18
				19
				20
				21
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				31
				32
				33
				34
				35
				36
				37
				38
				39
				40
				41
	-927,850	1,243,777		42

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
<b>MATERIALS AND SUPPLIES</b>					
<p>1. For Account 154, report the amount of plant materials and operating supplies under the primary functional classifications as indicated in column (a); estimates of amounts by function are acceptable. In column (d), designate the department or departments which use the class of material.</p> <p>2. Give an explanation of important inventory adjustments during the year (in a footnote) showing general classes of material and supplies and the various accounts (operating expenses, clearing accounts, plant, etc.) affected debited or credited. Show separately debit or credits to stores expense clearing, if applicable.</p>					
Line No.	Account (a)	Balance Beginning of Year (b)	Balance End of Year (c)	Department or Departments which Use Material (d)	
1	Fuel Stock (Account 151)	44,739,796	65,453,351	Electric	
2	Fuel Stock Expenses Undistributed (Account 152)				
3	Residuals and Extracted Products (Account 153)				
4	Plant Materials and Operating Supplies (Account 154)				
5	Assigned to - Construction (Estimated)				
6	Assigned to - Operations and Maintenance				
7	Production Plant (Estimated)	19,575,254	20,406,141	Electric	
8	Transmission Plant (Estimated)	259,949	114,927	Electric	
9	Distribution Plant (Estimated)	12,594,934	14,578,625	Electric	
10	Regional Transmission and Market Operation Plant (Estimated)				
11	Assigned to - Other (provide details in footnote)	491,192	143,613	Electric & Other	
12	TOTAL Account 154 (Enter Total of lines 5 thru 11)	32,921,329	35,243,306		
13	Merchandise (Account 155)				
14	Other Materials and Supplies (Account 156)				
15	Nuclear Materials Held for Sale (Account 157) (Not applic to Gas Util)				
16	Stores Expense Undistributed (Account 163)	48,656	62,629	Electric & Other	
17					
18					
19					
20	TOTAL Materials and Supplies (Per Balance Sheet)	77,709,781	100,759,286		



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Gulf Power Company			
FOOTNOTE DATA			

**Schedule Page: 227 Line No.: 11 Column: c**

"Assigned to - Other" accounts includes expenses for automotive supplies, medical, & safety supplies.

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**Allowances (Accounts 158.1 and 158.2)**

1. Report below the particulars (details) called for concerning allowances.
2. Report all acquisitions of allowances at cost.
3. Report allowances in accordance with a weighted average cost allocation method and other accounting as prescribed by General Instruction No. 21 in the Uniform System of Accounts.
4. Report the allowances transactions by the period they are first eligible for use: the current year's allowances in columns (b)-(c), allowances for the three succeeding years in columns (d)-(i), starting with the following year, and allowances for the remaining succeeding years in columns (j)-(k).
5. Report on line 4 the Environmental Protection Agency (EPA) issued allowances. Report withheld portions Lines 36-40.

Line No.	Allowances Inventory (Account 158.1) (a)	Current Year		2007	
		No. (b)	Amt. (c)	No. (d)	Amt. (e)
1	Balance-Beginning of Year	88,992.00	6,186		
2					
3	Acquired During Year:				
4	Issued (Less Withheld Allow)	56,709.50			
5	Returned by EPA				
6					
7					
8	Purchases/Transfers:	15,134.00	14,715,000		
9					
10					
11					
12					
13					
14					
15	Total	15,134.00	14,715,000		
16					
17	Relinquished During Year:				
18	Charges to Account 509	70,019.00	4,138,070		
19	Other:				
20					
21	Cost of Sales/Transfers:				
22					
23					
24					
25					
26					
27					
28	Total				
29	Balance-End of Year	90,816.50	10,583,116		
30					
31	Sales:				
32	Net Sales Proceeds(Assoc. Co.)				
33	Net Sales Proceeds (Other)				
34	Gains				
35	Losses				
	Allowances Withheld (Acct 158.2)				
36	Balance-Beginning of Year	2,679.00			
37	Add: Withheld by EPA	890.00			
38	Deduct: Returned by EPA				
39	Cost of Sales	890.00			
40	Balance-End of Year	2,679.00			
41					
42	Sales:				
43	Net Sales Proceeds (Assoc. Co.)		717,817		
44	Net Sales Proceeds (Other)				
45	Gains		717,817		
46	Losses				

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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Allowances (Accounts 158.1 and 158.2) (Continued)

6. Report on Lines 5 allowances returned by the EPA. Report on Line 39 the EPA's sales of the withheld allowances. Report on Lines 43-46 the net sales proceeds and gains/losses resulting from the EPA's sale or auction of the withheld allowances.
7. Report on Lines 8-14 the names of vendors/transferrors of allowances acquire and identify associated companies (See "associated company" under "Definitions" in the Uniform System of Accounts).
8. Report on Lines 22 - 27 the name of purchasers/ transferees of allowances disposed of an identify associated companies.
9. Report the net costs and benefits of hedging transactions on a separate line under purchases/transfers and sales/transfers.
10. Report on Lines 32-35 and 43-46 the net sales proceeds and gains or losses from allowance sales.

2008		2009		Future Years		Totals		Line No.
No. (f)	Amt. (g)	No. (h)	Amt. (i)	No. (j)	Amt. (k)	No. (l)	Amt. (m)	
						88,992.00	6,186	1
								2
								3
						56,709.50		4
								5
								6
								7
						15,134.00	14,715,000	8
								9
								10
								11
								12
								13
								14
						15,134.00	14,715,000	15
								16
								17
						70,019.00	4,138,070	18
								19
								20
								21
								22
								23
								24
								25
								26
								27
								28
						90,816.50	10,583,116	29
								30
								31
								32
								33
								34
								35
				17,502.00		20,181.00		36
				890.00		1,780.00		37
								38
				890.00		1,780.00		39
				17,502.00		20,181.00		40
								41
								42
					244,342		962,159	43
								44
					244,342		962,159	45
								46

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
<b>Transmission Service and Generation Interconnection Study Costs</b>					
1. Report the particulars (details) called for concerning the costs incurred and the reimbursements received for performing transmission service and generator interconnection studies. 2. List each study separately. 3. In column (a) provide the name of the study. 4. In column (b) report the cost incurred to perform the study at the end of period. 5. In column (c) report the account charged with the cost of the study. 6. In column (d) report the amounts received for reimbursement of the study costs at end of period. 7. In column (e) report the account credited with the reimbursement received for performing the study.					
Line No.	Description (a)	Costs Incurred During Period (b)	Account Charged (c)	Reimbursements Received During the Period (d)	Account Credited With Reimbursement (e)
1	<b>Transmission Studies</b>				
2	Calpine Study	770	904-00020		
3	PG & E Study	344	904-00020		
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21	<b>Generation Studies</b>				
22					
23					
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40					

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2006/Q4	
OTHER REGULATORY ASSETS (Account 182.3)							
1. Report below the particulars (details) called for concerning other regulatory assets, including rate order docket number, if applicable. 2. Minor items (5% of the Balance in Account 182.3 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes. 3. For Regulatory Assets being amortized, show period of amortization.							
Line No.	Description and Purpose of Other Regulatory Assets  (a)	Balance at Beginning of Current Quarter/Year (b)	Debits (c)	CREDITS Written off During the Quarter/Year Account Charged (d)      Written off During the Period Amount (e)		Balance at end of Current Quarter/Year (f)	
1	Regulatory Tax Assets - FASB 109						
2	Flow - Through - Property	17,378,927	8,901,201	282, 283		9,131,829	17,148,299
3							
4	Miscellaneous Regulatory Assets:						
5	Deferred Rate Case Expenses	144,096	55,108	928		199,204	
6	Primary Contract - Elect		366,295	245		366,295	
7	Primary Contract - Current	2,402,656	21,947,860	245		17,165,455	7,185,061
8	Primary Contract - Non Current	7,800	2,987,496	245		2,157,187	838,109
9	Primary Contract - Opportunity		8,629	245		1,085	7,544
10	Gas Hedge		12,877,953	234		11,838,403	1,039,550
11	Asset Retirement Obligation - Steam	9,377,574	1,082,657	407		3,552,729	6,907,502
12	Asset Retirement Obligation - Other	294,674	68,871	407		18,570	344,975
13	Asset Retirement Obligation - Transmission	49,110	3,392	407		254	52,248
14	Asset Retirement Obligation - Distribution	187,684	12,855	407			200,539
15	Asset Retirement Obligation - General Distribution	645,911	45,973	407			691,884
16	Crist Unit 1	219,285		407		84,655	134,630
17	Crist Unit 2		746,301	407		437,037	309,264
18	Crist Unit 3		575,707	407		419,241	156,466
19	Deferred Injuries & Damages	3,010,433	16,458	253		1,347,380	1,679,511
20	Vacation Accrual		11,457,000	242		5,662,000	5,795,000
21	Environmental Reserve Account	58,234,535		253		1,004,206	57,230,329
22							
23	Retiree Benefit Plans:						
24	Supplemental Pension & SERP		5,091,203	253			5,091,203
25	Post Retirement Life		1,700,744	228			1,700,744
26	Post Retirement Medical		11,175,548	228			11,175,548
27							
28	Recovery Clauses:						
29	Purchased Power Capacity Clause Under Recovered		5,066,045	456		5,066,045	
30	Fuel Cost Under Recovery	31,634,735	72,932,802	456		27,087,223	77,480,314
31	Ivan Deficit Recovery	30,778,430	2,216,755	924, 228		26,431,440	6,563,745
32							
33							
34							
35							
36							
37							
38							
39							
40							
41							
42							
44	TOTAL	154,365,850	159,336,853			111,970,238	201,732,465

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**MISCELLANEOUS DEFERRED DEBITS (Account 186)**

- Report below the particulars (details) called for concerning miscellaneous deferred debits.
- For any deferred debit being amortized, show period of amortization in column (a)
- Minor item (1% of the Balance at End of Year for Account 186 or amounts less than \$50,000, whichever is less) may be grouped by classes.

Line No.	Description of Miscellaneous Deferred Debits (a)	Balance at Beginning of Year (b)	Debits (c)	CREDITS		Balance at End of Year (f)
				Account Charged (d)	Amount (e)	
1	Hurricane Dennis	91,024	5,067,680	300	5,158,704	
2						
3	N/Misc Rec NESB	34,275	650,250	Various	684,525	
4						
5	Form S-3 Registr. Statement	88,084	146,220	181, 214	74,211	160,093
6						
7	Company Job Orders	91,983	2,201,314	Various	2,241,339	51,958
8						
9	Accounts Pay. Accrual for Const	2,802	17,435,557	300	17,574,115	-135,756
10						
11	Intangible Asset-Minimum					
12	Pension Obligation	668,355		182, 253	668,355	
13						
14	Other Miscellaneous Expenses	1,789	4,840,387	Various	4,838,330	3,846
15						
16	Accion Group		250,452	557	452	250,000
17						
18						
19						
20						
21						
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45						
46						
47	Misc. Work in Progress					
48	Deferred Regulatory Comm. Expenses (See pages 350 - 351)					
49	TOTAL	978,312				330,141

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ACCUMULATED DEFERRED INCOME TAXES (Account 190)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes. 2. At Other (Specify), include deferrals relating to other income and deductions.					
Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Balance at End of Year (c)		
1	Electric				
2	Injury and Damage Reserve	698,669	813,946		
3	Property Insurance Reserve				
4	ITC FAS 109	9,649,740	8,477,514		
5	Regulatory Liabilities - Excess Deferred - FAS 109	4,234,476	3,648,157		
6	State Income Tax Timing Difference	13,414,624	13,713,324		
7	Other	29,810,373	33,296,082		
8	TOTAL Electric (Enter Total of lines 2 thru 7)	57,807,882	59,949,023		
9	Gas				
10					
11					
12					
13					
14					
15	Other				
16	TOTAL Gas (Enter Total of lines 10 thru 15)				
17	Other (Specify): Stock Option Non-Utility	-2,164	6,499		
18	TOTAL (Acct 190) (Total of lines 8, 16 and 17)	57,805,718	59,955,522		
Notes					

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
Gulf Power Company			
FOOTNOTE DATA			

**Schedule Page: 234 Line No.: 7 Column: a**

ELECTRIC OTHER:

	Balance at Beg. of Year	Balance at End of Year
Early Retirement	\$ 639,435	\$ 639,435
Productivity Improvement Plan	(116,020)	0
Supplemental Benefit Plan	2,053,820	2,370,194
Energy Conservation Clause	349,714	385,356
SCS Costs	2,044,260	2,873,008
Post Retirement (Life)	4,145,172	4,473,626
AT&T Lease	51,030	42,525
Post Retirement (Medical)	8,859,362	10,183,102
Inventory Adjustment	444,577	833,448
Section 419 LTD	192,584	192,584
Post Retirement Benefits O/S Directors	2,516,934	2,592,471
Substation Site Contamination	17,447	0
Other Post Employment FAS 112	161,703	161,703
IRS Audit Spare Parts	123,004	0
Purchased Power Capacity Clause	589,067	140,779
Post Employment Benefits	263,624	263,624
IRS Audit	(31,801)	(76,688)
Environmental Clause	1,064,993	2,613,883
Emission Allowances	370,986	426,177
SCS PPP	(27,959)	0
Uncollectible Accounts	462,189	520,773
Career Transition	367,608	0
Supplemental ESP/ESOP Plan	10,641	10,641
SEC 263A Resale Inventory Adjustment	(80,547)	(80,547)
Bonus Accrual	560,792	357,259
Section 461 (n) Non-deductible	172,677	80,497
Railcar Lease Maintenance	27,088	(51,212)
Medical Insurance Claims	317,001	347,374
ITC Delta Comm	593,613	531,127
SCES Energy Finance Program	170,299	138,061
Other, IR 93-95 Audit Settlement	(34,820)	(158,563)
Wilsonville	(37,395)	(37,733)
Clean Air	(17,523)	(18,238)
Deferred Compensation Other	(101,713)	(101,713)
Retro Active Overtime Adjustment	(98,100)	(131,463)
Performance Dividend	156,697	156,697
Bermuda Insurance	(505,984)	0
Deferred Intercompany Gain	21,704	21,704
Change in Control Trust Fund	(18,768)	(51,514)
Entergy Settlement	6	0
SETRANS	34,073	4,628
Other Comprehensive Income	1,764,863	2,887,007
Accretion Expense	238,598	395,186
Amortization of Regulatory Asset/Liability	(164,164)	(441,414)
Cash Flow Hedge Settlement	39,511	59,053
Proposed Patent Liability	209,897	209,897
Flat Bill	(80,947)	(50,312)
Alternative Minimum Tax	171,472	0
FL NOL & Tax Credit Carry-forward	1,358,427	0
Accrued Vacation	301,045	(70,340)
Deferred Interest (3rd floor)	260,201	0
GE Purchasing Card Rebate	0	255,623
Stock Options	0	398,377
TOTAL	<u>\$29,810,373</u>	<u>\$33,296,082</u>

**FERC FORM NO. 1 (ED. 12-87)**



Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
CAPITAL STOCKS (Account 201 and 204)					
<p>1. Report below the particulars (details) called for concerning common and preferred stock at end of year, distinguishing separate series of any general class. Show separate totals for common and preferred stock. If information to meet the stock exchange reporting requirement outlined in column (a) is available from the SEC 10-K Report Form filing, a specific reference to report form (i.e., year and company title) may be reported in column (a) provided the fiscal years for both the 10-K report and this report are compatible.</p> <p>2. Entries in column (b) should represent the number of shares authorized by the articles of incorporation as amended to end of year.</p>					
Line No.	Class and Series of Stock and Name of Stock Series  (a)	Number of shares Authorized by Charter  (b)	Par or Stated Value per share  (c)	Call Price at End of Year  (d)	
1	Account 201				
2	Common Stock (No Par)	20,000,000	38.34		
3					
4	TOTAL_COMMON STOCK	20,000,000			
5					
6	Account 204				
7	Cumulative Preferred (\$100 Par)				
8	Undesignated	10,000,000			
9	Cumulative Preferred - Class A (\$25 Par)				
10	Undesignated	10,000,000			
11	Non-Cumulative Preference Stock				
12	6.000% Series	550,000	100.00	103.38	
13	Undesignated	9,450,000			
14					
15	TOTAL_PREFERRED & PREFERENCE	30,000,000			
16					
17					
18	Requirement #3:				
19	Remaining authority to issue preferred stock,				
20	preferred securities, senior notes, and junior				
21	subordinated notes under Form S-3 Registration				
22	Statement #333-138480, #333-138480-01, and				
23	#333-138480-02 is \$175 million.				
24					
25	Remaining authority to issue equity securities				
26	and long-term debt securities under Florida				
27	Public Service Commission is \$400 million.				
28					
29					
30					
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40					
41					
42					

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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CAPITAL STOCKS (Account 201 and 204) (Continued)

3. Give particulars (details) concerning shares of any class and series of stock authorized to be issued by a regulatory commission which have not yet been issued.

4. The identification of each class of preferred stock should show the dividend rate and whether the dividends are cumulative or non-cumulative.

5. State in a footnote if any capital stock which has been nominally issued is nominally outstanding at end of year.

Give particulars (details) in column (a) of any nominally issued capital stock, reacquired stock, or stock in sinking and other funds which is pledged, stating name of pledgee and purposes of pledge.

OUTSTANDING PER BALANCE SHEET (Total amount outstanding without reduction for amounts held by respondent)		HELD BY RESPONDENT				Line No.
		AS REACQUIRED STOCK (Account 217)		IN SINKING AND OTHER FUNDS		
Shares (e)	Amount (f)	Shares (g)	Cost (h)	Shares (i)	Amount (j)	
						1
992,717	38,060,000					2
						3
992,717	38,060,000					4
						5
						6
						7
						8
						9
						10
						11
550,000	55,000,000					12
						13
						14
550,000	55,000,000					15
						16
						17
						18
						19
						20
						21
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						41
						42

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
OTHER PAID-IN CAPITAL (Accounts 208-211, inc.)				
<p>Report below the balance at the end of the year and the information specified below for the respective other paid-in capital accounts. Provide a subheading for each account and show a total for the account, as well as total of all accounts for reconciliation with balance sheet, Page 112. Add more columns for any account if deemed necessary. Explain changes made in any account during the year and give the accounting entries effecting such change.</p> <p>(a) Donations Received from Stockholders (Account 208)-State amount and give brief explanation of the origin and purpose of each donation.  (b) Reduction in Par or Stated value of Capital Stock (Account 209): State amount and give brief explanation of the capital change which gave rise to amounts reported under this caption including identification with the class and series of stock to which related.  (c) Gain on Resale or Cancellation of Reacquired Capital Stock (Account 210): Report balance at beginning of year, credits, debits, and balance at end of year with a designation of the nature of each credit and debit identified by the class and series of stock to which related.  (d) Miscellaneous Paid-in Capital (Account 211)-Classify amounts included in this account according to captions which, together with brief explanations, disclose the general nature of the transactions which gave rise to the reported amounts.</p>				
Line No.	Item (a)	Amount (b)		
1	Donations Received from Stockholders (Account 208)			
2				
3	None			
4				
5	Reduction in Par or Stated Value of Capital Stock (Account 209)			
6				
7	None			
8				
9	Gain on Resale/Cancellation of Reacquired Capital Stock (Account 210)			
10				
11	None			
12				
13	Miscellaneous Paid-in Capital (Account 211)			
14				
15	Balance Beginning of Year	400,815,157		
16	Capital Contributions from Parent Company - Southern Company	27,776,647		
17				
18	SUBTOTAL - Balance End of Year	428,591,804		
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40	TOTAL	428,591,804		

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="checked" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
CAPITAL STOCK EXPENSE (Account 214)					
1. Report the balance at end of the year of discount on capital stock for each class and series of capital stock. 2. If any change occurred during the year in the balance in respect to any class or series of stock, attach a statement giving particulars (details) of the change. State the reason for any charge-off of capital stock expense and specify the account charged.					
Line No.	Class and Series of Stock (a)				Balance at End of Year (b)
1	Preference Stock, 6.00% Series				1,113,464
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					
14					
15					
16					
17					
18					
19					
20					
21					
22 TOTAL					1,113,464

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
LONG-TERM DEBT (Account 221, 222, 223 and 224)			
1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt. 2. In column (a), for new issues, give Commission authorization numbers and dates. 3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds. 4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received. 5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued. 6. In column (b) show the principal amount of bonds or other long-term debt originally issued. 7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued. 8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted. 9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.			
Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Account 221 - Bonds		
2	First Mortgage Bonds -		
3	6-1/2% Series Due November 1, 2006	25,000,000	181,725
4			464,750 D
5	SUBTOTAL - First Mortgage Bonds	25,000,000	646,475
6			
7	Account 224 - Other Long-Term Debt		
8	Pollution Control Revenue Bonds-		
9	5.25% Series Due April 1, 2006	12,075,000	181,336
10			186,680 D
11	Auction Rate Series Due July 1, 2022	37,000,000	582,665
12			81,352 D
13	Variable Rate - Remarketable Daily (1997 Series) Due July 1, 2022	3,930,000	41,966
14			9,039 D
15	4.80% Series Due September 1, 2028	13,000,000	890,249
16			390,000 D
17	Auction Rate Series Due September 1, 2037	42,000,000	415,200
18			147,000 D
19	Auction Rate Series Due June 1, 2023	32,550,000	374,295
20			113,925 D
21	Auction Rate Series Due February 1, 2026	29,075,000	349,288
22			101,763 D
23	SUBTOTAL - Pollution Control Bonds	169,630,000	3,864,758
24			
25	Account 223 - Advances from Associated Companies		
26	7.375% Series D Jr Subordinated Notes held by Gulf Power Capital Trust III	30,927,850	103,928
27	Due September 30, 2041		945,000 D
28	5.60% Series E Junior Subordinated Notes held by Gulf Power Capital Trust IV	41,238,000	125,356
29	Due November 30, 2042		400,000 D
30	SUBTOTAL - Junior Sub. Notes-Trusts	72,165,850	1,574,284
31			
32			
33	TOTAL	771,795,850	18,931,806

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)**

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
						2
11/01/96	11/01/06	11/01/96	11/01/06		1,354,167	3
						4
					1,354,167	5
						6
						7
						8
04/01/96	04/01/06	04/01/96	04/01/06		158,484	9
						10
10/09/02	07/01/22	10/09/02	07/01/22	37,000,000	1,245,050	11
						12
07/01/97	07/01/22	07/01/97	07/01/22	3,930,000	136,213	13
						14
09/26/02	09/01/28	09/26/02	09/01/28	13,000,000	624,000	15
						16
09/26/02	09/01/37	09/26/02	09/01/37	42,000,000	1,499,703	17
						18
04/15/03	06/01/23	04/15/03	06/01/23	32,550,000	1,195,390	19
						20
04/15/03	02/01/26	04/15/03	02/01/26	29,075,000	1,052,891	21
						22
				157,555,000	5,911,731	23
						24
						25
11/16/01	09/30/41	11/16/01	09/30/41		2,204,898	26
						27
12/13/02	11/30/42	12/13/02	11/30/42	41,238,000	2,309,328	28
						29
				41,238,000	4,514,226	30
						31
						32
				703,793,000	33,013,013	33

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**LONG-TERM DEBT (Account 221, 222, 223 and 224)**

1. Report by balance sheet account the particulars (details) concerning long-term debt included in Accounts 221, Bonds, 222, Reacquired Bonds, 223, Advances from Associated Companies, and 224, Other long-Term Debt.
2. In column (a), for new issues, give Commission authorization numbers and dates.
3. For bonds assumed by the respondent, include in column (a) the name of the issuing company as well as a description of the bonds.
4. For advances from Associated Companies, report separately advances on notes and advances on open accounts. Designate demand notes as such. Include in column (a) names of associated companies from which advances were received.
5. For receivers, certificates, show in column (a) the name of the court -and date of court order under which such certificates were issued.
6. In column (b) show the principal amount of bonds or other long-term debt originally issued.
7. In column (c) show the expense, premium or discount with respect to the amount of bonds or other long-term debt originally issued.
8. For column (c) the total expenses should be listed first for each issuance, then the amount of premium (in parentheses) or discount. Indicate the premium or discount with a notation, such as (P) or (D). The expenses, premium or discount should not be netted.
9. Furnish in a footnote particulars (details) regarding the treatment of unamortized debt expense, premium or discount associated with issues redeemed during the year. Also, give in a footnote the date of the Commission's authorization of treatment other than as specified by the Uniform System of Accounts.

Line No.	Class and Series of Obligation, Coupon Rate (For new issue, give commission Authorization numbers and dates) (a)	Principal Amount Of Debt issued (b)	Total expense, Premium or Discount (c)
1	Account 224 - Other Long-Term Debt (continued)		
2	5.60% Series F Senior Notes Due April 1, 2033	65,000,000	1,341,556
3			2,047,500 D
4	4.35% Series G Senior Notes Due July 15, 2013	60,000,000	245,848
5			390,000 D
6	5.25% Series H Senior Notes Due July 15, 2033	60,000,000	1,229,842
7			1,890,000 D
8	5.75% Series I Senior Notes Due September 15, 2033	40,000,000	890,598
9			1,260,000 D
10	5.875% Series J Senior Notes Due April 1, 2044	35,000,000	162,591
11			1,102,500 D
12	4.90% Series K Senior Notes Due October 1, 2014	75,000,000	202,355
13			487,500 D
14	5.65% Series L Senior Notes Due September 1, 2035	60,000,000	188,536
15			525,000 D
16	5.30% Series M Senior Notes Due December 1, 2016	110,000,000	167,463
17	(SEC S-3 Reg. File #333-138480, 333-138480-1,		715,000 D
18	333-138480-2)		
19	SUBTOTAL - Senior Notes	505,000,000	12,846,289
20			
21	Requirement #12: See footnote		
22	Requirement #16: See footnote		
23			
24			
25			
26			
27			
28			
29			
30			
31			
32			
33	TOTAL	771,795,850	18,931,806

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**LONG-TERM DEBT (Account 221, 222, 223 and 224) (Continued)**

10. Identify separate undisposed amounts applicable to issues which were redeemed in prior years.
11. Explain any debits and credits other than debited to Account 428, Amortization and Expense, or credited to Account 429, Premium on Debt - Credit.
12. In a footnote, give explanatory (details) for Accounts 223 and 224 of net changes during the year. With respect to long-term advances, show for each company: (a) principal advanced during year, (b) interest added to principal amount, and (c) principle repaid during year. Give Commission authorization numbers and dates.
13. If the respondent has pledged any of its long-term debt securities give particulars (details) in a footnote including name of pledgee and purpose of the pledge.
14. If the respondent has any long-term debt securities which have been nominally issued and are nominally outstanding at end of year, describe such securities in a footnote.
15. If interest expense was incurred during the year on any obligations retired or reacquired before end of year, include such interest expense in column (i). Explain in a footnote any difference between the total of column (i) and the total of Account 427, interest on Long-Term Debt and Account 430, Interest on Debt to Associated Companies.
16. Give particulars (details) concerning any long-term debt authorized by a regulatory commission but not yet issued.

Nominal Date of Issue (d)	Date of Maturity (e)	AMORTIZATION PERIOD		Outstanding (Total amount outstanding without reduction for amounts held by respondent) (h)	Interest for Year Amount (i)	Line No.
		Date From (f)	Date To (g)			
						1
03/26/03	04/01/33	03/26/03	04/01/33	65,000,000	3,640,000	2
						3
07/22/03	07/15/13	07/22/03	07/15/13	60,000,000	2,610,000	4
						5
07/22/03	07/15/33	07/22/03	07/15/33	60,000,000	3,150,000	6
						7
09/16/03	09/15/33	09/16/03	09/15/33	40,000,000	2,300,000	8
						9
04/13/04	04/01/44	04/13/04	04/01/44	35,000,000	2,056,250	10
						11
09/22/04	10/01/14	09/22/04	10/01/14	75,000,000	3,675,000	12
						13
08/11/05	09/01/35	08/11/05	09/01/35	60,000,000	3,380,583	14
						15
12/06/06	12/01/16	12/06/06	12/01/16	110,000,000	421,056	16
						17
						18
				505,000,000	21,232,889	19
						20
						21
						22
						23
						24
						25
						26
						27
						28
						29
						30
						31
						32
				703,793,000	33,013,013	33



Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 256.1 Line No.: 4 Column: i**

Difference in interest for year amount caused by amortization of other comprehensive income from interest rate hedge.

**Schedule Page: 256.1 Line No.: 16 Column: i**

Difference in interest for year amount caused by amortization of other comprehensive income from interest rate hedge.

**Schedule Page: 256.1 Line No.: 21 Column: a**

**NET CHANGES IN ACCOUNT 223 DURING 2006**

BALANCE @ 12/31/05 \$72,165,850

Redemptions:

7.375% Series D Jr. Subordinated Notes  
held by Gulf Power Capital Trust III  
Due September 30, 2041 30,927,850

BALANCE @ 12/31/06 \$41,238,000  
=====

**NET CHANGES IN ACCOUNT 224 DURING 2006**

BALANCE @ 12/31/05 \$604,630,000

Redemptions:

5.25% PCB Series Due April 1, 2006 12,075,000

Refinancings:

Other Notes  
New Issue:  
5.30% Series M Senior Notes Due December 1, 2016 110,000,000

BALANCE @ 12/31/06 \$662,555,000  
=====

**Schedule Page: 256.1 Line No.: 22 Column: a**

Remaining authority to issue preferred stock, preferred securities, senior notes, and junior subordinated notes under form S-3 Registration Statement #333-138480, #333-138480-01, and #333-138480-02 is \$175 million. Remaining authority to issue equity securities and long-term debt securities under Florida Public Service Commission is \$400 million.

