

Robert L. McGee, Jr.
Regulatory & Pricing Manager

One Energy Place
Pensacola, Florida 32520-0780

Tel 850.444.6530
Fax 850.444.6026
RLMCGEE@southernco.com



September 14, 2015

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 July, 2015.

Sincerely,

A handwritten signature in black ink that reads "Robert L. McGee, Jr." in a cursive style.

Robert L. McGee, Jr.
Regulatory and Pricing Manager

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

RECEIVED
FLORIDA PUBLIC SERVICE
COMMISSION
15 SEP 15 PM 1:21
DIVISION OF
ACCOUNTING & FINANCE

July 2015

Earnings Surveillance
Report
(Rate of Return)

15 SEP 15 PM 1:21
ACCOUNTING & FINANCE
GULF POWER SERVICE
FLORIDA PUBLIC
CORPORATION



GULF POWER COMPANY
Earnings Surveillance Report Summary
July, 2015

	(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	184,545,680	(71,483,464)	113,062,216	0	113,062,216
Average Rate Base	3,350,037,374	(1,379,175,490)	1,970,861,885	0	1,970,861,885
Average Rate of Return	5.51%		5.74%		5.74%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	184,557,200	(71,513,806)	113,043,394	0	113,043,394
Year End Rate Base	3,430,598,879	(1,448,996,795)	1,981,602,084	0	1,981,602,084
Year End Rate of Return	5.38%		5.70%		5.70%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

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

Low	5.27%
Midpoint	5.63%
High	6.00%

IV. Financial Integrity Indicators

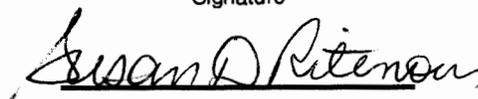
A. Tie With AFUDC	4.93 x (System per Books Basis)
B. Tie Without AFUDC	4.58 x (System per Books Basis)
C. AFUDC To Net Income	13.06% (System per Books Basis)
D. Internally Generated Funds	44.16% (System per Books Basis)
E. LTD To Total Investor Funds	46.70% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	1.72% (FPSC Adjusted Basis)
G. Return on Common Equity	10.54% (FPSC Adjusted Basis)
H. Return on Common Equity	10.54% (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

9/13/15

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
July, 2015

	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	4,531,822,437	1,541,790,578	2,990,031,859	15,164,531	435,296,059	0	3,440,492,449	247,465,501	3,687,957,950
JURISDICTIONAL PER BOOKS	4,039,001,059	1,393,630,931	2,645,370,128	14,720,895	422,248,547	0	3,082,339,570	267,697,804	3,350,037,374
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,019,162,526)	(176,410,231)	(842,752,295)		(17,466,738)		(860,219,033)	(6,502,474)	(866,721,507)
INT BEARING CWIP					(368,749,034)		(368,749,034)	0	(368,749,034)
ENERGY CONSERVATION CLAUSE	(12,407,378)	6,937,598	(19,344,976)		(5,769)		(19,350,745)	(1,245,111)	(20,595,856)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(54,396,060)		(54,396,060)				(54,396,060)	0	(54,396,060)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(439,994)	(439,994)
LOANS TO EMPLOYEES / RETIREES								(40,643)	(40,643)
INTEREST AND DIVIDENDS RECEIVABLE								(43,389)	(43,389)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,623,342)			(12,623,342)	(4,396,436)	(17,019,778)
FUEL RELATED DEFERRED DEBITS								(47,377,998)	(47,377,998)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(3,791,230)	(3,791,230)
TOTAL FPSC ADJUSTMENTS	(1,085,965,964)	(169,472,633)	(916,493,331)	(12,623,342)	(386,221,541)	0	(1,315,338,214)	(63,837,275)	(1,379,175,490)
FPSC ADJUSTED	2,953,035,095	1,224,158,298	1,728,876,797	2,097,553	36,027,006	0	1,767,001,356	203,860,529	1,970,861,885
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	2,953,035,095	1,224,158,298	1,728,876,797	2,097,553	36,027,006	0	1,767,001,356	203,860,529	1,970,861,885

