

Terry A. Davis
Assistant Secretary and
Assistant Treasurer

One Energy Place
Pensacola, Florida 32520-0786

Tel 850.444.6664
Fax 850.444.6026
TADAVIS@southernco.com



May 13, 2011

Mr. John Slemkewicz
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

11 MAY 16 AM 10:00
FLORIDA PUBLIC SERVICE
COMMISSION CENTER

Dear Mr. Slemkewicz:

RE: Monthly Rate of Return Report

Enclosed is Gulf Power Company's Jurisdictional Rate of Return Report for the month of March, 2011.

Sincerely,

A handwritten signature in cursive script that reads "Terry A. Davis".

lw

enclosure

cc/enc.: Office of the Public Counsel
c/o Florida Legislature
111 W. Madison, Rm. 801
Tallahassee FL 32399-1400

11 MAY 16 PM 12:28
FLORIDA PUBLIC SERVICE
COMMISSION
DIVISION OF
ECONOMIC REGULATION

GOV 2-1-5-3

GULF POWER COMPANY
Earnings Surveillance Report Summary
March, 2011

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<u>I. Average Rate of Return (Jurisdictional)</u>					
	(a)	(b)			
Net Operating Income	149,784,255	(73,775,213)	76,009,041	0	76,009,041
Average Rate Base	2,453,507,490	(909,151,826)	1,544,355,664	0	1,544,355,664
Average Rate of Return	6.10%		4.92%		4.92%
<u>II. Year End Rate of Return (Jurisdictional)</u>					
	(a)	(b)			
Net Operating Income	149,772,546	(73,689,332)	76,083,213	0	76,083,213
Year End Rate Base	2,540,665,981	(954,448,430)	1,586,217,551	0	1,586,217,551
Year End Rate of Return	5.90%		4.80%		4.80%
(a) Includes AFUDC Earnings					
(b) Includes Reversal of AFUDC Earnings					
<u>III. Required Rates of Return Average Capital Structure (FPSC Adjusted Basis)</u>					
Low	6.45%				
Midpoint	6.94%				
High	7.23%				
<u>IV. Financial Integrity Indicators</u>					
A. Tie With AFUDC	4.09 x (System per Books Basis)				
B. Tie Without AFUDC	3.90 x (System per Books Basis)				
C. AFUDC To Net Income	9.19% (System per Books Basis)				
D. Internally Generated Funds	52.67% (System per Books Basis)				
E. LTD To Total Investor Funds	49.63% (FPSC Adjusted Basis)				
F. STD To Total Investor Funds	1.24% (FPSC Adjusted Basis)				
G. Return on Common Equity	6.83% (FPSC Adjusted Basis)				
H. Return on Common Equity	6.83% (Proforma Basis)				

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.

Name and Title	Signature	Date
Richard J. McMillan Corporate Planning Manager		5/12/11

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
March, 2011

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	3,573,416,714	1,248,570,984	2,324,845,730	5,664,735	206,437,666	0	2,536,948,131	233,139,273	2,770,087,404
JURISDICTIONAL PER BOOKS	3,217,033,502	1,125,717,968	2,091,315,534	5,487,488	120,911,477	0	2,217,714,499	235,792,991	2,453,507,490
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(827,973,565)	(44,747,145)	(783,226,420)		(1,527,628)		(784,754,048)	(13,708,615)	(798,462,663)
INT BEARING CWIP					(69,396,459)		(69,396,459)	0	(69,396,459)
ENERGY CONSERVATION CLAUSE	(10,348,760)	831,113	(11,179,873)		(10,069)		(11,189,942)	(2,036,919)	(13,226,862)
LOANS TO EMPLOYEES / RETIREES								(55,565)	(55,565)
INTEREST AND DIVIDENDS RECEIVABLE								(307,071)	(307,071)
FUNDED PROP RES & OTHER INVESTMENTS								(12,768,207)	(12,768,207)
FUEL RELATED DEFERRED DEBITS								(15,102,690)	(15,102,690)
FLAME RESISTANT CLOTHING								(510)	(510)
ACCRUED PROVISION FOR REFUND								140,604	140,604
SALE OF RAILCARS								27,597	27,597
TOTAL FPSC ADJUSTMENTS	(838,322,325)	(43,916,032)	(794,406,293)	0	(70,934,156)	0	(865,340,449)	(43,811,376)	(909,151,826)
FPSC ADJUSTED	2,378,711,177	1,081,801,936	1,296,909,241	5,487,488	49,977,321	0	1,352,374,050	191,981,614	1,544,355,664
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUST	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	2,378,711,177	1,081,801,936	1,296,909,241	5,487,488	49,977,321	0	1,352,374,050	191,981,614	1,544,355,664

