

Susan D. Ritenour
Corporate Secretary, Treasurer &
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A SOUTHERN COMPANY

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
14 AUG 14 AM 8:24
DIVISION OF
ACCOUNTING & FINANCE

August 13, 2014

Mr. Bart Fletcher
Division of Accounting and Finance
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Monthly Rate of Return Report

Dear Mr. Fletcher:

Enclosed is Gulf Power Company's Jurisdictional Rate of Return Report for the month of June 2014.

Sincerely,

A handwritten signature in cursive script that reads "Susan D. Ritenour".

wb

enclosure

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

GOV 2-1-5-3

RECEIVED SERVICE
FLORIDA PUBLIC
COMMISSION

14 AUG 14 AM 8:25
DIVISION OF
ACCOUNTING & FINANCE

June 2014

Earnings Surveillance
Report
(Rate of Return)



GULF POWER COMPANY
Earnings Surveillance Report Summary
June, 2014

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. Average Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	175,910,748	(64,601,610)	111,309,138	0	111,309,138
Average Rate Base	3,092,742,222	(1,199,453,629)	1,893,288,593	0	1,893,288,593
Average Rate of Return	5.69%		5.88%		5.88%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	175,913,727	(65,025,548)	110,888,179	0	110,888,179
Year End Rate Base	3,189,643,784	(1,260,537,852)	1,929,105,932	0	1,929,105,932
Year End Rate of Return	5.52%		5.75%		5.75%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

**III. Required Rates of Return
Average Capital Structure
(FPSC Adjusted Basis)**

Low	5.41%
Midpoint	5.78%
High	6.15%

IV. Financial Integrity Indicators

A. Tie With AFUDC	5.11 x (System per Books Basis)
B. Tie Without AFUDC	4.89 x (System per Books Basis)
C. AFUDC To Net Income	8.17% (System per Books Basis)
D. Internally Generated Funds	106.39% (System per Books Basis)
E. LTD To Total Investor Funds	45.88% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	1.48% (FPSC Adjusted Basis)
G. Return on Common Equity	10.53% (FPSC Adjusted Basis)
H. Return on Common Equity	10.53% (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
Susan D. Ritenour
Corporate Planning Manager, Corporate Treasurer & Secretary

Signature
Susan D Ritenour

Date
8/13/14

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
June, 2014

SCHEDULE 2
PAGE 1 OF 3

	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	4,343,380,119	1,442,754,078	2,900,626,041	17,290,956	283,049,123	0	3,200,966,120	228,751,319	3,429,717,439
JURISDICTIONAL PER BOOKS	3,873,980,227	1,303,350,452	2,570,629,775	16,785,112	269,131,924	0	2,856,546,811	236,195,411	3,092,742,222
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,015,548,741)	(135,233,869)	(880,314,872)		(5,586,153)		(885,901,025)	(7,572,961)	(893,473,986)
INT BEARING CWIP					(220,781,762)		(220,781,762)	0	(220,781,762)
ENERGY CONSERVATION CLAUSE	(11,306,615)	5,870,389	(17,177,004)		(4,594)		(17,181,598)	(1,952,389)	(19,133,987)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.								0	0
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								0	0
LOANS TO EMPLOYEES / RETIREES								(27,853)	(27,853)
INTEREST AND DIVIDENDS RECEIVABLE								(4,845)	(4,845)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,598,713)			(12,598,713)	(4,517,852)	(17,116,565)
DEPRECIATION CREDIT ADJUSTMENT								0	0
FUEL RELATED DEFERRED DEBITS								(44,250,651)	(44,250,651)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(4,663,980)	(4,663,980)
TOTAL FPSC ADJUSTMENTS	(1,026,855,356)	(129,363,480)	(897,491,876)	(12,598,713)	(226,372,509)	0	(1,136,463,098)	(62,990,531)	(1,199,453,629)
FPSC ADJUSTED	2,847,124,871	1,173,986,972	1,673,137,899	4,186,399	42,759,415	0	1,720,083,713	173,204,880	1,893,288,593
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	2,847,124,871	1,173,986,972	1,673,137,899	4,186,399	42,759,415	0	1,720,083,713	173,204,880	1,893,288,593

