

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



November 13, 2014

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

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
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DIVISION OF
ACCOUNTING & FINANCE

RE: Monthly Rate of Return Report

Dear Mr. Fletcher:

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

Sincerely,

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

md

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

September 2014

Earnings Surveillance
Report
(Rate of Return)



GULF POWER COMPANY
Earnings Surveillance Report Summary
September , 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	177,220,825	(66,017,655)	111,203,171	0	111,203,171
Average Rate Base	3,138,184,080	(1,241,568,016)	1,896,536,063	0	1,896,536,063
Average Rate of Return	5.65%		5.86%		5.86%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	177,252,433	(66,468,628)	110,783,806	0	110,783,806
Year End Rate Base	3,247,183,652	(1,324,915,676)	1,922,267,975	0	1,922,267,975
Year End Rate of Return	5.46%		5.76%		5.76%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

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

Low	5.39%
Midpoint	5.76%
High	6.13%

IV. Financial Integrity Indicators

A. Tie With AFUDC	5.21 x (System per Books Basis)
B. Tie Without AFUDC	4.95 x (System per Books Basis)
C. AFUDC To Net Income	9.37% (System per Books Basis)
D. Internally Generated Funds	14.71% (System per Books Basis)
E. LTD To Total Investor Funds	45.82% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	1.23% (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



Date

11/13/14

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
September , 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	4,375,643,924	1,466,819,625	2,908,824,299	16,583,586	325,965,376	0	3,251,373,261	221,663,804	3,473,037,065
JURISDICTIONAL PER BOOKS	3,902,326,049	1,325,350,789	2,576,975,260	16,098,436	312,942,439	0	2,906,016,135	232,087,945	3,138,104,080
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,015,882,782)	(144,893,274)	(870,989,508)		(9,079,658)		(880,069,166)	(7,368,037)	(887,437,203)
INT BEARING CWIP					(261,922,176)		(261,922,176)	0	(261,922,176)
ENERGY CONSERVATION CLAUSE	(11,523,763)	6,147,410	(17,671,173)		(4,594)		(17,675,767)	(1,657,665)	(19,333,432)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.								0	0
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								0	0
LOANS TO EMPLOYEES / RETIREES								(29,918)	(29,918)
INTEREST AND DIVIDENDS RECEIVABLE								(12,928)	(12,928)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,565,532)			(12,565,532)	(4,257,635)	(16,823,167)
DEPRECIATION CREDIT ADJUSTMENT								0	0
FUEL RELATED DEFERRED DEBITS								(51,169,930)	(51,169,930)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(4,839,262)	(4,839,262)
TOTAL FPSC ADJUSTMENTS	(1,027,406,545)	(138,745,864)	(888,660,681)	(12,565,532)	(271,006,428)	0	(1,172,232,641)	(69,335,375)	(1,241,568,016)
FPSC ADJUSTED	2,874,919,504	1,186,604,925	1,688,314,579	3,532,904	41,936,011	0	1,733,783,494	162,752,569	1,896,536,063
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	2,874,919,504	1,186,604,925	1,688,314,579	3,532,904	41,936,011	0	1,733,783,494	162,752,569	1,896,536,063