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
July, 2015

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	1,543,494,868	656,348,361	354,829,867	135,614,978	116,065,637	2,445,069	85,901,637	(939,425)	0	1,350,266,124	193,228,544 (a)
JURISDICTIONAL PER BOOKS	1,344,607,815	535,145,261	334,182,224	124,424,233	114,041,615	7,366,187	66,214,186	(597,413)	0	1,180,756,294	163,851,521 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(448,950,558)	(448,598,127)				(135,950)				(448,734,077)	(216,481)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(86,120,532)	(86,373,797)				97,697				(86,276,100)	155,567
ENERGY CONSERVATION COST REVENUES & EXPENSES	(18,516,752)		(16,079,654)	(351,519)	(355,277)	(667,464)				(17,453,914)	(1,062,837)
ENVIRONMENTAL COST RECOVERY CLAUSE	(141,764,755)		(26,903,851)	(39,742,936)	(2,961,404)	(27,834,395)				(97,442,586)	(44,322,169)
FRANCHISE FEE REVENUE & EXPENSE	(43,331,515)				(42,216,959)	(429,940)				(42,646,899)	(684,617)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,570,153)				(32,171,777)	(153,673)				(32,325,450)	(244,703)
MARKETING SUPPORT ACTIVITIES			(207,175)			79,918				(127,257)	127,257
WHOLESALE EXPENSES		(173,337)				66,865				(106,472)	106,472
INSTITUTIONAL ADVERTISING EXPENSE			(239,363)			92,334				(147,029)	147,029
ECONOMIC DEVELOPMENT EXPENSE			(59,233)			22,849				(36,384)	36,384
MGMT FINANCIAL PLANNING SERVICES			(27,899)			10,762				(17,137)	17,137
DIRECTORS' & OFFICERS' INSURANCE			(46,132)			18,567				(29,565)	29,565
INDUSTRY ASSOCIATION DUES			(1,170)			451				(719)	719
TALLAHASSEE LIAISON EXPENSES			(431,059)		(20,904)	174,345				(277,618)	277,618
DEPRECIATION CREDIT ADJUSTMENT						0				0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,531,621)	590,823				(940,798)	940,798
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						(1,357)			3,519	2,162	(2,162)
INTEREST SYNCHRONIZATION						6,094,882				6,094,882	(6,094,882)
TOTAL FPSC ADJUSTMENTS	(771,254,266)	(535,145,261)	(43,997,536)	(40,094,455)	(79,257,941)	(21,973,286)	0	0	3,519	(720,464,961)	(50,789,305)
FPSC ADJUSTED	573,353,549	0	290,164,688	84,329,778	34,783,674	(14,607,099)	66,214,186	(597,413)	3,519	460,291,333	113,062,216
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	573,353,549	0	290,164,688	84,329,778	34,783,674	(14,607,099)	66,214,186	(597,413)	3,519	460,291,333	113,062,216
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				21,186,359	AND THE JURISDICTIONAL NOI BY	20,694,159					
CURRENT MONTH SYSTEM PER BOOKS	153,612,680	64,329,158	30,227,418	13,596,226	11,334,089	10,993,408	503,814	(58,495)	0	130,925,618	22,687,062
CURRENT MONTH JURISDICTIONAL PER BOOKS	136,208,915	53,529,378	27,894,062	12,657,568	11,167,254	10,023,162	428,982	(30,373)	0	115,670,034	20,538,881