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
March, 2011

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	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,558,262,293	802,165,948	303,058,346	126,678,334	101,440,405	(28,069,457)	92,584,544	(1,494,982)	0	1,396,363,137	161,899,157 (a)
JURISDICTIONAL PER BOOKS	1,345,260,742	645,776,002	287,370,073	117,924,507	99,698,785	(9,700,308)	66,329,231	(1,133,805)	0	1,206,264,485	138,996,257 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(154,301,957)		(29,024,832)	(34,504,819)	(599,980)	(34,783,975)				(98,913,606)	(55,388,351)
GROSS RECEIPTS TAX REVENUE	(31,705,135)					(12,230,256)				(12,230,256)	(19,474,879)
MARKETING SUPPORT ACTIVITIES			(119,472)			46,086				(73,386)	73,386
GAIN/LOSS ON DISPOSITION						3,679			(9,537)	(5,858)	5,858
MGMT FINANCIAL PLANNING SERVICES			(9,056)			3,493				(5,563)	5,563
FRANCHISE FEE REVENUES	(40,354,805)					(15,566,866)				(15,566,866)	(24,787,939)
RETAIL FUEL REVENUES	(599,884,447)					(231,405,426)				(231,405,426)	(368,479,021)
ECCR and PPCC REVENUES	(58,824,519)					(22,691,558)				(22,691,558)	(36,132,961)
INT ON TAX ASSESSMENT										0	0
ECON DEV EXPENSE TOTAL			(796,762)			307,351				(489,411)	489,411
ECON DEV EXPENSE ALLOWED			756,924			(291,983)				464,941	(464,941)
LIAISON EXPENSES			(318,545)		(16,226)	129,138				(205,633)	205,633
CORP ADV & WHOLESALE EXPENSES		(228,757)	(19,717)			95,849				(152,625)	152,625
INDUSTRY ASSOCIATION DUES			(1,027)			396				(631)	631
RETAIL FUEL EXPENSES		(599,459,963)				231,241,681				(368,218,282)	368,218,282
ECCR AND PPCC EXPENSES		(46,087,282)	(8,530,473)	(294,255)	(295,076)	21,296,134				(33,910,953)	33,910,953
FRANCHISE FEE					(39,772,383)	15,342,197				(24,430,186)	24,430,186
GRT, FPSC FEES ON CLAUSES & FEES					(1,504,134)	580,220				(923,914)	923,914
GROSS RECEIPTS TAX ADJUST					(31,600,126)	12,189,748				(19,410,378)	19,410,378
INTEREST SYNCHRONIZATION						6,085,943				6,085,943	(6,085,943)
TOTAL FPSC ADJUSTMENTS	(885,070,862)	(645,776,002)	(38,062,960)	(34,799,074)	(73,787,925)	(29,648,149)	0	0	(9,537)	(822,083,647)	(62,987,215)
FPSC ADJUSTED	460,189,879	0	249,307,113	83,125,433	25,910,860	(39,348,457)	66,329,231	(1,133,805)	(9,537)	384,180,838	76,009,041
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	460,189,879	0	249,307,113	83,125,433	25,910,860	(39,348,457)	66,329,231	(1,133,805)	(9,537)	384,180,838	76,009,041
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				11,135,800			10,787,998				
CURRENT MO. SYSTEM PER BOOKS	98,299,032	45,960,604	27,652,598	10,711,770	7,330,860	(5,510,542)	6,235,901	(112,378)	0	92,268,813	6,030,219
CURRENT MO. JURIS PER BOOKS	84,281,943	37,432,846	26,043,619	9,929,149	7,140,818	(8,191,639)	8,177,785	(82,640)	0	80,449,937	3,832,006

