



Gulf Power®

Mitchell P. Goldstein

Vice President, Finance

April 10, 2020

Mr. Andrew Maurey, Director
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. Maurey:

Attached is Gulf Power Company's Jurisdictional Rate of Return Report for the month of February 2020 and the revised Jurisdictional Rate of Return Report for December 2019. Gulf Power discovered a miscalculation related to FPSC adjusted rate base and net operating income which results in a change in the reported rate of return for December 2019 from 10.80% to 11.03%. All adjustments necessary to state 2020 correctly have been included in the Jurisdictional Rate of Return Report for the month of February 2020.

Sincerely,

Mitchell P. Goldstein
Vice President, Finance

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Attachment

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

February 2020

Earnings Surveillance
Report
(Rate of Return)



Gulf Power[®]

GULF POWER COMPANY
Earnings Surveillance Report Summary
February 2020

	(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	225,256,107	(69,965,205)	155,290,902	0	155,290,902
Average Rate Base	4,655,076,531	(1,936,475,832)	2,718,600,699	0	2,718,600,699
Average Rate of Return	4.84%		5.71%		5.71%

II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	225,127,560	(71,455,933)	153,671,627	0	153,671,627
Year End Rate Base	5,074,103,019	(2,219,644,613)	2,854,458,406	0	2,854,458,406
Year End Rate of Return	4.44%		5.38%		5.38%

(a) Includes AFUDC Earnings
(b) Includes Reversal of AFUDC Earnings

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

Low	5.11%
Midpoint	5.53%
High	5.95%

IV. Financial Integrity Indicators

A. Tie With AFUDC	5.21	x (System per Books Basis)
B. Tie Without AFUDC	5.08	x (System per Books Basis)
C. AFUDC To Net Income	3.81%	(System per Books Basis)
D. Internally Generated Funds	-122.89%	(System per Books Basis)
E. LTD To Total Investor Funds	41.32%	(FPSC Adjusted Basis)
F. STD To Total Investor Funds	4.47%	(FPSC Adjusted Basis)
G. Return on Common Equity	10.67%	(FPSC Adjusted Basis)
H. Return on Common Equity	10.67%	(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

Mitchell P. Goldstein
Vice President - Finance



April 9, 2020

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
February 2020

	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	5,739,317,561	1,833,190,701	3,906,126,860	14,109,788	434,281,400	0	4,354,518,048	402,038,303	4,756,556,351
JURISDICTIONAL PER BOOKS	5,552,839,259	1,784,780,346	3,768,058,913	13,715,857	424,842,021	0	4,206,616,791	448,459,740	4,655,076,531
<u>FPSC ADJUSTMENTS:</u>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,577,002,625)	(381,277,582)	(1,195,725,043)		(72,158,540)		(1,267,883,583)	(30,795,100)	(1,298,678,683)
INT BEARING CWIP					(206,362,787)		(206,362,787)	0	(206,362,787)
ENERGY CONSERVATION CLAUSE	(17,301,250)	6,041,715	(23,342,965)				(23,342,965)	(829,782)	(24,172,747)
LOANS TO EMPLOYEES / RETIREES								(8,708)	(8,708)
INTEREST AND DIVIDENDS RECEIVABLE								(45,674)	(45,674)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,053,751)			(12,053,751)	(21,913,505)	(33,967,256)
INTERCOMPANY RECEIVABLES AND PAYABLES								12,263,761	12,263,761
MICHAEL STORM RECOVERY								(158,908,176)	(158,908,176)
FUEL RELATED DEFERRED DEBITS								(462,347)	(462,347)
LEASES	(196,821,338)	(35,902,285)	(160,919,053)				(160,919,053)	(65,214,162)	(226,133,215)
TOTAL FPSC ADJUSTMENTS	(1,791,125,213)	(411,138,152)	(1,379,987,061)	(12,053,751)	(278,521,327)	0	(1,670,562,139)	(265,913,693)	(1,936,475,832)
FPSC ADJUSTED	3,761,714,046	1,373,642,194	2,388,071,852	1,662,106	146,320,694	0	2,536,054,652	182,546,047	2,718,600,699
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	3,761,714,046	1,373,642,194	2,388,071,852	1,662,106	146,320,694	0	2,536,054,652	182,546,047	2,718,600,699