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
July, 2015

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	(1,049,786,894)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(571,182,894)	(220,333,802)
ACCUMULATED DEPRECIATION CWIP	181,711,069	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(148,054,515)	(56,340,529)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,991,585)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(86,430,302)	(33,340,489)
ACCUMULATED DEPRECIATION CWIP	(12,407,378)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,516,752)	(7,142,837)
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(6,937,598)	FUEL EXPENSE	(587,473,295)	218,902,823
ACCUMULATED DEPRECIATION CWIP	(5,769)	PURCHASED POWER CAPACITY COST EXPENSE	(88,979,600)	34,323,881
FAS 143 NET PLANT	(54,396,060)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(16,431,174)	6,338,325
INTEREST BEARING CWIP	(26,134,156)	CONSERVATION EXPENSES - OTHER TAXES	(355,277)	137,048
PHFU - NORTH ESCAMBIA	(377,519,551)	ENVIRONMENTAL COST RECOVERY EXPENSE	(71,636,884)	27,633,928
	(13,003,765)	FRANCHISE FEE REVENUES	(43,331,515)	(16,715,132)
		FRANCHISE FEE	(42,216,959)	16,285,192
WORKING CAPITAL:		GROSS RECEIPTS TAX REVENUES	(32,570,153)	(12,583,936)
ECRC WORKING CAPITAL	(6,697,863)	GROSS RECEIPTS TAX EXPENSE	(32,171,777)	12,410,263
CONSERVATION/AEM INVENTORY	(1,245,111)	MARKETING SUPPORT ACTIVITIES	(207,175)	79,918
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(439,994)	WHOLESALE EXPENSE	(178,620)	68,903
FUNDED PROPERTY INSURANCE RESERVE	0	INSTITUTIONAL ADVERTISING EXPENSE	(244,078)	94,153
LOANS TO EMPLOYEES AND RETIREES	(42,417)	ECONOMIC DEVELOPMENT EXPENSE	(59,233)	22,849
INTEREST & DIVIDENDS RECEIVABLE	(45,283)	MGMT FINANCIAL PLANNING SERVICES	(28,515)	11,000
NORTH ESCAMBIA SITE	(4,588,532)	DIRECTORS' & OFFICERS' INSURANCE	(48,195)	18,977
UNAMORTIZED RATE CASE EXPENSE	(3,956,883)	INDUSTRY ASSOCIATION DUES	(1,193)	460
FUEL RELATED DEFERRED DEBITS	(47,377,998)	TALLAHASSEE LIAISON EXPENSE	(461,847)	178,186
UNREALIZED LOSS ON FWD CONTRACT	2,038	DEPRECIATION CREDIT ADJUSTMENT	0	0
ACCUM. PROV. FOR RATE REFUNDS	0	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,531,621)	590,823
FAS 143 WORKING CAPITAL	37,679,011	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFV. ESC REV	(107,787)	(41,579)
FAS 158 REGULATORY ASSETS	(118,142,012)	GAIN/LOSS ON DISPOSITION OF PROPERTY	3,699	(1,427)
FAS 158 REGULATORY LIABILITIES	118,142,012	INTEREST SYNCHRONIZATION	6,488,329	6,488,329
PPA REGULATORY ASSETS	(183,233,006)			
PPA REGULATORY LIABILITIES	183,233,006			
FAS 133 REGULATORY ASSETS	(61,135,458)			
FAS 133 REGULATORY LIABILITIES	61,135,458			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
July, 2015

	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	4,749,821,823	1,574,422,229	3,175,399,594	14,756,744	390,113,932	0	3,580,270,270	247,465,501	3,827,735,771
JURISDICTIONAL PER BOOKS	4,189,569,147	1,422,127,182	2,767,441,965	14,325,038	379,382,140	0	3,161,149,143	269,449,736	3,430,598,879
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,022,291,059)	(195,772,302)	(826,518,757)		(18,943,667)		(845,462,424)	(6,502,474)	(851,964,898)
INT BEARING CWIP					(329,423,148)		(329,423,148)	0	(329,423,148)
ENERGY CONSERVATION CLAUSE	(12,967,958)	7,208,475	(20,176,433)				(20,176,433)	(1,245,111)	(21,421,544)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(175,537,167)		(175,537,167)				(175,537,167)	0	(175,537,167)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(2,339,011)	(2,339,011)
LOANS TO EMPLOYEES AND RETIREES								(40,643)	(40,643)
INTEREST AND DIVIDENDS RECEIVABLE								(43,389)	(43,389)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,661,331)			(12,661,331)	(4,396,436)	(17,057,767)
FUEL RELATED DEFERRED DEBITS								(47,377,998)	(47,377,998)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(3,791,230)	(3,791,230)
TOTAL FPSC ADJUSTMENTS	(1,210,796,184)	(188,563,827)	(1,022,232,357)	(12,661,331)	(348,366,815)	0	(1,383,260,503)	(65,736,292)	(1,448,996,795)
FPSC ADJUSTED	2,978,772,963	1,233,563,355	1,745,209,608	1,663,707	31,015,325	0	1,777,888,640	203,713,444	1,981,602,084
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	2,978,772,963	1,233,563,355	1,745,209,608	1,663,707	31,015,325	0	1,777,888,640	203,713,444	1,981,602,084