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
June, 2014

SCHEDULE 2
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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 OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,533,627,831	683,704,818	313,678,189	147,053,382	103,526,343	29,835,509	60,309,541	(1,312,152)	0	1,336,795,831	196,832,301 (a)
JURISDICTIONAL PER BOOKS	1,284,243,261	514,395,237	296,378,820	136,618,094	101,946,009	28,335,515	44,474,228	(963,280)	0	1,121,184,622	163,056,639 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(468,404,072)	(468,094,036)				(119,596)				(468,213,632)	(190,439)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(45,883,217)	(46,119,849)				91,204				(46,028,445)	145,226
ENERGY CONSERVATION COST REVENUES & EXPENSES	(21,471,043)		(19,138,448)	(318,065)	(395,036)	(824,720)				(20,476,269)	(994,774)
ENVIRONMENTAL COST RECOVERY CLAUSE	(144,264,610)		(28,464,426)	(39,465,465)	(1,826,508)	(28,741,543)				(98,497,942)	(45,786,668)
FRANCHISE FEE REVENUE & EXPENSE	(39,758,483)				(38,746,474)	(390,363)				(39,136,657)	(621,626)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(29,594,684)				(29,246,336)	(134,368)				(29,380,704)	(213,960)
MARKETING SUPPORT ACTIVITIES			(169,576)			65,414				(104,162)	104,162
WHOLESALE EXPENSES		(181,551)				70,033				(111,518)	111,518
INSTITUTIONAL ADVERTISING EXPENSE			(296,476)			114,366				(182,110)	182,110
ECONOMIC DEVELOPMENT EXPENSE			(52,670)			20,394				(32,478)	32,476
MGMT FINANCIAL PLANNING SERVICES			(28,877)			11,139				(17,738)	17,738
DIRECTORS' & OFFICERS' INSURANCE			(47,399)			18,284				(29,115)	29,115
INDUSTRY ASSOCIATION DUES			(189)			73				(116)	116
TALLAHASSEE LIAISON EXPENSES			(277,271)		(12,115)	111,631				(177,755)	177,755
DEPRECIATION CREDIT ADJUSTMENT						0				0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,390,660)	536,447				(854,213)	854,213
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						186,976			(484,709)	(297,733)	297,733
INTEREST SYNCHRONIZATION						5,914,198				5,914,198	(5,914,198)
TOTAL FPSC ADJUSTMENTS	(749,376,089)	(514,395,237)	(48,475,533)	(39,783,530)	(71,617,129)	(22,870,451)	0	0	(484,709)	(697,626,588)	(51,749,501)
FPSC ADJUSTED	534,867,172	0	247,903,287	96,834,564	30,328,880	5,465,064	44,474,228	(963,280)	(484,709)	423,558,034	111,309,138
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	534,867,172	0	247,903,287	96,834,564	30,328,880	5,465,064	44,474,228	(963,280)	(484,709)	423,558,034	111,309,138
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				13,157,791			12,852,109				
CURRENT MONTH SYSTEM PER BOOKS	144,745,202	66,326,319	27,637,817	12,910,974	9,427,289	7,793,386	1,591,609	(105,982)	0	125,581,403	19,163,799
CURRENT MONTH JURISDICTIONAL PER BOOKS	125,727,998	53,936,321	24,987,157	11,944,408	9,293,551	7,146,842	1,302,025	(76,987)	50,273	108,535,116	17,192,882