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
RECONCILIATION OF REPORTED NET INCOME WITH TAXABLE INCOME FOR FEDERAL INCOME TAXES				
<p>1. Report the reconciliation of reported net income for the year with taxable income used in computing Federal income tax accruals and show computation of such tax accruals. Include in the reconciliation, as far as practicable, the same detail as furnished on Schedule M-1 of the tax return for the year. Submit a reconciliation even though there is no taxable income for the year. Indicate clearly the nature of each reconciling amount.</p> <p>2. If the utility is a member of a group which files a consolidated Federal tax return, reconcile reported net income with taxable net income as if a separate return were to be filed, indicating, however, intercompany amounts to be eliminated in such a consolidated return. State names of group member, tax assigned to each group member, and basis of allocation, assignment, or sharing of the consolidated tax among the group members.</p> <p>3. A substitute page, designed to meet a particular need of a company, may be used as long as the data is consistent and meets the requirements of the above instructions. For electronic reporting purposes complete Line 27 and provide the substitute Page in the context of a footnote.</p>				
Line No.	Particulars (Details) (a)	Amount (b)		
1	Net Income for the Year (Page 117)	79,288,869		
2				
3				
4	Taxable Income Not Reported on Books			
5				
6				
7				
8				
9	Deductions Recorded on Books Not Deducted for Return			
10	See Page 261 Footnote	95,844,889		
11				
12				
13				
14	Income Recorded on Books Not Included in Return			
15	AFUDC - Equity	363,074		
16	Amortization of Investment Tax Credit	1,847,655		
17	Medicare Subsidy	1,670,000		
18	Electric - Section 199 Deduction	5,080,929		
19	Deductions on Return Not Charged Against Book Income			
20	See Page 261 Footnote	56,764,672		
21				
22				
23				
24				
25				
26				
27	Federal Tax Net Income	113,288,157		
28	Show Computation of Tax:			
29	Tax @ 35%	39,650,855		
30	Federal R&D Credit	-195,425		
31	Prior Year Adjustments	1,016,138		
32				
33				
34				
35				
36				
37				
38				
39				
40				
41				
42				
43		40,471,568		
44	Total Federal Income Tax Payable			

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Gulf Power Company			2006/Q4
FOOTNOTE DATA			

**Schedule Page: 261 Line No.: 10 Column: b**

DEDUCTIONS RECORDED ON BOOKS NOT DEDUCTED FOR RETURN:

Federal Income Taxes	\$40,002,041
State Income Taxes	5,290,632
Penalties	65,583
Meals & Entertainment & Lobbying	1,179,355
Reverse Flow-thru	1,750,480
Deferred Comp - BOD	143,920
Injury & Damages Reserve Accrual	469,840
Property Insurance Reserve Accrual	28,698,275
Uncollectible Reserve	2,671,477
Appliance Sales Interest Revenue	4
GE Purchasing Card Rebate	631,168
Federal R&D Credit	156,523
ECCR Clause	88,007
Environmental Cleanup	3,824,420
Medical Insurance Claims	74,994
Stock Option Expense	1,004,803
Loss on Reacquired Debt	849,625
Post Retirement Benefits NonReg	174,402
Supplemental Benefit Plan	781,171
Post Retirement Medical	4,316,724
Post Retirement Life	1,121,732
Flat Bill Deferred Revenue	199,316
Accelerated Depreciation	2,178,544
Rate Case	144,096
Mark to Market Gains	27,757
TOTAL	<u>\$95,844,889</u>

**Schedule Page: 261 Line No.: 20 Column: b**

DEDUCTIONS ON RETURN NOT CHARGED AGAINST BOOK INCOME:

Stock Options	\$ 5,111
State Tax Deduction/State Rate Diff/State Pr Per	3,333,109
Charges to Injury and Damages Reserve	185,209
Vacation Pay	133,000
Interest Accrued on Audits	110,831
Purchased Power Capacity Clause	1,106,883
ITC Delta Comm Fiber Optics Income	154,286
SCS Costs	12,606
Uncollectible Reserve	2,526,826
AT&T Lease	21,000
Railcar Lease	193,334
Deferred Revenue Flat Bill	123,674
Pension Expense	34,749
Career Transition	799,557
Mark to Market Losses	27,986
Post Retirement Life	310,734
Post Retirement Medical	1,840,197
Fuel Clause	45,845,580
TOTAL	<u>\$56,764,672</u>

**Schedule Page: 261 Line No.: 43 Column: b**

CONSOLIDATION AND ALLOCATION INFORMATION

Members of Group and Tax Allocation:

**FERC FORM NO. 1 (ED. 12-87)**

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
Gulf Power Company			
FOOTNOTE DATA			

Alabama Power Company	\$301,885,495
Alabama Property Company	(108,912)
Georgia Power Company	392,293,059
Piedmont - Forrest Corporation	355,826
Gulf Power Company	40,471,568
Mississippi Power Company	79,332,523
Southern Electric Generating Company	3,893,512
Southern Management Development	(2,434,387)
Southern Linc	7,888,747
Southern Nuclear	(454,058)
Southern Telecom	442,893
Southern	(80,759,725)
Southern Holdings	(343,192,007)
Southern Power	39,652,711
Eliminations	<u>27,017,151</u>

Total Consolidation & Allocation Information	<u>\$466,284,396</u>
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Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR**

1. Give particulars (details) of the combined prepaid and accrued tax accounts and show the total taxes charged to operations and other accounts during the year. Do not include gasoline and other sales taxes which have been charged to the accounts to which the taxed material was charged. If the actual, or estimated amounts of such taxes are known, show the amounts in a footnote and designate whether estimated or actual amounts.
2. Include on this page, taxes paid during the year and charged direct to final accounts, (not charged to prepaid or accrued taxes.) Enter the amounts in both columns (d) and (e). The balancing of this page is not affected by the inclusion of these taxes.
3. Include in column (d) taxes charged during the year, taxes charged to operations and other accounts through (a) accruals credited to taxes accrued, (b) amounts credited to proportions of prepaid taxes chargeable to current year, and (c) taxes paid and charged direct to operations or accounts other than accrued and prepaid tax accounts.
4. List the aggregate of each kind of tax in such manner that the total tax for each State and subdivision can readily be ascertained.

Line No.	Kind of Tax (See instruction 5) (a)	BALANCE AT BEGINNING OF YEAR		Taxes Charged During Year (d)	Taxes Paid During Year (e)	Adjustments (f)
		Taxes Accrued (Account 236) (b)	Prepaid Taxes (Include in Account 165) (c)			
1	Federal:					
2	Income	3,926,347		40,002,041	50,990,279	868,213
3	Unemployment	14,760		104,760	108,202	
4	FICA	1,379,104		7,454,810	7,676,767	
5	Heavy Vehicle Use			15,836	17,536	
6	SUBTOTAL	5,320,211		47,577,447	58,792,784	868,213
7						
8	Florida:					
9	Income		498,305	3,262,749	3,829,115	7,866
10	Property Taxes	-8		14,204,207	14,197,795	
11	Gross Receipts	1,706,733		23,513,870	21,742,975	
12	Unemployment	12,857		53,073	49,676	
13	FPSC Assessment	373,630		720,573	696,196	
14	Franchise Fees	2,094,414		28,783,562	28,669,013	
15	Documentary Stamps					
16	Intangible Tax					
17	Emergency Excise					
18	Use Tax - Elec/Telecom			60,068	60,068	
19	Occupational & Retail			8,283	8,283	
20	Other City, Fire etc.					
21	SUBTOTAL	4,187,626	498,305	70,606,385	69,253,121	7,866
22						
23	Mississippi:					
24	Income		-102,618	129,165	250,470	
25	Property Taxes	4,131,534		4,510,446	4,253,065	
26	Unemployment			23,002	23,002	
27	State Franchise	99,158		126,655	117,395	
28	SUBTOTAL	4,230,692	-102,618	4,789,268	4,643,932	
29						
30	Georgia:					
31	Income		-100,358	258,779	266,565	
32	Property Taxes	1,876,297		1,512,068	126,906	
33	Net Worth			5,000	5,000	
34	Unemployment			2,433	2,433	
35	SUBTOTAL	1,876,297	-100,358	1,778,280	400,904	
36						
37						
38						
39						
40						
41	TOTAL	15,614,826	295,329	124,751,380	133,090,741	876,079

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**TAXES ACCRUED, PREPAID AND CHARGED DURING YEAR (Continued)**

5. If any tax (exclude Federal and State income taxes)- covers more than one year, show the required information separately for each tax year, identifying the year in column (a).
6. Enter all adjustments of the accrued and prepaid tax accounts in column (f) and explain each adjustment in a foot- note. Designate debit adjustments by parentheses.
7. Do not include on this page entries with respect to deferred income taxes or taxes collected through payroll deductions or otherwise pending transmittal of such taxes to the taxing authority.
8. Report in columns (i) through (l) how the taxes were distributed. Report in column (l) only the amounts charged to Accounts 408.1 and 409.1 pertaining to electric operations. Report in column (l) the amounts charged to Accounts 408.1 and 109.1 pertaining to other utility departments and amounts charged to Accounts 408.2 and 409.2. Also shown in column (l) the taxes charged to utility plant or other balance sheet accounts.
9. For any tax apportioned to more than one utility department or account, state in a footnote the basis (necessity) of apportioning such tax.

BALANCE AT END OF YEAR		DISTRIBUTION OF TAXES CHARGED				Line No.
(Taxes accrued Account 236) (g)	Prepaid Taxes (Incl. in Account 165) (h)	Electric (Account 408.1, 409.1) (i)	Extraordinary Items (Account 409.3) (j)	Adjustments to Ret. Earnings (Account 439) (k)	Other (l)	
						1
	6,193,678	39,664,563			1,205,691	2
11,318		90,882			13,878	3
1,157,147		6,373,372			1,081,438	4
-1,700					15,836	5
1,166,765	6,193,678	46,128,817			2,316,843	6
						7
						8
	1,056,805	4,077,353			-806,738	9
6,404		14,193,384			10,823	10
3,477,628		23,513,870				11
16,254		44,161			8,912	12
398,007		720,573				13
2,208,962		28,783,562				14
						15
						16
						17
		60,068				18
		8,283				19
						20
6,107,255	1,056,805	71,401,254			-787,003	21
						22
						23
	18,687	129,165				24
4,388,915		4,510,446				25
		22,329			673	26
108,418		127,454			-799	27
4,497,333	18,687	4,789,394			-126	28
						29
						30
	-92,572	258,779				31
3,261,459		1,352,220			159,848	32
		5,000				33
		2,197			236	34
3,261,459	-92,572	1,618,196			160,084	35
						36
						37
						38
						39
						40
15,032,812	7,176,598	123,937,661			1,689,798	41

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255)**

Report below information applicable to Account 255. Where appropriate, segregate the balances and transactions by utility and nonutility operations. Explain by footnote any correction adjustments to the account balance shown in column (g). Include in column (i) the average period over which the tax credits are amortized.

Line No.	Account Subdivisions (a)	Balance at Beginning of Year (b)	Deferred for Year		Allocations to Current Year's Income		Adjustments (g)
			Account No. (c)	Amount (d)	Account No. (e)	Amount (f)	
1	Electric Utility						
2	3%						
3	4%	109,500			411.4	33,937	
4	7%						
5	10%	16,459,332			411.4	1,813,718	
6							
7							
8	TOTAL	16,568,832				1,847,655	
9	Other (List separately and show 3%, 4%, 7%, 10% and TOTAL)						
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
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Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ACCUMULATED DEFERRED INVESTMENT TAX CREDITS (Account 255) (continued)					
Balance at End of Year (h)	Average Period of Allocation to Income (i)	ADJUSTMENT EXPLANATION			Line No.
					1
					2
75,563	35 Years				3
					4
14,645,614	34 Years				5
					6
					7
14,721,177					8
					9
					10
					11
					12
					13
					14
					15
					16
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Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4	
OTHER DEFERRED CREDITS (Account 253)						
1. Report below the particulars (details) called for concerning other deferred credits.						
2. For any deferred credit being amortized, show the period of amortization.						
3. Minor items (5% of the Balance End of Year for Account 253 or amounts less than \$10,000, whichever is greater) may be grouped by classes.						
Line No.	Description and Other Deferred Credits (a)	Balance at Beginning of Year (b)	DEBITS		Credits (e)	Balance at End of Year (f)
			Contra Account (c)	Amount (d)		
1	Deferred Pole - Attachment					
2	Rental Revenue		454			
3						
4	Deferred Right-of-Way Rental Rev.					
5	AT&T 25 yr Lease					
6	(Amort. 1987-2011)	126,000	454	21,000		105,000
7						
8	SCS - Early Retirement Plans	160,656	926	344,042	331,435	148,049
9						
10	Outside Directors' Pension Plan	159,384	131	28,212	34,154	165,326
11						
12	Deferred Directors' Compensation	2,213,560	930.2	374,991	443,537	2,282,106
13						
14	Deferred Employee Compensation	3,981,680	920	487,166	556,596	4,051,110
15						
16	Supplemental Pensions	4,899,048	926	725,470	1,527,022	5,700,600
17						
18	Medical Plan	1,015,175	926	14,465,285	14,540,278	1,090,168
19						
20	Accumulated Provision for Other					
21	Post Employment Benefits	1,746,746	926	54,092	228,494	1,921,148
22						
23	Environmental Reserve	58,234,535	182	1,004,206		57,230,329
24						
25	Deferred Interest Revenue					
26	on Merchandise Sales	-3	415		3	
27						
28	ITC Deltacom - Fiber Optic Project	1,465,715	454	808,572	500,000	1,157,143
29						
30	Additional Minimum Liability					
31	Non - Qualified Pension Plan	2,794,016	182, 219	668,355	2,965,542	5,091,203
32						
33	Career Transition Plan	264,807	131, 232	968,694	968,694	264,807
34						
35	Deferred Workman's Comp. &					
36	Legal Claims	3,010,433	182	1,347,380	16,458	1,679,511
37						
38	GE Rebate		929	157,800	788,968	631,168
39						
40	Miscellaneous	468,174	Various	626,745,386	626,566,562	289,350
41						
42						
43						
44						
45						
46						
47	TOTAL	80,539,926		648,200,651	649,467,743	81,807,018

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ACCUMULATED DEFERRED INCOME TAXES - ACCELERATED AMORTIZATION PROPERTY (Account 281)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to amortizable property.					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Accelerated Amortization (Account 281)				
2	Electric				
3	Defense Facilities				
4	Pollution Control Facilities	3,014,604	336,383	375,939	
5	Other (provide details in footnote):				
6					
7					
8	TOTAL Electric (Enter Total of lines 3 thru 7)	3,014,604	336,383	375,939	
9	Gas				
10	Defense Facilities				
11	Pollution Control Facilities				
12	Other (provide details in footnote):				
13					
14					
15	TOTAL Gas (Enter Total of lines 10 thru 14)				
16					
17	TOTAL (Acct 281) (Total of 8, 15 and 16)	3,014,604	336,383	375,939	
18	Classification of TOTAL				
19	Federal Income Tax	2,671,239	290,661	333,034	
20	State Income Tax	343,365	45,722	42,905	
21	Local Income Tax				

NOTES

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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ACCUMULATED DEFERRED INCOME TAXES \_ ACCELERATED AMORTIZATION PROPERTY (Account 281) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
		282-400, 401	39			2,975,009	4
							5
							6
							7
			39			2,975,009	8
							9
							10
							11
							12
							13
							14
							15
							16
			39			2,975,009	17
							18
		282-00400				2,628,866	19
		282-00401	39			346,143	20
							21

NOTES (Continued)

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes rating to property not subject to accelerated amortization					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account  (a)	Balance at Beginning of Year  (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 282				
2	Electric	247,147,833	18,336,006	20,190,870	
3	Gas				
4					
5	TOTAL (Enter Total of lines 2 thru 4)	247,147,833	18,336,006	20,190,870	
6					
7					
8					
9	TOTAL Account 282 (Enter Total of lines 5 thru 8)	247,147,833	18,336,006	20,190,870	
10	Classification of TOTAL				
11	Federal Income Tax	214,041,720	15,789,044	17,596,280	
12	State Income Tax	33,106,113	2,546,962	2,594,590	
13	Local Income Tax				
NOTES					

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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ACCUMULATED DEFERRED INCOME TAXES - OTHER PROPERTY (Account 282) (Continued)

3. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
	2,857,760	Various	3,529,869	Various	4,101,736	243,007,076	2
							3
							4
	2,857,760		3,529,869		4,101,736	243,007,076	5
							6
							7
							8
	2,857,760		3,529,869		4,101,736	243,007,076	9
							10
	2,475,282		3,030,521		3,682,989	210,411,670	11
	382,478		499,348		418,747	32,595,406	12
							13

NOTES (Continued)

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283)					
1. Report the information called for below concerning the respondent's accounting for deferred income taxes relating to amounts recorded in Account 283.					
2. For other (Specify), include deferrals relating to other income and deductions.					
Line No.	Account (a)	Balance at Beginning of Year (b)	CHANGES DURING YEAR		
			Amounts Debited to Account 410.1 (c)	Amounts Credited to Account 411.1 (d)	
1	Account 283				
2	Electric				
3	Accrued Vacation				
4	Pension Accrual	14,816,700	14,073		
5	Loss on Reacquired Debt	8,170,820		344,099	
6	Reg. Asset Flowthrough	6,703,921			
7	Fuel Adjustment Clause	12,812,067	18,567,460		
8	Other	30,497,712	2,078,952	2,400,805	
9	TOTAL Electric (Total of lines 3 thru 8)	73,001,220	20,660,485	2,744,904	
10	Gas				
11					
12					
13					
14					
15					
16					
17	TOTAL Gas (Total of lines 11 thru 16)				
18					
19	TOTAL (Acct 283) (Enter Total of lines 9, 17 and 18)	73,001,220	20,660,485	2,744,904	
20	Classification of TOTAL				
21	Federal Income Tax	62,919,567	18,093,079	2,690,250	
22	State Income Tax	10,081,653	2,567,406	54,654	
23	Local Income Tax				

NOTES

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**ACCUMULATED DEFERRED INCOME TAXES - OTHER (Account 283) (Continued)**

3. Provide in the space below explanations for Page 276 and 277. Include amounts relating to insignificant items listed under Other.  
4. Use footnotes as required.

CHANGES DURING YEAR		ADJUSTMENTS				Balance at End of Year (k)	Line No.
Amounts Debited to Account 410.2 (e)	Amounts Credited to Account 411.2 (f)	Debits		Credits			
		Account Credited (g)	Amount (h)	Account Debited (i)	Amount (j)		
							1
							2
							3
						14,830,773	4
						7,826,721	5
		Various	88,965			6,614,956	6
						31,379,527	7
11,744	19,541	Various	12,500,623	Various	3,286,691	20,954,130	8
11,744	19,541		12,589,588		3,286,691	81,606,107	9
							10
							11
							12
							13
							14
							15
							16
							17
							18
11,744	19,541		12,589,588		3,286,691	81,606,107	19
							20
10,149	16,887		10,888,745		2,855,554	70,282,467	21
1,595	2,654		1,700,843		431,137	11,323,640	22
							23

NOTES (Continued)

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 276 Line No.: 8 Column: a**

	Balance at Beg. of Year	Balance at End of Year
FICA Tax 481	\$ 305,751	\$ 0
UPS Transmission True-up	20,250	0
Emission Allowances	13,965	0
Mark to Market Gains and Losses	136,986	137,078
Rate Case Expense	58,358	0
Property Insurance Reserve	29,393,087	17,611,782
Bermuda Insurance	0	3,155,191
NOL Carry-forward 2004	475,449	0
Career Transition	93,866	50,079
TOTAL	<u>\$30,497,712</u>	<u>\$20,954,130</u>



Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2006/Q4	
OTHER REGULATORY LIABILITIES (Account 254)							
1. Report below the particulars (details) called for concerning other regulatory liabilities, including rate order docket number, if applicable. 2. Minor items (5% of the Balance in Account 254 at end of period, or amounts less than \$50,000 which ever is less), may be grouped by classes. 3. For Regulatory Liabilities being amortized, show period of amortization.							
Line No.	Description and Purpose of Other Regulatory Liabilities (a)	Balance at Beginning of Current Quarter/Year (b)	DEBITS		Credits (e)	Balance at End of Current Quarter/Year (f)	
			Account Credited (c)	Amount (d)			
1	Excess Deferred Taxes - Property	10,977,254	190,282	13,656,879	12,136,934	9,457,309	
2	Investment Tax Credit	9,649,740	190	10,512,251	9,340,025	8,477,514	
3							
4	Deferred Gains on SO2 Allowances						
5	(Amortized to Fuel Expense on a straight-line						
6	basis, over time at the beginning of each						
7	appropriate year):						
8	2005 SO2 Allowance		411	13,537	13,537		
9	2006 SO2 Allowance	162,443		1,456,696	1,294,253		
10	2007 SO2 Allowance	60,803				60,803	
11	2008 SO2 Allowance	98,648				98,648	
12	2009 SO2 Allowance	73,101				73,101	
13	2010 SO2 Allowance	76,733				76,733	
14	2011 SO2 Allowance	113,676				113,676	
15	2012 SO2 Allowance	264,195				264,195	
16	2013 SO2 Allowance		143		244,342	244,342	
17							
18	Recovery Clauses:						
19	Environmental Compliance Cost Over Recovered	3,015,403	431,456	9,209,848	13,034,268	6,839,823	
20	Purchased Power Capacity Clause Over Recovered	1,454,484	431,456	15,431,524	14,324,641	347,601	
21	Energy Conservation Cost Over Recovered	863,486	431,456	1,204,424	1,292,432	951,494	
22							
23	Plant Daniel Railcar Leases:						
24	Deferred Credit Railcar (22yr Lease period						
25	beginning 1989)	386,051	234	59,571		326,480	
26	PTB Railcar RNT (22yr Lease period						
27	beginning 1989)	680,321	234	133,761		546,560	
28							
29	Misc. Regulatory Liabilities:						
30	Primary Contract Ineffectiveness		176	288,329	426,738	138,409	
31	FASB 133 - Primary Contract-Current	10,144,930	176	14,221,291	4,628,028	551,667	
32	FASB 133 - Primary Contract-Non Current	3,805,460	176	7,705,635	4,054,718	154,543	
33	FASB 133 - Mark to Market		245,426	4,633	4,633		
34	ARO - Steam	11,194,786	407	2,456,517	2,772,131	11,510,400	
35							
36	Retiree Benefit Plans:						
37	Post Retirement Benefits		165		23,477,729	23,477,729	
38							
39							
40							
41	TOTAL	53,021,514		76,354,896	87,044,409	63,711,027	

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**ELECTRIC OPERATING REVENUES (Account 400)**

1. The following instructions generally apply to the annual version of these pages. Do not report quarterly data in columns (c), (e), (f), and (g). Unbilled revenues and MWH related to unbilled revenues need not be reported separately as required in the annual version of these pages.
2. Report below operating revenues for each prescribed account, and manufactured gas revenues in total.
3. Report number of customers, columns (f) and (g), on the basis of meters, in addition to the number of flat rate accounts; except that where separate meter readings are added for billing purposes, one customer should be counted for each group of meters added. The -average number of customers means the average of twelve figures at the close of each month.
4. If increases or decreases from previous period (columns (c),(e), and (g)), are not derived from previously reported figures, explain any inconsistencies in a footnote.

Line No.	Title of Account (a)	Operating Revenues Year to Date Quarterly/Annual (b)	Operating Revenues Previous year (no Quarterly) (c)
1	Sales of Electricity		
2	(440) Residential Sales	491,929,604	454,792,623
3	(442) Commercial and Industrial Sales		
4	Small (or Comm.) (See Instr. 4)	291,565,968	265,733,977
5	Large (or Ind.) (See Instr. 4)	124,957,714	118,880,537
6	(444) Public Street and Highway Lighting	3,571,226	3,310,949
7	(445) Other Sales to Public Authorities		
8	(446) Sales to Railroads and Railways		
9	(448) Interdepartmental Sales		
10	TOTAL Sales to Ultimate Consumers	912,024,512	842,718,086
11	(447) Sales for Resale	205,239,486	175,698,529
12	TOTAL Sales of Electricity	1,117,263,998	1,018,416,615
13	(Less) (449.1) Provision for Rate Refunds	-66,337	-33,547
14	TOTAL Revenues Net of Prov. for Refunds	1,117,330,335	1,018,450,162
15	Other Operating Revenues		
16	(450) Forfeited Discounts		
17	(451) Miscellaneous Service Revenues	34,308,884	31,672,940
18	(453) Sales of Water and Water Power		
19	(454) Rent from Electric Property	4,738,001	4,807,331
20	(455) Interdepartmental Rents		
21	(456) Other Electric Revenues	47,657,640	28,917,685
22	(456.1) Revenues from Transmission of Electricity of Others		
23	(457.1) Regional Control Service Revenues		
24	(457.2) Miscellaneous Revenues		
25			
26	TOTAL Other Operating Revenues	86,704,525	65,397,956
27	TOTAL Electric Operating Revenues	1,204,034,860	1,083,848,118

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**ELECTRIC OPERATING REVENUES (Account 400)**

5. Commercial and industrial Sales, Account 442, may be classified according to the basis of classification (Small or Commercial, and Large or Industrial) regularly used by the respondent if such basis of classification is not generally greater than 1000 Kw of demand. (See Account 442 of the Uniform System of Accounts. Explain basis of classification in a footnote.)

6. See pages 108-109, Important Changes During Period, for important new territory added and important rate increase or decreases.

7. For Lines 2,4,5, and 6, see Page 304 for amounts relating to unbilled revenue by accounts.

8. Include unmetered sales. Provide details of such Sales in a footnote.

MEGAWATT HOURS SOLD		AVG.NO. CUSTOMERS PER MONTH		Line No.
Year to Date Quarterly/Annual (d)	Amount Previous year (no Quarterly) (e)	Current Year (no Quarterly) (f)	Previous Year (no Quarterly) (g)	
				1
5,425,491	5,319,630	360,930	350,404	2
				3
3,843,064	3,735,776	53,479	52,916	4
2,136,439	2,160,760	294	295	5
23,886	22,729	480	470	6
				7
				8
				9
11,428,880	11,238,895	415,183	404,085	10
5,016,900	4,272,217	2	2	11
16,445,780	15,511,112	415,185	404,087	12
				13
16,445,780	15,511,112	415,185	404,087	14

Line 12, column (b) includes \$ -1,464,632 of unbilled revenues.

Line 12, column (d) includes -63,480 MWH relating to unbilled revenues

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**SALES OF ELECTRICITY BY RATE SCHEDULES**

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	Residential Sales					
2	RS	5,103,531	460,795,607	339,989	15,011	0.0903
3	RSVP	147,628	12,565,769	7,455	19,803	0.0851
4	OS-Part II(Unmetered)	21,440	3,356,564	1,800	11,911	0.1566
5	Flat Bill - RS	180,523	16,260,408	11,686	15,448	0.0901
6	Unbilled	-27,631	-778,433			0.0282
7	TOTAL Residential	5,425,491	492,199,915	360,930	15,032	0.0907
8						
9	Commercial and Industrial Sales					
10	Small (Commercial):					
11	GS	318,265	33,133,655	29,787	10,685	0.1041
12	GSD	2,454,752	184,483,451	15,077	162,814	0.0752
13	GS-TOU	20,223	1,815,785	438	46,171	0.0898
14	GST					
15	GSDT	24,939	1,954,859	119	209,571	0.0784
16	LP	443,510	29,582,104	151	2,937,152	0.0667
17	LPT	424,159	26,270,796	73	5,810,397	0.0619
18	OS - Part II (Unmetered)	52,155	6,925,593	2,849	18,306	0.1328
19	OS - Part II Billboard (Unmetered)	6,422	369,530	1,081	5,941	0.0575
20	OS - Part III (Unmetered)	29,115	2,212,377	3,543	8,218	0.0760
21	OS - Part IV (Unmetered)					
22	RTP	81,024	4,422,876	7	11,574,857	0.0546
23	Flat Bill - GS	5,319	536,423	354	15,025	0.1009
24	Unbilled	-16,819	-136,283			0.0081
25	TOTAL Commercial	3,843,064	291,571,166	53,479	71,861	0.0759
26						
27	Industrial Sales					
28	Large (Industrial):					
29	GS	412	39,182	15	27,467	0.0951
30	GSD	72,199	5,353,983	180	401,106	0.0742
31	GSDT	3,026	203,714	2	1,513,000	0.0673
32	LP	144,814	9,689,146	33	4,388,303	0.0669
33	LPT	866,412	53,659,161	31	27,948,774	0.0619
34	PX	93,765	5,351,506	1	93,765,000	0.0571
35	PXT	129,548	7,041,369	1	129,548,000	0.0544
36	SBS2	175,474	8,302,213	1	175,474,000	0.0473
37	SBS3	856	154,071	2	428,000	0.1800
38	OS - Part II (Unmetered)	668	75,697	6	111,333	0.1133
39	OS - Part III (Unmetered)	4	326	2	2,000	0.0815
40	RTP	626,815	32,998,739	15	41,787,667	0.0526
41	TOTAL Billed	11,488,924	913,705,836	415,183	27,672	0.0795
42	Total Unbilled Rev.(See Instr. 6)	-60,044	-1,405,815	0	0	0.0234
43	TOTAL	11,428,880	912,300,021	415,183	27,527	0.0798

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SALES OF ELECTRICITY BY RATE SCHEDULES**

- Report below for each rate schedule in effect during the year the MWh of electricity sold, revenue, average number of customer, average Kwh per customer, and average revenue per Kwh, excluding date for Sales for Resale which is reported on Pages 310-311.
- Provide a subheading and total for each prescribed operating revenue account in the sequence followed in "Electric Operating Revenues," Page 300-301. If the sales under any rate schedule are classified in more than one revenue account, List the rate schedule and sales data under each applicable revenue account subheading.
- Where the same customers are served under more than one rate schedule in the same revenue account classification (such as a general residential schedule and an off peak water heating schedule), the entries in column (d) for the special schedule should denote the duplication in number of reported customers.
- The average number of customers should be the number of bills rendered during the year divided by the number of billing periods during the year (12 if all billings are made monthly).
- For any rate schedule having a fuel adjustment clause state in a footnote the estimated additional revenue billed pursuant thereto.
- Report amount of unbilled revenue as of end of year for each applicable revenue account subheading.