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
July, 2015

	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	1,543,494,668	656,348,361	354,829,867	135,614,978	116,065,637	2,445,069	85,901,637	(939,425)	0	1,350,266,124	193,228,544 (a)
JURISDICTIONAL PER BOOKS	1,344,607,615	535,145,261	334,162,224	124,424,233	114,041,615	7,371,427	66,197,426	(597,413)	0	1,180,744,774	163,863,041 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(448,950,558)	(448,598,127)				(135,950)				(448,734,077)	(216,481)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(86,120,532)	(86,373,797)				97,697				(86,276,100)	155,567
ENERGY CONSERVATION COST REVENUES & EXPENSES	(18,516,752)		(16,079,654)	(351,519)	(355,277)	(667,464)				(17,453,914)	(1,062,837)
ENVIRONMENTAL COST RECOVERY CLAUSE	(141,764,755)		(26,903,851)	(39,742,936)	(2,961,404)	(27,834,395)				(97,442,586)	(44,322,169)
FRANCHISE FEE REVENUE & EXPENSE	(43,331,515)				(42,216,959)	(429,940)				(42,646,899)	(684,617)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,570,153)				(32,171,777)	(153,673)				(32,325,450)	(244,703)
MARKETING SUPPORT ACTIVITIES			(207,175)			79,918				(127,257)	127,257
WHOLESALE EXPENSES		(173,337)				66,865				(106,472)	106,472
INSTITUTIONAL ADVERTISING EXPENSE			(239,363)			92,334				(147,029)	147,029
ECONOMIC DEVELOPMENT EXPENSE			(59,233)			22,849				(36,384)	36,384
MGMT FINANCIAL PLANNING SERVICES			(27,899)			10,762				(17,137)	17,137
DIRECTORS' & OFFICERS' INSURANCE			(48,132)			18,567				(29,565)	29,565
INDUSTRY ASSOCIATION DUES			(1,170)			451				(719)	719
TALLAHASSEE LIAISON EXPENSES			(431,059)		(20,904)	174,345				(277,618)	277,618
DEPRECIATION CREDIT ADJUSTMENT						0				0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,531,621)	590,823				(940,798)	940,798
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						(1,357)			3,519	2,162	(2,162)
INTEREST SYNCHRONIZATION						6,125,224				6,125,224	(6,125,224)
TOTAL FPSC ADJUSTMENTS	(771,254,266)	(535,145,261)	(43,997,536)	(40,094,455)	(79,257,941)	(21,942,944)	0	0	3,519	(720,434,619)	(50,819,647)
FPSC ADJUSTED	573,353,549	0	290,164,688	84,329,778	34,783,674	(14,571,517)	66,197,426	(597,413)	3,519	460,310,155	113,043,394
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	573,353,549	0	290,164,688	84,329,778	34,783,674	(14,571,517)	66,197,426	(597,413)	3,519	460,310,155	113,043,394

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 21,186,359 AND THE JURISDICTIONAL NOI BY 20,694,159