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
June, 2014

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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,045,388,233)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(839,854,485)	(246,623,860)
ACCUMULATED DEPRECIATION	139,221,368	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(148,207,134)	(57,170,902)
CWIP	(5,754,777)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(46,164,494)	(17,607,953)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(11,306,815)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(21,471,043)	(8,282,455)
ACCUMULATED DEPRECIATION	(5,870,389)	FUEL EXPENSE	(835,892,165)	245,333,977
CWIP	(4,594)	PURCHASED POWER CAPACITY COST EXPENSE	(47,656,266)	18,363,405
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	0	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(19,456,514)	7,505,350
FAS 143 NET PLANT	(14,981,173)	CONSERVATION EXPENSES - OTHER TAXES	(395,036)	152,365
INTEREST BEARING CWIP	(226,032,949)	ENVIRONMENTAL COST RECOVERY EXPENSE	(71,766,073)	27,883,763
PHFU - NORTH ESCAMBIA	(12,976,394)	FRANCHISE FEE REVENUES	(39,758,483)	(15,336,635)
WORKING CAPITAL:		FRANCHISE FEE	(36,746,474)	14,946,452
ECRC WORKING CAPITAL	(7,794,962)	GROSS RECEIPTS TAX REVENUES	(29,594,664)	(11,416,142)
CONSERVATION/AEM INVENTORY	(1,952,389)	GROSS RECEIPTS TAX EXPENSE	(29,246,338)	11,281,774
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	0	MARKETING SUPPORT ACTIVITIES	(169,578)	65,414
FUNDED PROPERTY INSURANCE RESERVE	0	WHOLESALE EXPENSE	(187,085)	72,168
LOANS TO EMPLOYEES AND RETIREES	(29,069)	INSTITUTIONAL ADVERTISING EXPENSE	(302,317)	116,819
INTEREST & DIVIDENDS RECEIVABLE	(5,057)	ECONOMIC DEVELOPMENT EXPENSE	(52,889)	20,394
NORTH ESCAMBIA SITE	(4,715,253)	MGMT FINANCIAL PLANNING SERVICES	(29,514)	11,385
UNAMORTIZED RATE CASE EXPENSE	(4,867,766)	DIRECTORS' & OFFICERS' INSURANCE	(48,445)	18,688
DEPRECIATION CREDIT ADJUSTMENT	0	INDUSTRY ASSOCIATION DUES	(193)	74
FUEL RELATED DEFERRED DEBITS	(44,250,651)	TALLAHASSEE LIAISON EXPENSE	(295,778)	114,097
UNREALIZED LOSS ON FWD CONTRACT	(514)	DEPRECIATION CREDIT ADJUSTMENT	0	0
ACCUM. PROV. FOR RATE REFUNDS	0	GRT/PPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,390,660)	536,447
FAS 143 WORKING CAPITAL	26,054,968	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFVN. ESC REV	26,209	10,110
FAS 158 REGULATORY ASSETS	(106,294,103)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(505,744)	195,091
FAS 158 REGULATORY LIABILITIES	106,294,103	INTEREST SYNCHRONIZATION	6,324,619	6,324,619
PPA REGULATORY ASSETS	(185,330,312)			
PPA REGULATORY LIABILITIES	185,330,312			
FAS 133 REGULATORY ASSETS	(27,618,667)			
FAS 133 REGULATORY LIABILITIES	27,618,667			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
June, 2014

SCHEDULE 3
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	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	4,416,737,396	1,488,647,985	2,928,089,410	15,476,655	354,832,820	0	3,298,398,886	228,751,319	3,527,150,205
JURISDICTIONAL PER BOOKS	3,939,503,846	1,345,032,051	2,594,471,795	15,023,888	343,461,668	0	2,952,957,351	236,686,433	3,189,643,784
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,015,541,837)	(154,634,682)	(860,907,155)		(11,373,265)		(872,280,420)	(7,572,961)	(879,853,381)
INT BEARING CWIP					(294,559,935)		(294,559,935)	0	(294,559,935)
ENERGY CONSERVATION CLAUSE	(11,676,815)	6,450,007	(18,126,822)				(18,126,822)	(1,952,389)	(20,079,211)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.								0	0
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								0	0
LOANS TO EMPLOYEES AND RETIREES								(27,853)	(27,853)
INTEREST AND DIVIDENDS RECEIVABLE								(4,845)	(4,845)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,580,144)			(12,580,144)	(4,517,852)	(17,097,996)
DEPRECIATION CREDIT ADJUSTMENT								0	0
FUEL RELATED DEFERRED DEBITS								(44,250,651)	(44,250,651)
ACCRUED PROVISION FOR REFUND								0	0
								(4,663,980)	(4,663,980)
TOTAL FPSC ADJUSTMENTS	(1,027,218,652)	(148,184,675)	(879,033,977)	(12,580,144)	(305,933,200)	0	(1,197,547,321)	(62,990,531)	(1,260,537,852)
FPSC ADJUSTED	2,912,285,194	1,196,847,376	1,715,437,818	2,443,744	37,528,468	0	1,755,410,030	173,695,902	1,929,105,932
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	2,912,285,194	1,196,847,376	1,715,437,818	2,443,744	37,528,468	0	1,755,410,030	173,695,902	1,929,105,932