Line No.	Number and Title of Rate schedule (a)	MWh Sold (b)	Revenue (c)	Average Number of Customers (d)	KWh of Sales Per Customer (e)	Revenue Per KWh Sold (f)
1	CSA	37,503	2,529,453	1	37,503,000	0.0674
2	GS-TOU	537	50,252	4	134,250	0.0936
3	Unbilled	-15,594	-491,099			0.0315
4	TOTAL Industrial	2,136,439	124,957,713	294	7,266,799	0.0585
5						
6	Public Street & Highway Light.	23,886	3,571,227	480	49,763	0.1495
7	TOTAL Public Street & Hwy. Lght.	23,886	3,571,227	480	49,763	0.1495
8						
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35						
36						
37						
38						
39						
40						
41	TOTAL Billed	11,488,924	913,705,836	415,183	27,672	0.0795
42	Total Unbilled Rev.(See Instr. 6)	-60,044	-1,405,815	0	0	0.0234
43	TOTAL	11,428,880	912,300,021	415,183	27,527	0.0798

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 304 Line No.: 41 Column: c**

**SALES OF ELECTRICITY BY RATE SCHEDULE (Continued)**

ESTIMATED REVENUES BILLED PURSUANT TO FUEL ADJUSTMENT AND INCLUDED IN CERTAIN RATE SCHEDULES AS TABULATED BELOW:

**RESIDENTIAL SALES**

RS	\$157,801,187
RSVP	4,564,674
OS-Part II (Unmetered)	656,064
Flat Bill - RS	5,581,759
TOTAL	\$168,603,684

**COMMERCIAL AND INDUSTRIAL SALES**

**SMALL (Commercial):**

GS	\$ 9,840,754
GSD	75,900,938
GS-TOU	625,288
GST	0
GSDT	768,589
LP	13,491,590
LPT	12,807,169
OS-Part II (Unmetered)	1,792,469
OS-Part II Billboard (Unmetered)	0
OS-Part III (Unmetered)	900,227
OS-Part IV (Unmetered)	0
RTP	2,443,671
Flat Bill - GS	164,458
TOTAL	\$118,735,153

**INDUSTRIAL SALES**

**LARGE (Industrial):**

GS	\$ 12,742
GSD	2,232,398
GSDT	92,771
LP	4,405,228
LPT	26,234,809
PX	2,827,958
PXT	3,860,167
SBS2	25,777
SBS3	5,047,235
OS-Part II (Unmetered)	20,441
OS-Part III (Unmetered)	130
RTP	18,904,741
CSA	1,131,073
GS-TOU	16,600
TOTAL	\$ 64,812,070

**PUBLIC STREET AND HIGHWAY LIGHTING** \$ 730,903

**UNBILLED FUEL CLAUSE REVENUE** \$ 1,346,315

**TOTAL FUEL CLAUSE REVENUE** \$354,228,125

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SALES FOR RESALE (Account 447)**

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
- Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.  
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	City of Blountstown	RQ	SVC MKT	7.0	7.4	7.0
2	Florida Public Utilities	RQ	SVC MKT	64.3	69.4	64.3
3						
4	Alabama Electric Cooperative, Inc.	OS	N/A	N/A	N/A	N/A
5	American Electric Power Svc Corp.	OS	N/A	N/A	N/A	N/A
6	Ameren Company	OS	N/A	N/A	N/A	N/A
7	Aquila, Inc.	OS	N/A	N/A	N/A	N/A
8	Associated Electric Cooperative, Inc.	OS	N/A	N/A	N/A	N/A
9	Big Rivers Electric Cooperative	OS	N/A	N/A	N/A	N/A
10	BP Energy Company	OS	N/A	N/A	N/A	N/A
11	Calpine Power Services Company	OS	N/A	N/A	N/A	N/A
12	Cargill Power Markets, LLC	OS	N/A	N/A	N/A	N/A
13	Carolina Power & Light Company	OS	N/A	N/A	N/A	N/A
14	Cinergy Services, Inc.	OS	N/A	N/A	N/A	N/A
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
39,593	750,951	1,158,864		1,909,815	1
361,910	5,979,439	8,314,901		14,294,340	2
					3
24,751		1,237,876	108,885	1,346,761	4
1,082		80,405		80,405	5
3		122		122	6
			15,487	15,487	7
1,146		70,549		70,549	8
221		12,685		12,685	9
28		1,496		1,496	10
44		40	1,256	1,296	11
29,301		1,714,301		1,714,301	12
158		9,916		9,916	13
875		524	-103,440	-102,916	14
401,503	6,730,390	9,473,765	0	16,204,155	
4,615,398	21,477,129	168,175,015	-616,813	189,035,331	
5,016,901	28,207,519	177,648,780	-616,813	205,239,486	



Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4			
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity ( i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:          RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.          LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.          IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.          SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.          LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.          IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	City of Tallahassee	OS	SCS 62	N/A	N/A	N/A
2	Citigroup Energy Inc.	OS	N/A	N/A	N/A	N/A
3	Cleco Marketing & Trading, LLC	OS	N/A	N/A	N/A	N/A
4	Cobb Electric Membership Corp.	OS	N/A	N/A	N/A	N/A
5	Cogentrix	OS	N/A	N/A	N/A	N/A
6	Conoco Phillips Company	OS	N/A	N/A	N/A	N/A
7	Constellation Power Source, Inc.	OS	N/A	N/A	N/A	N/A
8	Coral Power, LLC	OS	N/A	N/A	N/A	N/A
9	DTE Energy Trading, Inc.	OS	N/A	N/A	N/A	N/A
10	Duke Power Company	OS	N/A	N/A	N/A	N/A
11	Eagle Energy Marketing	OS	N/A	N/A	N/A	N/A
12	East Kentucky Power Cooperative, Inc.	OS	N/A	N/A	N/A	N/A
13	Entergy Power, Inc.	OS	N/A	N/A	N/A	N/A
14	Exelon Generation Company, LLC	OS	N/A	N/A	N/A	N/A
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$ (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
1,322		78,395		78,395	1
12		743		743	2
1		139		139	3
10,308		628,590		628,590	4
			628	628	5
537		32,862		32,862	6
9,511		585,334		585,334	7
587		138,500	628	139,128	8
57		2,885		2,885	9
2,201		134,144		134,144	10
1,216		51,071	438	51,509	11
3,408		212,638		212,638	12
24,858		1,401,833		1,401,833	13
			628	628	14
401,503	6,730,390	9,473,765	0	16,204,155	
4,615,398	21,477,129	168,175,015	-616,813	189,035,331	
5,016,901	28,207,519	177,648,780	-616,813	205,239,486	

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SALES FOR RESALE (Account 447)**

- Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).
- Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.
- In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  
 RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  
 LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.  
 IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  
 SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  
 LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  
 IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Florida Power Corporation	OS	N/A	N/A	N/A	N/A
2	Florida Power Corporation	OS	SCS 66	57.0	N/A	N/A
3	Florida Power & Light Company	OS	N/A	N/A	N/A	N/A
4	Florida Power & Light Company	OS	SCS 67	126.0	N/A	N/A
5	Florida Power & Light Energy Power Mktg	OS	N/A	N/A	N/A	N/A
6	Fortis Energy Mktg & Trading GP	OS	N/A	N/A	N/A	N/A
7	Jacksonville Electric Authority	OS	N/A	N/A	N/A	N/A
8	Jacksonville Electric Authority	OS	SCS 68	28.0	N/A	N/A
9	J Aron & Company	OS	N/A	N/A	N/A	N/A
10	KGen Entities	OS	N/A	N/A	N/A	N/A
11	LG&E Power Marketing, Inc.	OS	N/A	N/A	N/A	N/A
12	Louisville Gas & Electric	OS	N/A	N/A	N/A	N/A
13	Merrill Lynch Capital Services, Inc.	OS	N/A	N/A	N/A	N/A
14	Midwest Indep. Trans. Sys. Operator Inc	OS	N/A	N/A	N/A	N/A
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
8,525		527,196		527,196	1
396,498	5,845,758	9,776,521	21,440	15,643,719	2
20,074		1,184,329		1,184,329	3
824,637	12,759,643	20,257,271	50,909	33,067,823	4
			628	628	5
131		8,033		8,033	6
6		276		276	7
184,914	2,871,728	4,566,379	11,968	7,450,075	8
629		376	-2,329	-1,953	9
			2,302	2,302	10
48		3,442		3,442	11
518		29,401		29,401	12
227		13,737		13,737	13
156		9,930		9,930	14
401,503	6,730,390	9,473,765	0	16,204,155	
4,615,398	21,477,129	168,175,015	-616,813	189,035,331	
5,016,901	28,207,519	177,648,780	-616,813	205,239,486	

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4			
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity ( i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:          RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.          LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.          IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.          SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.          LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.          IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Montenay Bay, LLC	OS	Gulf 84	N/A	N/A	N/A
2	Morgan Stanley Capital Group, Inc.	OS	N/A	N/A	N/A	N/A
3	North Carolina Municipal Power Auth. 1	OS	N/A	N/A	N/A	N/A
4	NRG Power Marketing, Inc.	OS	N/A	N/A	N/A	N/A
5	Oglethorpe Power Corporation	OS	N/A	N/A	N/A	N/A
6	Orlando Utilities Commission	OS	N/A	N/A	N/A	N/A
7	Occidental Power Services, Inc.	OS	N/A	N/A	N/A	N/A
8	PJM Interconnection	OS	N/A	N/A	N/A	N/A
9	Progress Ventures, Inc.	OS	N/A	N/A	N/A	N/A
10	Rainbow Energy Marketing Corporation	OS	N/A	N/A	N/A	N/A
11	Seminole Electric Cooperative	OS	N/A	N/A	N/A	N/A
12	SEMPRA Energy Trading Corp.	OS	N/A	N/A	N/A	N/A
13	South Carolina Electric & Gas Company	OS	N/A	N/A	N/A	N/A
14	South Carolina Public Service Authority	OS	N/A	N/A	N/A	N/A
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	<b>Total</b>			<b>0</b>	<b>0</b>	<b>0</b>

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts.

Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$) (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
1,270		250,672		250,672	1
6,293		375,956		375,956	2
41		3,156		3,156	3
3,074		198,421		198,421	4
17,836		991,546		991,546	5
1,171		58,567		58,567	6
32		1,953		1,953	7
622		42,614		42,614	8
23,228		1,287,083	1,308	1,288,391	9
193		13,910		13,910	10
2,839		147,653		147,653	11
24		1,300		1,300	12
1,016		43,152	1,762	44,914	13
8,300			41,853	41,853	14
401,503	6,730,390	9,473,765	0	16,204,155	
4,615,398	21,477,129	168,175,015	-616,813	189,035,331	
<b>5,016,901</b>	<b>28,207,519</b>	<b>177,648,780</b>	<b>-616,813</b>	<b>205,239,486</b>	

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4	
SALES FOR RESALE (Account 447)						
<p>1. Report all sales for resale (i.e., sales to purchasers other than ultimate consumers) transacted on a settlement basis other than power exchanges during the year. Do not report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges on this schedule. Power exchanges must be reported on the Purchased Power schedule (Page 326-327).</p> <p>2. Enter the name of the purchaser in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the purchaser.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:  RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projected load for this service in its system resource planning). In addition, the reliability of requirements service must be the same as, or second only to, the supplier's service to its own ultimate consumers.  LF - for long-term service. "Long-term" means five years or Longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for Long-term firm service which meets the definition of RQ service. For all transactions identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.  IF - for intermediate-term firm service. The same as LF service except that "intermediate-term" means longer than one year but Less than five years.  SF - for short-term firm service. Use this category for all firm services where the duration of each period of commitment for service is one year or less.  LU - for Long-term service from a designated generating unit. "Long-term" means five years or Longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of designated unit.  IU - for intermediate-term service from a designated generating unit. The same as LU service except that "intermediate-term" means Longer than one year but Less than five years.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW) Average Monthly NCP Demand (e)      Average Monthly CP Demand (f)	
1	Southern Company Power Pool	OS	N/A	N/A	N/A	N/A
2	Split Rock Energy, LLC	OS	N/A	N/A	N/A	N/A
3	The Electric Authority	OS	N/A	N/A	N/A	N/A
4	Tennessee Valley Authority	OS	N/A	N/A	N/A	N/A
5	Tenaska Power Services Co.	OS	N/A	N/A	N/A	N/A
6	TransAlta Energy Marketing Corp.	OS	N/A	N/A	N/A	N/A
7	Utilicorp United Inc.	OS	N/A	N/A	N/A	N/A
8	West Georgia Generating Company	OS	N/A	N/A	N/A	N/A
9	Westar Energy, Inc.	OS	N/A	N/A	N/A	N/A
10	Williams Power Company	OS	N/A	N/A	N/A	N/A
11						
12						
13						
14						
	Subtotal RQ			0	0	0
	Subtotal non-RQ			0	0	0
	Total			0	0	0

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SALES FOR RESALE (Account 447) (Continued)**

OS - for other service. use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote.

AD - for Out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. Group requirements RQ sales together and report them starting at line number one. After listing all RQ sales, enter "Subtotal - RQ" in column (a). The remaining sales may then be listed in any order. Enter "Subtotal-Non-RQ" in column (a) after this Listing. Enter "Total" in column (a) as the Last Line of the schedule. Report subtotals and total for columns (9) through (k)

5. In Column (c), identify the FERC Rate Schedule or Tariff Number. On separate Lines, List all FERC rate schedules or tariffs under which service, as identified in column (b), is provided.

6. For requirements RQ sales and any type of-service involving demand charges imposed on a monthly (or Longer) basis, enter the average monthly billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP)

demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

7. Report in column (g) the megawatt hours shown on bills rendered to the purchaser.

8. Report demand charges in column (h), energy charges in column (i), and the total of any other types of charges, including out-of-period adjustments, in column (j). Explain in a footnote all components of the amount shown in column (j). Report in column (k) the total charge shown on bills rendered to the purchaser.

9. The data in column (g) through (k) must be subtotaled based on the RQ/Non-RQ grouping (see instruction 4), and then totaled on the Last -line of the schedule. The "Subtotal - RQ" amount in column (g) must be reported as Requirements Sales For Resale on Page 401, line 23. The "Subtotal - Non-RQ" amount in column (g) must be reported as Non-Requirements Sales For Resale on Page 401, line 24.

10. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Sold (g)	REVENUE			Total (\$ (h+i+j) (k)	Line No.
	Demand Charges (\$) (h)	Energy Charges (\$) (i)	Other Charges (\$) (j)		
2,937,735		118,097,133	-794,251	117,302,882	1
985		104,819		104,819	2
38,471		2,407,356	415	2,407,771	3
10,410		611,022		611,022	4
207		14,710		14,710	5
21		1,057		1,057	6
			-15,487	-15,487	7
			628	628	8
10,065		476,973	36,903	513,876	9
3,575		274,023	628	274,651	10
					11
					12
					13
					14
401,503	6,730,390	9,473,765	0	16,204,155	
4,615,398	21,477,129	168,175,015	-616,813	189,035,331	
5,016,901	28,207,519	177,648,780	-616,813	205,239,486	



Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 310 Line No.: 1 Column: c**

Market-based sales of capacity and/or energy under Southern Company's Market Based Rate Power Sales Tariff, FERC Electric Tariff, Second Revised Volume No. 4.

**Schedule Page: 310 Line No.: 2 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 4 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 5 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 6 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 7 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 8 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 9 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 10 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 11 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 11 Column: j**

Market-based service under Southern Company's Generator Balancing Service Tariff, FERC Electric Tariff, First Revised Volume No. 9.

**Schedule Page: 310 Line No.: 12 Column: c**

Market-based sales of capacity and/or energy under Western System Power Pool's Market Based Rate Power Sales Tariff, FERC Electric Tariff, Volume No. 6.

**Schedule Page: 310 Line No.: 13 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310 Line No.: 14 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 2 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 3 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 4 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 5 Column: j**

Market-based service under Southern Company's Generator Balancing Service Tariff, FERC Electric Tariff, First Revised Volume No. 9.

**Schedule Page: 310.1 Line No.: 6 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 7 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 8 Column: c**

See footnote Page 310 Line No. 12 Column c.

**Schedule Page: 310.1 Line No.: 8 Column: j**

Market-based service under Southern Company's Generator Balancing Service Tariff, FERC Electric Tariff, First Revised Volume No. 9.

**Schedule Page: 310.1 Line No.: 9 Column: c**

See footnote Page 310 Line No. 12 Column c.

**Schedule Page: 310.1 Line No.: 10 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 11 Column: c**

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 12 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.1 Line No.: 13 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 1 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 3 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 6 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 7 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 9 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 10 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 10 Column: j**

Market-based service under Southern Company's Generator Balancing Service Tariff, FERC Electric Tariff, First Revised Volume No. 9.

**Schedule Page: 310.2 Line No.: 11 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 12 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 13 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.2 Line No.: 14 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 1 Column: a**

Formerly Bay Resource Management, Inc.

**Schedule Page: 310.3 Line No.: 2 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 3 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 4 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 5 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 6 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 7 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 8 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 9 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 9 Column: j**

Market-based service under Southern Company's Generator Balancing Service Tariff, FERC Electric Tariff, First Revised Volume No. 9.

**Schedule Page: 310.3 Line No.: 10 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 11 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 12 Column: c**

See footnote Page 310 Line No. 1 Column c.

FERC FORM NO. 1 (ED. 12-87)

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 310.3 Line No.: 13 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.3 Line No.: 14 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.4 Line No.: 1 Column: a**

Gulf Power Company is an operating company of The Southern Company.

**Schedule Page: 310.4 Line No.: 1 Column: j**

Financial transactions recorded in Account 447 per EITF 03-11.

**Schedule Page: 310.4 Line No.: 2 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.4 Line No.: 3 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.4 Line No.: 4 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.4 Line No.: 5 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.4 Line No.: 6 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.4 Line No.: 7 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.4 Line No.: 8 Column: j**

Market-based service under Southern Company's Generator Balancing Service Tariff, FERC Electric Tariff, First Revised Volume No. 9.

**Schedule Page: 310.4 Line No.: 9 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.4 Line No.: 10 Column: c**

See footnote Page 310 Line No. 1 Column c.

**Schedule Page: 310.4 Line No.: 10 Column: j**

Market-based service under Southern Company's Generator Balancing Service Tariff, FERC Electric Tariff, First Revised Volume No. 9.

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES				
If the amount for previous year is not derived from previously reported figures, explain in footnote.				
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)	
1	1. POWER PRODUCTION EXPENSES			
2	A. Steam Power Generation			
3	Operation			
4	(500) Operation Supervision and Engineering	9,552,950	9,406,940	
5	(501) Fuel	378,199,682	280,968,661	
6	(502) Steam Expenses	6,360,388	4,865,772	
7	(503) Steam from Other Sources			
8	(Less) (504) Steam Transferred-Cr.			
9	(505) Electric Expenses	4,523,616	3,916,560	
10	(506) Miscellaneous Steam Power Expenses	14,441,358	13,842,041	
11	(507) Rents			
12	(509) Allowances	4,138,070	5,023	
13	TOTAL Operation (Enter Total of Lines 4 thru 12)	417,216,064	313,004,997	
14	Maintenance			
15	(510) Maintenance Supervision and Engineering	7,626,998	7,913,785	
16	(511) Maintenance of Structures	4,394,080	3,592,863	
17	(512) Maintenance of Boiler Plant	23,125,919	23,157,168	
18	(513) Maintenance of Electric Plant	4,346,832	8,215,552	
19	(514) Maintenance of Miscellaneous Steam Plant	2,895,080	2,672,782	
20	TOTAL Maintenance (Enter Total of Lines 15 thru 19)	42,388,909	45,552,150	
21	TOTAL Power Production Expenses-Steam Power (Entr Tot lines 13 & 20)	459,604,973	358,557,147	
22	B. Nuclear Power Generation			
23	Operation			
24	(517) Operation Supervision and Engineering			
25	(518) Fuel			
26	(519) Coolants and Water			
27	(520) Steam Expenses			
28	(521) Steam from Other Sources			
29	(Less) (522) Steam Transferred-Cr.			
30	(523) Electric Expenses			
31	(524) Miscellaneous Nuclear Power Expenses			
32	(525) Rents			
33	TOTAL Operation (Enter Total of lines 24 thru 32)			
34	Maintenance			
35	(528) Maintenance Supervision and Engineering			
36	(529) Maintenance of Structures			
37	(530) Maintenance of Reactor Plant Equipment			
38	(531) Maintenance of Electric Plant			
39	(532) Maintenance of Miscellaneous Nuclear Plant			
40	TOTAL Maintenance (Enter Total of lines 35 thru 39)			
41	TOTAL Power Production Expenses-Nuc. Power (Entr tot lines 33 & 40)			
42	C. Hydraulic Power Generation			
43	Operation			
44	(535) Operation Supervision and Engineering			
45	(536) Water for Power			
46	(537) Hydraulic Expenses			
47	(538) Electric Expenses			
48	(539) Miscellaneous Hydraulic Power Generation Expenses			
49	(540) Rents			
50	TOTAL Operation (Enter Total of Lines 44 thru 49)			
51	C. Hydraulic Power Generation (Continued)			
52	Maintenance			
53	(541) Maintenance Supervision and Engineering			
54	(542) Maintenance of Structures			
55	(543) Maintenance of Reservoirs, Dams, and Waterways			
56	(544) Maintenance of Electric Plant			
57	(545) Maintenance of Miscellaneous Hydraulic Plant			
58	TOTAL Maintenance (Enter Total of lines 53 thru 57)			
59	TOTAL Power Production Expenses-Hydraulic Power (tot of lines 50 & 58)			

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
60	D. Other Power Generation				
61	Operation				
62	(546) Operation Supervision and Engineering	433,359	486,549		
63	(547) Fuel	152,490,415	134,820,630		
64	(548) Generation Expenses	828,793	975,653		
65	(549) Miscellaneous Other Power Generation Expenses	219,135	352,472		
66	(550) Rents				
67	TOTAL Operation (Enter Total of lines 62 thru 66)	153,971,702	136,635,304		
68	Maintenance				
69	(551) Maintenance Supervision and Engineering	264,299	348,910		
70	(552) Maintenance of Structures	347,358	108,902		
71	(553) Maintenance of Generating and Electric Plant	2,530,096	2,443,969		
72	(554) Maintenance of Miscellaneous Other Power Generation Plant	31,955	34,850		
73	TOTAL Maintenance (Enter Total of lines 69 thru 72)	3,173,708	2,936,631		
74	TOTAL Power Production Expenses-Other Power (Enter Tot of 67 & 73)	157,145,410	139,571,935		
75	E. Other Power Supply Expenses				
76	(555) Purchased Power	73,823,439	98,396,993		
77	(556) System Control and Load Dispatching	1,536,936	1,155,133		
78	(557) Other Expenses	1,869,272	1,357,605		
79	TOTAL Other Power Supply Exp (Enter Total of lines 76 thru 78)	77,229,647	100,909,731		
80	TOTAL Power Production Expenses (Total of lines 21, 41, 59, 74 & 79)	693,980,030	599,038,813		
81	2. TRANSMISSION EXPENSES				
82	Operation				
83	(560) Operation Supervision and Engineering	1,340,772	1,401,470		
84	(561) Load Dispatching		2,329,424		
85	(561.1) Load Dispatch-Reliability	670,499			
86	(561.2) Load Dispatch-Monitor and Operate Transmission System	1,825,243			
87	(561.3) Load Dispatch-Transmission Service and Scheduling	17,237			
88	(561.4) Scheduling, System Control and Dispatch Services				
89	(561.5) Reliability, Planning and Standards Development	67,531			
90	(561.6) Transmission Service Studies	-1,370			
91	(561.7) Generation Interconnection Studies				
92	(561.8) Reliability, Planning and Standards Development Services				
93	(562) Station Expenses	146,609	110,302		
94	(563) Overhead Lines Expenses	291,175	114,927		
95	(564) Underground Lines Expenses				
96	(565) Transmission of Electricity by Others	834,714	589,903		
97	(566) Miscellaneous Transmission Expenses	566,069	388,702		
98	(567) Rents	1,162,985	1,163,250		
99	TOTAL Operation (Enter Total of lines 83 thru 98)	6,921,464	6,097,978		
100	Maintenance				
101	(568) Maintenance Supervision and Engineering	662,408	633,083		
102	(569) Maintenance of Structures		122,938		
103	(569.1) Maintenance of Computer Hardware	14,864			
104	(569.2) Maintenance of Computer Software	137,226			
105	(569.3) Maintenance of Communication Equipment				
106	(569.4) Maintenance of Miscellaneous Regional Transmission Plant				
107	(570) Maintenance of Station Equipment	653,643	545,434		
108	(571) Maintenance of Overhead Lines	1,177,249	2,005,689		
109	(572) Maintenance of Underground Lines				
110	(573) Maintenance of Miscellaneous Transmission Plant	141,466	143,130		
111	TOTAL Maintenance (Total of lines 101 thru 110)	2,786,856	3,450,274		
112	TOTAL Transmission Expenses (Total of lines 99 and 111)	9,708,320	9,548,252		

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
ELECTRIC OPERATION AND MAINTENANCE EXPENSES (Continued)					
If the amount for previous year is not derived from previously reported figures, explain in footnote.					
Line No.	Account (a)	Amount for Current Year (b)	Amount for Previous Year (c)		
113	3. REGIONAL MARKET EXPENSES				
114	Operation				
115	(575.1) Operation Supervision				
116	(575.2) Day-Ahead and Real-Time Market Facilitation				
117	(575.3) Transmission Rights Market Facilitation				
118	(575.4) Capacity Market Facilitation				
119	(575.5) Ancillary Services Market Facilitation				
120	(575.6) Market Monitoring and Compliance				
121	(575.7) Market Facilitation, Monitoring and Compliance Services				
122	(575.8) Rents				
123	Total Operation (Lines 115 thru 122)				
124	Maintenance				
125	(576.1) Maintenance of Structures and Improvements				
126	(576.2) Maintenance of Computer Hardware				
127	(576.3) Maintenance of Computer Software				
128	(576.4) Maintenance of Communication Equipment				
129	(576.5) Maintenance of Miscellaneous Market Operation Plant				
130	Total Maintenance (Lines 125 thru 129)				
131	TOTAL Regional Transmission and Market Op Expns (Total 123 and 130)				
132	4. DISTRIBUTION EXPENSES				
133	Operation				
134	(580) Operation Supervision and Engineering	5,373,894	5,750,509		
135	(581) Load Dispatching	754,954	797,345		
136	(582) Station Expenses	391,092	343,796		
137	(583) Overhead Line Expenses	1,855,684	1,604,420		
138	(584) Underground Line Expenses	1,236,456	949,729		
139	(585) Street Lighting and Signal System Expenses	769,407	780,795		
140	(586) Meter Expenses	2,867,052	2,526,386		
141	(587) Customer Installations Expenses	632,855	615,801		
142	(588) Miscellaneous Expenses	2,293,262	2,114,063		
143	(589) Rents	14,436	18,874		
144	TOTAL Operation (Enter Total of lines 134 thru 143)	16,189,092	15,501,718		
145	Maintenance				
146	(590) Maintenance Supervision and Engineering	3,218,917	3,383,492		
147	(591) Maintenance of Structures	1,381,139	1,183,898		
148	(592) Maintenance of Station Equipment	1,095,536	1,108,894		
149	(593) Maintenance of Overhead Lines	8,125,897	9,783,010		
150	(594) Maintenance of Underground Lines	2,551,172	2,696,279		
151	(595) Maintenance of Line Transformers	748,498	819,274		
152	(596) Maintenance of Street Lighting and Signal Systems	463,583	846,901		
153	(597) Maintenance of Meters	120,672	139,006		
154	(598) Maintenance of Miscellaneous Distribution Plant	444,195	426,160		
155	TOTAL Maintenance (Total of lines 146 thru 154)	18,149,609	20,386,914		
156	TOTAL Distribution Expenses (Total of lines 144 and 155)	34,338,701	35,888,632		
157	5. CUSTOMER ACCOUNTS EXPENSES				
158	Operation				
159	(901) Supervision	418,753	394,576		
160	(902) Meter Reading Expenses	2,348,733	2,178,137		
161	(903) Customer Records and Collection Expenses	13,387,274	13,565,473		
162	(904) Uncollectible Accounts	2,694,570	1,275,242		
163	(905) Miscellaneous Customer Accounts Expenses	1,312,641	1,129,923		
164	TOTAL Customer Accounts Expenses (Total of lines 159 thru 163)	20,161,971	18,543,351		

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Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4			
PURCHASED POWER (Account 555) (Including power exchanges)						
<p>1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.</p> <p>2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.</p> <p>3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:</p> <p>RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.</p> <p>LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.</p> <p>IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.</p> <p>LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.</p> <p>IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.</p> <p>EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.</p> <p>OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.</p>						
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Associated Utilities:					
2	Southern Company Power Pool	OS	SCS 65	N/A	N/A	N/A
3	Non-Associated Utilities:					
4	Alabama Electric Cooperative, Inc.	OS	GULF 82	N/A	N/A	N/A
5	American Electric Power Service Corp.	OS	N/A	N/A	N/A	N/A
6	Carolina Power & Light Company	OS	N/A	N/A	N/A	N/A
7	City of Tallahassee	OS	SCS 62	N/A	N/A	N/A
8	Cobb Electric Membership Corporation	OS	N/A	N/A	N/A	N/A
9	Duke Power Company	OS	SCS 77	N/A	N/A	N/A
10	Entergy Services, Inc.	OS	N/A	N/A	N/A	N/A
11	Florida Power Corp. (Progress Energy)	OS	SCS 70	N/A	N/A	N/A
12	Florida Power & Light Company	OS	SCS 47	N/A	N/A	N/A
13	Kansas City Power & Light	OS	N/A	N/A	N/A	N/A
14	North Carolina Municipal Power Agy. #1	OS	N/A	N/A	N/A	N/A
	Total					



Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**PURCHASED POWER (Account 555) (Continued)**  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
							1
547,368			30,099,927	27,596,823	-794,251	56,902,499	2
							3
5,354				51,420		51,420	4
3,087				197,192		197,192	5
3,014				149,601		149,601	6
6				194		194	7
8,328				398,766		398,766	8
21,083				1,268,809		1,268,809	9
1,041				62,965		62,965	10
423				23,805		23,805	11
6,662				384,502		384,502	12
2,010				57,981		57,981	13
779				30,768		30,768	14
875,835			30,086,652	44,531,025	-794,237	73,823,440	



Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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PURCHASED POWER(Account 555) (Continued)  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements RQ purchases and any type of service involving demand charges imposed on a monnthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.