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

SCHEDULE 2
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	1,572,589,529	709,572,670	321,826,821	148,176,096	106,703,340	41,003,461	50,539,220	(1,292,028)	0	1,376,331,370	196,258,159 (a)
JURISDICTIONAL PER BOOKS	1,314,519,550	533,307,111	303,013,953	137,625,843	105,179,929	36,413,354	37,582,640	(943,526)	0	1,152,179,303	162,340,246 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(486,394,070)	(486,065,264)				(126,836)				(486,192,100)	(201,970)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(46,726,958)	(47,052,559)				125,601				(46,926,958)	200,000
ENERGY CONSERVATION COST REVENUES & EXPENSES	(18,527,954)		(16,163,336)	(327,348)	(388,905)	(628,142)				(17,527,731)	(1,000,223)
ENVIRONMENTAL COST RECOVERY CLAUSE	(145,078,053)		(29,708,458)	(39,459,149)	(1,925,496)	(28,539,695)				(98,632,788)	(45,445,255)
FRANCHISE FEE REVENUE & EXPENSE	(41,104,579)				(40,057,816)	(403,750)				(40,461,666)	(642,913)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(30,834,789)				(30,463,562)	(143,201)				(30,606,763)	(228,026)
MARKETING SUPPORT ACTIVITIES			(166,576)			64,257				(102,319)	102,319
WHOLESALE EXPENSES		(189,288)				73,018				(116,270)	116,270
INSTITUTIONAL ADVERTISING EXPENSE			(406,561)			156,631				(249,730)	249,730
ECONOMIC DEVELOPMENT EXPENSE			(49,943)			19,266				(30,678)	30,678
MGMT FINANCIAL PLANNING SERVICES			(29,415)			11,347				(18,068)	18,068
DIRECTORS' & OFFICERS' INSURANCE			(47,969)			18,504				(29,465)	29,465
INDUSTRY ASSOCIATION DUES			(189)			73				(116)	116
TALLAHASSEE LIAISON EXPENSES			(328,437)		(14,839)	131,647				(209,629)	209,629
DEPRECIATION CREDIT ADJUSTMENT						0				0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,444,713)	557,298				(887,415)	887,415
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						186,976			(484,709)	(297,733)	297,733
INTEREST SYNCRONIZATION						5,762,564				5,762,564	(5,762,564)
TOTAL FPSC ADJUSTMENTS	(768,662,410)	(533,307,111)	(46,918,884)	(39,786,497)	(74,295,431)	(22,732,703)	0	0	(484,709)	(717,525,334)	(51,137,076)
FPSC ADJUSTED	545,857,140	0	256,095,069	97,839,346	30,884,498	13,680,651	37,582,640	(943,526)	(484,709)	434,653,969	111,203,171
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	545,857,140	0	256,095,069	97,839,346	30,884,498	13,680,651	37,582,640	(943,526)	(484,709)	434,653,969	111,203,171
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				15,234,506							14,880,579
CURRENT MONTH SYSTEM PER BOOKS	135,432,086	59,013,118	31,266,227	12,951,140	10,641,047	(2,894,666)	9,775,928	(105,992)	0	120,646,783	14,785,304
CURRENT MONTH JURISDICTIONAL PER BOOKS	117,157,538	47,128,851	28,623,838	12,029,753	10,498,992	(1,072,007)	7,085,842	(76,984)	0	104,218,286	12,939,252

TOTALS MAY NOT ADD DUE TO ROUNDING.