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
March, 2011

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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
PLANT SCHERER		FRANCHISE FEE REVENUES	(40,354,805)	(15,566,866)
INVESTMENT	(264,605,093)	IIC FUEL REVENUES	(98,610,967)	(38,039,181)
ACCUMULATED DEPRECIATION	103,459,628	FUEL REVENUES	(652,947,962)	(251,874,677)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(709,613)	(273,733)
INVESTMENT	(10,348,760)	ECCR, PPCC, AND ECRC REVENUES	(213,341,694)	(82,296,559)
ACCUMULATED DEPRECIATION	(831,113)	GROSS RECEIPTS TAX REVENUES/STORM RECOVERY REV	(31,705,135)	(12,230,256)
ENVIRONMENTAL RECOVERY CLAUSE		COMPETITIVE SALES REV/TRANS REV/G/L ON SALE OF GAS	39,106	15,085
INVESTMENT	(856,518,611)	CORP ADVERTISING & WHOLESALE EXPENSES	(257,117)	99,183
ACCUMULATED DEPRECIATION	46,304,321	INDUSTRY ASSOCIATION DUES	(1,049)	405
PROPERTY HELD FOR FUTURE USE	0	FUEL AND PPCC EXPENSES	(802,125,654)	309,419,971
INTEREST BEARING CWIP	(71,633,783)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(9,778)	3,772
SCHERER CWIP	(81,625,087)	ECON DEVELOP EXPENSE- TOTAL	(796,762)	307,351
ECRC CWIP	(1,580,149)	ECON DEV EXPENSE - ALLOWED	756,924	(291,983)
ECCR CWIP	(10,069)	INTEREST ON TAX ADJUSTMENT	0	0
FAS 143 NET PLANT	(14,769,961)	CONSERVATION EXPENSES - O & M	(8,530,473)	3,290,630
		CONSERVATION EXPENSES - OTHER TAXES	(181,979)	70,198
		TALLAHASSEE OFFICE DEPRECIATION	0	0
WORKING CAPITAL:		MARKETING SUPPORT ACTIVITIES	(119,472)	46,086
ECRC WORKING CAPITAL	(14,179,425)	MGMT FINANCIAL PLANNING SERVICES	(9,253)	3,569
LOANS TO EMPLOYEES AND RETIREES	(57,877)	FRANCHISE FEE	(39,772,383)	15,342,197
UNREALIZED LOSS ON FWD CONTRACT	(4,521)	GROSS RECEIPTS TAX EXPENSE	(31,600,126)	12,189,748
CONSERVATION/AEM INVENTORY	(2,036,919)	LIAISON EXPENSE	(342,103)	131,966
INTEREST & DIVIDENDS RECEIVABLE	(319,850)	ECRC/ECCR EXPENSES	(66,708,361)	25,732,750
PLANT SCHERER	(8,107,877)	COMPETITIVE SALES EXPENSES	0	0
TEMPORARY CASH INVESTMENTS	(335,213)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,504,133)	580,219
FUNDED PROP RES & OTHER INVESTMENTS	(12,446,387)	INTEREST SYNCHRONIZATION	6,495,162	6,495,162
FUEL RELATED DEFERRED DEBITS	(15,102,690)			
FLAME RESISTANT CLOTHING	(629)			
SALE OF RAIL CARS	34,034			
ACCUM. PROV. FOR RATE REFUNDS	173,403			
FAS 143 WORKING CAPITAL	18,592,709			
FAS 158 REGULATORY ASSETS	(92,377,952)			
FAS 158 REGULATORY LIABILITIES	92,377,952			
PPA REGULATORY ASSETS	(47,564,500)			
PPA REGULATORY LIABILITIES	47,564,500			
FAS 133 REGULATORY ASSETS	(15,837,075)			
FAS 133 REGULATORY LIABILITIES	15,837,075			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
March, 2011

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	3,733,242,422	1,292,814,164	2,440,428,258	5,664,735	198,625,267	0	2,644,718,261	233,139,273	2,877,857,534
JURISDICTIONAL PER BOOKS	3,279,837,920	1,167,534,578	2,112,303,342	5,487,489	187,749,566	0	2,305,540,397	235,125,584	2,540,665,981
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(836,819,156)	(61,912,232)	(774,906,924)		(2,437,335)		(777,344,259)	(13,708,615)	(791,052,874)
INT BEARING CWIP					(122,061,775)		(122,061,775)	0	(122,061,775)
ENERGY CONSERVATION CLAUSE	(10,113,232)	1,117,788	(11,231,020)				(11,231,020)	(2,036,919)	(13,267,939)
LOANS TO EMPLOYEES AND RETIREES								(55,565)	(55,565)
INTEREST AND DIVIDENDS RECEIVABLE								(307,071)	(307,071)
NOTES RECEIVABLE								0	0
FUNDED PROP RES & OTHER INVESTMENTS								(12,768,207)	(12,768,207)
FUEL RELATED DEFERRED DEBITS								(15,102,690)	(15,102,690)
FLAME RESISTANT CLOTHING								(510)	(510)
ACCRUED PROVISION FOR REFUND								140,604	140,604
SALE OF RAILCARS								27,597	27,597
TOTAL FPSC ADJUSTMENTS	(846,932,388)	(60,794,444)	(786,137,944)	0	(124,499,110)	0	(910,637,054)	(43,811,376)	(954,448,430)
FPSC ADJUSTED	2,432,905,532	1,106,740,134	1,326,165,398	5,487,489	63,250,456	0	1,394,903,343	191,314,208	1,586,217,551
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	2,432,905,532	1,106,740,134	1,326,165,398	5,487,489	63,250,456	0	1,394,903,343	191,314,208	1,586,217,551