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
February 2020

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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	1,488,272,781	535,225,214	307,748,994	254,488,180	115,359,472	58,456,458	(15,008,761)	(283,320)	(82)	1,255,986,155	232,286,626	(a)
JURISDICTIONAL PER BOOKS	1,369,473,910	435,483,316	311,536,126	250,216,595	114,494,887	53,693,276	(14,396,350)	(278,215)	(80)	1,150,749,555	218,724,355	(a)
LESS FPSC ADJUSTMENTS:												
RETAIL FUEL REVENUES & EXPENSES	(352,388,202)	(360,545,928)				2,067,575				(358,478,353)	6,090,151	
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(76,437,546)	(74,937,388)				(380,215)				(75,317,603)	(1,119,943)	
ENERGY CONSERVATION COST REVENUES & EXPENSES	(9,031,879)		(5,582,472)	(1,369,697)	(290,193)	(453,553)				(7,695,916)	(1,335,963)	
ENVIRONMENTAL COST RECOVERY CLAUSE	(176,432,576)		(26,375,754)	(57,843,870)	(8,175,634)	(21,299,258)				(113,694,516)	(62,738,060)	
FRANCHISE FEE REVENUE & EXPENSE	(43,703,636)				(42,475,785)	(311,198)				(42,786,983)	(916,652)	
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(31,364,811)				(30,960,558)	(102,458)				(31,063,016)	(301,795)	
ECONOMIC DEVELOPMENT EXPENSE			(88,295)			22,379				(65,916)	65,916	(b)
INDUSTRY ASSOCIATION DUES			(1,399)			355				(1,044)	1,044	
TALLAHASSEE LIAISON EXPENSES			(99,633)		(34,615)	34,025				(100,223)	100,223	
GRT, FPSC FEES ON CLAUSES & FEES					(1,428,481)	362,049				(1,066,432)	1,066,432	
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						8,672			(34,218)	(25,546)	25,546	
MICHAEL STORM RECOVERY	(50,265,205)			(52,184,724)		486,502				(51,698,222)	1,433,017	
INTEREST SYNCHRONIZATION						5,803,368				5,803,368	(5,803,368)	
TOTAL FPSC ADJUSTMENTS	(739,623,855)	(435,483,316)	(32,147,553)	(111,398,291)	(83,365,266)	(13,761,757)	0	0	(34,218)	(676,190,401)	(63,433,453)	
FPSC ADJUSTED	629,850,056	0	279,388,573	138,818,304	31,129,621	39,931,519	(14,396,350)	(278,215)	(34,298)	474,559,154	155,290,902	
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS												
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	
PRO FORMA ADJUSTED	629,850,056	0	279,388,573	138,818,304	31,129,621	39,931,519	(14,396,350)	(278,215)	(34,298)	474,559,154	155,290,902	
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTE		6,668,850					6,531,752					
AND THE JURISDICTIONAL NOI BY												
(b) SYSTEM ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE		1,765,901					1,765,901					
ON A JURISDICTIONAL BASIS												
CURRENT MONTH SYSTEM PER BOOKS	106,880,288	36,694,097	18,712,877	22,282,893	8,985,001	2,241,249	1,654,241	(23,610)	0	90,546,747	16,333,541	
CURRENT MONTH JURISDICTIONAL PER BOOKS	99,585,191	27,719,680	19,429,724	21,918,096	8,913,999	2,599,783	1,671,822	(23,185)	0	82,229,919	17,355,271	