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

SCHEDULE 2
PAGE 3 OF 3

<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	(1,046,263,419)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(685,243,275)	(256,817,593)
ACCUMULATED DEPRECIATION	149,232,186	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(149,254,011)	(57,574,735)
CWIP	(9,353,594)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(47,099,876)	(18,186,777)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(11,523,763)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,527,954)	(7,147,158)
ACCUMULATED DEPRECIATION	(6,147,410)	FUEL EXPENSE	(661,054,608)	255,001,814
CWIP	(4,594)	PURCHASED POWER CAPACITY COST EXPENSE	(48,507,101)	18,711,814
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	0	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(16,510,684)	6,388,996
FAS 143 NET PLANT	(15,105,867)	CONSERVATION EXPENSES - OTHER TAXES	(388,905)	150,020
INTEREST BEARING CWIP	(268,151,888)	ENVIRONMENTAL COST RECOVERY EXPENSE	(73,186,774)	28,224,083
PHFU - NORTH ESCAMBIA	(12,944,213)	FRANCHISE FEE REVENUES	(41,104,579)	(15,856,091)
WORKING CAPITAL:		FRANCHISE FEE	(40,057,916)	15,452,341
ECRC WORKING CAPITAL	(7,588,188)	GROSS RECEIPTS TAX REVENUES	(30,834,789)	(11,894,520)
CONSERVATION/AEM INVENTORY	(1,657,665)	GROSS RECEIPTS TAX EXPENSE	(30,463,562)	11,751,319
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	0	MARKETING SUPPORT ACTIVITIES	(166,578)	64,257
FUNDED PROPERTY INSURANCE RESERVE	0	WHOLESALE EXPENSE	(195,057)	75,243
LOANS TO EMPLOYEES AND RETIREES	(31,224)	INSTITUTIONAL ADVERTISING EXPENSE	(414,571)	159,921
INTEREST & DIVIDENDS RECEIVABLE	(13,492)	ECONOMIC DEVELOPMENT EXPENSE	(49,943)	19,265
NORTH ESCAMBIA SITE	(4,443,866)	MGMT FINANCIAL PLANNING SERVICES	(30,064)	11,597
UNAMORTIZED RATE CASE EXPENSE	(5,050,707)	DIRECTORS' & OFFICERS' INSURANCE	(49,028)	18,912
DEPRECIATION CREDIT ADJUSTMENT	0	INDUSTRY ASSOCIATION DUES	(193)	74
FUEL RELATED DEFERRED DEBITS	(51,169,930)	TALLAHASSEE LIAISON EXPENSE	(348,815)	134,555
UNREALIZED LOSS ON FWD CONTRACT	889	DEPRECIATION CREDIT ADJUSTMENT	0	0
ACCUM. PROV. FOR RATE REFUNDS	0	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,444,713)	557,298
FAS 143 WORKING CAPITAL	26,381,713	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFN. ESC REV	13,050	5,034
FAS 158 REGULATORY ASSETS	(92,790,557)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(505,744)	195,091
FAS 158 REGULATORY LIABILITIES	92,790,557	INTEREST SYNCHRONIZATION	6,199,639	6,199,639
PPA REGULATORY ASSETS	(190,812,074)			
PPA REGULATORY LIABILITIES	190,812,074			
FAS 133 REGULATORY ASSETS	(26,886,933)			
FAS 133 REGULATORY LIABILITIES	26,886,933			

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

SCHEDULE 3
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	4,431,169,758	1,515,914,008	2,915,255,750	15,390,708	429,508,556	0	3,360,155,014	221,663,804	3,581,818,818
JURISDICTIONAL PER BOOKS	3,952,960,430	1,370,754,537	2,582,205,893	14,940,455	416,904,050	0	3,014,050,398	233,133,253	3,247,183,652
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,018,353,798)	(164,404,908)	(853,948,890)		(16,088,315)		(870,037,205)	(7,368,037)	(877,405,242)
INT BEARING CWIP					(354,297,503)		(354,297,503)	0	(354,297,503)
ENERGY CONSERVATION CLAUSE	(11,990,296)	6,758,586	(18,748,882)				(18,748,882)	(1,657,665)	(20,406,547)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.								0	0
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								0	0
LOANS TO EMPLOYEES AND RETIREES								(29,918)	(29,918)
INTEREST AND DIVIDENDS RECEIVABLE								(12,928)	(12,928)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,496,711)			(12,496,711)	(4,257,635)	(16,754,346)
DEPRECIATION CREDIT ADJUSTMENT								0	0
FUEL RELATED DEFERRED DEBITS								(51,169,930)	(51,169,930)
ACCRUED PROVISION FOR REFUND								0	0
								(4,839,262)	(4,839,262)
TOTAL FPSC ADJUSTMENTS	(1,030,344,094)	(157,646,322)	(872,697,772)	(12,496,711)	(370,385,818)	0	(1,255,580,301)	(69,335,375)	(1,324,915,676)
FPSC ADJUSTED	2,922,616,336	1,213,108,215	1,709,508,121	2,443,744	46,518,232	0	1,758,470,097	163,797,878	1,922,267,975
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	2,922,616,336	1,213,108,215	1,709,508,121	2,443,744	46,518,232	0	1,758,470,097	163,797,878	1,922,267,975