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
July, 2015

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	(1,052,875,555)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(571,182,894)	(220,333,802)
ACCUMULATED DEPRECIATION CWIP	201,829,340	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(146,054,515)	(56,340,529)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(19,510,416)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(86,430,302)	(33,340,489)
ACCUMULATED DEPRECIATION CWIP	(12,967,958)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,516,752)	(7,142,837)
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(7,208,475)	FUEL EXPENSE	(567,473,295)	218,902,823
FAS 143 NET PLANT	0	PURCHASED POWER CAPACITY COST EXPENSE	(86,979,600)	34,323,881
INTEREST BEARING CWIP	0	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(16,431,174)	6,338,325
PHFU - NORTH ESCAMBIA	0	CONSERVATION EXPENSES - OTHER TAXES	(355,277)	137,048
WORKING CAPITAL:		ENVIRONMENTAL COST RECOVERY EXPENSE	(71,636,884)	27,633,928
ECRC WORKING CAPITAL	(6,697,883)	FRANCHISE FEE REVENUES	(43,331,515)	(16,715,132)
CONSERVATION/AEM INVENTORY	(1,245,111)	FRANCHISE FEE	(42,216,959)	16,285,192
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(439,994)	GROSS RECEIPTS TAX REVENUES	(32,570,153)	(12,563,936)
FUNDED PROPERTY INSURANCE RESERVE	0	GROSS RECEIPTS TAX EXPENSE	(32,171,777)	12,410,283
LOANS TO EMPLOYEES AND RETIREES	(42,417)	MARKETING SUPPORT ACTIVITIES	(207,175)	79,918
INTEREST & DIVIDENDS RECEIVABLE	(45,283)	WHOLESALE EXPENSE	(178,620)	68,903
NORTH ESCAMBIA SITE	(4,588,532)	INSTITUTIONAL ADVERTISING EXPENSE	(244,078)	94,153
UNAMORTIZED RATE CASE EXPENSE	(9,956,883)	ECONOMIC DEVELOPMENT EXPENSE	(59,233)	22,849
FUEL RELATED DEFERRED DEBITS	(47,377,998)	MGMT FINANCIAL PLANNING SERVICES	(28,515)	11,000
UNREALIZED LOSS ON FWD CONTRACT	2,038	DIRECTORS' & OFFICERS' INSURANCE	(49,195)	18,977
ACCUM. PROV. FOR RATE REFUNDS	0	INDUSTRY ASSOCIATION DUES	(1,193)	460
FAS 143 WORKING CAPITAL	37,679,011	TALLAHASSEE LIAISON EXPENSE	(461,947)	178,196
FAS 158 REGULATORY ASSETS	(118,142,012)	DEPRECIATION CREDIT ADJUSTMENT	0	0
FAS 158 REGULATORY LIABILITIES	118,142,012	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,531,621)	590,823
PPA REGULATORY ASSETS	(183,233,006)	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFN. ESC REV	(107,787)	(41,579)
PPA REGULATORY LIABILITIES	183,233,006	GAIN/LOSS ON DISPOSITION OF PROPERTY	3,699	(1,427)
FAS 133 REGULATORY ASSETS	(61,135,458)	INTEREST SYNCHRONIZATION	6,406,281	6,406,281
FAS 133 REGULATORY LIABILITIES	61,135,458			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
July, 2015

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	1,331,556,285	1,221,604,706	(502,921,932)	0	718,682,774	36.47	4.48	1.63	4.48	1.63	4.48	1.63
SHORT TERM DEBT	100,478,444	45,030,037	(18,538,397)	0	26,491,640	1.34	0.32	0.00	0.32	0.00	0.32	0.00
PREFERENCE STOCK	146,503,864	134,399,272	(55,330,780)	0	79,068,492	4.01	6.14	0.25	6.14	0.25	6.14	0.25
CUSTOMER DEPOSITS	35,337,901	35,853,856	(14,760,659)	0	21,093,197	1.07	2.37	0.03	2.37	0.03	2.37	0.03
COMMON EQUITY	1,314,663,422	1,214,674,195	(500,068,713)	0	714,605,482	36.26	9.25	3.35	10.25	3.72	11.25	4.08
DEFERRED INCOME TAXES	799,648,447	744,694,539	(306,582,984)	0	438,111,555	22.23						
FASB 109 DEFERRED TAXES	(52,406,637)	(48,805,117)	20,092,558	0	(28,712,559)	(1.46)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	2,779,699	2,585,887	(1,064,583)	0	1,521,304	0.08	6.82	0.01	7.29	0.01	7.77	0.01
TOTAL	3,678,561,425	3,350,037,374	(1,379,175,490)	0	1,970,861,885	100.00 %		5.27 %		5.63 %		6.00 %