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
February 2020

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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	(1,621,514,709)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(451,592,715)	(114,456,174)
ACCUMULATED DEPRECIATION	392,039,428	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(180,385,564)	(45,718,721)
CWIP	(74,195,269)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(76,474,262)	(19,382,402)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,301,250)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(9,031,879)	(2,289,130)
ACCUMULATED DEPRECIATION	(6,041,715)	FUEL EXPENSE	(454,251,304)	115,129,993
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(77,103,077)	19,541,775
FAS 143 NET PLANT	(56,617,907)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(6,952,169)	1,762,027
INTEREST BEARING CWIP	(210,694,239)	CONSERVATION EXPENSES - OTHER TAXES	(290,193)	73,550
PHFU - NORTH ESCAMBIA	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(94,910,601)	24,055,092
LEASES	(163,890,669)	FRANCHISE FEE REVENUES	(43,703,636)	(11,076,686)
		FRANCHISE FEE	(42,475,785)	10,765,488
WORKING CAPITAL:		GROSS RECEIPTS TAX REVENUES/MICHAEL STORM REVENUES	(81,630,017)	(20,689,128)
ECRC WORKING CAPITAL	(31,664,419)	GROSS RECEIPTS TAX EXPENSE	(30,960,558)	7,846,953
CONSERVATION/AEM INVENTORY	(842,172)	MARKETING SUPPORT ACTIVITIES	0	0
TEMPORARY CASH INVESTMENT	(21,673,077)	WHOLESALE EXPENSES	0	0
LOANS TO EMPLOYEES AND RETIREES	(8,861)	INSTITUTIONAL ADVERTISING EXPENSE	0	0
INTERCOMPANY PAYABLES	12,479,856	ECONOMIC DEVELOPMENT EXPENSE	(88,295)	22,378
INTEREST & DIVIDENDS RECEIVABLE	(46,479)	MICHAEL STORM RECOVERY	(52,184,724)	13,226,218
NORTH ESCAMBIA SITE	(626,523)	DIRECTORS' & OFFICERS' INSURANCE	0	0
MICHAEL STORM RECOVERY	(158,908,176)	INDUSTRY ASSOCIATION DUES	(1,426)	361
FUEL RELATED DEFERRED DEBITS	(462,347)	TALLAHASSEE LIAISON EXPENSE	(137,043)	34,733
UNREALIZED LOSS ON FWD CONTRACT	(38,963)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,428,481)	362,049
LEASES	(66,418,441)	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REF\N. ESC REV	7,643,989	1,937,369
FAS 143 WORKING CAPITAL	57,023,138	GAIN/LOSS ON DISPOSITION OF PROPERTY	(35,200)	8,921
FAS 158 REGULATORY ASSETS	(15,968,921)	INTEREST SYNCHRONIZATION	5,797,483	5,797,483
FAS 158 REGULATORY LIABILITIES	14,031,412			
FAS 133 REGULATORY ASSETS	(3,888,977)			
FAS 133 REGULATORY LIABILITIES	3,888,976			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
February 2020

	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	5,926,792,017	1,886,122,044	4,040,669,973	14,109,788	746,957,181	0	4,801,736,942	402,038,303	5,203,775,245
JURISDICTIONAL PER BOOKS	5,730,380,533	1,843,890,580	3,886,489,953	13,715,856	731,186,654	0	4,631,392,463	442,710,556	5,074,103,019
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,586,498,806)	(408,522,963)	(1,177,975,843)		(81,257,406)		(1,259,233,249)	(30,795,100)	(1,290,028,349)
INT BEARING CWIP					(525,465,393)		(525,465,393)	0	(525,465,393)
ENERGY CONSERVATION CLAUSE	(17,339,925)	5,960,282	(23,300,207)				(23,300,207)	(829,782)	(24,129,989)
LOANS TO EMPLOYEES AND RETIREES								(8,708)	(8,708)
INTEREST AND DIVIDENDS RECEIVABLE								(45,674)	(45,674)
INTERCOMPANY RECEIVABLES AND PAYABLES								12,263,761	12,263,761
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER IN				(12,053,751)			(12,053,751)	(21,913,505)	(33,967,256)
LEASES	(203,649,840)	(64,222,336)	(139,427,504)				(139,427,504)	(59,464,978)	(198,892,482)
FUEL RELATED DEFERRED DEBITS								(462,347)	(462,347)
MICHAEL STORM RECOVERY								(158,908,176)	(158,908,176)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								0	0
TOTAL FPSC ADJUSTMENTS	(1,807,488,571)	(466,785,017)	(1,340,703,554)	(12,053,751)	(606,722,799)	0	(1,959,480,104)	(260,164,509)	(2,219,644,613)
FPSC ADJUSTED	3,922,891,962	1,377,105,563	2,545,786,399	1,662,105	124,463,855	0	2,671,912,359	182,546,047	2,854,458,406
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	3,922,891,962	1,377,105,563	2,545,786,399	1,662,105	124,463,855	0	2,671,912,359	182,546,047	2,854,458,406