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
September , 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	1,572,589,529	709,572,670	321,628,621	148,176,096	106,703,340	41,003,451	50,539,220	(1,292,028)	0	1,378,331,370	196,258,159 (a)
JURISDICTIONAL PER BOOKS	1,314,519,550	533,307,111	303,013,953	137,625,843	105,179,929	36,407,854	37,556,532	(943,526)	0	1,152,147,895	162,371,854 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(486,394,070)	(486,065,264)				(126,836)				(486,192,100)	(201,970)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(46,728,958)	(47,052,559)				125,601				(46,926,958)	200,000
ENERGY CONSERVATION COST REVENUES & EXPENSES	(18,527,954)		(16,183,336)	(327,348)	(388,905)	(628,142)				(17,527,731)	(1,000,223)
ENVIRONMENTAL COST RECOVERY CLAUSE	(145,078,053)		(29,708,458)	(39,459,149)	(1,925,496)	(28,539,695)				(99,632,798)	(45,445,255)
FRANCHISE FEE REVENUE & EXPENSE	(41,104,579)				(40,057,916)	(403,750)				(40,461,666)	(642,913)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(30,834,789)				(30,463,562)	(143,201)				(30,806,763)	(228,026)
MARKETING SUPPORT ACTIVITIES			(166,576)			64,257				(102,319)	102,319
WHOLESALE EXPENSES		(189,288)				73,018				(116,270)	116,270
INSTITUTIONAL ADVERTISING EXPENSE			(406,561)			156,831				(249,730)	249,730
ECONOMIC DEVELOPMENT EXPENSE			(49,943)			19,265				(30,678)	30,678
MGMT FINANCIAL PLANNING SERVICES			(29,415)			11,347				(18,068)	18,068
DIRECTORS' & OFFICERS' INSURANCE			(47,969)			18,504				(29,465)	29,465
INDUSTRY ASSOCIATION DUES			(189)			73				(116)	116
TALLAHASSEE LIAISON EXPENSES			(326,437)		(14,839)	131,647				(209,829)	209,829
DEPRECIATION CREDIT ADJUSTMENT										0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,444,713)	557,298				(887,415)	887,415
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						186,976			(484,709)	(297,733)	297,733
INTEREST SYNCHRONIZATION						6,213,537				6,213,537	(6,213,537)
TOTAL FPSC ADJUSTMENTS	(768,662,410)	(533,307,111)	(46,918,884)	(39,786,497)	(74,295,431)	(22,281,730)	0	0	(484,709)	(717,074,361)	(51,588,049)
FPSC ADJUSTED	545,857,140	0	256,095,069	97,839,346	30,884,498	14,126,124	37,556,532	(943,526)	(484,709)	435,073,334	110,783,806
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	545,857,140	0	256,095,069	97,839,346	30,884,498	14,126,124	37,556,532	(943,526)	(484,709)	435,073,334	110,783,806
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				15,234,506	AND THE JURISDICTIONAL NOI BY	14,880,579					