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
March, 2011

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	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	GAIN/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,558,262,293	802,165,948	303,058,346	126,678,334	101,440,405	(28,069,457)	92,584,544	(1,494,982)	0	1,396,363,137	161,899,157 (a)
JURISDICTIONAL PER BOOKS	1,345,260,742	645,776,002	287,370,073	117,924,507	99,698,785	(9,725,768)	66,366,400	(1,133,805)	0	1,206,276,194	138,984,548 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(154,301,957)		(29,024,832)	(34,504,819)	(599,980)	(34,783,975)				(98,913,606)	(55,388,351)
GROSS RECEIPTS TAX REVENUE	(31,705,135)					(12,230,256)				(12,230,256)	(19,474,879)
MARKETING SUPPORT ACTIVITIES			(119,472)			46,086				(73,386)	73,386
GAIN/LOSS ON DISPOSITION						3,679			(9,537)	(5,858)	5,858
MGMT FINANCIAL PLANNING SERVICES			(9,056)			3,493				(5,563)	5,563
FRANCHISE FEE REVENUES	(40,354,805)					(15,566,866)				(15,566,866)	(24,787,939)
RETAIL FUEL REVENUES	(599,884,447)					(231,405,426)				(231,405,426)	(368,479,021)
ECCR & PPCC REVENUES	(58,824,519)					(22,691,558)				(22,691,558)	(36,132,961)
INT ON TAX ASSESSMENT										0	0
ECON DEV EXPENSE TOTAL			(796,762)			307,351				(489,411)	489,411
ECON DEV EXPENSE ALLOWED			756,924			(291,983)				464,941	(464,941)
LIAISON EXPENSES			(318,545)		(16,226)	129,138				(205,633)	205,633
CORP ADV & WHOLESALE EXPENSES		(228,757)	(19,717)			95,849				(152,625)	152,625
INDUSTRY ASSOCIATION DUES			(1,027)			396				(631)	631
RETAIL FUEL EXPENSES		(599,459,963)				231,241,681				(368,218,282)	368,218,282
ECCR AND PPCC EXPENSES		(46,087,282)	(8,530,473)	(294,255)	(295,076)	21,296,134				(33,910,953)	33,910,953
FRANCHISE FEE					(39,772,383)	15,342,197				(24,430,186)	24,430,186
GRT, FPSC FEES ON CLAUSES & FFEES					(1,504,134)	580,220				(923,914)	923,914
GROSS RECEIPTS TAX ADJUST					(31,600,126)	12,189,748				(19,410,378)	19,410,378
INTEREST SYNCHRONIZATION						6,000,062				6,000,062	(6,000,062)
TOTAL FPSC ADJUSTMENTS	(885,070,862)	(645,776,002)	(38,062,960)	(34,799,074)	(73,787,925)	(29,734,030)	0	0	(9,537)	(822,169,528)	(62,901,334)
FPSC ADJUSTED	460,189,879	0	249,307,113	83,125,433	25,910,860	(39,459,798)	66,366,400	(1,133,805)	(9,537)	384,106,666	76,083,213
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	460,189,879	0	249,307,113	83,125,433	25,910,860	(39,459,798)	66,366,400	(1,133,805)	(9,537)	384,106,666	76,083,213

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 11,135,800 AND THE JURISDICTIONAL NOI BY 10,787,998