7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
105				2,641		2,641	1
256				16,091		16,091	2
48				1,257		1,257	3
217				13,843		13,843	4
720				23,029		23,029	5
11,421				559,707		559,707	6
89				4,232		4,232	7
9,255				384,216		384,216	8
							9
3,567				33,999		33,999	10
309				12,287		12,287	11
8,140				455,102		455,102	12
							13
5,999				214,238		214,238	14
875,835			30,086,652	44,531,025	-794,237	73,823,440	

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**PURCHASED POWER (Account 555)  
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Ameren Company	OS	N/A	N/A	N/A	N/A
2	Aquila, Inc.	OS		N/A	N/A	N/A
3	BP Energy Trading Company	OS	N/A	N/A	N/A	N/A
4	Calpine Energy Services Company	OS	N/A	N/A	N/A	N/A
5	Cargill Power Markets, LLC	OS	N/A	N/A	N/A	N/A
6	Cinergy Services, Inc.	OS	N/A	N/A	N/A	N/A
7	Conoco Phillips Company	OS	N/A	N/A	N/A	N/A
8	Constellation Power Source, Inc.	OS	N/A	N/A	N/A	N/A
9	Coral Power, LLC	OS	N/A	N/A	N/A	N/A
10	DTE Energy Trading, Inc.	OS	N/A	N/A	N/A	N/A
11	DYNEGY Power Marketing, Inc.	OS	N/A	N/A	N/A	N/A
12	Eagle Energy Marketing	OS	N/A	N/A	N/A	N/A
13	Exelon Generation Company, LLC	OS	N/A	N/A	N/A	N/A
14	Florida Power & Light Energy Pwr Mktg	OS	N/A	N/A	N/A	N/A
	Total					

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
PURCHASED POWER(Account 555) (Continued) (Including power exchanges)			
<p>AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.</p> <p>4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.</p> <p>5. For requirements RQ purchases and any type of service involving demand charges imposed on a monnthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.</p> <p>6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.</p> <p>7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.</p> <p>8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.</p> <p>9. Footnote entries as required and provide explanations following all required data.</p>			

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
2,711				115,587		115,587	1
217				15,338		15,338	2
1,781				80,538		80,538	3
2,333				165,827		165,827	4
37,658			-8,597	1,980,167		1,971,570	5
15,164				1,093,273		1,093,273	6
2,478				170,814		170,814	7
8,857				436,227		436,227	8
19,575				1,451,572		1,451,572	9
791				42,839		42,839	10
237				33,146		33,146	11
50				1,732		1,732	12
990				129,985		129,985	13
627				19,347		19,347	14
875,835			30,086,652	44,531,025	-794,237	73,823,440	



Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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PURCHASED POWER(Account 555) (Continued)  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.

5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.

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7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.

8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.

9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
8				626		626	1
1,123				48,097		48,097	2
455				22,360		22,360	3
512				385		385	4
26,612				1,776,805		1,776,805	5
6,735				366,039		366,039	6
					14	14	7
4,077				242,491		242,491	8
3,479				144,413		144,413	9
921				41,513		41,513	10
8,304				574,147		574,147	11
4,999				345,167		345,167	12
20,469			-4,678	1,131,098		1,126,420	13
11,595				536,615		536,615	14
875,835			30,086,652	44,531,025	-794,237	73,823,440	

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**PURCHASED POWER (Account 555)  
(Including power exchanges)**

1. Report all power purchases made during the year. Also report exchanges of electricity (i.e., transactions involving a balancing of debits and credits for energy, capacity, etc.) and any settlements for imbalanced exchanges.
2. Enter the name of the seller or other party in an exchange transaction in column (a). Do not abbreviate or truncate the name or use acronyms. Explain in a footnote any ownership interest or affiliation the respondent has with the seller.
3. In column (b), enter a Statistical Classification Code based on the original contractual terms and conditions of the service as follows:

RQ - for requirements service. Requirements service is service which the supplier plans to provide on an ongoing basis (i.e., the supplier includes projects load for this service in its system resource planning). In addition, the reliability of requirement service must be the same as, or second only to, the supplier's service to its own ultimate consumers.

LF - for long-term firm service. "Long-term" means five years or longer and "firm" means that service cannot be interrupted for economic reasons and is intended to remain reliable even under adverse conditions (e.g., the supplier must attempt to buy emergency energy from third parties to maintain deliveries of LF service). This category should not be used for long-term firm service firm service which meets the definition of RQ service. For all transaction identified as LF, provide in a footnote the termination date of the contract defined as the earliest date that either buyer or seller can unilaterally get out of the contract.

IF - for intermediate-term firm service. The same as LF service expect that "intermediate-term" means longer than one year but less than five years.

SF - for short-term service. Use this category for all firm services, where the duration of each period of commitment for service is one year or less.

LU - for long-term service from a designated generating unit. "Long-term" means five years or longer. The availability and reliability of service, aside from transmission constraints, must match the availability and reliability of the designated unit.

IU - for intermediate-term service from a designated generating unit. The same as LU service expect that "intermediate-term" means longer than one year but less than five years.

EX - For exchanges of electricity. Use this category for transactions involving a balancing of debits and credits for energy, capacity, etc. and any settlements for imbalanced exchanges.

OS - for other service. Use this category only for those services which cannot be placed in the above-defined categories, such as all non-firm service regardless of the Length of the contract and service from designated units of Less than one year. Describe the nature of the service in a footnote for each adjustment.

Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	FERC Rate Schedule or Tariff Number (c)	Average Monthly Billing Demand (MW) (d)	Actual Demand (MW)	
					Average Monthly NCP Demand (e)	Average Monthly CP Demand (f)
1	Transalta Energy Marketing (US) Inc.	OS		N/A	N/A	N/A
2	Tenaska Power Services Company	OS	N/A	N/A	N/A	N/A
3	Union Power Partners, L. P.	OS	N/A	N/A	N/A	N/A
4	Utilicorp United Inc.	OS		N/A	N/A	N/A
5	Westar Energy, Inc.	OS	N/A	N/A	N/A	N/A
6	Williams Power Company, Inc.	OS	N/A	N/A	N/A	N/A
7						
8	Tie Line Adjustment	OS	N/A	N/A	N/A	N/A
9						
10	Loop Interchange		N/A	N/A	N/A	N/A
11						
12						
13						
14						
	Total					



Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**PURCHASED POWER (Account 555) (Continued)**  
(Including power exchanges)

AD - for out-of-period adjustment. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting years. Provide an explanation in a footnote for each adjustment.

4. In column (c), identify the FERC Rate Schedule Number or Tariff, or, for non-FERC jurisdictional sellers, include an appropriate designation for the contract. On separate lines, list all FERC rate schedules, tariffs or contract designations under which service, as identified in column (b), is provided.
5. For requirements RQ purchases and any type of service involving demand charges imposed on a monthly (or longer) basis, enter the monthly average billing demand in column (d), the average monthly non-coincident peak (NCP) demand in column (e), and the average monthly coincident peak (CP) demand in column (f). For all other types of service, enter NA in columns (d), (e) and (f). Monthly NCP demand is the maximum metered hourly (60-minute integration) demand in a month. Monthly CP demand is the metered demand during the hour (60-minute integration) in which the supplier's system reaches its monthly peak. Demand reported in columns (e) and (f) must be in megawatts. Footnote any demand not stated on a megawatt basis and explain.
6. Report in column (g) the megawatthours shown on bills rendered to the respondent. Report in columns (h) and (i) the megawatthours of power exchanges received and delivered, used as the basis for settlement. Do not report net exchange.
7. Report demand charges in column (j), energy charges in column (k), and the total of any other types of charges, including out-of-period adjustments, in column (l). Explain in a footnote all components of the amount shown in column (l). Report in column (m) the total charge shown on bills received as settlement by the respondent. For power exchanges, report in column (m) the settlement amount for the net receipt of energy. If more energy was delivered than received, enter a negative amount. If the settlement amount (l) include credits or charges other than incremental generation expenses, or (2) excludes certain credits or charges covered by the agreement, provide an explanatory footnote.
8. The data in column (g) through (m) must be totalled on the last line of the schedule. The total amount in column (g) must be reported as Purchases on Page 401, line 10. The total amount in column (h) must be reported as Exchange Received on Page 401, line 12. The total amount in column (i) must be reported as Exchange Delivered on Page 401, line 13.
9. Footnote entries as required and provide explanations following all required data.

MegaWatt Hours Purchased (g)	POWER EXCHANGES		COST/SETTLEMENT OF POWER				Line No.
	MegaWatt Hours Received (h)	MegaWatt Hours Delivered (i)	Demand Charges (\$) (j)	Energy Charges (\$) (k)	Other Charges (\$) (l)	Total (j+k+l) of Settlement (\$) (m)	
2				86		86	1
1,693				120,168		120,168	2
3,887				276,412		276,412	3
2,396				196,360		196,360	4
5,930				296,792		296,792	5
11,332				731,591		731,591	6
							7
7,650							8
							9
20,906							10
							11
							12
							13
							14
875,835			30,086,652	44,531,025	-794,237	73,823,440	

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 326 Line No.: 2 Column: a**

Gulf Power Company is affiliated with The Southern Company as one of its operating companies.

**Schedule Page: 326 Line No.: 2 Column: d**

Demand charges are not directly determined using company CP or NCP demands. Megawatt billing amounts result from a reserve sharing methodology that is on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326 Line No.: 2 Column: l**

Financial transactions recorded in Account 555 per EITF 03-11.

**Schedule Page: 326 Line No.: 5 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326 Line No.: 6 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326 Line No.: 8 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326 Line No.: 10 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326 Line No.: 13 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326 Line No.: 14 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326.1 Line No.: 2 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326.1 Line No.: 3 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326.1 Line No.: 4 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326.1 Line No.: 5 Column: c**

Market-based purchases of non-firm energy from utility that has application on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326.1 Line No.: 10 Column: a**

Formerly Bay Resource Management, Inc.

**Schedule Page: 326.1 Line No.: 11 Column: c**

Gulf Power Company purchases as-available energy from this customer in accordance with Florida Public Service Commission Rule No. 25-17.0825.

**Schedule Page: 326.1 Line No.: 12 Column: c**

Gulf Power Company purchases as-available energy from this customer in accordance with Florida Public Service Commission Rule No. 25-17.0832.

**Schedule Page: 326.1 Line No.: 13 Column: a**

Unless indicated by FERC Rate Schedule Number, these are market-based purchases of non-firm energy from power marketing companies that have applications on file with the Federal Energy Regulatory Commission.

**Schedule Page: 326.4 Line No.: 10 Column: a**

Inadvertent or loop interchange amounts are settled "in-kind" as agreed upon by affected parties.

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456.1) (Including transactions referred to as 'wheeling')					
<p>1. Report all transmission of electricity, i.e., wheeling, provided for other electric utilities, cooperatives, other public authorities, qualifying facilities, non-traditional utility suppliers and ultimate customers for the quarter.</p> <p>2. Use a separate line of data for each distinct type of transmission service involving the entities listed in column (a), (b) and (c).</p> <p>3. Report in column (a) the company or public authority that paid for the transmission service. Report in column (b) the company or public authority that the energy was received from and in column (c) the company or public authority that the energy was delivered to. Provide the full name of each company or public authority. Do not abbreviate or truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation the respondent has with the entities listed in columns (a), (b) or (c)</p> <p>4. In column (d) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNO - Firm Network Service for Others, FNS - Firm Network Transmission Service for Self, LFP - "Long-Term Firm Point to Point Transmission Service, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point to Point Transmission Reservation, NF - non-firm transmission service, OS - Other Transmission Service and AD - Out-of-Period Adjustments. Use this code for any accounting adjustments or "true-ups" for service provided in prior reporting periods. Provide an explanation in a footnote for each adjustment. See General Instruction for definitions of codes.</p>					
Line No.	Payment By (Company of Public Authority) (Footnote Affiliation) (a)	Energy Received From (Company of Public Authority) (Footnote Affiliation) (b)	Energy Delivered To (Company of Public Authority) (Footnote Affiliation) (c)	Statistical Classification (d)	
1	Southeastern Power Administration	Southeastern Power Administration	SE Power Admin. Pref. Customers	FNO	
2	Tennessee Valley Authority	Tennessee Valley Authority	Distributors of Tenn. Valley Auth	FNO	
3	Alabama Electric Cooperative	Alabama Electric Cooperative	Alabama Elect. Coop. Members	FNO	
4	Alabama Municipal Electric Authority	Alabama Municipal Electric Auth.	Alabama Municipal Elect. Auth.	FNO	
5	Georgia Transmission Corporation	Georgia Transmission Corporation	Georgia Transmission Corp.	FNO	
6	Williams Energy Marketing & Trading Co.	Williams Energy Mktg & Trdg Co	Entergy	LFP	
7	Morgan Stanley Capital Group Inc.	Morgan Stanley Capital Group Inc	Duke	LFP	
8	Morgan Stanley Capital Group Inc.	Morgan Stanley Capital Group Inc	Duke	LFP	
9	Exelon Generation Company, LLC	Exelon Generation Company, LLC	Entergy	LFP	
10	Progress Ventures, Inc.	Duke	Georgia Transmission Corp.	LFP	
11	Calpine Energy Services	Calpine Energy Services LP	Oglethorpe Power Corporation	LFP	
12	Calpine Energy Services	Calpine Energy Services LP	Oglethorpe Power Corporation	LFP	
13	Coral Power LLC	Coral Power LLC	Tennessee Valley Authority	LFP	
14	North Carolina Electric Membership Corp.	North Carolina Electric Membersh	Duke	LFP	
15	Montenay Bay, LLC	Montenay Bay, LLC	Progress Energy Florida	SFP	
16	Florida Power & Light Company	N/A	N/A	OS	
17	Jacksonville Electric Authority	N/A	N/A	OS	
18	VARIOUS Short Term Firm Customers	VARIOUS	VARIOUS	SFP	
19	VARIOUS Non Firm Customers	VARIOUS	VARIOUS	NF	
20	VARIOUS Tariff Customers	VARIOUS	VARIOUS	OS	
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
33					
	TOTAL				

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2006/Q4	
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456)(Continued) (Including transactions referred to as 'wheeling')							
<p>5. In column (e), identify the FERC Rate Schedule or Tariff Number, On separate lines, list all FERC rate schedules or contract designations under which service, as identified in column (d), is provided.</p> <p>6. Report receipt and delivery locations for all single contract path, "point to point" transmission service. In column (f), report the designation for the substation, or other appropriate identification for where energy was received as specified in the contract. In column (g) report the designation for the substation, or other appropriate identification for where energy was delivered as specified in the contract.</p> <p>7. Report in column (h) the number of megawatts of billing demand that is specified in the firm transmission service contract. Demand reported in column (h) must be in megawatts. Footnote any demand not stated on a megawatts basis and explain.</p> <p>8. Report in column (i) and (j) the total megawatthours received and delivered.</p>							
FERC Rate Schedule of Tariff Number (e)	Point of Receipt (Substation or Other Designation) (f)	Point of Delivery (Substation or Other Designation) (g)	Billing Demand (MW) (h)	TRANSFER OF ENERGY		Line No.	
				MegaWatt Hours Received (i)	MegaWatt Hours Delivered (j)		
415	N/A	N/A	359	522,422	506,749	1	
160	N/A	N/A	235	1,460,510	1,428,379	2	
225	N/A	N/A	625	3,685,557	3,604,474	3	
474	N/A	N/A	455	3,364,144	3,290,132	4	
473	N/A	N/A	194	885,323	865,845	5	
TSA	Lindsay Hill	Entergy	300	760,956	745,295	6	
TSA	Entergy	Duke Power Co	150	567,925	555,817	7	
TSA	Entergy	Duke Power Co	100	349,305	343,330	8	
TSA	Heard County Tenaska	Entergy	300	1,057,315	1,040,790	9	
TSA	Duke Power Co.	Georgia Trans. Corp.	50	278,115	273,594	10	
TSA	Hog Bayou	Georgia Trans. Corp.	100	225,544	220,442	11	
TSA	Hog Bayou	Georgia Trans. Corp.	100	244,897	239,437	12	
TSA	Central Alabama	Tenn. Valley Auth.	400	307,419	300,804	13	
TSA	Harris 500	Duke Power Co	25	56,500	56,500	14	
Gulf 84	Bay Cnty Substation	Gulf/PEF Interconn.	10	74,069	70,502	15	
G826	N/A	N/A				16	
G825	N/A	N/A				17	
TSA	VARIOUS	VARIOUS		2,969,135	2,903,966	18	
TSA	VARIOUS	VARIOUS		927,657	902,524	19	
TSA	VARIOUS	VARIOUS				20	
						21	
						22	
						23	
						24	
						25	
						26	
						27	
						28	
						29	
						30	
						31	
						32	
						33	
			3,403	17,736,793	17,348,580		

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
TRANSMISSION OF ELECTRICITY FOR OTHERS (Account 456) (Continued) (Including transactions referred to as 'wheeling')			
<p>9. In column (k) through (n), report the revenue amounts as shown on bills or vouchers. In column (k), provide revenues from demand charges related to the billing demand reported in column (h). In column (l), provide revenues from energy charges related to the amount of energy transferred. In column (m), provide the total revenues from all other charges on bills or vouchers rendered, including out of period adjustments. Explain in a footnote all components of the amount shown in column (m). Report in column (n) the total charge shown on bills rendered to the entity Listed in column (a). If no monetary settlement was made, enter zero (11011) in column (n). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>10. The total amounts in columns (i) and (j) must be reported as Transmission Received and Transmission Delivered for annual report purposes only on Page 401, Lines 16 and 17, respectively.</p> <p>11. Footnote entries and provide explanations following all required data.</p>			

REVENUE FROM TRANSMISSION OF ELECTRICITY FOR OTHERS

Demand Charges (\$) (k)	Energy Charges (\$) (l)	(Other Charges) (\$) (m)	Total Revenues (\$) (k+l+m) (n)	Line No.
615,172	8,413	1,938	625,523	1
1,127		5,483	6,610	2
1,213,989	364	13,674	1,228,027	3
2,148		11,498	13,646	4
10,289		2,912	13,201	5
137,929		2,787	140,716	6
153,383		2,064	155,447	7
102,256		1,264	103,520	8
247,534		3,830	251,364	9
9,877		1,009	10,886	10
240,484		834	241,318	11
240,484		902	241,386	12
42,701		1,163	43,864	13
3,587		208	3,795	14
212,863			212,863	15
		17,932	17,932	16
		5,306	5,306	17
504,086		12,160	516,246	18
224,040		3,695	227,735	19
-82,675		-68,525	-151,200	20
				21
				22
				23
				24
				25
				26
				27
				28
				29
				30
				31
				32
				33
3,879,274	8,777	20,134	3,908,185	

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
Gulf Power Company			
FOOTNOTE DATA			

**Schedule Page: 328 Line No.: 1 Column: e**

FERC Rate Schedule 415, Agreement for Network Integration Transmission Service and Complementary Services. The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Savannah Electric Power Company) collectively are the Transmission Provider under the Tariff and operate their transmission facilities as a single integrated system.

**Schedule Page: 328 Line No.: 1 Column: i**

Total MWH received by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 1 Column: j**

Total MWH delivered by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 1 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 2 Column: e**

FERC Electric Tariff Fourth Revised Volume No. 5, The Southern Companies Open Access Transmission Tariff ("Tariff"). The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Savannah Electric and Power Company) collectively are the Transmission Provider under the Tariff and operate their transmission facilities as a single integrated system.

**Schedule Page: 328 Line No.: 2 Column: i**

Total MWH received by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 2 Column: j**

Total MWH delivered by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 2 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 3 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 3 Column: h**

The billing demand is based on a rolling 12 month average of the Transmission Customer's load under the Tariff coincident with the Transmission Provider's monthly transmission peak load. The demand reported in column h is the most recent 12 month average load for the quarter.

**Schedule Page: 328 Line No.: 3 Column: i**

Total MWH received by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 3 Column: j**

Total MWH delivered by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 3 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 4 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 4 Column: i**

Total MWH received by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 4 Column: j**

Total MWH delivered by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 4 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 5 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 5 Column: i**

Total MWH received by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 5 Column: j**

Total MWH delivered by Southern Companies for Network Integration Transmission Service.

**Schedule Page: 328 Line No.: 5 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 6 Column: d**

Termination Date: May 1, 2012.

**FERC FORM NO. 1 (ED. 12-87)**

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 328 Line No.: 6 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 6 Column: i**

Total MWH received by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 6 Column: j**

Total MWH delivered by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 6 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 7 Column: d**

Termination Date: January 1, 2007.

**Schedule Page: 328 Line No.: 7 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 7 Column: i**

Total MWH received by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 7 Column: j**

Total MWH delivered by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 7 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 8 Column: d**

Termination Date: July 1, 2007.

**Schedule Page: 328 Line No.: 8 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 8 Column: i**

Total MWH received by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 8 Column: j**

Total MWH delivered by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 8 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 9 Column: d**

Termination Date: June 1, 2007.

**Schedule Page: 328 Line No.: 9 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 9 Column: i**

Total MWH received by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 9 Column: j**

Total MWH delivered by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 9 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 10 Column: d**

Termination Date: December 31, 2007.

**Schedule Page: 328 Line No.: 10 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 10 Column: i**

Total MWH received by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 10 Column: j**

Total MWH delivered by Southern Companies for Long-Term Firm Point-to-Point Transmission

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

Service.

**Schedule Page: 328 Line No.: 10 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 11 Column: d**

Termination Date: January 1, 2008.

**Schedule Page: 328 Line No.: 11 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 11 Column: i**

Total MWH received by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 11 Column: j**

Total MWH delivered by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 11 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 12 Column: d**

Termination Date: June 1, 2008.

**Schedule Page: 328 Line No.: 12 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 12 Column: i**

Total MWH received by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 12 Column: j**

Total MWH delivered by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 12 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 13 Column: d**

Termination Date: June 1, 2006.

**Schedule Page: 328 Line No.: 13 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 13 Column: i**

Total MWH received by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 13 Column: j**

Total MWH delivered by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 13 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 14 Column: d**

Termination Date: January 1, 2007.

**Schedule Page: 328 Line No.: 14 Column: e**

See footnote Page 328 Line No. 2 Column e.

**Schedule Page: 328 Line No.: 14 Column: i**

Total MWH received by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 14 Column: j**

Total MWH delivered by Southern Companies for Long-Term Firm Point-to-Point Transmission Service.

**Schedule Page: 328 Line No.: 14 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 15 Column: d**

Termination Date: February 18, 2013.

**Schedule Page: 328 Line No.: 15 Column: e**

Agreement for Transmission Service between Gulf Power Company and Montenay Bay, LLC.



Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 328 Line No.: 15 Column: i**

Total MWH received by Gulf Power Company under Montenay Bay Transmission Service Agreement.

**Schedule Page: 328 Line No.: 15 Column: j**

Total MWH delivered by Gulf Power Company under Montenay Bay Transmission Service Agreement.

**Schedule Page: 328 Line No.: 15 Column: n**

Amount of charges received by respondent under Montenay Bay Transmission Service Agreement.

**Schedule Page: 328 Line No.: 16 Column: e**

Reactive Service Charges under Scherer 4 Transmission Service Agreement between Georgia Power Company and Florida Power & Light and Jacksonville Electric Authority.

**Schedule Page: 328 Line No.: 16 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 17 Column: e**

Reactive Service Charges under Scherer 4 Transmission Service Agreement between Georgia Power Company and Florida Power & Light and Jacksonville Electric Authority.

**Schedule Page: 328 Line No.: 17 Column: n**

Amount of charges allocated to the respondent.

**Schedule Page: 328 Line No.: 18 Column: a**

Various Short-Term Firm Point-to-Point Transmission Service customers under the Southern Companies' Open Access Transmission Tariff.

**Schedule Page: 328 Line No.: 18 Column: b**

Various entities pursuant to the terms and conditions of Southern Companies' Open Access Transmission Tariff.

**Schedule Page: 328 Line No.: 18 Column: c**

Various entities pursuant to the terms and conditions of Southern Companies' Open Access Transmission Tariff.

**Schedule Page: 328 Line No.: 18 Column: f**

Various points of receipt.

**Schedule Page: 328 Line No.: 18 Column: g**

Various points of delivery.

**Schedule Page: 328 Line No.: 19 Column: a**

Various Non-Firm Point-to-Point Transmission Service customers under the Southern Companies' Open Access Transmission Tariff.

**Schedule Page: 328 Line No.: 19 Column: b**

Various entities pursuant to the terms and conditions of Southern Companies' Open Access Transmission Tariff.

**Schedule Page: 328 Line No.: 19 Column: c**

Various entities pursuant to the terms and conditions of Southern Companies' Open Access Transmission Tariff.

**Schedule Page: 328 Line No.: 19 Column: f**

Various points of receipt.

**Schedule Page: 328 Line No.: 19 Column: g**

Various points of delivery.

**Schedule Page: 328 Line No.: 20 Column: a**

Various Long-Term Firm and Network Integration Transmission Service Customers that purchased transmission service during January, 2005 through December, 2005, and received OATT Tariff True-Up Refunds.

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2006/Q4		
TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")								
<p>1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.</p> <p>2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.</p> <p>3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations, OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.</p> <p>4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.</p> <p>5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last line.</p> <p>7. Footnote entries and provide explanations following all required data.</p>								
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	Carroll EMC	OS					32,753	32,753
2	Coral Power, LLC	OS					4,301	4,301
3	Coweta-Fayette EMC	OS					57,859	57,859
4	Duke Power Company	OS					3,478	3,478
5	Exelon Generation Comp.	OS					177,672	177,672
6	Florida Power & Light	OS					47	47
7	Flint Energies EMC	OS					53,659	53,659
8	Georgia Transmission	OS					27,070	27,070
9	Irwin EMC	OS					7,695	7,695
10	Middle Georgia EMC	OS					4,986	4,986
11	Morgan Stanley Capital	OS					7,744	7,744
12	Ocmulgee EMC	OS					6,236	6,236
13	Oconee EMC	OS					8,529	8,529
14	Okefenoke EMC	OS					18,934	18,934
15	PJM Interconnection	OS					5	5
16	Progress Energy Vent.	OS					73	73
	TOTAL						834,713	834,713

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2006/Q4		
TRANSMISSION OF ELECTRICITY BY OTHERS (Account 565) (Including transactions referred to as "wheeling")								
<p>1. Report all transmission, i.e. wheeling or electricity provided by other electric utilities, cooperatives, municipalities, other public authorities, qualifying facilities, and others for the quarter.</p> <p>2. In column (a) report each company or public authority that provided transmission service. Provide the full name of the company, abbreviate if necessary, but do not truncate name or use acronyms. Explain in a footnote any ownership interest in or affiliation with the transmission service provider. Use additional columns as necessary to report all companies or public authorities that provided transmission service for the quarter reported.</p> <p>3. In column (b) enter a Statistical Classification code based on the original contractual terms and conditions of the service as follows: FNS - Firm Network Transmission Service for Self, LFP - Long-Term Firm Point-to-Point Transmission Reservations. OLF - Other Long-Term Firm Transmission Service, SFP - Short-Term Firm Point-to-Point Transmission Reservations, NF - Non-Firm Transmission Service, and OS - Other Transmission Service. See General Instructions for definitions of statistical classifications.</p> <p>4. Report in column (c) and (d) the total megawatt hours received and delivered by the provider of the transmission service.</p> <p>5. Report in column (e), (f) and (g) expenses as shown on bills or vouchers rendered to the respondent. In column (e) report the demand charges and in column (f) energy charges related to the amount of energy transferred. On column (g) report the total of all other charges on bills or vouchers rendered to the respondent, including any out of period adjustments. Explain in a footnote all components of the amount shown in column (g). Report in column (h) the total charge shown on bills rendered to the respondent. If no monetary settlement was made, enter zero in column (h). Provide a footnote explaining the nature of the non-monetary settlement, including the amount and type of energy or service rendered.</p> <p>6. Enter "TOTAL" in column (a) as the last line.</p> <p>7. Footnote entries and provide explanations following all required data.</p>								
Line No.	Name of Company or Public Authority (Footnote Affiliations) (a)	Statistical Classification (b)	TRANSFER OF ENERGY		EXPENSES FOR TRANSMISSION OF ELECTRICITY BY OTHERS			
			Megawatt-hours Received (c)	Megawatt-hours Delivered (d)	Demand Charges (\$) (e)	Energy Charges (\$) (f)	Other Charges (\$) (g)	Total Cost of Transmission (\$) (h)
1	Sawnee EMC	OS					116,889	116,889
2	Southern Rivers EMC	OS					11,511	11,511
3	Southern Co Transmisson	OS					280,965	280,965
4	Tri-County EMC	OS					13,066	13,066
5	The Electric Authority	OS					192	192
6	Williams Energy Mktg.	OS					1,049	1,049
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
	TOTAL						834,713	834,713

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 332 Line No.: 1 Column: c**

Gulf Power Company, as an operating company of the integrated Southern electric system, provides and receives transmission service to and from other entities. The energy from these transmission service transactions that is received is embedded receipts of energy reported on FERC pages 326-327.

**Schedule Page: 332 Line No.: 1 Column: d**

See footnote for Page 332 Line 1 Column c.

**Schedule Page: 332 Line No.: 2 Column: c**

See footnote for Page 332 Line 1 Column c.

**Schedule Page: 332 Line No.: 2 Column: d**

See footnote for Page 332 Line 1 Column c.

**Schedule Page: 332 Line No.: 3 Column: c**

See footnote for Page 332 Line 1 Column c.

**Schedule Page: 332 Line No.: 3 Column: d**

See footnote for Page 332 Line 1 Column c.

**Schedule Page: 332 Line No.: 4 Column: c**

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**Schedule Page: 332 Line No.: 4 Column: d**

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**Schedule Page: 332 Line No.: 5 Column: c**

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**Schedule Page: 332 Line No.: 5 Column: d**

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**Schedule Page: 332 Line No.: 6 Column: c**

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**Schedule Page: 332 Line No.: 6 Column: d**

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**Schedule Page: 332 Line No.: 7 Column: c**

See footnote for Page 332 Line 1 Column c.