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	1,345,752,653	1,226,556,485	(518,065,935)	0	708,490,550	35.75	4.52	1.62	4.52	1.62	4.52	1.62
SHORT TERM DEBT	134,974,260	76,199,241	(32,184,601)	0	44,014,640	2.22	0.60	0.01	0.60	0.01	0.60	0.01
PREFERENCE STOCK	146,503,864	133,527,706	(56,398,671)	0	77,129,035	3.89	6.14	0.24	6.14	0.24	6.14	0.24
CUSTOMER DEPOSITS	35,721,570	35,946,126	(15,182,720)	0	20,763,406	1.05	2.11	0.02	2.11	0.02	2.11	0.02
COMMON EQUITY	1,325,352,097	1,226,212,177	(517,920,508)	0	708,291,669	35.74	9.25	3.31	10.25	3.66	11.25	4.02
DEFERRED INCOME TAXES	841,894,203	779,617,742	(329,290,497)	0	450,327,245	22.73						
FASB 109 DEFERRED TAXES	(53,766,308)	(49,789,116)	21,029,643	0	(28,759,473)	(1.45)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	2,373,925	2,328,518	(983,506)	0	1,345,012	0.07	6.85	0.00	7.32	0.01	7.80	0.01
TOTAL	3,778,806,264	3,430,598,879	(1,448,996,795)	0	1,981,602,084	100.00 %		5.20 %		5.56 %		5.92 %

GULF POWER COMPANY
Financial Integrity Indicators
July, 2015

A. Times Interest Earned with AFUDC

Earnings Before Interest	206,450,128
AFUDC - Debt	6,544,460
Income Taxes	88,371,347
	<hr/>
Total	301,365,936
Interest Charges (Before Deducting AFUDC - Debt)	61,152,234
	<hr/>
T.I.E. With AFUDC	4.93 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	206,450,128
AFUDC - Other	(14,641,899)
Income Taxes	88,371,347
	<hr/>
Total	280,179,576
Interest Charges (Before Deducting AFUDC - Debt)	61,152,234
	<hr/>
T.I.E. Without AFUDC	4.58 x

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	6,544,460
X (1 - Income Tax Rate)	0.61425
	<hr/>
Subtotal	4,019,935
AFUDC - Other	14,641,899
	<hr/>
Total	18,661,834
	<hr/>
Net Income Available for Common Stockholders	142,839,854
	<hr/>
Percent AFUDC to Available Net Income	13.06%

D. Percent Internally Generated Funds

Net income	151,842,354
Preference Dividends	(9,002,500)
Common Dividends	(128,420,000)
AFUDC (Debt & Other)	(21,186,359)
Depreciation & Amortization	144,568,072
Deferred Income Taxes	85,875,056
Investment Tax Credits	0
Other	(83,618,180)
	<hr/>
Total	140,058,443
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	317,158,166
	<hr/>
Percent Internally Generated Funds	44.16%

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	718,682,774
Short Term Debt	26,491,640
Preference Stock	79,068,492
Common Equity	714,605,482
	<hr/>
Total	1,538,848,388
	<hr/>
% Long Term Debt To Total	46.70%
	<hr/>
% Short Term Debt To Total	1.72%

G. FPSC Adjusted Average Jurisdictional Return On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.74%	5.74%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.63)	(1.63)
Short Term Debt	(0.00)	(0.00)
Preference Stock	(0.25)	(0.25)
Customer Deposits	(0.03)	(0.03)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.01)	(0.01)
	<hr/>	<hr/>
Subtotal	(1.92)	(1.92)
	<hr/>	<hr/>
Total	3.82	3.82
Divided by Common Equity Ratio	36.26	36.26
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	10.54%	10.54%