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
June, 2014

SCHEDULE 3
PAGE 2 OF 3

	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 OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,533,627,931	683,704,818	313,678,189	147,053,382	103,526,343	29,835,509	60,309,541	(1,312,152)	0	1,336,795,631	196,832,301 (a)
JURISDICTIONAL PER BOOKS	1,264,243,261	514,395,237	296,378,820	136,618,094	101,946,009	28,335,545	44,471,219	(963,280)	0	1,121,181,643	163,061,618 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(468,404,072)	(468,094,038)				(119,596)				(468,213,632)	(190,439)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(45,883,217)	(46,119,649)				91,204				(46,028,445)	145,228
ENERGY CONSERVATION COST REVENUES & EXPENSES	(21,471,043)		(19,138,449)	(318,065)	(395,036)	(624,720)				(20,476,269)	(994,774)
ENVIRONMENTAL COST RECOVERY CLAUSE	(144,264,610)		(28,464,426)	(39,465,465)	(1,826,508)	(28,741,543)				(98,497,942)	(45,766,668)
FRANCHISE FEE REVENUE & EXPENSE	(39,758,483)				(38,748,474)	(390,383)				(39,136,857)	(621,626)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(29,594,664)				(29,246,336)	(134,368)				(29,380,704)	(213,960)
MARKETING SUPPORT ACTIVITIES			(169,576)			65,414				(104,162)	104,162
WHOLESALE EXPENSES		(181,551)				70,033				(111,518)	111,518
INSTITUTIONAL ADVERTISING EXPENSE			(296,476)			114,366				(182,110)	182,110
ECONOMIC DEVELOPMENT EXPENSE			(52,870)			20,394				(32,476)	32,476
MGMT FINANCIAL PLANNING SERVICES			(28,877)			11,139				(17,738)	17,738
DIRECTORS' & OFFICERS' INSURANCE			(47,399)			16,284				(29,115)	29,115
INDUSTRY ASSOCIATION DUES			(189)			73				(116)	116
TALLAHASSEE LIAISON EXPENSES			(277,271)		(12,115)	111,631				(177,755)	177,755
DEPRECIATION CREDIT ADJUSTMENT										0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,390,660)	536,447				(854,213)	854,213
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						186,976			(484,709)	(297,733)	297,733
INTEREST SYNCHRONIZATION						6,338,136				6,338,136	(6,338,136)
TOTAL FPSC ADJUSTMENTS	(749,376,089)	(514,395,237)	(48,475,533)	(39,783,530)	(71,617,129)	(22,446,513)	0	0	(484,709)	(697,202,650)	(52,173,439)
FPSC ADJUSTED	534,867,172	0	247,903,287	96,834,564	30,328,880	5,889,032	44,471,219	(963,280)	(484,709)	423,978,993	110,888,179
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	534,867,172	0	247,903,287	96,834,564	30,328,880	5,889,032	44,471,219	(963,280)	(484,709)	423,978,993	110,888,179