**Schedule Page: 332 Line No.: 7 Column: d**

See footnote for Page 332 Line 1 Column c.

**Schedule Page: 332 Line No.: 8 Column: c**

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**Schedule Page: 332 Line No.: 8 Column: d**

See footnote for Page 332 Line 1 Column c.

**Schedule Page: 332 Line No.: 9 Column: c**

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**Schedule Page: 332 Line No.: 9 Column: d**

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**Schedule Page: 332 Line No.: 10 Column: c**

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**Schedule Page: 332 Line No.: 10 Column: d**

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**Schedule Page: 332 Line No.: 11 Column: c**

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**Schedule Page: 332 Line No.: 11 Column: d**

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**Schedule Page: 332 Line No.: 12 Column: c**

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**Schedule Page: 332 Line No.: 12 Column: d**

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**Schedule Page: 332 Line No.: 13 Column: c**

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**Schedule Page: 332 Line No.: 13 Column: d**

**FERC FORM NO. 1 (ED. 12-87)**

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FOOTNOTE DATA			

See footnote for Page 332 Line 1 Column c.

**Schedule Page: 332 Line No.: 14 Column: c**

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**Schedule Page: 332 Line No.: 15 Column: c**

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**Schedule Page: 332 Line No.: 16 Column: c**

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**Schedule Page: 332 Line No.: 16 Column: d**

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**Schedule Page: 332.1 Line No.: 1 Column: c**

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**Schedule Page: 332.1 Line No.: 3 Column: c**

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**Schedule Page: 332.1 Line No.: 3 Column: d**

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**Schedule Page: 332.1 Line No.: 4 Column: c**

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**Schedule Page: 332.1 Line No.: 4 Column: d**

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**Schedule Page: 332.1 Line No.: 5 Column: c**

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**Schedule Page: 332.1 Line No.: 5 Column: d**

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**Schedule Page: 332.1 Line No.: 6 Column: c**

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**Schedule Page: 332.1 Line No.: 6 Column: d**

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Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
MISCELLANEOUS GENERAL EXPENSES (Account 930.2) (ELECTRIC)				
Line No.	Description (a)	Amount (b)		
1	Industry Association Dues	359,991		
2	Nuclear Power Research Expenses			
3	Other Experimental and General Research Expenses	61,941		
4	Pub & Dist Info to Stkhldrs...expn servicing outstanding Securities	85,878		
5	Oth Expn >=5,000 show purpose, recipient, amount. Group if < \$5,000			
6				
7	Communication Expenses:			
8	Southern Communications-Telecommn. Tower & Bldg Fac.	16,335		
9				
10	Consumer Affairs Expenses:			
11	Southern Company Services-Customer Accounting Proj.	19,341		
12				
13	Director's Fees and Expenses:			
14	C. LeDon Anchors - Fees/Expenses	31,014		
15	Dr. Reed Bell - Fees/Expenses	22,298		
16	William Cramer - Fees/Expenses	53,346		
17	Fred C. Donovan, Sr., - Fees/Expenses	89,846		
18	W. D. Hull, Jr., - Fees/Expenses	76,261		
19	Doug L. McCrary - Fees/Expenses	4,099		
20	W. A. Pullum - Fees/Expenses	57,803		
21	Winston Scott - Fees/Expenses	36,652		
22	Joseph K. Tannehill - Fees/Expenses	20,098		
23				
24	Director's Pension Plan Expenses	50,149		
25	Director's Miscellaneous Meeting Expenses	12,287		
26				
27	Administrative & General Expenses for Joint Owner:			
28	Respondent's 50% Ownership of Plant Daniel			
29	(Escatawpa, MS)	2,743,177		
30	Respondent's 50% Ownership of Plant Scherer			
31	(Julietta, GA)	697,696		
32				
33	Other Miscellaneous General Expenses:			
34	Arbitration & Labor Relations-Arbitration	46,501		
35	Sales Tax Audit - Adjustments	12,407		
36	GP Leadership Forum	15,630		
37	All Other Miscellaneous Expenses	739		
38				
39				
40				
41				
42				
43				
44				
45				
46	TOTAL	4,513,489		

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4			
DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Account 403, 404, 405) (Except amortization of acquisition adjustments)						
<p>1. Report in section A for the year the amounts for : (b) Depreciation Expense (Account 403; (c) Depreciation Expense for Asset Retirement Costs (Account 403.1; (d) Amortization of Limited-Term Electric Plant (Account 404); and (e) Amortization of Other Electric Plant (Account 405).</p> <p>2. Report in Section 8 the rates used to compute amortization charges for electric plant (Accounts 404 and 405). State the basis used to compute charges and whether any changes have been made in the basis or rates used from the preceding report year.</p> <p>3. Report all available information called for in Section C every fifth year beginning with report year 1971, reporting annually only changes to columns (c) through (g) from the complete report of the preceding year.</p> <p>Unless composite depreciation accounting for total depreciable plant is followed, list numerically in column (a) each plant subaccount, account or functional classification, as appropriate, to which a rate is applied. Identify at the bottom of Section C the type of plant included in any sub-account used.</p> <p>In column (b) report all depreciable plant balances to which rates are applied showing subtotals by functional Classifications and showing composite total. Indicate at the bottom of section C the manner in which column balances are obtained. If average balances, state the method of averaging used.</p> <p>For columns (c), (d), and (e) report available information for each plant subaccount, account or functional classification Listed in column (a). If plant mortality studies are prepared to assist in estimating average service Lives, show in column (f) the type mortality curve selected as most appropriate for the account and in column (g), if available, the weighted average remaining life of surviving plant. If composite depreciation accounting is used, report available information called for in columns (b) through (g) on this basis.</p> <p>4. If provisions for depreciation were made during the year in addition to depreciation provided by application of reported rates, state at the bottom of section C the amounts and nature of the provisions and the plant items to which related.</p>						
A. Summary of Depreciation and Amortization Charges						
Line No.	Functional Classification (a)	Depreciation Expense (Account 403) (b)	Depreciation Expense for Asset Retirement Costs (Account 403.1) (c)	Amortization of Limited Term Electric Plant (Account 404) (d)	Amortization of Other Electric Plant (Acc 405) (e)	Total (f)
1	Intangible Plant					
2	Steam Production Plant	41,904,478	645,605	630,033		43,180,116
3	Nuclear Production Plant					
4	Hydraulic Production Plant-Conventional					
5	Hydraulic Production Plant-Pumped Storage					
6	Other Production Plant	8,272,086	19,860			8,291,946
7	Transmission Plant	7,106,942	143			7,107,085
8	Distribution Plant	29,088,420	1,005			29,089,425
9	Regional Transmission and Market Operation					
10	General Plant	2,112,825	4,052	1,723,792		3,840,669
11	Common Plant-Electric					
12	TOTAL	88,484,751	670,665	2,353,825		91,509,241
B. Basis for Amortization Charges						
1. Five and seven year life amortization of Production Plant		\$ 630,033				
2. Five and seven year life amortization of General Plant Account		1,723,792				
Total		<div style="border-top: 1px solid black; display: inline-block; width: 100px;"></div> \$2,353,825 =====				

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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Steam Production:						
13	Daniel	227,573	39.00	-8.00	3.10	Forecast	19.60
14	Crist	522,109	29.00	-7.00	3.80	Forecast	17.90
15	Scholz	29,806	27.00	-3.00	4.20	Forecast	5.40
16	Smith	139,133	27.00	-4.00	3.90	Forecast	15.20
17	Scherer	181,999	46.00	-5.00	1.90	Forecast	31.00
18	Easmt. - Crist					N/A	
19	Easmt. - Daniel	77	59.00		1.10	Forecast	31.00
20	Rail Tracks - Daniel	2,742	57.00		1.00	Forecast	31.00
21	SUBTOTAL	1,103,439					
22							
23	Smith						
24	Other Production:						
25	341	793	41.00		0.40	Forecast	11.50
26	342	283	41.00		0.40	Forecast	11.50
27	343	83	41.00		0.40	Forecast	11.50
28	344	3,064	41.00		0.40	Forecast	11.50
29	345	126	41.00		0.40	Forecast	11.50
30	346	4	41.00		0.40	Forecast	11.50
31	SUBTOTAL	4,353					
32							
33	Pace						
34	Other Production:						
35	343	6,791	20.00		5.00	Forecast	12.50
36	344	3,107	20.00		5.00	Forecast	12.50
37	345	584	20.00		5.00	Forecast	12.50
38	346		20.00		5.00	Forecast	12.50
39	SUBTOTAL	10,482					
40							
41	Smith #3						
42	Combined Cycle:						
43	341	10,646	25.00		4.00	Forecast	21.00
44	342	2,893	25.00		4.00	Forecast	21.00
45	343	94,151	25.00		4.00	Forecast	21.00
46	344	67,096	25.00		4.00	Forecast	21.00
47	345	10,680	25.00		4.00	Forecast	21.00
48	346	706	25.00		4.00	Forecast	21.00
49	SUBTOTAL	186,172					
50							



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DEPRECIATION AND AMORTIZATION OF ELECTRIC PLANT (Continued)							
C. Factors Used in Estimating Depreciation Charges							
Line No.	Account No. (a)	Depreciable Plant Base (In Thousands) (b)	Estimated Avg. Service Life (c)	Net Salvage (Percent) (d)	Applied Depr. rates (Percent) (e)	Mortality Curve Type (f)	Average Remaining Life (g)
12	Transmission Plant:						
13	352	6,644	45.00	-5.00	2.30	R3	30.00
14	353	84,301	45.00	-5.00	2.20	S0	35.00
15	354	35,484	50.00	-25.00	2.30	R5	29.00
16	355	59,932	35.00	-40.00	4.10	S0	27.00
17	356	52,998	50.00	-35.00	2.60	R2	38.00
18	358	14,094	45.00		2.20	R3	29.00
19	359	65	50.00		2.20	SQ	25.00
20	Easements	10,791	60.00		1.70	SQ	33.00
21	SUBTOTAL	264,309					
22							
23	Distribution Plant:						
24	361	13,390	45.00	-5.00	2.30	R3	30.00
25	362	137,452	43.00	-5.00	2.40	R1.5	31.00
26	364	104,068	32.00	-75.00	5.40	R1	24.00
27	365	109,485	37.00	-10.00	2.80	R1	27.00
28	366	1,214	60.00		1.40	R3	30.00
29	367	87,104	30.00		3.30	S3	21.00
30	368	178,851	30.00	-25.00	4.20	S0	21.00
31	369.1	44,048	34.00	-35.00	3.70	R1	23.00
32	369.2	34,971	40.00	-5.00	2.40	R1	33.00
33	369.3	2,826	27.00		2.60	R3	6.10
34	370	44,894	33.00		2.80	R1	25.00
35	373	49,596	18.00	-5.00	5.10	L1	12.50
36	SUBTOTAL	807,899					
37							
38	General Plant:						
39	390	56,138	45.00	-5.00	2.30	S1.5	28.00
40	392.1					N/A	
41	392.2	5,243	9.50	13.00	8.30	S3	4.60
42	392.3	20,356	11.00	17.00	7.20	L4	5.90
43	392.4	1,161	17.00	15.00	4.60	S1	9.20
44	396	594	15.00	20.00	4.90	R5	7.60
45	397	17,046	15.00		4.70	L2	8.70
46	SUBTOTAL	100,538					
47							
48							
49	TOTAL	2,477,192					
50	See footnote						

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**Schedule Page: 336.1 Line No.: 50 Column: a**

Instruction 4 Expenses not accrued in rates

<u>ACCOUNT</u>	<u>ACCOUNT DESCRIPTION</u>	<u>EXPENSES</u>
316	Amortization - 5 & 7 Year Property	\$ 630,033
310-316	Amortization - Daniel Cooling Lake	0
391,393-398	Amortization - 5 & 7 Year Property	1,723,792
392	Amortization - 5 Year Marine Equipment*	34,433
	Total	\$2,388,258
		=====

\*Note: Account 392 - 5 year property amortization expense is not booked to FERC 404.  
The account is booked in FERC 779.

317	Asset Retirement Obligation-Steam Production	\$645,605
347	Asset Retirement Obligation-Other Production	19,860
359.1	Asset Retirement Obligation-Transmission	143
374	Asset Retirement Obligation-Distribution	1,005
399.1	Asset Retirement Obligation-General	4,052
	Total	\$670,665
		=====

(1) Page 337 & 337.1 Column (b) balances based on average 2006 beginning and ending year depreciable balances.

(2) Page 337 & 337.1 Columns (c) through (e) based on FL PSC approved depreciation rates.

<u>ACCOUNT</u>	<u>ACCOUNT DESCRIPTION</u>	<u>EXPENSES</u>
310-316	Dismantlement - Steam Production	\$4,814,988
341-346	Dismantlement - Other Production	288,478
		\$5,103,466*
		=====

\*Note: This amount is included in Section A, Column (b), Line 2 and 6.

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REGULATORY COMMISSION EXPENSES					
<p>1. Report particulars (details) of regulatory commission expenses incurred during the current year (or incurred in previous years, if being amortized) relating to format cases before a regulatory body, or cases in which such a body was a party.</p> <p>2. Report in columns (b) and (c), only the current year's expenses that are not deferred and the current year's amortization of amounts deferred in previous years.</p>					
Line No.	Description (Furnish name of regulatory commission or body the docket or case number and a description of the case) (a)	Assessed by Regulatory Commission (b)	Expenses of Utility (c)	Total Expense for Current Year (b) + (c) (d)	Deferred in Account 182.3 at Beginning of Year (e)
1	FLORIDA PUBLIC SERVICE COMMISSION				
2					
3	Docket No. 060001 - Fuel & Purchased Power		67,676	67,676	
4					
5	Docket No. 060007-Environmental Cost Recovery		39,026	39,026	
6					
7	Docket No. 050805-Petition by Gulf Power to				
8	waive Service Charges in emergencies		34,329	34,329	
9					
10	Docket No. 060154-Petition by Gulf Power for				
11	issuance of storm recovery financing order		220,119	220,119	
12					
13	Docket No. 060173-Proposed Amendment to				
14	Rules on overhead electric facilities		55,962	55,962	
15					
16	SCS Work Orders-46AF11, 46AF12, 46CO, 46C8,				
17	46DB, 46DN, 46VN, 4608, 4772XB		33,542	33,542	
18					
19	Docketed Items (19 Items, each less than				
20	\$25,000)		82,201	82,201	
21					
22	Undocketed Items (186 Items, each less than				
23	\$25,000)		423,676	423,676	
24					
25	FEDERAL ENERGY REGULATORY COMMISSION				
26					
27	FERC Statements of Annual Charges				
28	18 CFR, Part 382	206,137		206,137	
29					
30	Undocketed Items (9 Items, each less than				
31	\$25,000)		2,228	2,228	
32					
33	FPU Contract		5,908	5,908	
34					
35					
36					
37					
38					
39					
40					
41					
42					
43					
44					
45					
46	TOTAL	206,137	964,667	1,170,804	

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REGULATORY COMMISSION EXPENSES (Continued)								
3. Show in column (k) any expenses incurred in prior years which are being amortized. List in column (a) the period of amortization.								
4. List in column (f), (g), and (h) expenses incurred during year which were charged currently to income, plant, or other accounts.								
5. Minor items (less than \$25,000) may be grouped.								
EXPENSES INCURRED DURING YEAR				AMORTIZED DURING YEAR				
CURRENTLY CHARGED TO			Deferred to Account 182.3 (i)	Contra Account (j)	Amount (k)	Deferred in Account 182.3 End of Year (l)	Line No.	
Department (f)	Account No. (g)	Amount (h)						
							1	
							2	
Electric	928	67,676					3	
							4	
Electric	928	39,026					5	
							6	
							7	
Electric	928	34,329					8	
							9	
							10	
Electric	928	220,119					11	
							12	
							13	
Electric	928	55,962					14	
							15	
							16	
Electric	928	33,542					17	
							18	
							19	
Electric	928	82,201					20	
							21	
							22	
Electric	928	423,676					23	
							24	
							25	
							26	
							27	
Electric	928	206,137					28	
							29	
							30	
Electric	928	2,228					31	
							32	
Electric	928	5,908					33	
							34	
							35	
							36	
							37	
							38	
							39	
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							42	
							43	
							44	
							45	
		1,170,804					46	

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
<b>RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES</b>			
1. Describe and show below costs incurred and accounts charged during the year for technological research, development, and demonstration (R, D & D) project initiated, continued or concluded during the year. Report also support given to others during the year for jointly-sponsored projects. (Identify recipient regardless of affiliation.) For any R, D & D work carried with others, show separately the respondent's cost for the year and cost chargeable to others (See definition of research, development, and demonstration in Uniform System of Accounts). 2. Indicate in column (a) the applicable classification, as shown below:			
Classifications: <div style="display: flex; justify-content: space-between;"> <div style="width: 45%;">           A. Electric R, D &amp; D Performed Internally:            (1) Generation              a. hydroelectric                i. Recreation fish and wildlife                ii Other hydroelectric              b. Fossil-fuel steam              c. Internal combustion or gas turbine              d. Nuclear              e. Unconventional generation              f. Siting and heat rejection            (2) Transmission         </div> <div style="width: 45%;">           a. Overhead            b. Underground            (3) Distribution            (4) Regional Transmission and Market Operation            (5) Environment (other than equipment)            (6) Other (Classify and include items in excess of \$5,000.)            (7) Total Cost Incurred            B. Electric, R, D &amp; D Performed Externally:            (1) Research Support to the electrical Research Council or the Electric Power Research Institute         </div> </div>			
Line No.	Classification (a)	Description (b)	
1	A. Electric Research Development and	(1) Generation	
2	Demonstration Activities - Internally	b. Fossil Fuel Steam	
3		Combustion & Fuel Effects (4358)	
4		Plant Daniel Related Expenses	
5		Plant Scherer Related Expenses	
6		(3) Transmission	
7		Power Delivery Research-Overhead Transmission (4270)	
8		Power Delivery Research-Grid Operation (4271)	
9		Power Delivery Research-Transmission/Substation (4272)	
10		(4) Distribution	
11		Power Delivery Research-Distribution (4273)	
12		(5) Environment	
13		Air Quality Studies (4356)	
14		Flue Gas Treatment (4365)	
15		Advanced Energy Systems (4455)	
16		Thermal & Fluid Sciences (4456)	
17		(6) Other	
18		End-Use Research Project (4268)	
19		End-Use Research Project (4268)	
20		Research Administration (4362)	
21		Advanced End-Use Technology (4387)	
22		R&EA Technical & Economic Assessments (4457)	
23			
24	B. Electric Research Development and	(1) Electric Power Research Institute Research Commitment	
25	Demonstration Activities - Externally		
26			
27			
28			
29		(4) Research Support to Others	
30		UF-PURC	
31		UF-PURC, Storm Hardening	
32		UF-PURC, Storm Hardening	
33		Department of Energy Projects	
34			
35	TOTAL		
36			
37			

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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RESEARCH, DEVELOPMENT, AND DEMONSTRATION ACTIVITIES (Continued)

(2) Research Support to Edison Electric Institute  
 (3) Research Support to Nuclear Power Groups  
 (4) Research Support to Others (Classify)  
 (5) Total Cost Incurred

3. Include in column (c) all R, D & D items performed internally and in column (d) those items performed outside the company costing \$5,000 or more, briefly describing the specific area of R, D & D (such as safety, corrosion control, pollution, automation, measurement, insulation, type of appliance, etc.). Group items under \$5,000 by classifications and indicate the number of items grouped. Under Other, (A (6) and B (4)) classify items by type of R, D & D activity.

4. Show in column (e) the account number charged with expenses during the year or the account to which amounts were capitalized during the year, listing Account 107, Construction Work in Progress, first. Show in column (f) the amounts related to the account charged in column (e)

5. Show in column (g) the total unamortized accumulating of costs of projects. This total must equal the balance in Account 188, Research, Development, and Demonstration Expenditures, Outstanding at the end of the year.

6. If costs have not been segregated for R, D & D activities or projects, submit estimates for columns (c), (d), and (f) with such amounts identified by "Est."

7. Report separately research and related testing facilities operated by the respondent.

Costs Incurred Internally Current Year (c)	Costs Incurred Externally Current Year (d)	AMOUNTS CHARGED IN CURRENT YEAR		Unamortized Accumulation (g)	Line No.
		Account (e)	Amount (f)		
					1
					2
35,871		506	35,871		3
-64,950		506	-64,950		4
35,674		506	35,674		5
					6
33,544		566	33,544		7
12,849		566	12,849		8
66,433		566	66,433		9
					10
40,781		588	40,781		11
					12
15,415		506	15,415		13
219,334		506	219,334		14
243,017		506	243,017		15
76,493		506	76,493		16
					17
1,489		426	1,489		18
132,685		908	132,685		19
29,129		930	29,129		20
181,775		908	181,775		21
3,312		930	3,312		22
					23
	474,702	506	474,702		24
	55,997	549	55,997		25
	137,628	566	137,628		26
	55,725	588	55,725		27
	58,566	910	58,566		28
					29
	29,500	930	29,500		30
	468	593	468		31
	468	570	468		32
	17,562	506	17,562		33
					34
1,062,851	830,616		1,893,467		35
					36

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**DISTRIBUTION OF SALARIES AND WAGES**

Report below the distribution of total salaries and wages for the year. Segregate amounts originally charged to clearing accounts to Utility Departments, Construction, Plant Removals, and Other Accounts, and enter such amounts in the appropriate lines and columns provided. In determining this segregation of salaries and wages originally charged to clearing accounts, a method of approximation giving substantially correct results may be used.

Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)
1	Electric			
2	Operation			
3	Production	13,865,798		
4	Transmission	1,469,187		
5	Regional Market			
6	Distribution	6,624,779		
7	Customer Accounts	7,476,460		
8	Customer Service and Informational	6,296,388		
9	Sales	336,777		
10	Administrative and General	9,346,893		
11	TOTAL Operation (Enter Total of lines 3 thru 10)	45,416,282		
12	Maintenance			
13	Production	9,644,545		
14	Transmission	790,415		
15	Regional Market			
16	Distribution	5,786,699		
17	Administrative and General			
18	TOTAL Maintenance (Total of lines 13 thru 17)	16,221,659		
19	Total Operation and Maintenance			
20	Production (Enter Total of lines 3 and 13)	23,510,343		
21	Transmission (Enter Total of lines 4 and 14)	2,259,602		
22	Regional Market (Enter Total of Lines 5 and 15)			
23	Distribution (Enter Total of lines 6 and 16)	12,411,478		
24	Customer Accounts (Transcribe from line 7)	7,476,460		
25	Customer Service and Informational (Transcribe from line 8)	6,296,388		
26	Sales (Transcribe from line 9)	336,777		
27	Administrative and General (Enter Total of lines 10 and 17)	9,346,893		
28	TOTAL Oper. and Maint. (Total of lines 20 thru 27)	61,637,941	2,635,476	64,273,417
29	Gas			
30	Operation			
31	Production-Manufactured Gas			
32	Production-Nat. Gas (Including Expl. and Dev.)			
33	Other Gas Supply			
34	Storage, LNG Terminating and Processing			
35	Transmission			
36	Distribution			
37	Customer Accounts			
38	Customer Service and Informational			
39	Sales			
40	Administrative and General			
41	TOTAL Operation (Enter Total of lines 31 thru 40)			
42	Maintenance			
43	Production-Manufactured Gas			
44	Production-Natural Gas (Including Exploration and Development)			
45	Other Gas Supply			
46	Storage, LNG Terminating and Processing			
47	Transmission			

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
DISTRIBUTION OF SALARIES AND WAGES (Continued)					
Line No.	Classification (a)	Direct Payroll Distribution (b)	Allocation of Payroll charged for Clearing Accounts (c)	Total (d)	
48	Distribution				
49	Administrative and General				
50	TOTAL Maint. (Enter Total of lines 43 thru 49)				
51	Total Operation and Maintenance				
52	Production-Manufactured Gas (Enter Total of lines 31 and 43)				
53	Production-Natural Gas (Including Expl. and Dev.) (Total lines 32,				
54	Other Gas Supply (Enter Total of lines 33 and 45)				
55	Storage, LNG Terminating and Processing (Total of lines 31 thru				
56	Transmission (Lines 35 and 47)				
57	Distribution (Lines 36 and 48)				
58	Customer Accounts (Line 37)				
59	Customer Service and Informational (Line 38)				
60	Sales (Line 39)				
61	Administrative and General (Lines 40 and 49)				
62	TOTAL Operation and Maint. (Total of lines 52 thru 61)				
63	Other Utility Departments				
64	Operation and Maintenance				
65	TOTAL All Utility Dept. (Total of lines 28, 62, and 64)	61,637,941	2,635,476	64,273,417	
66	Utility Plant				
67	Construction (By Utility Departments)				
68	Electric Plant	14,804,628	633,007	15,437,635	
69	Gas Plant				
70	Other (provide details in footnote):				
71	TOTAL Construction (Total of lines 68 thru 70)	14,804,628	633,007	15,437,635	
72	Plant Removal (By Utility Departments)				
73	Electric Plant	305,772	13,074	318,846	
74	Gas Plant				
75	Other (provide details in footnote):				
76	TOTAL Plant Removal (Total of lines 73 thru 75)	305,772	13,074	318,846	
77	Other Accounts (Specify, provide details in footnote):				
78	Accrued Payroll	18,671,166		18,671,166	
79	Non-Utility Operating Expenses	42,069		42,069	
80	Other General Accounts	1,454,284	862,310	2,316,594	
81					
82					
83					
84					
85					
86					
87					
88					
89					
90					
91					
92					
93					
94					
95	TOTAL Other Accounts	20,167,519	862,310	21,029,829	
96	TOTAL SALARIES AND WAGES	96,915,860	4,143,867	101,059,727	



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FOOTNOTE DATA			

**Schedule Page: 354 Line No.: 80 Column: b**

General Accounts:

Other Work In Progress	\$ 715,329
Injury and Damage Reserve	172
Miscellaneous Nonoperating Income	317,517
All Other General Accounts	<u>421,266</u>
Total	\$1,454,284 =====

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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### PURCHASES AND SALES OF ANCILLARY SERVICES

Report the amounts for each type of ancillary service shown in column (a) for the year as specified in Order No. 888 and defined in the respondents Open Access Transmission Tariff.

In columns for usage, report usage-related billing determinant and the unit of measure.

- (1) On line 1 columns (b), (c), (d), (e), (f) and (g) report the amount of ancillary services purchased and sold during the year.

- (2) On line 2 columns (b) (c), (d), (e), (f), and (g) report the amount of reactive supply and voltage control services purchased and sold during the year.

- (3) On line 3 columns (b) (c), (d), (e), (f), and (g) report the amount of regulation and frequency response services purchased and sold during the year.

- (4) On line 4 columns (b), (c), (d), (e), (f), and (g) report the amount of energy imbalance services purchased and sold during the year.

- (5) On lines 5 and 6, columns (b), (c), (d), (e), (f), and (g) report the amount of operating reserve spinning and supplement services purchased and sold during the period.

- (6) On line 7 columns (b), (c), (d), (e), (f), and (g) report the total amount of all other types ancillary services purchased or sold during the year. Include in a footnote and specify the amount for each type of other ancillary service provided.

		Amount Purchased for the Year			Amount Sold for the Year		
		Usage - Related Billing Determinant			Usage - Related Billing Determinant		
Line No.	Type of Ancillary Service (a)	Number of Units (b)	Unit of Measure (c)	Dollars (d)	Number of Units (e)	Unit of Measure (f)	Dollars (g)
1	Scheduling, System Control and Dispatch				63,947	MW-Months	5,154,102
2	Reactive Supply and Voltage				47,116	MW-Months	5,102,210
3	Regulation and Frequency Response				14,244	MW-Months	779,682
4	Energy Imbalance	906	MWhs	26,675	363	MWhs	36,403
5	Operating Reserve - Spinning				14,880	MW-Months	1,249,926
6	Operating Reserve - Supplement				14,880	MW-Months	1,249,926
7	Other						
8	Total (Lines 1 thru 7)	906		26,675	155,430		13,572,249

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Gulf Power Company			2006/Q4
FOOTNOTE DATA			

**Schedule Page: 398 Line No.: 8 Column: b**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Savannah Electric and Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 8 Column: d**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Savannah Electric and Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 8 Column: e**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Savannah Electric and Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

**Schedule Page: 398 Line No.: 8 Column: g**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Savannah Electric and Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. The ancillary services sales and purchase amounts associated with transmission service provided under the Tariff are the total values for the Southern Companies.

Name of Respondent Gulf Power Company					This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2006/Q4	
MONTHLY TRANSMISSION SYSTEM PEAK LOAD										
<p>(1) Report the monthly peak load on the respondent's transmission system. If the respondent has two or more power systems which are not physically integrated, furnish the required information for each non-integrated system.</p> <p>(2) Report on Column (b) by month the transmission system's peak load.</p> <p>(3) Report on Columns (c ) and (d) the specified information for each monthly transmission - system peak load reported on Column (b).</p> <p>(4) Report on Columns (e) through (j) by month the system' monthly maximum megawatt load by statistical classifications. See General Instruction for the definition of each statistical classification.</p>										
NAME OF SYSTEM:										
Line No.	Month (a)	Monthly Peak MW - Total (b)	Day of Monthly Peak (c)	Hour of Monthly Peak (d)	Firm Network Service for Self (e)	Firm Network Service for Others (f)	Long-Term Firm Point-to-point Reservations (g)	Other Long-Term Firm Service (h)	Short-Term Firm Point-to-point Reservation (i)	Other Service (j)
1	January	29,455	19	700	251	1,528	1,725	2,410	399	23,142
2	February	31,815	13	700	305	1,751	1,725	2,410	300	25,324
3	March	27,150	27	700	213	1,350	1,725	2,410	300	21,152
4	Total for Quarter 1	88,420			769	4,629	5,175	7,230	999	69,618
5	April	30,225	20	1600	271	1,606	1,725	2,410	300	23,913
6	May	35,919	31	1600	268	2,019	1,725	2,410	304	29,193
7	June	37,845	22	1500	275	2,163	1,275	2,410	721	31,001
8	Total for Quarter 2	103,989			814	5,788	4,725	7,230	1,325	84,107
9	July	37,787	18	1600	297	2,054	1,275	2,410	523	31,228
10	August	37,972	7	1700	232	2,069	1,275	2,410	413	31,573
11	September	33,137	1	1700	235	1,875	1,325	2,410	300	26,992
12	Total for Quarter 3	108,896			764	5,998	3,875	7,230	1,236	89,793
13	October	31,646	5	1600	230	1,681	1,325	2,410	300	25,700
14	November	28,652	21	700	250	1,681	1,325	2,410	300	22,686
15	December	33,262	8	700	323	2,076	1,325	2,410	600	26,528
16	Total for Quarter 4	93,560			803	5,438	3,975	7,230	1,200	74,914
17	Total Year to Date/Year	394,865			3,150	21,853	17,750	28,920	4,760	318,432

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
Gulf Power Company			
FOOTNOTE DATA			

**Schedule Page: 400 Line No.: 1 Column: b**

The Southern Companies (Alabama Power Company, Georgia Power Company, Gulf Power Company, and Mississippi Power Company) collectively are the Transmission Provider under the Open Access Transmission Tariff and operate their transmission facilities as a single integrated system. Values shown correspond to the total transmission system peak loads on Southern Companies' transmission system.