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
February 2020

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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	1,488,272,781	535,225,214	307,748,994	254,488,180	115,359,472	58,456,458	(15,008,761)	(283,320)	(82)	1,255,986,155	232,286,626 (a)
JURISDICTIONAL PER BOOKS	1,369,473,910	435,483,316	311,536,126	250,216,595	114,494,887	53,915,611	(14,490,138)	(278,215)	(80)	1,150,878,102	218,595,808 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(352,388,202)	(360,545,928)				2,067,575				(358,478,353)	6,090,151
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(76,437,546)	(74,937,388)				(380,215)				(75,317,603)	(1,119,943)
ENERGY CONSERVATION COST REVENUES & EXPENSES	(9,031,879)		(5,582,472)	(1,369,697)	(290,193)	(453,553)				(7,695,916)	(1,335,963)
ENVIRONMENTAL COST RECOVERY CLAUSE	(176,432,576)		(26,375,754)	(57,843,870)	(8,175,634)	(21,299,258)				(113,694,516)	(62,738,060)
FRANCHISE FEE REVENUE & EXPENSE	(43,703,636)				(42,475,785)	(311,198)				(42,786,983)	(916,652)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(31,364,811)				(30,960,558)	(102,458)				(31,063,016)	(301,795)
ECONOMIC DEVELOPMENT EXPENSE			(88,295)			22,379				(65,916)	65,916
INDUSTRY ASSOCIATION DUES			(1,399)			355				(1,044)	1,044
TALLAHASSEE LIAISON EXPENSES			(99,633)		(34,615)	34,025				(100,223)	100,223
GRT, FPSC FEES ON CLAUSES & FEES					(1,428,481)	362,049				(1,066,432)	1,066,432
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						8,672			(34,218)	(25,546)	25,546
MICHAEL STORM RECOVERY INT ON TAX ASSESSMENT	(50,265,205)			(52,184,724)		486,502				(51,698,222)	1,433,017
RECLASSIFY FINANCING EXPENSES											
INTEREST SYNCHRONIZATION						7,294,096				7,294,096	(7,294,096)
TOTAL FPSC ADJUSTMENTS	(739,623,855)	(435,483,316)	(32,147,553)	(111,398,291)	(83,365,266)	(12,271,029)	0	0	(34,218)	(674,699,673)	(64,924,181)
FPSC ADJUSTED	629,850,056	0	279,388,573	138,818,304	31,129,621	41,644,582	(14,490,138)	(278,215)	(34,298)	476,178,429	153,671,627
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	629,850,056	0	279,388,573	138,818,304	31,129,621	41,644,582	(14,490,138)	(278,215)	(34,298)	476,178,429	153,671,627

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 6,668,850 AND THE JURISDICTIONAL NOI BY 6,531,752