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
March, 2011

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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
PLANT SCHERER		FRANCHISE FEE REVENUES	(40,354,805)	(15,566,866)
INVESTMENT	(361,323,730)	IIC FUEL REVENUES	(98,610,967)	(38,039,181)
ACCUMULATED DEPRECIATION	105,282,720	FUEL REVENUES	(652,947,962)	(251,874,677)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(709,613)	(273,733)
INVESTMENT	(10,113,232)	ECCR, PPCC, AND ECRC REVENUES	(213,341,694)	(82,296,559)
ACCUMULATED DEPRECIATION	(1,117,788)	GROSS RECEIPTS TAX REVENUES/STORM RECOVERY REV	(31,705,135)	(12,230,256)
ENVIRONMENTAL RECOVERY CLAUSE		COMPETITIVE SALES REV\TRANS REV\G/L ON SALE OF GAS	39,106	15,085
INVESTMENT	(864,956,828)	CORP ADVERTISING & WHOLESALE EXPENSES	(257,117)	99,183
ACCUMULATED DEPRECIATION	64,011,387	INDUSTRY ASSOCIATION DUES	(1,049)	405
PROPERTY HELD FOR FUTURE USE	0	FUEL AND PPCC EXPENSES	(802,125,654)	309,419,971
INTEREST BEARING CWIP	(125,997,016)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(9,778)	3,772
SCHERER CWIP	(4,819,649)	ECON DEVELOP EXPENSE- TOTAL	(796,762)	307,351
ECRC CWIP	(2,518,968)	ECON DEV EXPENSE - ALLOWED	756,924	(291,983)
ECCR CWIP	(0)	INTEREST ON TAX ADJUSTMENT	0	0
FAS 143 NET PLANT	(14,728,264)	CONSERVATION EXPENSES - O & M	(8,530,473)	3,290,630
		CONSERVATION EXPENSES - OTHER TAXES	(181,979)	70,198
		TALLAHASSEE OFFICE DEPRECIATION	0	0
WORKING CAPITAL:		MARKETING SUPPORT ACTIVITIES	(119,472)	46,086
ECRC WORKING CAPITAL	(14,179,425)	MGMT FINANCIAL PLANNING SERVICES	(9,253)	3,569
LOANS TO EMPLOYEES AND RETIREES	(57,877)	FRANCHISE FEE	(39,772,383)	15,342,197
UNREALIZED LOSS ON FWD CONTRACT	(4,521)	GROSS RECEIPTS TAX EXPENSE	(31,600,126)	12,189,748
CONSERVATION/AEM INVENTORY	(2,036,919)	LIAISON EXPENSE	(342,103)	131,966
INTEREST & DIVIDENDS RECEIVABLE	(319,850)	ECRC/ECCR EXPENSES	(66,708,361)	25,732,750
PLANT SCHERER	(7,802,902)	COMPETITIVE SALES EXPENSES	0	0
TEMPORARY CASH INVESTMENTS	(335,213)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,504,133)	580,219
FUNDED PROP RES & OTHER INVESTMENTS	(12,446,387)	INTEREST SYNCHRONIZATION	6,480,124	6,480,124
FUEL RELATED DEFERRED DEBITS	(15,102,690)			
FLAME RESISTANT CLOTHING	(629)			
SALE OF RAIL CARS	34,034			
ACCUM. PROV. FOR RATE REFUNDS	173,403			
FAS 143 WORKING CAPITAL	18,592,709			
FAS 158 REGULATORY ASSETS	(92,377,952)			
FAS 158 REGULATORY LIABILITIES	92,377,952			
PPA REGULATORY ASSETS	(47,564,500)			
PPA REGULATORY LIABILITIES	47,564,500			
FAS 133 REGULATORY ASSETS	(15,837,075)			
FAS 133 REGULATORY LIABILITIES	15,837,075			

GULF POWER COMPANY
 CAPITAL STRUCTURE
 FPSC ADJUSTED BASIS
 March, 2011

SCHEDULE 4

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATEWEIGHTED COST (%)					
LONG TERM DEBT	1,191,081,752	1,052,221,620	(389,902,705)	0	662,318,915	42.89	4.48	1.92	4.48	1.92	4.48	1.92
SHORT TERM DEBT	45,742,650	26,263,323	(9,731,924)	0	16,531,399	1.07	0.31	0.00	0.31	0.00	0.31	0.00
PREFERRED STOCK	97,998,345	84,787,749	(31,418,260)	0	53,369,489	3.46	6.40	0.22	6.40	0.22	6.40	0.22
CUSTOMER DEPOSITS	35,060,633	35,237,081	(13,057,167)	0	22,179,914	1.44	6.30	0.09	6.30	0.09	6.30	0.09
COMMON EQUITY	1,073,746,182	956,930,371	(354,592,353)	0	602,338,018	39.00	10.75	4.19	12.00	4.68	12.75	4.97
DEFERRED INCOME TAXES	346,494,848	320,256,676	(118,671,715)	0	201,584,961	13.05						
FASB 109 DEFERRED TAXES	(31,305,102)	(28,934,537)	10,721,747	0	(18,212,790)	(1.18)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	8,500,825	6,745,207	(2,499,449)	0	4,245,758	0.27	7.42	0.02	8.00	0.02	8.34	0.02
TOTAL	2,767,320,133	2,453,507,490	(909,151,826)	0	1,544,355,664	100.00 %		6.45 %		6.94 %		7.23 %