**Schedule Page: 400 Line No.: 1 Column: c**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 1 Column: d**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 2 Column: b**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 2 Column: c**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 2 Column: d**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 3 Column: b**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 3 Column: c**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 3 Column: d**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 5 Column: b**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 5 Column: c**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 5 Column: d**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 6 Column: b**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 6 Column: c**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 6 Column: d**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 7 Column: b**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 7 Column: c**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 7 Column: d**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 9 Column: b**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 9 Column: c**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 9 Column: d**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 10 Column: b**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 10 Column: c**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 10 Column: d**

See footnote for Page 400 Line No. 1 Column b.

**Schedule Page: 400 Line No.: 11 Column: b**

See footnote for Page 400 Line No. 1 Column b.

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
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<b>Schedule Page: 400 Line No.: 11 Column: c</b>
See footnote for Page 400 Line No. 1 Column b.
<b>Schedule Page: 400 Line No.: 11 Column: d</b>
See footnote for Page 400 Line No. 1 Column b.
<b>Schedule Page: 400 Line No.: 13 Column: b</b>
See footnote for Page 400 Line No. 1 Column b.
<b>Schedule Page: 400 Line No.: 13 Column: c</b>
See footnote for Page 400 Line No. 1 Column b.
<b>Schedule Page: 400 Line No.: 13 Column: d</b>
See footnote for Page 400 Line No. 1 Column b.
<b>Schedule Page: 400 Line No.: 14 Column: b</b>
See footnote for Page 400 Line No. 1 Column b.
<b>Schedule Page: 400 Line No.: 14 Column: c</b>
See footnote for Page 400 Line No. 1 Column b.
<b>Schedule Page: 400 Line No.: 14 Column: d</b>
See footnote for Page 400 Line No. 1 Column b.
<b>Schedule Page: 400 Line No.: 15 Column: b</b>
See footnote for Page 400 Line No. 1 Column b.
<b>Schedule Page: 400 Line No.: 15 Column: c</b>
See footnote for Page 400 Line No. 1 Column b.
<b>Schedule Page: 400 Line No.: 15 Column: d</b>
See footnote for Page 400 Line No. 1 Column b.



Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4	
<b>MONTHLY PEAKS AND OUTPUT</b>						
<p>(1) Report the monthly peak load and energy output. If the respondent has two or more power which are not physically integrated, furnish the required information for each non- integrated system.</p> <p>(2) Report on line 2 by month the system's output in Megawatt hours for each month.</p> <p>(3) Report on line 3 by month the non-requirements sales for resale. Include in the monthly amounts any energy losses associated with the sales.</p> <p>(4) Report on line 4 by month the system's monthly maximum megawatt load (60 minute integration) associated with the system.</p> <p>(5) Report on lines 5 and 6 the specified information for each monthly peak load reported on line 4.</p>						
NAME OF SYSTEM:						
Line No.	Month (a)	Total Monthly Energy (b)	Monthly Non-Requirements Sales for Resale & Associated Losses (c)	MONTHLY PEAK		
				Megawatts (See Instr. 4) (d)	Day of Month (e)	Hour (f)
29	January	1,468,002	580,453	1,860	7	8:00 AM
30	February	1,408,121	568,513	2,072	13	7:00 AM
31	March	1,356,541	492,932	1,566	13	7:00 PM
32	April	1,118,343	174,081	1,984	20	5:00 PM
33	May	1,410,397	305,294	2,280	31	5:00 PM
34	June	1,567,015	292,715	2,475	22	4:00 PM
35	July	1,652,750	276,038	2,483	28	4:00 PM
36	August	1,729,639	351,930	2,469	15	4:00 PM
37	September	1,469,460	334,230	2,261	4	4:00 PM
38	October	1,373,098	392,876	2,179	2	4:00 PM
39	November	1,220,638	357,467	1,806	21	7:00 AM
40	December	1,427,739	488,869	2,195	8	8:00 AM
41	TOTAL	17,201,743	4,615,398			



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STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)							
<p>1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content of the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.</p>							
Line No.	Item (a)	Plant Name: <i>Crist</i> (b)			Plant Name: <i>Smith</i> (c)		
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear	Steam			Steam		
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional			Conventional		
3	Year Originally Constructed	1945			1965		
4	Year Last Unit was Installed	1973			1967		
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	1135.25			340.00		
6	Net Peak Demand on Plant - MW (60 minutes)	934			360		
7	Plant Hours Connected to Load	0			0		
8	Net Continuous Plant Capability (Megawatts)	0			0		
9	When Not Limited by Condenser Water	0			0		
10	When Limited by Condenser Water	0			0		
11	Average Number of Employees	215			117		
12	Net Generation, Exclusive of Plant Use - KWh	6279190000			2633462000		
13	Cost of Plant: Land and Land Rights	6002842			1403764		
14	Structures and Improvements	64325599			30724785		
15	Equipment Costs	465419381			110960037		
16	Asset Retirement Costs	1171624			555235		
17	Total Cost	536919446			143643821		
18	Cost per KW of Installed Capacity (line 17/5) Including	472.9526			422.4818		
19	Production Expenses: Oper, Supv, & Engr	417175			370546		
20	Fuel	178355271			73048115		
21	Coolants and Water (Nuclear Plants Only)	0			0		
22	Steam Expenses	4155136			870126		
23	Steam From Other Sources	0			0		
24	Steam Transferred (Cr)	0			0		
25	Electric Expenses	2372597			728835		
26	Misc Steam (or Nuclear) Power Expenses	4024064			2295812		
27	Rents	0			0		
28	Allowances	2020937			823959		
29	Maintenance Supervision and Engineering	2403800			1332068		
30	Maintenance of Structures	1804070			948786		
31	Maintenance of Boiler (or reactor) Plant	11423981			3423129		
32	Maintenance of Electric Plant	1217382			655921		
33	Maintenance of Misc Steam (or Nuclear) Plant	1292384			506031		
34	Total Production Expenses	209486797			85003328		
35	Expenses per Net KWh	0.0334			0.0323		
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Coal	Gas	Oil	Coal	Oil	
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	Tons	MCF	Bbl	Tons	Bbl	
38	Quantity (Units) of Fuel Burned	2891594	155137	2606	1166140	4057	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	11433	1049	139793	11655	142033	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	61.767	6.468	75.364	65.448	75.660	0.000
41	Average Cost of Fuel per Unit Burned	60.612	6.163	73.054	61.914	80.977	0.000
42	Average Cost of Fuel Burned per Million BTU	2.651	6.163	0.000	2.656	0.000	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	2.800	4.909	0.000	2.742	0.000	0.000
44	Average BTU per KWh Net Generation	10559.000	0.000	0.000	10331.000	0.000	0.000

Name of Respondent Gulf Power Company			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			Date of Report (Mo, Da, Yr) / /			Year/Period of Report End of 2006/Q4		
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)											
<p>9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.</p>											
Plant Name: Scholz (d)			Plant Name: Daniel (e)			Plant Name: Scherer (f)			Line No.		
Steam			Steam			Steam			1		
Conventional			Conventional			Conventional			2		
1953			1977			1981			3		
1953			1981			1989			4		
98.00			548.25			222.75			5		
99			542			230			6		
0			0			0			7		
0			0			0			8		
0			0			0			9		
0			0			0			10		
32			203			426			11		
255592000			3703242000			1365249000			12		
44579			3666354			820621			13		
6198831			45390144			30758661			14		
23812262			198313327			151766222			15		
358442			1629456			124183			16		
30414114			248999281			183469687			17		
310.3481			454.1711			823.6574			18		
91738			641805			296823			19		
9691981			87594266			28062118			20		
0			0			0			21		
537452			470073			281109			22		
0			0			0			23		
0			0			0			24		
556423			641604			175309			25		
650312			2726942			877353			26		
0			1027428			0			27		
265746			0			0			28		
166120			928015			567447			29		
212229			934240			295655			30		
1063758			4139092			2899254			31		
333757			1239604			760974			32		
261233			424983			308272			33		
13830749			100768052			34524314			34		
0.0541			0.0272			0.0253			35		
Coal	Oil		Coal	Oil		Coal	Oil		36		
Tons	Bbl		Tons	Bbl		MMBTU	Bbl		37		
135844	352	0	1806060	3358	0	14163967	1782	0	38		
11812	138096	0	10363	139132	0	12015	140530	0	39		
69.117	79.627	0.000	51.487	79.639	0.000	1.951	83.890	0.000	40		
70.668	79.921	0.000	47.790	76.906	0.000	1.944	80.606	0.000	41		
2.991	0.000	0.000	2.291	0.000	0.000	1.944	0.000	0.000	42		
3.756	0.000	0.000	2.315	0.000	0.000	2.017	0.000	0.000	43		
12564.000	0.000	0.000	10113.000	0.000	0.000	10385.000	0.000	0.000	44		

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants) (Continued)**

1. Report data for plant in Service only. 2. Large plants are steam plants with installed capacity (name plate rating) of 25,000 Kw or more. Report in this page gas-turbine and internal combustion plants of 10,000 Kw or more, and nuclear plants. 3. Indicate by a footnote any plant leased or operated as a joint facility. 4. If net peak demand for 60 minutes is not available, give data which is available, specifying period. 5. If any employees attend more than one plant, report on line 11 the approximate average number of employees assignable to each plant. 6. If gas is used and purchased on a therm basis report the Btu content or the gas and the quantity of fuel burned converted to Mct. 7. Quantities of fuel burned (Line 38) and average cost per unit of fuel burned (Line 41) must be consistent with charges to expense accounts 501 and 547 (Line 42) as show on Line 20. 8. If more than one fuel is burned in a plant furnish only the composite heat rate for all fuels burned.

Line No.	Item (a)	Plant Name: <i>Smith Unit 3</i> (b)	Plant Name: <i>Smith CT</i> (c)
1	Kind of Plant (Internal Comb, Gas Turb, Nuclear)	Combined Cycle	Combustion Turbine
2	Type of Constr (Conventional, Outdoor, Boiler, etc)	Conventional	Conventional
3	Year Originally Constructed	2002	1971
4	Year Last Unit was Installed	2002	1971
5	Total Installed Cap (Max Gen Name Plate Ratings-MW)	619.65	41.85
6	Net Peak Demand on Plant - MW (60 minutes)	605	35
7	Plant Hours Connected to Load	0	0
8	Net Continuous Plant Capability (Megawatts)	0	0
9	When Not Limited by Condenser Water	0	0
10	When Limited by Condenser Water	0	0
11	Average Number of Employees	0	0
12	Net Generation, Exclusive of Plant Use - KWh	2072296000	292000
13	Cost of Plant: Land and Land Rights	0	0
14	Structures and Improvements	10647458	793228
15	Equipment Costs	175053849	3560460
16	Asset Retirement Costs	0	0
17	Total Cost	185701307	4353688
18	Cost per KW of Installed Capacity (line 17/5) Including	299.6874	104.0308
19	Production Expenses: Oper, Supv, & Engr	166043	9151
20	Fuel	150579627	84435
21	Coolants and Water (Nuclear Plants Only)	0	0
22	Steam Expenses	786772	9746
23	Steam From Other Sources	0	0
24	Steam Transferred (Cr)	0	0
25	Electric Expenses	0	0
26	Misc Steam (or Nuclear) Power Expenses	167955	0
27	Rents	0	0
28	Allowances	0	0
29	Maintenance Supervision and Engineering	175709	9896
30	Maintenance of Structures	346200	757
31	Maintenance of Boiler (or reactor) Plant	0	0
32	Maintenance of Electric Plant	2098893	19812
33	Maintenance of Misc Steam (or Nuclear) Plant	31777	178
34	Total Production Expenses	154352976	133975
35	Expenses per Net KWh	0.0745	0.4588
36	Fuel: Kind (Coal, Gas, Oil, or Nuclear)	Gas	Oil
37	Unit (Coal-tons/Oil-barrel/Gas-mcf/Nuclear-indicate)	MCF	Bbl
38	Quantity (Units) of Fuel Burned	14675230	0
39	Avg Heat Cont - Fuel Burned (btu/indicate if nuclear)	1034	0
40	Avg Cost of Fuel/unit, as Delvd f.o.b. during year	8.972	0.000
41	Average Cost of Fuel per Unit Burned	8.675	0.000
42	Average Cost of Fuel Burned per Million BTU	8.675	0.000
43	Average Cost of Fuel Burned per KWh Net Gen	6.354	0.000
44	Average BTU per KWh Net Generation	7325.000	0.000

Name of Respondent Gulf Power Company			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission			Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2006/Q4	
STEAM-ELECTRIC GENERATING PLANT STATISTICS (Large Plants)(Continued)									
<p>9. Items under Cost of Plant are based on U. S. of A. Accounts. Production expenses do not include Purchased Power, System Control and Load Dispatching, and Other Expenses Classified as Other Power Supply Expenses. 10. For IC and GT plants, report Operating Expenses, Account Nos. 547 and 549 on Line 25 "Electric Expenses," and Maintenance Account Nos. 553 and 554 on Line 32, "Maintenance of Electric Plant." Indicate plants designed for peak load service. Designate automatically operated plants. 11. For a plant equipped with combinations of fossil fuel steam, nuclear steam, hydro, internal combustion or gas-turbine equipment, report each as a separate plant. However, if a gas-turbine unit functions in a combined cycle operation with a conventional steam unit, include the gas-turbine with the steam plant. 12. If a nuclear power generating plant, briefly explain by footnote (a) accounting method for cost of power generated including any excess costs attributed to research and development; (b) types of cost units used for the various components of fuel cost; and (c) any other informative data concerning plant type fuel used, fuel enrichment type and quantity for the report period and other physical and operating characteristics of plant.</p>									
Plant Name: <i>Pea Ridge</i> (d)			Plant Name: (e)			Plant Name: (f)			Line No.
Combustion Turbine									1
Conventional									2
1998									3
1998									4
14.25			0.00			0.00			5
14			0			0			6
0			0			0			7
0			0			0			8
0			0			0			9
0			0			0			10
0			0			0			11
40084000			0			0			12
0			0			0			13
0			0			0			14
10481919			0			0			15
397194			0			0			16
10879113			0			0			17
763.4465			0.0000			0.0000			18
0			0			0			19
1241632			0			0			20
0			0			0			21
0			0			0			22
0			0			0			23
0			0			0			24
0			0			0			25
5630			0			0			26
0			0			0			27
0			0			0			28
0			0			0			29
0			0			0			30
0			0			0			31
450000			0			0			32
0			0			0			33
1697262			0			0			34
0.0423			0.0000			0.0000			35
Gas									36
MCF									37
0	0	0	0	0	0	0	0	0	38
0	0	0	0	0	0	0	0	0	39
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	40
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	41
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	42
3.098	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	43
0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000	44

Name of Respondent	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report
Gulf Power Company			2006/Q4
FOOTNOTE DATA			

**Schedule Page: 402 Line No.: 1 Column: e**

Gulf Power Company and Mississippi Power Company jointly owns Plant Daniel.

**Schedule Page: 402 Line No.: 1 Column: f**

Gulf Power Company and Georgia Power Company jointly owns Plant Scherer Unit 3.

**Schedule Page: 402 Line No.: 7 Column: b**

Multi-unit plant availability statistics not maintained on a total plant basis.

**Schedule Page: 402 Line No.: 7 Column: c**

Multi-unit plant availability statistics not maintained on a total plant basis.

**Schedule Page: 402 Line No.: 7 Column: d**

Multi-unit plant availability statistics not maintained on a total plant basis.

**Schedule Page: 402 Line No.: 7 Column: e**

Multi-unit plant availability statistics not maintained on a total plant basis.

**Schedule Page: 402 Line No.: 7 Column: f**

Multi-unit plant availability statistics not maintained on a total plant basis.

**Schedule Page: 402.1 Line No.: 22 Column: c**

Smith Unit A is an oil-fired combustion turbine plant. The data reported on this line is not steam related.

**Schedule Page: 402 Line No.: 42 Column: b3**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 42 Column: c2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 42 Column: d2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 42 Column: e2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 42 Column: f2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 43 Column: b3**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 43 Column: c2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 43 Column: d2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 43 Column: e2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 43 Column: f2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 44 Column: b2**

Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 44 Column: b3**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 44 Column: c2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**FERC FORM NO. 1 (ED. 12-87)**

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FOOTNOTE DATA			

**Schedule Page: 402 Line No.: 44 Column: d2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 44 Column: e2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

**Schedule Page: 402 Line No.: 44 Column: f2**

Oil was used for starting and flame stabilizing purposes. Cost statistics is combined with coal.

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**TRANSMISSION LINE STATISTICS**

- Report information concerning transmission lines, cost of lines, and expenses for year. List each transmission line having nominal voltage of 132 kilovolts or greater. Report transmission lines below these voltages in group totals only for each voltage.
- Transmission lines include all lines covered by the definition of transmission system plant as given in the Uniform System of Accounts. Do not report substation costs and expenses on this page.
- Report data by individual lines for all voltages if so required by a State commission.
- Exclude from this page any transmission lines for which plant costs are included in Account 121, Nonutility Property.
- Indicate whether the type of supporting structure reported in column (e) is: (1) single pole wood or steel; (2) H-frame wood, or steel poles; (3) tower; or (4) underground construction. If a transmission line has more than one type of supporting structure, indicate the mileage of each type of construction by the use of brackets and extra lines. Minor portions of a transmission line of a different type of construction need not be distinguished from the remainder of the line.
- Report in columns (f) and (g) the total pole miles of each transmission line. Show in column (f) the pole miles of line on structures the cost of which is reported for the line designated; conversely, show in column (g) the pole miles of line on structures the cost of which is reported for another line. Report pole miles of line on leased or partly owned structures in column (g). In a footnote, explain the basis of such occupancy and state whether expenses with respect to such structures are included in the expenses reported for the line designated.

Line No.	DESIGNATION		VOLTAGE (KV) (Indicate where other than 60 cycle, 3 phase)		Type of Supporting Structure (e)	LENGTH (Pole miles) (In the case of underground lines report circuit miles)		Number Of Circuits (h)
	From (a)	To (b)	Operating (c)	Designed (d)		On Structure of Line Designated (f)	On Structures of Another Line (g)	
1	Shoal River	Pinkard	230.00	230.00	Steel H-Frame	37.54		1
2	Crist	Barry	230.00	230.00	Aluminum	31.55		1
3	Smith	Thomasville	230.00	230.00	Aluminum	67.01		1
4	Smith	Shoal River	230.00	230.00	Aluminum	72.79		1
5	Crist	Shoal River	230.00	230.00	Aluminum	44.44		1
6	Crist	Bellview	230.00	230.00	Steel H-Frame	8.90		1
7	Shoal River	Wright	230.00	230.00	Aluminum	24.00		1
8	Crist	Wright	230.00	230.00	Steel H-Frame	49.94		1
9	Smith	Callaway	230.00	230.00	Steel H-Frame	17.32		1
10	Bellview	Silverhill	230.00	230.00	Steel H-Frame	11.15		1
11	Callaway	Port Saint Joe	230.00	230.00	Steel H-Frame	2.39		1
12	Smith	Laguna Beach	230.00	230.00	Steel H-Frame	14.19		1
13	Crist	Brentwood	230.00	230.00	Steel Tower	7.64		1
14	Brentwood	Silverhill	230.00	230.00	Steel H-Frame	12.00	1.24	1
15	Alligator Swamp	Santa Rosa Energy	230.00	230.00	Concrete	7.42		1
16	Smith Unit #3 C.C.	Smith Unit #3 C.C.	230.00	230.00	Concrete H-Fra	0.10		1
17	Farley	Sinai Cemetery	230.00	230.00	Concrete H-Fra	28.31		1
18	Shaky Joe Swamp	Hinsons Crossroads	230.00	230.00	S Pole Steel	5.80		1
19								
20	115KV					1,009.69	17.77	
21								
22	46KV					116.94	0.46	
23								
24	General Overhead Expenses							
25								
26								
27								
28								
29								
30								
31								
32								
33								
34								
35								
36					TOTAL	1,569.12	19.47	18

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**TRANSMISSION LINE STATISTICS (Continued)**

7. Do not report the same transmission line structure twice. Report Lower voltage Lines and higher voltage lines as one line. Designate in a footnote if you do not include Lower voltage lines with higher voltage lines. If two or more transmission line structures support lines of the same voltage, report the pole miles of the primary structure in column (f) and the pole miles of the other line(s) in column (g)
8. Designate any transmission line or portion thereof for which the respondent is not the sole owner. If such property is leased from another company, give name of lessor, date and terms of Lease, and amount of rent for year. For any transmission line other than a leased line, or portion thereof, for which the respondent is not the sole owner but which the respondent operates or shares in the operation of, furnish a succinct statement explaining the arrangement and giving particulars (details) of such matters as percent ownership by respondent in the line, name of co-owner, basis of sharing expenses of the Line, and how the expenses borne by the respondent are accounted for, and accounts affected. Specify whether lessor, co-owner, or other party is an associated company.
9. Designate any transmission line leased to another company and give name of Lessee, date and terms of lease, annual rent for year, and how determined. Specify whether lessee is an associated company.
10. Base the plant cost figures called for in columns (j) to (l) on the book cost at end of year.

Size of Conductor and Material (i)	COST OF LINE (Include in Column (j) Land, Land rights, and clearing right-of-way)			EXPENSES, EXCEPT DEPRECIATION AND TAXES				Line No.
	Land (j)	Construction and Other Costs (k)	Total Cost (l)	Operation Expenses (m)	Maintenance Expenses (n)	Rents (o)	Total Expenses (p)	
ACSR	245,868	3,694,140	3,940,008	10,319	59,478	1,086,824	1,156,621	1
1351.5 ACSR	634,739	1,574,361	2,209,100					2
1033.5 ACSR	306,095	2,531,708	2,837,803					3
1033.5 ACSR	390,086	2,790,270	3,180,356					4
1351.5 ACSR	193,710	2,825,552	3,019,262					5
1351.5 ACSR	386,144	966,589	1,352,733					6
1351.5 ACSR	56,135	1,242,951	1,299,086					7
1351.5 ACSR	410,464	4,787,128	5,197,592					8
1351.5 ACSR	394,077	1,563,767	1,957,844					9
1351.5 ACSR	432,138	1,257,448	1,689,586					10
795 ACSR	115,793	328,919	444,712					11
795 ACSR	177,688	2,561,778	2,739,466					12
1033.5 ACSR	11,646	249,310	260,956					13
1351.5 ACSS	69,323	3,965,696	4,035,019					14
1351.5 ACSR								15
		204,522	204,522					16
1351.5 ACSS		5,945,951	5,945,951					17
1033.5 ACSR	242,710	3,520,558	3,763,268					18
								19
	7,175,116	114,182,170	121,357,286	215,636	1,100,413	76,126	1,392,175	20
								21
	569,794	10,465,818	11,035,612	19,226	17,358		36,584	22
								23
				45,994		35	46,029	24
								25
								26
								27
								28
								29
								30
								31
								32
								33
								34
								35
	11,811,526	164,658,636	176,470,162	291,175	1,177,249	1,162,985	2,631,409	36



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FOOTNOTE DATA			

**Schedule Page: 422 Line No.: 1 Column: i**

There are two different wire sizes on the same line. The wire sizes are 795.5 ACSR and 1351.5 ASCR.

**Schedule Page: 422 Line No.: 35 Column: f**

Column f Line lengths are available only in circuit miles.

**Schedule Page: 422 Line No.: 35 Column: j**

Column j excludes Right-of-Way Clearing Costs.

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**TRANSMISSION LINES ADDED DURING YEAR**

1. Report below the information called for concerning Transmission lines added or altered during the year. It is not necessary to report minor revisions of lines.
2. Provide separate subheadings for overhead and under- ground construction and show each transmission line separately. If actual costs of completed construction are not readily available for reporting columns (l) to (o), it is permissible to report in these columns the

Line No.	LINE DESIGNATION		Line Length in Miles (c)	SUPPORTING STRUCTURE		CIRCUITS PER STRUCTURE	
	From (a)	To (b)		Type (d)	Average Number per Miles (e)	Present (f)	Ultimate (g)
1	Wright	Ocean City Tap	2.95	Concret S Pole	20.00	1	1
2	Callaway	Parker Tap	2.69	Concret S Pole	9.00	1	1
3							
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17							
18							
19							
20							
21							
22							
23							
24							
25							
26							
27							
28							
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34							
35							
36							
37							
38							
39							
40							
41							
42							
43							
44	TOTAL		5.64		29.00	2	2

Name of Respondent Gulf Power Company			This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2006/Q4		
TRANSMISSION LINES ADDED DURING YEAR (Continued)									
costs. Designate, however, if estimated amounts are reported. Include costs of Clearing Land and Rights-of-Way, and Roads and Trails, in column (l) with appropriate footnote, and costs of Underground Conduit in column (m).									
3. If design voltage differs from operating voltage, indicate such fact by footnote; also where line is other than 60 cycle, 3 phase, indicate such other characteristic.									
CONDUCTORS			Voltage KV (Operating) (k)	LINE COST					Line No.
Size (h)	Specification (i)	Configuration and Spacing (j)		Land and Land Rights (l)	Poles, Towers and Fixtures (m)	Conductors and Devices (n)	Asset Retire. Costs (o)	Total (p)	
1033.5	ACSS/AW	VERTICAL 8'	115	48,562	941,701	882,539		1,872,802	1
795	ACSR	VERTICAL 8'	115	326,408	795,696	604,983		1,727,087	2
									3
									4
									5
									6
									7
									8
									9
									10
									11
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									43
				374,970	1,737,397	1,487,522		3,599,889	44

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 424 Line No.: 1 Column: I**  
Column L Includes \$3,034.27 in Rights-of-Way clearing costs.