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY

13,157,791

AND THE JURISDICTIONAL NOI BY

12,852,109

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
June, 2014

SCHEDULE 3
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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,045,928,094)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(639,854,466)	(246,823,860)
ACCUMULATED DEPRECIATION CWIP	159,261,237	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(148,207,134)	(57,170,902)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(11,713,544)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(46,164,494)	(17,807,953)
ACCUMULATED DEPRECIATION CWIP	(11,678,815)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(21,471,043)	(8,282,455)
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(6,450,007)	FUEL EXPENSE	(635,992,185)	245,333,977
FAS 143 NET PLANT	0	PURCHASED POWER CAPACITY COST EXPENSE	(47,858,268)	18,383,405
INTEREST BEARING CWIP	(12,959,265)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(19,458,514)	7,505,350
PHFU - NORTH ESCAMBIA	0	CONSERVATION EXPENSES - OTHER TAXES	(395,036)	152,385
WORKING CAPITAL:		ENVIRONMENTAL COST RECOVERY EXPENSE	(71,768,073)	27,883,783
ECRC WORKING CAPITAL	(7,794,962)	FRANCHISE FEE REVENUES	(39,758,483)	(15,336,635)
CONSERVATION/AEM INVENTORY	(1,952,399)	FRANCHISE FEE	(38,746,474)	14,846,452
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	0	GROSS RECEIPTS TAX REVENUES	(29,594,864)	(11,416,142)
FUNDED PROPERTY INSURANCE RESERVE	0	GROSS RECEIPTS TAX EXPENSE	(29,246,336)	11,281,774
LOANS TO EMPLOYEES AND RETIREES	(29,069)	MARKETING SUPPORT ACTIVITIES	(169,576)	65,414
INTEREST & DIVIDENDS RECEIVABLE	(5,057)	WHOLESALE EXPENSE	(167,065)	72,166
NORTH ESCAMBIA SITE	(4,715,253)	INSTITUTIONAL ADVERTISING EXPENSE	(302,317)	116,619
UNAMORTIZED RATE CASE EXPENSE	(4,867,766)	ECONOMIC DEVELOPMENT EXPENSE	(52,869)	20,394
DEPRECIATION CREDIT ADJUSTMENT	0	MGMT FINANCIAL PLANNING SERVICES	(29,514)	11,365
FUEL RELATED DEFERRED DEBITS	(44,250,651)	DIRECTORS' & OFFICERS' INSURANCE	(48,445)	18,666
UNREALIZED LOSS ON FWD CONTRACT	(514)	INDUSTRY ASSOCIATION DUES	(193)	74
ACCUM. PROV. FOR RATE REFUNDS	0	TALLAHASSEE LIAISON EXPENSE	(295,778)	114,097
FAS 143 WORKING CAPITAL	26,054,966	DEPRECIATION CREDIT ADJUSTMENT	0	0
FAS 158 REGULATORY ASSETS	(106,294,103)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,390,660)	536,447
FAS 158 REGULATORY LIABILITIES	106,294,103	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFW. ESC REV	26,209	10,110
PPA REGULATORY ASSETS	(165,330,312)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(505,744)	195,091
PPA REGULATORY LIABILITIES	165,330,312	INTEREST SYNCHRONIZATION	6,932,504	6,932,504
FAS 133 REGULATORY ASSETS	(27,818,667)			
FAS 133 REGULATORY LIABILITIES	27,818,667			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
June, 2014

SCHEDULE 4

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,223,005,288	1,113,364,933	(431,794,671)	0	681,570,262	36.00	4.67	1.68	4.67	1.68	4.67	1.68
SHORT TERM DEBT	87,850,424	35,987,411	(13,956,944)	0	22,030,467	1.16	0.34	0.00	0.34	0.00	0.34	0.00
PREFERENCE STOCK	146,517,468	133,382,285	(51,729,454)	0	81,852,831	4.31	6.14	0.26	6.14	0.26	6.14	0.26
CUSTOMER DEPOSITS	34,701,290	35,190,966	(13,648,060)	0	21,542,906	1.14	2.39	0.03	2.39	0.03	2.39	0.03
COMMON EQUITY	1,251,408,834	1,144,171,857	(443,742,474)	0	700,429,383	37.00	9.25	3.42	10.25	3.79	11.25	4.16
DEFERRED INCOME TAXES	720,294,115	667,586,433	(258,909,056)	0	408,677,377	21.59						
FASB 109 DEFERRED TAXES	(43,642,689)	(40,449,125)	15,687,324	0	(24,761,801)	(1.31)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	4,066,130	3,507,462	(1,360,294)	0	2,147,168	0.11	6.94	0.01	7.42	0.01	7.90	0.01
TOTAL	3,424,200,860	3,092,742,222	(1,199,453,629)	0	1,893,288,593	100.00 %		5.41 %		5.78 %		6.15 %

YEAR-END	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,220,317,725	1,112,212,459	(439,543,096)	0	672,669,363	34.87	4.55	1.59	4.55	1.59	4.55	1.59
SHORT TERM DEBT	138,579,596	82,382,594	(32,557,359)	0	49,825,235	2.58	0.19	0.00	0.19	0.00	0.19	0.00
PREFERENCE STOCK	146,503,864	133,525,408	(52,788,849)	0	80,756,559	4.19	6.14	0.26	6.14	0.26	6.14	0.26
CUSTOMER DEPOSITS	34,849,261	35,252,061	(13,931,511)	0	21,320,550	1.11	3.02	0.03	3.02	0.03	3.02	0.03
COMMON EQUITY	1,299,390,722	1,172,695,553	(463,445,837)	0	709,249,716	36.77	9.25	3.40	10.25	3.77	11.25	4.14
DEFERRED INCOME TAXES	748,376,228	693,130,764	(273,923,242)	0	419,207,522	21.72						
FASB 109 DEFERRED TAXES	(45,969,739)	(42,576,232)	16,826,002	0	(25,750,230)	(1.33)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	3,419,342	3,021,177	(1,193,960)	0	1,827,217	0.09	6.92	0.01	7.40	0.01	7.89	0.01
TOTAL	3,545,467,000	3,189,643,784	(1,260,537,852)	0	1,929,105,932	100.00 %		5.29 %		5.66 %		6.02 %