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
February 2020

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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	(1,835,473,498)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(451,592,715)	(114,456,174)
ACCUMULATED DEPRECIATION	419,225,718	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(180,385,564)	(45,718,721)
CWIP	(83,386,241)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(76,474,262)	(19,382,402)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,339,925)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(9,031,879)	(2,289,130)
ACCUMULATED DEPRECIATION	(5,960,282)	FUEL EXPENSE	(454,251,304)	115,129,993
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(77,103,077)	19,541,775
FAS 143 NET PLANT	(73,101,676)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(6,952,169)	1,762,027
INTEREST BEARING CWIP	(536,494,650)	CONSERVATION EXPENSES - OTHER TAXES	(290,193)	73,550
PHFU - NORTH ESCAMBIA LEASES	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(94,910,601)	24,055,092
	(142,002,247)	FRANCHISE FEE REVENUES	(43,703,636)	(11,076,686)
		FRANCHISE FEE	(42,475,785)	10,765,488
		GROSS RECEIPTS TAX REVENUES/MICHAEL STORM REVENUES	(81,630,017)	(20,689,128)
WORKING CAPITAL:		GROSS RECEIPTS TAX EXPENSE	(30,960,558)	7,846,953
ECRC WORKING CAPITAL	(31,664,419)	MARKETING SUPPORT ACTIVITIES	0	0
CONSERVATION/AEM INVENTORY	(842,172)	WHOLESALE EXPENSES	0	0
TEMPORARY CASH INVESTMENT	(21,673,077)	INSTITUTIONAL ADVERTISING EXPENSE	0	0
LOANS TO EMPLOYEES AND RETIREES	(8,861)	ECONOMIC DEVELOPMENT EXPENSE	(88,295)	22,378
INTERCOMPANY PAYABLES	12,479,856	MICHAEL STORM RECOVERY	(52,184,724)	13,226,218
INTEREST & DIVIDENDS RECEIVABLE	(46,479)	DIRECTORS' & OFFICERS' INSURANCE	0	0
NORTH ESCAMBIA SITE	(626,523)	INDUSTRY ASSOCIATION DUES	(1,426)	361
MICHAEL STORM RECOVERY	(158,908,176)	TALLAHASSEE LIAISON EXPENSE	(137,043)	34,733
FUEL RELATED DEFERRED DEBITS	(462,347)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,428,481)	362,049
UNREALIZED LOSS ON FWD CONTRACT LEASES	(38,963)	COMP SALES\TRANS REV\GL SALE GAS\PROV RT REFIN. ESC REV	7,643,989	1,937,369
FAS 143 WORKING CAPITAL	57,023,138	GAIN/LOSS ON DISPOSITION OF PROPERTY	(35,200)	8,921
FAS 158 REGULATORY ASSETS	(15,968,921)	INTEREST SYNCHRONIZATION	7,005,034	7,005,034
FAS 158 REGULATORY LIABILITIES	14,031,412			
FAS 133 REGULATORY ASSETS	(3,888,977)			
FAS 133 REGULATORY LIABILITIES	3,888,976			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
February 2020

SCHEDULE 4

AVERAGE	ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COS* (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,688,102,039	1,652,863,412	(550,966,063)	(226,133,214)	875,764,135	32.21	3.47	1.12	3.47	1.12	3.47	1.12
SHORT TERM DEBT	158,626,923	154,254,335	(59,569,009)	0	94,685,326	3.48	2.12	0.07	2.12	0.07	2.12	0.07
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	34,156,209	33,349,677	(12,878,777)	0	20,470,900	0.75	0.58	0.00	0.58	0.00	0.58	0.00
COMMON EQUITY	1,910,574,464	1,871,700,747	(722,802,106)	0	1,148,898,641	42.26	9.25	3.91	10.25	4.33	11.25	4.75
DEFERRED INCOME TAXES	626,856,642	611,359,103	(236,090,971)	0	375,268,132	13.80						
FASB 109 DEFERRED TAXES	339,176,616	330,791,282	(127,742,982)	0	203,048,300	7.47						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	777,189	757,975	(292,710)	0	465,265	0.02	6.75	0.00	7.32	0.00	7.89	0.00
TOTAL	4,758,270,082	4,655,076,531	#####	(226,133,214)	2,718,600,699	100.00 %		5.11 %		5.53 %		5.95 %