Name of Respondent Gulf Power Company		This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission		Date of Report (Mo, Da, Yr) / /		Year/Period of Report End of 2006/Q4	
SUBSTATIONS							
<p>1. Report below the information called for concerning substations of the respondent as of the end of the year.</p> <p>2. Substations which serve only one industrial or street railway customer should not be listed below.</p> <p>3. Substations with capacities of Less than 10 MVA except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.</p> <p>4. Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).</p>							
Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVA)				
			Primary (c)	Secondary (d)	Tertiary (e)		
1	Airport, Crestview	Dist. - Unattended	46.00	12.00			
2	Altha, Altha	Dist. - Unattended	115.00	12.00			
3	Avalon	Dist. - Unattended	115.00	12.00			
4	Bay County, Panama City	Dist. - Unattended	115.00	12.00			
5	Bayou Chico, Pensacola	Dist. - Unattended	115.00	12.00			
6	Bayou Marcus, Pensacola	Dist. - Unattended	115.00	12.00			
7	Beach Haven, Pensacola	Dist. - Unattended	115.00	12.00			
8	Beaver Creek	Dist. - Unattended	115.00	12.00			
9	Bellview, Pensacola	Dist. - Unattended	230.00	115.00	12.00		
10	Beulah, Beulah	Dist. - Unattended	230.00	12.00			
11	Blackwater, Milton	Dist. - Unattended	115.00	12.00			
12	Blountstown, Blountstown	Dist. - Unattended	115.00	12.00			
13	Bonifay, Bonifay	Dist. - Unattended	115.00	12.00			
14	Brentwood, Pensacola	Trans. - Unattended	230.00	115.00	12.00		
15	Brentwood, Pensacola	Dist. - Unattended	115.00	12.00			
16	Brynville, Brynville	Trans. - Unattended	115.00	46.00			
17	Callaway, Panama City	Trans. - Unattended	230.00	115.00	12.00		
18	Cantonment, Pensacola	Dist. - Unattended	115.00	12.00			
19	Caverns Road, Marianna	Dist. - Unattended	115.00	12.00			
20	Chipley, Chipley	Dist. - Unattended	115.00	12.00			
21	Chipola, Marianna	Dist. - Unattended	115.00	12.00			
22	Cordova, Pensacola	Dist. - Unattended	115.00	12.00			
23	Crist Steam Plant, Pensacola	Trans. - Unattended	115.00	12.00			
24		Generating Plant	115.00	25.00			
25			230.00	25.00			
26			115.00	4.00			
27			12.00	2.00			
28			25.00	4.00			
29			230.00	115.00	12.00		
30	Crystal Beach, Crystal Beach	Dist. - Unattended	115.00	12.00			
31	Daniel Steam Plant, Jackson, Cnty Ms	Transmission at	230.00	17.00			
32	(Co-owned with MPC 50%)	Generating Plant	230.00	4.00			
33			18.00	4.00			
34	Destin, Destin	Dist. - Unattended	115.00	12.00			
35	Devilliers, Pensacola	Dist. - Unattended	115.00	12.00			
36	East Bay, Pensacola	Dist. - Unattended	115.00	12.00			
37	East Crestview	Dist. - Unattended	115.00	12.00			
38	Eastgate, Pensacola	Dist. - Unattended	115.00	12.00			
39	Ellyson, Pensacola	Dist. - Unattended	115.00	12.00			
40	Fairfield, Pensacola	Dist. - Unattended	115.00	12.00			

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
11	3	1				1
21	1	1				2
28	1					3
34	4					4
81	3					5
84	3					6
96	3					7
28	1					8
392	1					9
28	1	1				10
28	1					11
28	1					12
28	1					13
392	1	1				14
65	3	2				15
45	1	1				16
224	1					17
56	2					18
13	1					19
28	1					20
28	1					21
28	1					22
314	5					23
459	1					24
620	1					25
60	3	1				26
31	6					27
76	4					28
400	1					29
33	1					30
595	1					31
40	1					32
4	2					33
84	3					34
40	2					35
56	2					36
30	1					37
83	3					38
56	2					39
28	1					40

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SUBSTATIONS**

- Report below the information called for concerning substations of the respondent as of the end of the year.
- Substations which serve only one industrial or street railway customer should not be listed below.
- Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
- Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation (a)	Character of Substation (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Fort Walton, Fort Walton	Dist. - Unattended	115.00	12.00	
2	Glendale Road, Defuniak	Dist. - Unattended	115.00	12.00	
3	Glendale Road, Defuniak	Trans. - Unattended	115.00	46.00	
4	Goulding, Pensacola	Dist. - Unattended	115.00	12.00	
5	Graceville, Graceville	Dist. - Unattended	115.00	12.00	
6	Grand Ridge, Grand Ridge	Dist. - Unattended	115.00	12.00	
7	Greenwood, Panama City	Dist. - Unattended	115.00	12.00	
8	Gulf Breeze, Gulf Breeze	Dist. - Unattended	115.00	12.00	
9	Hathaway, Panama City	Dist. - Unattended	115.00	12.00	
10	Highland City, Panama City	Dist. - Unattended	115.00	12.00	
11	Hinsons Crossroads	Dist. - Unattended	230.00	12.00	
12	Holley, Holley	Trans. - Unattended	115.00	46.00	
13	Holmes Creek, Graceville	Trans. - Unattended	115.00	46.00	
14	Honeysuckle, Pensacola	Dist. - Unattended	115.00	12.00	
15	Hurlburt, Mary Esther	Dist. - Unattended	115.00	12.00	
16	Innerarity, Pensacola	Dist. - Unattended	115.00	12.00	
17	International Paper Co., Panama City	Dist. - Unattended	46.00	12.00	
18	Jay Road, Milton	Dist. - Unattended	115.00	12.00	
19	Laguna Beach, Panama City	Trans. - Unattended	230.00	115.00	12.00
20	Live Oak, Gulf Breeze	Dist. - Unattended	115.00	12.00	
21	Long Beach, Panama City	Dist. - Unattended	115.00	12.00	
22	Lullwater, Panama City	Dist. - Unattended	115.00	12.00	
23	Marianna, Marianna	Dist. - Unattended	115.00	12.00	
24	Miramar, Miramar	Dist. - Unattended	115.00	12.00	
25	Mobile Unit #1, Pensacola	Dist. - Unattended	115.00	12.00	
26	Mobile Unit #2, Panama City	Dist. - Unattended	115.00	12.00	
27	Mobile Unit #3, Panama City	Dist. - Unattended	46.00	12.00	
28	Molino, Molino	Dist. - Unattended	115.00	12.00	
29	Navarre, Pensacola	Dist. - Unattended	115.00	12.00	
30	Niceville, Niceville	Dist. - Unattended	115.00	12.00	
31	Northside, Panama City	Dist. - Unattended	115.00	12.00	
32	Oakfield, Panama City	Dist. - Unattended	115.00	12.00	
33	Ocean City, Fort Walton	Dist. - Unattended	115.00	12.00	
34	Pace, Pace	Dist. - Unattended	115.00	12.00	
35	Parker, Panama City	Dist. - Unattended	115.00	12.00	
36	Phillips Inlet, Panama City	Dist. - Unattended	115.00	12.00	
37	Pine Barren	Dist. - Unattended	115.00	12.00	
38	Pine Forest, Pensacola	Dist. - Unattended	115.00	12.00	
39	Powell Lake, Panama City	Dist. - Unattended	115.00	12.00	
40	Redwood, Panama City	Dist. - Unattended	115.00	12.00	

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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SUBSTATIONS (Continued)

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
73	3					1
28	1					2
40	1	1				3
88	3					4
13	3	1				5
13	1					6
95	3					7
56	2					8
56	2					9
56	2	1				10
33	1	1				11
10	2	1				12
10	1	4				13
56	2					14
28	1					15
56	2					16
14	3	1				17
56	2					18
392	1					19
56	2					20
80	2					21
40	1					22
35	2					23
56	2					24
25	1					25
28	1					26
20	1					27
20	1					28
28	1					29
28	1					30
56	2					31
28	1					32
73	3					33
56	2					34
56	2					35
28	1					36
28	1					37
58	2					38
28	1					39
60	2					40



Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SUBSTATIONS**

- Report below the information called for concerning substations of the respondent as of the end of the year.
- Substations which serve only one industrial or street railway customer should not be listed below.
- Substations with capacities of Less than 10 MVa except those serving customers with energy for resale, may be grouped according to functional character, but the number of such substations must be shown.
- Indicate in column (b) the functional character of each substation, designating whether transmission or distribution and whether attended or unattended. At the end of the page, summarize according to function the capacities reported for the individual stations in column (f).

Line No.	Name and Location of Substation  (a)	Character of Substation  (b)	VOLTAGE (In MVa)		
			Primary (c)	Secondary (d)	Tertiary (e)
1	Romana, Pensacola	Dist. - Unattended	115.00	12.00	
2	Sandestin, Sandestin	Dist. - Unattended	115.00	12.00	
3	Scenic Hills, Pensacola	Dist. - Unattended	115.00	12.00	
4	Scholz Steam Plant, Sneads	Trans. - Unattended	13.00	1.40	
5		Generating Plant	115.00	13.00	
6	Shalimar, Fort Walton	Dist. - Unattended	115.00	12.00	
7	Shipyard, Panama City	Dist. - Unattended	115.00	12.00	
8	Shoal River, South Crestview	Trans. - Unattended	230.00	118.00	12.00
9	Smith Steam Plant, Panama City	Trans. - Unattended	25.00	4.00	
10		Generating Plant	115.00	12.00	
11			230.00	25.00	
12			115.00	4.00	
13			230.00	115.00	12.00
14	South Crestview, Crestview	Trans. - Unattended	115.00	46.00	
15			115.00	12.00	
16	Sullivan Street, Fort Walton	Dist. - Unattended	115.00	12.00	
17	Sunny Hills, Panama City	Dist. - Unattended	115.00	25.00	
18	Turner, Fort Walton	Dist. - Unattended	115.00	12.00	
19	Valparaiso, Valparaiso	Dist. - Unattended	115.00	12.00	
20	Vernon, Vernon	Dist. - Unattended	115.00	25.00	
21	Wewa Road, Panama City	Trans. - Unattended	115.00	46.00	
22	Wright, Fort Walton	Trans. - Unattended	230.00	115.00	12.00
23					
24					
25	SEE FOOTNOTE FOR ADDITIONAL DATA				
26					
27					
28					
29					
30					
31					
32					
33					
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39					
40					

Name of Respondent Gulf Power Company	This Report Is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report End of 2006/Q4
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**SUBSTATIONS (Continued)**

5. Show in columns (l), (j), and (k) special equipment such as rotary converters, rectifiers, condensers, etc. and auxiliary equipment for increasing capacity.

6. Designate substations or major items of equipment leased from others, jointly owned with others, or operated otherwise than by reason of sole ownership by the respondent. For any substation or equipment operated under lease, give name of lessor, date and period of lease, and annual rent. For any substation or equipment operated other than by reason of sole ownership or lease, give name of co-owner or other party, explain basis of sharing expenses or other accounting between the parties, and state amounts and accounts affected in respondent's books of account. Specify in each case whether lessor, co-owner, or other party is an associated company.

Capacity of Substation (In Service) (In MVA) (f)	Number of Transformers In Service (g)	Number of Spare Transformers (h)	CONVERSION APPARATUS AND SPECIAL EQUIPMENT			Line No.
			Type of Equipment (i)	Number of Units (j)	Total Capacity (In MVA) (k)	
28	1					1
28	1					2
84	3					3
14	3					4
120	2					5
28	1					6
28	1					7
224	1					8
51	4					9
175	1					10
235	1					11
16	1					12
400	1	1				13
20	2					14
28	1					15
56	2					16
10	1					17
40	1					18
40	1	3				19
11	1					20
72	2					21
560	2					22
						23
						24
						25
						26
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						39
						40

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr) / /	Year/Period of Report 2006/Q4
FOOTNOTE DATA			

**Schedule Page: 426.2 Line No.: 25 Column: a**

Gulf Power Company, as an operating company of the integrated Southern electric system, provides and receives transmission service to and from other entities. The energy from these transmission service transactions that is received and delivered is embedded in net receipts of energy reported on FERC pages 326-327.

## *Affiliation of Officers and Directors*

**Company: Gulf Power Company**

**For the Year Ended December 31, 2006**

<p>For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.</p>			
Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Officers: Francis M. Fisher, Jr.		Trustee	West Florida Hospital Pensacola, Florida
P. Bernard Jacob		Director	Baptist Health Care Ventures Pensacola, Florida
		Director	Baptist Health Care Pensacola, Florida
Directors: C. LeDon Anchors	Attorney	Attorney/Senior Partner/President/Director	Anchors, Smith, & Grimsley Ft. Walton Beach, Florida
		Director	Beach Community Bank Ft. Walton Beach, Florida
William C. Cramer, Jr.	Automobile Dealer	President/ Owner	Tommy Thomas Chevrolet, Inc. Panama City, Florida
		President/ Owner	Bill Cramer Motors, Inc Donalsonville, Georgia
		President/ Owner	Outlet Rental Car Sales of Dothan, Inc. Dothan, Alabama
		President/ Owner	Cramer Properties, Inc Panama City, Florida
		President/ Owner	Cramer Properties of Alabama, Inc. Dothan, Alabama
		President/ Owner	Cramer Investments, Inc. Panama City, Florida
		President/ Partner	Cramer Investments, LLC Panama City, Florida
		President/ Partner	Cramer Brothers Investments, LLC Dothan, Alabama

## *Affiliation of Officers and Directors*

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2006**

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Cramer (continued)		Director	Ceres Technologies, Inc. Panama City, Florida
		Partner	The Cramer Family Limited Partnership Panama City, Florida
		President & Partner	Outlet Enterprises, LLC Enterprise, Alabama
Fred C. Donovan, Sr.	Chairman/CEO	Chairman/CEO	Baskerville-Donovan, Inc. Pensacola, Florida
		Chairman	Baptist-Health Care, Inc. Pensacola, Florida
		Partner	Mainstreet Partnership Pensacola, Florida
William A. Pullum	Realtor/Developer	Broker/President	Bill Pullum Realty, Inc. Navarre, Florida
		President/ Director	Belleville Properties, Inc. Navarre, Florida
		Trustee	Betty J. Pullum Irrevocable Insurance Trust Navarre, Florida
		President/ Director	Bill & Martha Pullum Family Foundation, Inc. Navarre, Florida
		President/ Director	BPP, Inc. Navarre, Florida
		Sole Member	BPP, LLC Navarre, Florida

## *Affiliation of Officers and Directors*

**Company: Gulf Power Company**

**For the Year Ended December 31, 2006**

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Pullum (continued)		President/ Director	Bridgewater Properties, Inc. Pensacola, Florida
		Partner	Centurion Properties Pensacola, Florida
		President/ Director	Cowboy's Steakhouse, Inc. Navarre, Florida
		President/ Director	Crescent Shores Properties, Inc. Navarre, Florida
		Trustee	E. H. Pullum Trust Navarre, Florida
		Member	Emerald Coast Gents, LLC Mary Esther, Florida
		Partner	Gentry Farms Navarre, Florida
		President/ Director	Helicopters of Northwest Florida, Inc. Navarre, Florida
		Sole Member	Navarre Ventures, LLC Navarre, Florida
		President/ Director	Northwood Properties, Inc. Pensacola, Florida
		President/ Director	Our Town Properties, Inc. Navarre, Florida
		Manager/Member	OTP, LLC Navarre, Florida

## *Affiliation of Officers and Directors*

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2006**

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Pullum (continued)		President/ Director	Paco Properties, Inc. Navarre, Florida
		President/ Director	Persimmon Properties, Inc. Navarre, Florida
		Member	Pullman Commerce Park, LLC Navarre, Florida
		Trustee	Pullum Family Irrevocable Insurance Trust Navarre, Florida
		President/ Director	Pullum Properties, Inc. Navarre, Florida
		President/ Director	Pullum, Saba & Cotton Realty, Inc. Pace, Florida
		President/ Director	Rotary Properties, Inc. Navarre, Florida
		Director	Santa Rosa Properties, Inc. Selma, Alabama
		Sole Member	Snowsnake Aviation, LLC Navarre, Florida
		Director	The Animal Park, Inc. Gulf Breeze, Florida
		Partner	Turkey Creek Developers Pensacola, Florida
		Member	Vic's of Navarre, LLC Navarre, Florida

## ***Business Contracts with Officers, Directors and Affiliates***

**Company: Gulf Power Company**

**For the Year Ended December 31, 2006**

List all contracts, agreements, or other business arrangements\* entered into during the calendar year (other than compensation-related to position with respondent) between the respondent and each officer and director listed in Part 1 of the Executive Summary. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

Note \* Business agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years.

<b>Name of Officer or Director</b>	<b>Name and Address of Affiliated Entity</b>	<b>Amount</b>	<b>Identification of Product or Service</b>
Fred C. Donovan, Sr.	Baskerville Donovan Engineers, Inc 449 West Main St. Pensacola, FL 32502	30,016.00	Engineering & Design Services



*Reconciliation of Gross Operating Revenues  
Annual Report versus Regulatory Assessment Fee Return*

**Company:** Gulf Power Company

**For the Year Ended December 31, 2006**

For the current year, reconcile the gross operating revenues as reported on Page 300 of this report with the gross operating revenues as reported on the utility's regulatory assessment fee return. Explain and justify any differences between the reported gross operating revenues in column (h).								
Line No.	(a) Description	(b) Gross Operating Revenues per Page 300	(c) Interstate and Sales for Resale Adjustments	(d) Adjusted Intrastate Gross Operating Revenues	(e) Gross Operating Revenues per RAR Return	(f) Interstate and Sales for Resale Adjustments	(g) Adjusted Intrastate Gross Operating Revenues	(h) Difference (d)-(g)
1	Total Sales to Ultimate Customers (440-446, 448)	\$1,101,059,843.30	\$0.00	\$1,101,059,843.30	\$1,101,059,843.30	\$0.00	\$1,101,059,843.30	\$0.00
2	Sales for Resale (447)	16,204,154.68	16,204,154.68	0.00	16,204,154.68	16,204,154.68		
3	Total Sales of Electricity	1,117,263,997.98	16,204,154.68	1,101,059,843.30	1,117,263,997.98	16,204,154.68	1,101,059,843.30	
4	Provision for Rate Refunds (449.1)	(66,336.76)		(66,336.76)	(66,336.76)		(66,336.76)	
5	Total Net Sales of Electricity	1,117,330,334.74	16,204,154.68	1,101,126,180.06	1,117,330,334.74	16,204,154.68	1,101,126,180.06	
6	Total Other Operating Revenues (450-456)	86,704,525.71		86,704,525.71	86,704,525.71	0.00	86,704,525.71	0.00
7	Other (Specify)							
8								
9								
10	Total Gross Operating Revenues	\$1,204,034,860.45	\$16,204,154.68	\$1,187,830,705.77	\$1,204,034,860.45	\$16,204,154.68	\$1,187,830,705.77	0.00

Notes:

***Analysis of Diversification Activity***  
***Changes in Corporate Structure***

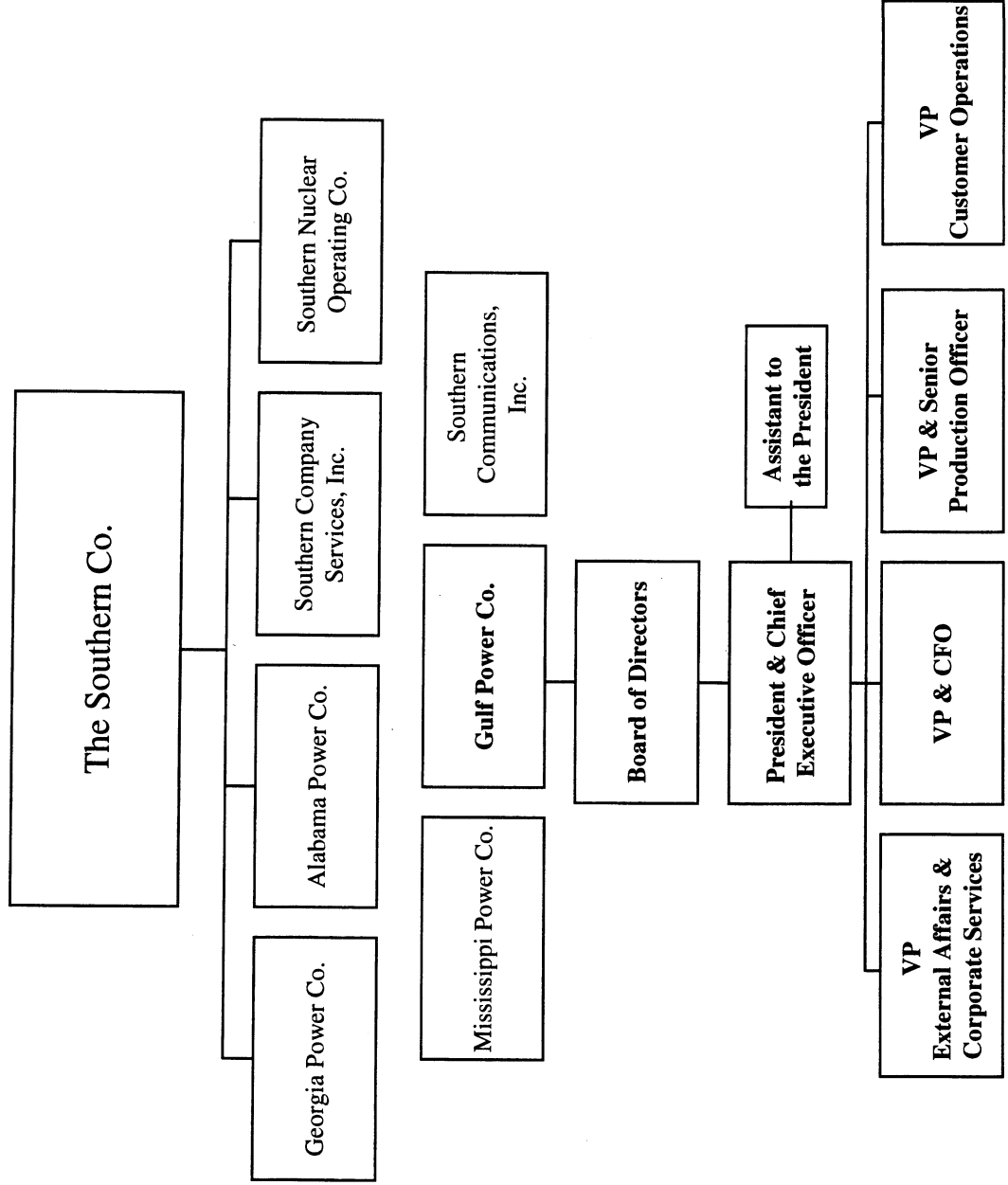
***Company: Gulf Power Company***

***For the Year Ended December 31, 2006***

Provide any changes in corporate structure including partnerships, minority interest, and joint ventures and an updated organizational chart, including all affiliates.

Effective Date (a)	Description of Change (b)
July, 2006	Savannah Electric & Power Co merged with Gerogia Power Co.

**The Southern Company  
Parent & Affiliates  
December, 2006**



***Analysis of Diversification Activity***  
***New or Amended Contracts with Affiliated Companies***

***Company: Gulf Power Company***

***For the Year Ended December 31, 2006***

<p>Provide a synopsis of each new or amended contract, agreement, or arrangement with affiliated companies for the purchase, lease, or sale of land, goods, or services (excluding tariffed items). The synopsis shall include, at a minimum, the terms, price, quantity, amount, and duration of the contracts.</p>	
<p>Name of Affiliated Company (a)</p>	<p>Synopsis of Contract (b)</p>
<p>No new or amended contract, agreement, or arrangement has transpired with affiliated companies during 2006.</p>	

## *Analysis of Diversification Activity*

### *Individual Affiliated Transactions in Excess of \$500,000*

**Company: Gulf Power Company**

**For the Year Ended December 31, 2006**

Provide information regarding individual affiliated transactions in excess of \$500,000. Recurring monthly affiliated transactions which exceed \$500,000 per month should be reported annually in the aggregate. However, each land or property sales transaction even though similar sales recur, should be reported as a "non-recurring" item for the period in which it occurs.

Name of Affiliate (a)	Description of Transaction (b)	Dollar Amount (c)
Georgia Power Company	Plant Scherer Unit No. 3 - Capital Cost, Fuel Purchases, O&M Expenses and Labor Benefits and Taxes	22,826,004.18
Mississippi Power Company	Plant Daniel - Capital Cost, Fuel Purchases, O&M Expenses, and Labor Benefits and Taxes	117,909,032.06
Southern Company Energy Solutions, Inc.	Remittance of Collections from Billings on Behalf of SCES, Inc.	6,855,127.50
Southern Company	Common Stock Dividends Paid	70,300,000.00
Southern Company Services, Inc.	Professional Services	58,849,037.21
	Other Payments to SCS	
	Income Taxes	50,793,925.55
	Payroll Related	50,190,369.47
	Interchange	8,506,651.19
	Fuel Stock - Gas	145,626,627.28
	Sales to SCS	
	Interchange	116,201,108.66
	Unit Power Sales	4,004,920.30

***Analysis of Diversification Activity***  
***Summary of Affiliated Transfers and Cost Allocations***

***Company: Gulf Power Company***

***For the Year Ended December 31, 2006***

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

(a) Enter name of affiliate.

(b) Give description of type of service, or name the product involved

(c) Enter contract or agreement effective dates

(d) Enter the letter "p" if the service or product is purchased by the Respondent: "s" if the service or product is sold by the Respondent.

(e) Enter utility account number in which charges are recorded.

(f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (c)	Total Charge for Year		
			"p" or "s" (d)	Account Number (e)	Dollar Amount (f)
Alabama Power Company	Trans. Facilities Services	June 18, 1980	P	567	76,125.60
	Trans. Facilities Services	February 25, 1981	P	567	498,500.04
	Substation Design Services	None	P	308	1,638,227.04
	Fuel & Fuel Testing	None	P	151, 501, 506	108,744.75
	Storm Expenses	None	P	300	38,516.81
	Misc. Business Transaction	None	P	Various	967,158.52
	Material & Misc. Bus. Trans.	None	S	Various	2,810,799.76
Georgia Power Company	Plant Scherer Unit No. 3	Cost of Ownership	P	Various	22,826,004.18
	Storm Expenses	None	P	300	828,511.29
	Misc. Business Transactions	None	P	Various	720,689.08
	Material & Misc. Bus. Trans.	None	S	Various	529,049.78
Mississippi Power Company	Trans. Facilities Services	April 20, 1981	P	567	588,324.00
	Plant Daniel	Cost of Ownership	P	Various	117,909,032.06
	Storm Expenses	None	P	300	157,888.70
	Misc. Business Transactions	None	P	Various	109,574.52
	Material & Misc. Bus. Trans.	None	S	Various	10,650,730.58
Savannah Electric and Power Company	Material & Misc. Bus. Trans.	None	P	Various	23.00
	Storm Expenses	None	P	Various	164,966.68
	Material & Misc. Bus. Trans.	None	S	Various	5,292.76
Southern Communications Services, Inc.	Radio Equipment, Accessories, & Service Charges	October 1, 1995	P	Various	1,017,680.23
	Storm Expenses	None	P	300	25,083.21
	Material & Misc. Bus. Trans.	None	S	Various	62,244.29

**Analysis of Diversification Activity**  
**Summary of Affiliated Transfers and Cost Allocations**

**Company: Gulf Power Company**  
**For the Year Ended December 31, 2006**

<p>Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.</p> <p>(a) Enter name of affiliate.</p> <p>(b) Give description of type of service, or name the product involved</p> <p>(c) Enter contract or agreement effective dates</p> <p>(d) Enter the letter "p" if the service or product is purchased by the Respondent: "s" if the service or product is sold by the Respondent</p> <p>(e) Enter utility account number in which charges are recorded</p> <p>(f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.</p>					
Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (c)	Total Charge for Year		
			"p" or "s" (d)	Account Number (e)	Dollar Amount (f)
Southern Company Energy Solutions, Inc.	Remittance of Collections from Billing on Behalf of SCES, Inc. Materials & Misc. Bus. Trans.	March 1, 1995	P	Various	6,855,127.50
		March 1, 1995	S	Various	374,230.53
Southern Management Development, Inc.	Material & Misc. Bus. Trans.	None	P	Various	95,209.50
	Material & Misc. Bus. Trans.	None	S	146	1,620.73
Southern Energy, Inc.	Material & Supplies Trans.	July 17, 1981	P	154, 701	344,480.24
	Material & Misc. Bus. Trans.	July 17, 1981	S	Various	0.00
Southern Nuclear Operating Company, Inc.	Material & Misc. Bus. Trans.	None	P	Various	0.00
	Material & Misc. Bus. Trans.	None	S	Various	13.47
Southern Company	Common Stock Dividends Paid	None	P	238	70,300,000.00
Southern Company Services, Inc.	Service Agreement	January 1, 1984 Amended September 6, 1985	P	Various	307,561,812.66
	Agency Agreement	January 26, 2000	P	Various	8,506,651.19
	Interchange	February 17, 2000	S	Various	116,201,108.66
	Interchange	February 17, 2000	S	Various	27,829,812.03
	Misc. Business Transactions	None	S	Various	27,829,812.03
	Unit Power Sales	Various	S	Various	4,004,920.30

## Analysis of Diversification Activity

### Assets or Rights Purchased from or Sold to Affiliates

**Company: Gulf Power Company**

**For the Year Ended December 31, 2006**

Provide a summary of affiliated transactions involving asset transfers or the right to use assets.

Name of Affiliate	Description of Asset or Right	Cost/Orig. Cost	Accumulated Depreciation	Net Book Value	Fair Market Value	Purchase Price	Title Passed Yes/No
Purchases from Affiliates:		\$	\$	\$	\$	\$	
No Real Estate Transactions have transpired between Affiliated Companies in 2006.							
<b>Total</b>						\$	
Sales to Affiliates:		\$	\$	\$	\$	Sales Price	
<b>Total</b>						\$	



***Analysis of Diversification Activity***  
***Employee Transfers***

***Company: Gulf Power Company***

***For the Year Ended December 31, 2006***

List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company.				
Company Transferred From	Company Transferred To	Old Job Assignment	New Job Assignment	Transfer Permanent or Temporary and Duration
Alabama Power Co	Gulf Power Co	Safety Services Coordinator	E&C Supervisor	Permanent
Alabama Power Co	Gulf Power Co	Engineer I	Engineer Sr	Permanent
Alabama Power Co	Gulf Power Co	Engineer I	Engineer Sr	Permanent
Alabama Power Co	Gulf Power Co	Sr Customer Service Rep	Customer Service Rep Sr	Permanent
Alabama Power Co	Gulf Power Co	Team Leader - Operations	Compliance & Support Manager	Permanent
Alabama Power Co	Gulf Power Co	Team Leader - Maintenance	Engineer I	Permanent
Alabama Power Co	Gulf Power Co	Plant Control Operations	Team Leaders Operation	Permanent
Alabama Power Co	Gulf Power Co	Operations Manager	Plant Manager	Permanent
Alabama Power Co	Gulf Power Co	Employee Development Coord	Training Analyst Sr	Permanent
Alabama Power Co	Gulf Power Co	Team Leader	Assistant to President	Permanent
Southern Co Energy Solutions	Gulf Power Co	Market Team Leader	Lighting & Energy Svcs Team Leader	Permanent
Georgia Power Co	Gulf Power Co	Engineer I	Engineer Sr	Permanent
Georgia Power Co	Gulf Power Co	Lineman	Underground Coordinator II	Permanent
Georgia Power Co	Gulf Power Co	Team Leader - Operations	Maintenance Mgr	Permanent

***Analysis of Diversification Activity***  
***Employee Transfers***

***Company: Gulf Power Company***  
***For the Year Ended December 31, 2006***

List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company.				
Company Transferred From	Company Transferred To	Old Job Assignment	New Job Assignment	Transfer Permanent or Temporary and Duration
Georgia Power Co	Gulf Power Co	Maintenance Mgr	Plant Manager	Permanent
Mississippi Power Co	Gulf Power Co	Engineer I	Engineer I	Permanent
Savannah Electric	Gulf Power Co	Transmission Supv	E&C Supervisor	Terminated Effective 3/10/2006
Southern Co Svcs	Gulf Power Co	HR Business Consultant Staff	Labor Relations Representative	Permanent
Southern Co Svcs	Gulf Power Co	Financial & Control Svcs Director	Comptroller	Permanent
Southern Co Svcs	Gulf Power Co	Sourcing Agent	Contract Agent	Permanent
Southern Co Svcs	Gulf Power Co	System Operator Sr	Power Systems Coordinator I	Permanent
Southern Nuclear	Gulf Power Co	Accountant II	Compliance Specialist-Financial	Permanent
Gulf Power Co	Alabama Power Co	Skills Developmental Supervisor	Training Supervisor	Permanent
Gulf Power Co	Alabama Power Co	Team Leader - Operations	Team Leader - Operations	Permanent
Gulf Power Co	Alabama Power Co	Accountant II	Accountant II	Permanent
Gulf Power Co	Alabama Power Co	Metering Services Supervisor	Distribution Support Manager	Permanent
Gulf Power Co	Alabama Power Co	Underground Coordinator Sr	Line Construction Specialist I	Permanent
Gulf Power Co	Alabama Power Co	Engineer II	Engineer I	Permanent

***Analysis of Diversification Activity***  
***Employee Transfers***

***Company: Gulf Power Company***  
***For the Year Ended December 31, 2006***

List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company.				
Company Transferred From	Company Transferred To	Old Job Assignment	New Job Assignment	Transfer Permanent or Temporary and Duration
Gulf Power Co	Alabama Power Co	Maintenance Manager	Planning & Engineering Mgr	Permanent
Gulf Power Co	Alabama Power Co	Engineer II	Engineer II	Permanent
Gulf Power Co	Georgia Power Co	P&M Technical Support Asst	Support Asst	Permanent
Gulf Power Co	Georgia Power Co	Engineer Sr	Engineer I	Permanent
Gulf Power Co	Mississippi Power Co	Engineer III	Compliance Specialist	Permanent
Gulf Power Co	Mississippi Power Co	Engineer Sr	Engineer Sr	Permanent
Gulf Power Co	Southern Co Svcs	Corp Security & Risk Mgmt Mgr	Business Assurance Principal	Permanent
Gulf Power Co	Southern Co Svcs	Team Leader - Planning	Project Manager	Permanent
Gulf Power Co	Southern Co Svcs	Engineer Sr	Assistant Site Mgr	Permanent
Gulf Power Co	Southern Co Svcs	Assistant to EVP	Compliance & Support Manager	Permanent
Gulf Power Co	Southern Co Svcs	Procurement & Material Manager	Project Manager	Permanent
Gulf Power Co	Southern Co Svcs	Accountant Sr	Field Office Specialist Sr	Permanent
Gulf Power Co	Southern Co Svcs	Engineer Tech I	Administrative Specialist Sr	Permanent



## Nonutility Property (Account 121)

**Company:** *Gulf Power Company*

**For the Year Ended December 31, 2006**

1. Give a brief description and state the location of Nonutility property included in Account 121.
2. Designate with a double asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.
3. Furnish particulars (details) concerning sales, purchases, or transfers of nonutility property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.
5. Minor items (5% of the balance at the end of the year), for Account 121 or \$100,000, whichever is less) may be grouped by (1) previously devoted to public service, or (2) other property nonutility property.