YEAR-END	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATEWEIGHTED COST (%)					
LONG TERM DEBT	1,195,182,226	1,047,156,555	(393,383,836)	0	653,772,719	41.22	4.58	1.89	4.58	1.89	4.58	1.89
SHORT TERM DEBT	86,563,059	61,134,385	(22,966,269)	0	38,168,116	2.41	0.22	0.01	0.22	0.01	0.22	0.01
PREFERRED STOCK	97,998,345	85,861,059	(32,255,304)	0	53,605,755	3.38	6.33	0.21	6.33	0.21	6.33	0.21
CUSTOMER DEPOSITS	35,913,604	35,910,734	(13,490,535)	0	22,420,199	1.41	5.89	0.08	5.89	0.08	5.89	0.08
COMMON EQUITY	1,113,445,383	963,818,762	(362,076,444)	0	601,742,318	37.94	10.75	4.08	12.00	4.55	12.75	4.84
DEFERRED INCOME TAXES	406,766,910	376,290,069	(141,360,363)	0	234,929,706	14.80						
FASB 109 DEFERRED TAXES	(38,551,280)	(35,662,840)	13,397,409	0	(22,265,431)	(1.40)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	7,771,484	6,157,257	(2,313,088)	0	3,844,169	0.24	7.49	0.02	8.06	0.02	8.41	0.02
TOTAL	2,905,089,731	2,540,665,981	(954,448,430)	0	1,586,217,551	100.00 %		6.29 %		6.76 %		7.05 %

GULF POWER COMPANY
Financial Integrity Indicators
March, 2011

A. Times Interest Earned with AFUDC

Earnings Before Interest	168,246,585
AFUDC - Debt	3,173,313
Income Taxes	63,210,044
	<hr/>
Total	234,629,942
Interest Charges (Before Deducting AFUDC - Debt)	57,314,469
	<hr/>
T.I.E. With AFUDC	4.09 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	168,246,585
AFUDC - Other	(7,962,487)
Income Taxes	63,210,044
	<hr/>
Total	223,494,142
Interest Charges (Before Deducting AFUDC - Debt)	57,314,469
	<hr/>
T.I.E. Without AFUDC	3.90 x

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	3,173,313
X (1 - Income Tax Rate)	0.6143
	<hr/>
Subtotal	1,949,208
AFUDC - Other	7,962,487
	<hr/>
Total	9,911,695
	<hr/>
Net Income Available for Common Stockholders	107,902,929
Percent AFUDC to Available Net Income	9.19%

D. Percent Internally Generated Funds

Net Income	114,105,429
Preferred Dividends	(6,202,500)
Common Dividends	(105,725,000)
AFUDC (Debt & Other)	(11,135,800)
Depreciation & Amortization	134,790,028
Deferred Income Taxes	92,581,584
Investment Tax Credits	0
Other	(41,383,866)
	<hr/>
Total	177,029,875
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	336,117,266
	<hr/>
Percent Internally Generated Funds	52.67%

E. Long Term Debt as Percent of Total Investor Capital
(See calculation in item F. below)F. Short Term Debt as Percent of Total Investor Capital
Reconciled Average Retail Amounts

Long Term Debt	662,318,915
Short Term Debt	16,531,399
Preferred Stock	53,369,489
Common Equity	602,338,018
	<hr/>
Total	1,334,557,821
	<hr/>
% Long Term Debt To Total	49.63%
	<hr/>
% Short Term Debt To Total	1.24%

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	4.92%	4.92%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.92)	(1.92)
Short Term Debt	(0.00)	(0.00)
Preferred Stock	(0.22)	(0.22)
Customer Deposits	(0.09)	(0.09)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.02)	(0.02)
	<hr/>	<hr/>
Subtotal	(2.26)	(2.26)
	<hr/>	<hr/>
Total	2.66	2.66
Divided by Common Equity Ratio	39.00	39.00
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	6.83%	6.83%