GULF POWER COMPANY
Financial Integrity Indicators
June, 2014

A. Times Interest Earned with AFUDC

Earnings Before Interest	203,818,499
AFUDC - Debt	4,283,144
Income Taxes	89,545,053
	<hr/>
Total	297,646,696
Interest Charges (Before Deducting AFUDC - Debt)	58,203,164
	<hr/>
T.I.E. With AFUDC	5.11 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	203,818,499
AFUDC - Other	(8,874,647)
Income Taxes	89,545,053
	<hr/>
Total	284,488,906
Interest Charges (Before Deducting AFUDC - Debt)	58,203,164
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T.I.E. Without AFUDC	4.89 x

C. Percent AFUDC To Net Income Available
for Common Stockholders

AFUDC - Debt	4,283,144
X (1 - Income Tax Rate)	0.61425
	<hr/>
Subtotal	2,630,921
AFUDC - Other	8,874,647
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Total	11,505,568
	<hr/>
Net Income Available for Common Stockholders	140,895,978
Percent AFUDC to Available Net Income	8.17%

D. Percent Internally Generated Funds

Net Income	149,898,478
Preference Dividends	(9,002,500)
Common Dividends	(119,300,000)
AFUDC (Debt & Other)	(13,157,791)
Depreciation & Amortization	155,724,773
Deferred Income Taxes	60,289,449
Investment Tax Credits	0
Other	111,462,272
	<hr/>
Total	335,914,681
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Construction Expenditures (Excluding AFUDC Other & Debt)	315,744,587
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Percent Internally Generated Funds	106.39%

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	681,570,262
Short Term Debt	22,030,467
Preference Stock	81,652,831
Common Equity	700,429,383
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Total	1,485,682,943
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% Long Term Debt To Total	45.88%
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% Short Term Debt To Total	1.48%

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.88%	5.88%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.68)	(1.68)
Short Term Debt	(0.00)	(0.00)
Preference Stock	(0.26)	(0.26)
Customer Deposits	(0.03)	(0.03)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.01)	(0.01)
	<hr/>	<hr/>
Subtotal	(1.98)	(1.98)
	<hr/>	<hr/>
Total	3.89	3.89
Divided by Common Equity Ratio	37.00	37.00
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	10.53%	10.53%

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
June, 2014

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
July	2013	291,667
August	2013	291,667
September	2013	291,667
October	2013	291,667
November	2013	291,667
December	2013	291,667
January	2014	291,663
February	2014	291,667
March	2014	291,667
April	2014	291,667
May	2014	291,667
June	2014	291,667
12 - M-T-D		<u>3,500,000</u>

1 GULF POWER COMPANY

2 DOCKET NO. 990315-EI

3 RTP QUARTERLY REPORT

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8 Fifty-Ninth Quarterly Report

9 Report Period: Second Quarter, 2014

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13 <u>Rate Class</u>	14 <u>Second Quarter Total Revenue</u>	15 <u>Second Quarter Total KWH Sales</u>	16 <u>Second Quarter ¢/KWH</u>	17 <u>12-Month Rolling Average ¢/KWH</u>
18 RTP	19 \$28,292,748.56	20 368,194,377	21 7.684	22 7.551
23 PX/PXT	24 -	25 -	26 -	27 -
28 LP/LPT	29 \$21,374,947.97	30 232,588,266	31 9.190	32 8.780

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Notes to Quarterly
Real Time Pricing Report

1. There were no changes made to the "M" multipliers during this period.
2. RTP prices vary by hour and by season due to the "M" multipliers. The prices for the LP/LPT and PX/PXT rate classes do not have this variability in pricing. As a result, comparisons between RTP and the other rate classes are meaningful only on an annual basis or a 12-month rolling average basis.