Description and Location	Balance at beginning of year	Purchases, Sales, Transfers, etc.	Balance at end of year
Previously Devoted to Public Service: 37 parcels of minor items previously devoted to Public Service.	287,596	(10,530)	277,066
Other Non-Utility Property:			
Blackwater Substation Site - December 1984	181,083	0	181,083
Operation Center Additional Land	0	9,383,226	9,383,226
Surge Protection Equipment	2,064,829	404,556	2,469,385
5 parcels of minor items devoted to Other Nonutility Property.	26,104	0	26,104
<b>Totals</b>	<b>2,559,612</b>	<b>9,777,252</b>	<b>12,336,864</b>

***Number of Electric Department Employees***

***Company: Gulf Power Company***

***For the Year Ended December 31, 2006***

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.
3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.

1. Payroll Period Ended (Date)	12/31/2006
--------------------------------	------------

2. Total Regular Full-Time Employees	1,305
--------------------------------------	-------

3. Total Part-Time and Temporary Employees	17
--	----

4. Total Employees	1,322
--------------------	-------

**Details**

Total Employees do not include SCS Employees On-Site.

**Particulars Concerning Certain Income Deductions and Interest Charges Accounts**

**Company: Gulf Power Company**

**For the Year Ended December 31, 2006**

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425) -- Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and Related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Item	Amount
Miscellaneous Amortization of Utility (Account 425)	
Plant Acquisition Adjustment-Plant Scherer Common Facilities (Contra Acct 114 Amortized over a period of 34 years.)	255,312
<b>Subtotal - 425</b>	<b>255,312</b>
Miscellaneous Income Deductions (Account 426)	
Account 426.1 Donations	
Religious	4,225
Charitable	579,472
Health & Human Services	17,034
Community	19,125
Civic	19,964
Education	1,029,935
Miscellaneous Donations	32,926
Donations made indirectly through SCS	29,658
<b>Subtotal - 426.1</b>	<b>1,732,339</b>
<b>Account 426.3 - Penalties</b>	<b>65,583</b>
Account 426.4 Expenditures for Certain Civic, Political & Related Activities	
Salaries and Wages	439,442
Employee Expenses	46,450
Office and Related Expenses	36,177
Organizations & Dues	124,279
Outside Services Employed/Consultants	900,999
PAC Expenses	16,596
<b>Subtotal - 426.4</b>	<b>1,563,943</b>
Account 426.5 Other Deductions	
Miscellaneous Non-operating Expenses	563,046
Employee Fees & Dues in Civic & Social Clubs	65,791
Competitive Trade Losses	(41,679)
Good Cents National Sales	120,292
<b>Subtotal - 426.5</b>	<b>707,450</b>
<b>Account 431 - Interest on Debt to Associated Companies</b>	<b>8,022,552</b>
<b>Total</b>	<b>12,347,179</b>

## Gulf Power Company Annual Status Report of Depreciation Data

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In compliance with rule 25-0436 section (9) depreciation, the attached schedules include booked plant and reserve activities for each category of investment for which a depreciation, amortization, or capital recovery schedule has been approved.

The depreciation rates and amortizations for 2006 were approved effective January 1, 2006, in Docket No. 050381-EI issued May, 19, 2006.

Attached schedules include:

- Electric Plant-in-Service by depreciable category
- Accumulated Provisions for Depreciation by category



GULF POWER COMPANY  
ELECTRIC PLANT IN SERVICE  
ACTUAL: DECEMBER, 2006

Sheet 1 of 3

	Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
<b>INTANGIBLE:</b>						
Organization	7,417.45	0.00	0.00	0.00	0.00	7,417.45
Franchises and Consents	594.15	0.00	0.00	0.00	0.00	594.15
<b>TOTAL INTANGIBLE:</b>	<u>8,011.60</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>8,011.60</u>
<b>STEAM PRODUCTION:</b>						
<b>DANIEL PLANT:</b>						
Plant	220,517,114.80	17,030,904.79	(2,918,466.26)	0.00	0.00	234,629,553.33
Land	967,300.94	0.00	0.00	0.00	0.00	967,300.94
Easements	77,160.27	0.00	0.00	0.00	0.00	77,160.27
Cooling Lake, 23 Year	8,954,191.92	0.00	0.00	0.00	0.00	8,954,191.92
Rail Track System	2,741,618.37	0.00	0.00	0.00	0.00	2,741,618.37
Asset Retirement Obligation	1,629,456.32	0.00	0.00	0.00	0.00	1,629,456.32
<b>TOTAL DANIEL PLANT:</b>	<u>234,866,842.62</u>	<u>17,030,904.79</u>	<u>(2,918,466.26)</u>	<u>0.00</u>	<u>0.00</u>	<u>248,999,281.15</u>
<b>CRIST PLANT:</b>						
Plant	518,682,603.54	19,371,366.84	(12,517,932.42)	0.00	0.00	525,536,037.96
Land	4,488,000.74	1,514,841.57	0.00	0.00	0.00	6,002,842.31
Easements	0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year	141,840.00	0.00	0.00	0.00	0.00	141,840.00
- 5 Year	25,140.88	141.70	(6,385.06)	0.00	0.00	18,897.52
- 7 Year	3,266,196.02	1,029,709.99	(247,701.58)	0.00	0.00	4,048,204.43
Asset Retirement Obligation	1,171,623.87	0.00	0.00	0.00	0.00	1,171,623.87
<b>TOTAL CRIST PLANT:</b>	<u>527,775,405.05</u>	<u>21,916,060.10</u>	<u>(12,772,019.06)</u>	<u>0.00</u>	<u>0.00</u>	<u>536,919,446.09</u>
<b>SCHOLZ PLANT:</b>						
Plant	29,793,586.19	148,267.83	(102,643.75)	0.00	0.00	29,829,210.27
Land	44,578.61	0.00	0.00	0.00	0.00	44,578.61
Base Coal, 5 Year	71,300.00	0.00	0.00	0.00	0.00	71,300.00
- 5 Year	0.00	0.00	0.00	0.00	0.00	0.00
- 7 Year	170,317.13	0.00	(59,734.00)	0.00	0.00	110,583.13
Asset Retirement Obligation	358,442.02	0.00	0.00	0.00	0.00	358,442.02
<b>TOTAL SCHOLZ PLANT:</b>	<u>30,428,223.95</u>	<u>148,267.83</u>	<u>(162,377.75)</u>	<u>0.00</u>	<u>0.00</u>	<u>30,414,114.03</u>
<b>SMITH PLANT:</b>						
Plant	137,759,075.78	3,011,010.99	(262,232.49)	0.00	0.00	140,507,854.28
Land	1,403,763.68	0.00	0.00	0.00	0.00	1,403,763.68
Base Coal, 5 Year	108,300.00	0.00	0.00	0.00	0.00	108,300.00
- 5 Year	22,885.67	0.00	0.00	0.00	0.00	22,885.67
- 7 Year	877,714.34	202,546.34	(34,478.22)	0.00	0.00	1,045,782.46
Asset Retirement Obligation	555,234.91	0.00	0.00	0.00	0.00	555,234.91
<b>TOTAL SMITH PLANT:</b>	<u>140,726,974.38</u>	<u>3,213,557.33</u>	<u>(296,710.71)</u>	<u>0.00</u>	<u>0.00</u>	<u>143,643,821.00</u>
<b>SCHERER PLANT:</b>						
Plant	181,465,813.14	1,533,928.43	(468,480.22)	0.00	0.00	182,531,261.35
Land	823,712.83	0.00	0.00	(3,091.41)	0.00	820,621.42
- 7 Year	23,517.42	34,896.71	(64,793.09)	0.00	0.00	(6,378.96)
Asset Retirement Obligation	124,182.76	0.00	0.00	0.00	0.00	124,182.76
<b>TOTAL SCHERER PLANT:</b>	<u>182,437,226.15</u>	<u>1,568,825.14</u>	<u>(533,273.31)</u>	<u>(3,091.41)</u>	<u>0.00</u>	<u>183,469,686.57</u>
<b>TOTAL STEAM PRODUCTION:</b>	<u>1,116,254,672.15</u>	<u>43,877,615.19</u>	<u>(16,682,847.09)</u>	<u>(3,091.41)</u>	<u>0.00</u>	<u>1,143,446,218.84</u>

**OTHER PRODUCTION:**

**LAND - NON-DEPRECIABLE:**

Land - Non-Depreciable

**TOTAL LAND - NON-DEPRECIABLE:**

**SMITH PLANT CT:**

Structures and Improvements

Fuel Holders and Accessories

Prime Movers

Generators

Accessory Electric Equipment

Miscellaneous Equipment

**TOTAL SMITH PLANT CT:**

**SMITH PLANT UNIT 3 COMBINED CYCLE:**

Structures and Improvements

Fuel Holders and Accessories

Prime Movers

Generators

Accessory Electric Equipment

Miscellaneous Equipment

**TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:**

**PACE PLANT:**

Prime Movers

Generators

Accessory Electric Equipment

Miscellaneous Equipment

Asset Retirement Obligation

**TOTAL PACE PLANT:**

**TOTAL OTHER PRODUCTION:**

**TOTAL PRODUCTION:**

**TRANSMISSION:**

Land

Easements

Structures and Improvements

Station Equipment

Towers and Fixtures

Poles and Fixtures

Overhead Conductors & Devices

Underground Conductors & Devices

Roads and Trails

Asset Retirement Obligation

**TOTAL TRANSMISSION:**

Balance  
End of Year

Transfers

Adjustments

Retirements

Additions

Balance  
First of Year

337,695.94

337,695.94

793,227.83

283,273.55

83,106.40

3,063,475.80

126,272.91

4,331.80

4,353,688.29

10,647,457.41

2,913,767.34

93,654,436.22

67,096,204.08

10,683,514.86

705,926.68

185,701,306.59

6,790,595.44

3,107,233.23

584,090.42

0.00

397,194.35

10,879,113.44

201,271,804.26

1,344,718,153.10

2,157,028.28

10,646,188.78

6,971,060.64

86,215,796.54

35,714,484.94

60,743,256.75

54,041,475.61

14,094,502.43

64,916.59

8,987.37

270,657,697.93

GULF POWER COMPANY  
ELECTRIC PLANT IN SERVICE  
ACTUAL: DECEMBER, 2006

Sheet 3 of 3

**DISTRIBUTION:**

	Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
Land	360.0	190,449.17	0.00	(1,705.96)	0.00	2,024,043.93
Easements	360.2	0.00	0.00	0.00	0.00	0.00
Structures and Improvements	361	117,796.47	(34,680.19)	0.00	0.00	13,431,400.67
Station Equipment	362	6,468,787.11	(1,810,523.72)	0.00	130,154.26	139,846,071.28
Poles, Towers & Fixtures	364	5,054,316.04	(891,277.36)	0.00	25,809.23	106,262,675.11
Overhead Conductors & Devices	365	5,163,927.55	(1,324,230.11)	0.00	(408,550.98)	111,201,069.18
Underground Conduit	366	6,725.48	0.00	0.00	0.00	1,217,590.92
Underground Conductors & Devices	367	8,871,030.29	(723,509.44)	0.00	410,736.97	91,382,239.24
Line Transformers	368	14,861,011.27	(2,988,934.11)	0.00	(60,552.76)	184,756,276.68
Services:						
- Overhead	369.1	2,295,265.72	(299,627.14)	0.00	0.00	45,045,379.39
- Underground	369.2	2,550,878.94	(132,130.59)	0.00	0.00	36,180,013.14
- House Power Panel	369.3	0.00	(375,284.73)	0.00	0.00	2,638,586.25
Meters	370	3,413,400.96	(1,179,286.63)	0.00	3,279.02	46,013,107.80
Street Lighting & Signal Systems	373	5,007,030.84	(1,308,238.89)	0.00	0.00	51,445,802.46
Asset Retirement Obligation	374	0.00	0.00	0.00	0.00	49,826.76
<b>TOTAL DISTRIBUTION:</b>	<b>788,262,016.10</b>	<b>54,000,619.84</b>	<b>(10,867,722.91)</b>	<b>(1,705.96)</b>	<b>100,875.74</b>	<b>831,494,082.81</b>

**GENERAL PLANT:**

Land	389.0	1,631,233.76	0.00	(1,361,331.44)	0.00	7,132,609.41
Structures and Improvements	390	864,005.93	(263,030.96)	0.00	0.00	56,438,168.64
Office Furniture & Equipment:						
- Computer, 5 Year	391	560,031.33	0.00	0.00	0.00	1,761,359.27
- Non-Computer, 7 Year	391	592,226.84	(286,125.10)	0.00	0.00	2,344,265.16
Transportation Equipment:						
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00
- Light Trucks	392.2	245,547.85	(158,573.16)	0.00	0.00	5,286,372.17
- Heavy Trucks	392.3	1,341,554.82	(3,410,160.47)	0.00	0.00	19,321,819.90
- Trailers	392.4	23,387.33	(68,337.54)	0.00	0.00	1,138,110.05
- Marine, 5 Year	392	0.00	(38,502.01)	0.00	0.00	55,065.04
Stores Equipment - 7 Year	393	295,620.47	0.00	0.00	0.00	652,716.16
Tools, Shop & Garage Equip. - 7 Year	394	31,093.29	(110,822.30)	0.00	0.00	2,099,343.89
Laboratory Equipment - 7 Year	395	333,005.08	(206,568.98)	0.00	0.00	2,586,490.48
Power Operated Equipment	396	0.00	0.00	0.00	0.00	593,660.89
Communication Equipment:						
- Other	397	750,609.63	(421,146.68)	0.00	0.00	17,210,630.69
- 7 Year	397	249,008.36	(92,760.37)	0.00	0.00	1,516,842.60
Miscellaneous Equipment - 7 Year	398	389,138.52	(199,845.69)	0.00	0.00	2,320,384.46
Asset Retirement Obligation	399.1	0.00	0.00	0.00	0.00	200,806.67
<b>TOTAL GENERAL:</b>	<b>119,969,386.97</b>	<b>7,306,463.21</b>	<b>(5,255,873.26)</b>	<b>(1,361,331.44)</b>	<b>0.00</b>	<b>120,658,645.48</b>
<b>TOTAL ELECTRIC PLANT-IN-SERVICE:</b>	<b>2,488,836,550.12</b>	<b>122,090,016.16</b>	<b>(42,019,990.01)</b>	<b>(1,369,985.35)</b>	<b>(0.00)</b>	<b>2,567,536,590.92</b>

GULF POWER COMPANY  
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION  
ACTUAL: DECEMBER, 2006

Sheet

**STEAM PRODUCTION:**

**DANIEL PLANT:**

Plant	105,865,182.51	7,091,713.00	(2,918,466.26)	(1,122,804.86)	111,391.50	0.00	109,027,015.89
Easements	50,748.96	848.76	0.00	0.00	0.00	0.00	51,597.72
Cooling Lake, 23 Year	8,954,191.92	0.00	0.00	0.00	0.00	0.00	8,954,191.92
Rail Track System	1,864,719.92	27,416.16	0.00	0.00	0.00	0.00	1,892,136.08
Dismantlement - Fixed	14,264,188.44	724,251.64	0.00	0.00	0.00	0.00	14,988,440.08
Asset Retirement Obligation	955,614.66	539,073.33	0.00	0.00	0.00	0.00	1,494,687.99

**TOTAL DANIEL PLANT:**

131,954,646.41

111,391.50

136,408,069.68

**CRIST PLANT:**

Plant	198,899,001.02	19,879,557.12	(12,517,932.42)	(1,357,511.52)	513,970.54	661,003.98	206,078,088.72
Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year	141,840.00	0.00	0.00	0.00	0.00	0.00	141,840.00
- 5 Year	16,052.79	5,028.04	(6,385.06)	0.00	0.00	0.00	14,695.77
- 7 Year	863,921.80	466,599.24	(247,701.58)	0.00	0.00	0.00	1,082,819.46
Dismantlement - Fixed	43,583,760.32	2,643,175.33	0.00	0.00	0.00	0.00	46,226,935.65
Asset Retirement Obligation	619,748.40	84,529.30	0.00	0.00	0.00	0.00	704,277.70

**TOTAL CRIST PLANT:**

244,124,324.33

661,003.98

254,248,657.30

**SCHOLZ PLANT:**

Plant	24,008,789.32	1,252,210.32	(102,643.75)	(7,337.14)	0.00	0.00	25,151,018.75
Base Coal, 5 Year	71,300.00	0.00	0.00	0.00	0.00	0.00	71,300.00
- 5 Year	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- 7 Year	66,060.14	24,330.89	(59,734.00)	0.00	0.00	0.00	30,657.03
Dismantlement - Fixed	9,045,779.44	465,503.67	0.00	0.00	0.00	0.00	9,511,283.11
Asset Retirement Obligation	303,620.28	9,136.92	0.00	0.00	0.00	0.00	312,757.20

**TOTAL SCHOLZ PLANT:**

33,495,549.18

0.00

35,077,016.09

**SMITH PLANT:**

Plant	61,790,047.77	5,419,679.80	(262,232.49)	(279,311.70)	0.00	0.00	66,668,183.38
Base Coal, 5 Year	108,300.00	0.00	0.00	0.00	0.00	0.00	108,300.00
- 5 Year	8,942.52	4,577.16	0.00	0.00	0.00	0.00	13,519.68
- 7 Year	235,427.25	125,388.05	(34,478.22)	0.00	0.00	0.00	326,337.08
Dismantlement - Fixed	14,885,551.04	868,573.35	0.00	0.00	0.00	0.00	15,754,124.39
Asset Retirement Obligation	395,748.04	10,823.94	0.00	0.00	0.00	0.00	406,571.98

**TOTAL SMITH PLANT:**

77,424,016.82

0.00

83,277,036.51

**SCHERER PLANT:**

Plant	81,341,215.08	3,445,481.10	(468,480.22)	(213,136.49)	173,257.88	0.00	84,278,337.35
- 7 Year	10,762.18	4,109.29	(64,793.09)	0.00	0.00	0.00	(49,921.62)
Dismantlement - Fixed	4,312,688.28	113,483.68	0.00	0.00	0.00	0.00	4,426,171.96
Asset Retirement Obligation	48,653.96	2,041.32	0.00	0.00	0.00	0.00	50,695.28

**TOTAL SCHERER PLANT:**

85,713,319.50

0.00

88,705,282.97

**TOTAL STEAM PRODUCTION:**

572,711,856.04

661,003.98

597,716,062.55

GULF POWER COMPANY  
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION  
ACTUAL: DECEMBER, 2006

Sheet 2 of 3

OTHER PRODUCTION:

SMITH PLANT CT:

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
341 Structures and Improvements	622,202.89	3,172.92	0.00	0.00	0.00	0.00	625,375.81
342 Fuel Holders and Accessories	234,189.19	1,133.04	0.00	0.00	0.00	0.00	235,322.23
343 Prime Movers	64,125.45	332.40	0.00	0.00	0.00	0.00	64,457.85
344 Generators	3,149,414.22	12,253.92	0.00	0.00	0.00	0.00	3,161,668.14
345 Accessory Electric Equipment	99,894.91	505.08	0.00	0.00	0.00	0.00	100,399.99
346 Miscellaneous Equipment	4,492.14	17.28	0.00	0.00	0.00	0.00	4,509.42
Dismantlement - Fixed	143,084.04	6,827.65	0.00	0.00	0.00	0.00	149,911.69
<b>TOTAL SMITH PLANT CT:</b>	<b>4,317,402.84</b>	<b>24,242.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,341,645.13</b>

SMITH PLANT UNIT 3 COMBINED CYCLE:

341 Structures and Improvements	2,048,147.56	425,788.50	0.00	(480.00)	0.00	0.00	2,473,456.06
342 Fuel Holders and Accessories	553,963.09	115,947.84	(13,399.98)	(2,253.00)	0.00	0.00	654,257.95
343 Prime Movers	(952,590.98)	3,761,087.84	(7,704,417.16)	1,236,624.60	0.00	(1,497,955.00)	(5,157,250.70)
344 Generators	5,428,822.84	2,683,848.12	0.00	0.00	0.00	0.00	8,112,470.96
345 Accessory Electric Equipment	1,601,163.98	427,187.50	(20,865.79)	(1,308.89)	0.00	0.00	2,006,176.80
346 Miscellaneous Equipment	64,050.11	28,237.08	0.00	0.00	0.00	0.00	92,287.19
Dismantlement - Fixed	921,492.00	283,254.00	0.00	0.00	0.00	0.00	1,204,746.00
<b>TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:</b>	<b>9,664,848.60</b>	<b>7,725,350.88</b>	<b>(7,738,682.93)</b>	<b>1,232,582.71</b>	<b>0.00</b>	<b>(1,497,955.00)</b>	<b>9,386,144.26</b>

PACE PLANT:

343 Prime Movers	2,559,807.50	339,529.80	0.00	0.00	0.00	0.00	2,899,337.30
344 Generators	1,171,314.24	155,361.72	0.00	0.00	0.00	0.00	1,326,675.96
345 Accessory Electric Equipment	219,692.20	29,204.52	0.00	0.00	0.00	0.00	248,896.72
347 Asset Retirement Obligation	150,603.08	19,859.71	0.00	0.00	0.00	0.00	170,462.79
Dismantlement - Fixed	(10,455.00)	(1,603.00)	0.00	0.00	0.00	0.00	(12,058.00)
<b>TOTAL PACE PLANT:</b>	<b>4,090,962.02</b>	<b>542,352.75</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,633,314.77</b>

TOTAL OTHER PRODUCTION:

<b>TOTAL OTHER PRODUCTION:</b>	<b>18,073,213.46</b>	<b>8,291,945.92</b>	<b>(7,738,682.93)</b>	<b>1,232,582.71</b>	<b>0.00</b>	<b>(1,497,955.00)</b>	<b>18,361,104.16</b>
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TOTAL PRODUCTION:

<b>TOTAL PRODUCTION:</b>	<b>590,785,069.50</b>	<b>51,499,477.33</b>	<b>(24,421,530.02)</b>	<b>(1,747,519.00)</b>	<b>798,619.92</b>	<b>(836,951.02)</b>	<b>616,077,166.71</b>
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TRANSMISSION:

350.0 Land	0.00	(684.45)	0.00	0.00	0.00	684.45	0.00
350.2 Easements	5,100,268.22	186,006.52	0.00	0.00	0.00	(684.45)	5,285,590.29
352 Structures and Improvements	2,186,207.06	150,243.10	(14,158.62)	(846.62)	0.00	0.00	2,321,444.92
353 Station Equipment	23,789,112.11	1,834,135.95	(1,082,433.14)	(100,104.31)	4,762.13	(2,338.58)	24,443,134.16
354 Towers and Fixtures	20,172,450.28	810,053.73	(139,464.12)	(32,253.26)	4,416.74	0.00	20,815,203.37
355 Poles and Fixtures	17,377,828.14	2,448,208.44	(115,485.83)	(315,938.90)	0.00	(3,230.85)	19,391,381.00
356 Overhead Conductors & Devices	19,789,409.30	1,367,471.61	(123,322.11)	(3,670.92)	0.00	(17,086.95)	21,012,800.93
358 Underground Conductors & Devices	5,108,739.00	310,078.53	0.00	0.00	0.00	0.00	5,418,817.53
359 Roads and Trails	26,798.85	1,428.12	0.00	0.00	0.00	0.00	28,226.97
359.1 Asset Retirement Obligation	4,680.04	143.04	0.00	0.00	0.00	0.00	4,823.08
<b>TOTAL TRANSMISSION:</b>	<b>93,555,493.60</b>	<b>7,107,084.59</b>	<b>(1,474,863.82)</b>	<b>(452,814.01)</b>	<b>9,178.87</b>	<b>(22,656.38)</b>	<b>98,721,422.85</b>

**DISTRIBUTION:**

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
360.2	0.00	0.00	0.00	0.00	0.00	0.00	0.00
361	4,809,742.11	310,685.63	(34,680.19)	(1,384.79)	0.00	0.00	5,084,362.76
362	3,324,868.16	5,825,407.99	(1,810,523.72)	(298,793.32)	250.00	(12,127.40)	44,459,052.51
364	48,177,032.33	3,071,397.25	(691,277.36)	(706,074.87)	230,531.90	8,010.30	52,643,630.29
365	36,228,445.52	16,987.50	(1,324,230.11)	(696,639.47)	135,184.89	(125,192.89)	37,288,965.19
366	719,593.71	2,857,197.90	(723,509.44)	(137,811.88)	31,538.72	0.00	736,581.21
367	24,803,962.81	7,531,258.30	(2,988,934.11)	(724,276.52)	308,792.83	136,233.32	26,967,611.43
368	62,872,759.19	1,630,836.56	(299,627.14)	(356,609.60)	17,018.52	14,827.60	67,014,427.29
369.1	21,352,540.51	843,284.01	(132,130.59)	(46,146.25)	0.00	0.00	22,344,158.85
369.2	9,299,300.50	77,140.94	(375,284.73)	0.00	0.00	0.00	9,984,307.67
369.3	2,527,353.38	1,267,114.84	(1,179,286.63)	(108,465.33)	488,282.34	905.45	2,229,209.59
370	13,535,934.41	2,532,240.83	(1,308,238.89)	(660,963.24)	111,771.77	0.00	14,004,485.08
373	19,594,886.73	1,005.15	0.00	0.00	0.00	0.00	20,259,697.20
374	24,697.38	29,089,425.06	(10,867,722.91)	(3,737,165.27)	1,323,370.97	22,656.38	25,702.53
<b>TOTAL DISTRIBUTION:</b>	<b>287,191,627.37</b>	<b>1,287,890.35</b>	<b>(263,030.96)</b>	<b>(42,438.78)</b>	<b>76,862.17</b>	<b>(945.84)</b>	<b>303,022,191.60</b>
<b>GENERAL PLANT:</b>							
390	21,911,560.16	240,265.68	0.00	0.00	0.00	0.00	22,969,897.10
391	333,780.37	291,165.93	(286,125.10)	0.00	0.00	0.00	574,046.05
391	717,344.77	0.00	0.00	0.00	0.00	0.00	722,385.60
392.1	0.00	0.00	0.00	0.00	0.00	0.00	0.00
392.2	2,537,937.72	439,367.72	(158,573.16)	0.00	7,636.40	0.00	2,826,368.68
392.3	8,727,715.41	1,445,478.31	(3,410,160.47)	0.00	391,634.56	0.00	7,154,667.81
392.4	508,817.81	53,548.69	(68,337.54)	0.00	8,436.00	0.00	502,464.96
392	41,236.47	34,432.75	(38,502.01)	0.00	0.00	0.00	37,167.21
393	86,395.33	31,292.93	0.00	0.00	0.00	0.00	117,688.26
394	956,905.04	308,169.46	(110,822.30)	0.00	0.00	0.00	1,154,252.20
395	857,671.66	350,874.88	(206,568.98)	0.00	0.00	0.00	1,001,977.56
396	255,611.43	29,089.44	0.00	0.00	0.00	0.00	284,700.87
397	9,935,284.27	797,961.23	(421,146.68)	(37,427.54)	67,757.90	(111.96)	10,342,317.22
397	262,054.65	188,945.57	(92,760.37)	0.00	0.00	(275.52)	357,964.33
398	894,135.22	313,628.65	(199,845.69)	0.00	0.00	0.00	1,007,918.18
399.1	95,444.22	4,052.52	0.00	0.00	0.00	0.00	99,496.74
<b>TOTAL GENERAL:</b>	<b>48,121,894.53</b>	<b>5,816,164.11</b>	<b>(5,255,873.26)</b>	<b>(79,866.32)</b>	<b>552,327.03</b>	<b>(1,333.32)</b>	<b>49,153,312.77</b>
<b>TOTAL ELECTRIC PLANT-IN-SERVICE:</b>	<b>1,019,654,085.00</b>	<b>93,512,151.09</b>	<b>(42,019,990.01)</b>	<b>(6,017,364.60)</b>	<b>2,863,496.79</b>	<b>(838,284.34)</b>	<b>1,066,974,093.93</b>

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