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

SCHEDULE 3
PAGE 3 OF 3

<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	(1,048,853,938)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(685,243,275)	(258,817,583)
ACCUMULATED DEPRECIATION	169,328,906	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(149,254,011)	(57,574,735)
CWIP	(18,570,187)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(47,099,876)	(18,188,777)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(11,990,296)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,527,954)	(7,147,158)
ACCUMULATED DEPRECIATION	(6,758,588)	FUEL EXPENSE	(681,054,806)	255,001,814
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(48,507,101)	18,711,814
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	0	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(18,510,884)	6,388,996
FAS 143 NET PLANT	(15,141,425)	CONSERVATION EXPENSES - OTHER TAXES	(388,905)	150,020
INTEREST BEARING CWIP	(382,724,297)	ENVIRONMENTAL COST RECOVERY EXPENSE	(73,188,774)	28,224,083
PHFU - NORTH ESCAMBIA	(12,873,318)	FRANCHISE FEE REVENUES	(41,104,579)	(15,656,091)
WORKING CAPITAL:		FRANCHISE FEE	(40,057,918)	15,452,341
ECRC WORKING CAPITAL	(7,588,186)	GROSS RECEIPTS TAX REVENUES	(30,834,789)	(11,894,520)
CONSERVATION/AEM INVENTORY	(1,657,865)	GROSS RECEIPTS TAX EXPENSE	(30,463,582)	11,751,319
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	0	MARKETING SUPPORT ACTIVITIES	(168,578)	84,257
FUNDED PROPERTY INSURANCE RESERVE	0	WHOLESALE EXPENSE	(195,057)	75,243
LOANS TO EMPLOYEES AND RETIREES	(31,224)	INSTITUTIONAL ADVERTISING EXPENSE	(414,571)	159,921
INTEREST & DIVIDENDS RECEIVABLE	(13,492)	ECONOMIC DEVELOPMENT EXPENSE	(49,943)	19,285
NORTH ESCAMBIA SITE	(4,443,866)	MGMT FINANCIAL PLANNING SERVICES	(30,064)	11,597
UNAMORTIZED RATE CASE EXPENSE	(5,050,707)	DIRECTORS' & OFFICERS' INSURANCE	(49,028)	16,912
DEPRECIATION CREDIT ADJUSTMENT	0	INDUSTRY ASSOCIATION DUES	(193)	74
FUEL RELATED DEFERRED DEBITS	(51,169,930)	TALLAHASSEE LIAISON EXPENSE	(348,815)	134,555
UNREALIZED LOSS ON FWD CONTRACT	889	DEPRECIATION CREDIT ADJUSTMENT	0	0
ACCUM. PROV. FOR RATE REFUNDS	0	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,444,713)	557,288
FAS 143 WORKING CAPITAL	26,381,713	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFIN. ESC REV	13,050	5,034
FAS 156 REGULATORY ASSETS	(92,790,557)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(505,744)	195,091
FAS 158 REGULATORY LIABILITIES	92,790,557	INTEREST SYNCHRONIZATION	6,789,798	6,789,798
PPA REGULATORY ASSETS	(190,812,074)			
PPA REGULATORY LIABILITIES	190,812,074			
FAS 133 REGULATORY ASSETS	(26,886,833)			
FAS 133 REGULATORY LIABILITIES	26,886,833			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
September, 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	1,231,724,333	1,125,971,572	(445,482,449)	0	680,489,123	35.88	4.60	1.65	4.60	1.65	4.60	1.65
SHORT TERM DEBT	88,895,011	30,249,274	(11,967,905)	0	18,281,369	0.96	0.22	0.00	0.22	0.00	0.22	0.00
PREFERENCE STOCK	146,508,727	133,918,574	(52,983,908)	0	80,934,666	4.27	6.14	0.26	6.14	0.26	6.14	0.26
CUSTOMER DEPOSITS	34,735,555	35,315,830	(13,972,451)	0	21,343,379	1.13	2.37	0.03	2.37	0.03	2.37	0.03
COMMON EQUITY	1,270,880,388	1,166,992,863	(461,712,224)	0	705,280,639	37.19	9.25	3.44	10.25	3.81	11.25	4.18
DEFERRED INCOME TAXES	735,403,242	683,977,873	(270,610,862)	0	413,367,011	21.80						
FASB 109 DEFERRED TAXES	(44,723,459)	(41,596,032)	16,457,167	0	(25,138,865)	(1.33)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	3,740,414	3,274,125	(1,295,384)	0	1,978,741	0.10	6.92	0.01	7.40	0.01	7.88	0.01
TOTAL	3,467,164,211	3,138,104,080	(1,241,568,016)	0	1,896,536,063	100.00 %		5.39 %		5.76 %		6.13 %

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	1,418,720,454	1,256,256,782	(512,577,816)	0	743,678,966	38.69	4.06	1.57	4.06	1.57	4.06	1.57
SHORT TERM DEBT	91,482,821	31,881,873	(13,008,440)	0	18,873,433	0.98	0.25	0.00	0.25	0.00	0.25	0.00
PREFERENCE STOCK	146,503,864	129,727,089	(52,931,239)	0	76,795,850	4.00	6.14	0.25	6.14	0.25	6.14	0.25
CUSTOMER DEPOSITS	35,187,756	34,368,082	(14,022,863)	0	20,345,219	1.06	2.38	0.03	2.38	0.03	2.38	0.03
COMMON EQUITY	1,316,204,564	1,154,275,257	(470,967,320)	0	683,307,937	35.55	9.25	3.29	10.25	3.64	11.25	4.00
DEFERRED INCOME TAXES	759,514,063	680,813,954	(277,785,668)	0	403,028,286	20.96						
FASB 109 DEFERRED TAXES	(47,787,293)	(42,835,620)	17,477,787	0	(25,357,833)	(1.32)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	3,101,366	2,696,234	(1,100,117)	0	1,596,117	0.08	6.53	0.01	6.98	0.01	7.43	0.01
TOTAL	3,722,927,593	3,247,183,652	(1,324,915,676)	0	1,922,267,975	100.00 %		5.14 %		5.49 %		5.85 %

GULF POWER COMPANY
Financial Integrity Indicators
September, 2014

A. Times Interest Earned with AFUDC

Earnings Before Interest	204,482,918
AFUDC - Debt	4,828,516
Income Taxes	<u>90,945,938</u>
Total	300,257,372
Interest Charges (Before Deducting AFUDC - Debt)	<u>57,620,195</u>
T.I.E. With AFUDC	<u>5.21 x</u>

B. Times Interest Earned without AFUDC

Earnings Before Interest	204,482,918
AFUDC - Other	(10,405,990)
Income Taxes	<u>90,945,938</u>
Total	285,022,866
Interest Charges (Before Deducting AFUDC - Debt)	<u>57,620,195</u>
T.I.E. Without AFUDC	<u>4.95 x</u>

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	4,828,516
X (1 - Income Tax Rate)	0.61425
Subtotal	2,965,916
AFUDC - Other	<u>10,405,990</u>
Total	<u>13,371,906</u>
Net Income Available for Common Stockholders	<u>142,688,739</u>
Percent AFUDC to Available Net Income	<u>9.37%</u>

D. Percent Internally Generated Funds

Net Income	151,691,239
Preference Dividends	(9,002,500)
Common Dividends	(121,150,000)
AFUDC (Debt & Other)	(15,234,506)
Depreciation & Amortization	156,954,237
Deferred Income Taxes	50,517,049
Investment Tax Credits	0
Other	<u>(163,906,012)</u>
Total	49,869,508
Construction Expenditures (Excluding AFUDC Other & Debt)	<u>339,091,068</u>
Percent Internally Generated Funds	<u>14.71%</u>

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	680,489,123
Short Term Debt	18,281,369
Preference Stock	80,934,666
Common Equity	<u>705,280,639</u>
Total	<u>1,484,985,797</u>
% Long Term Debt To Total	<u>45.82%</u>
% Short Term Debt To Total	<u>1.23%</u>

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.86%	5.86%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.65)	(1.65)
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)	<u>(0.01)</u>	<u>(0.01)</u>
Subtotal	<u>(1.95)</u>	<u>(1.95)</u>
Total	3.92	3.92
Divided by Common Equity Ratio	<u>37.19</u>	<u>37.19</u>
Jurisdictional Return on Common Equity	<u>10.53%</u>	<u>10.53%</u>

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

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
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
July	2014	291,667
August	2014	291,667
September	2014	291,667
12 - M-T-D		<u><u>3,500,000</u></u>

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GULF POWER COMPANY
DOCKET NO. 990315-EI
RTP QUARTERLY REPORT

Sixtieth Quarterly Report

Report Period: Third Quarter, 2014

<u>Rate Class</u>	<u>Third Quarter Total Revenue</u>	<u>Third Quarter Total KWH Sales</u>	<u>Third Quarter ¢/KWH</u>	<u>12-Month Rolling Average ¢/KWH</u>
RTP	\$39,322,971	450,903,925	8.721	7.843
PX/PXT	-	-	-	-
LP/LPT	\$24,814,521	275,717,882	9.000	8.977

**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.**