YEAR-END	ADJUSTMENTS						LOW POINT		MIDPOINT		HIGH POINT	
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COS* (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,866,755,695	1,861,707,968	(689,229,298)	(198,892,482)	973,586,188	34.11	2.80	0.95	2.80	0.95	2.80	0.95
SHORT TERM DEBT	240,000,000	80,249,454	(33,263,026)	0	46,986,428	1.65	2.61	0.04	2.61	0.04	2.61	0.04
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	34,542,538	35,004,940	(14,509,385)	0	20,495,555	0.72	(13.28)	(0.10)	(13.28)	(0.10)	(13.28)	(0.10)
COMMON EQUITY	2,141,971,585	2,140,208,961	(887,106,677)	0	1,253,102,284	43.90	9.25	4.06	10.25	4.50	11.25	4.94
DEFERRED INCOME TAXES	626,704,722	623,750,930	(258,541,864)	0	365,209,066	12.79						
FASB 109 DEFERRED TAXES	334,123,028	332,548,236	(137,839,700)	0	194,708,536	6.82						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	635,525	632,530	(262,181)	0	370,349	0.01	6.43	0.00	6.99	0.00	7.55	0.00
TOTAL	5,244,733,093	5,074,103,019	#####	(198,892,482)	2,854,458,406	100.00 %		4.96 %		5.40 %		5.84 %

GULF POWER COMPANY
Financial Integrity Indicators
February 2020

A. Times Interest Earned with AFUDC

Earnings Before Interest	241,673,032
AFUDC - Debt	(981,563)
Income Taxes	43,261,161
	<hr/>
Total	283,952,630
Interest Charges (Before Deducting AFUDC - Debt)	54,540,451
	<hr/>
T.I.E. With AFUDC	5.21 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	241,673,032
AFUDC - Other	(7,650,414)
Income Taxes	43,261,161
	<hr/>
Total	277,283,779
Interest Charges (Before Deducting AFUDC - Debt)	54,540,451
	<hr/>
T.I.E. Without AFUDC	5.08 x

C. Percent AFUDC To Net Income Available
for Common Stockholders

AFUDC - Debt	(981,563)
X (1 - Income Tax Rate)	0.74655
	<hr/>
Subtotal	(732,786)
AFUDC - Other	7,650,414
	<hr/>
Total	6,917,628
	<hr/>
Net Income Available for Common Stockholders	181,729,181
	<hr/>
Percent AFUDC to Available Net Income	3.81%

D. Percent Internally Generated Funds

Net Income	181,729,181
Preference Dividends	0
Common Dividends	(420,000,000)
AFUDC (Debt & Other)	(11,090,687)
Depreciation & Amortization	256,723,842
Deferred Income Taxes	(15,052,718)
Investment Tax Credits	0
Other	(613,081,049)
	<hr/>
Total	(620,771,430)
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	505,129,972
	<hr/>
Percent Internally Generated Funds	-122.89%

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	875,764,135
Short Term Debt	94,685,326
Preference Stock	0
Common Equity	1,148,898,641
	<hr/>
Total	2,119,348,102
	<hr/>
% Long Term Debt To Total	41.32%
	<hr/>
% Short Term Debt To Total	4.47%

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.71%	5.71%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.12)	(1.12)
Short Term Debt	(0.07)	(0.07)
Preference Stock	0.00	0.00
Customer Deposits	(0.00)	(0.00)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.00)	(0.00)
	<hr/>	<hr/>
Subtotal	(1.20)	(1.20)
	<hr/>	<hr/>
Total	4.51	4.51
Divided by Common Equity Ratio	42.26	42.26
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	10.67%	10.67%

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
February 2020

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
March	2019	291,663
April	2019	291,667
May	2019	291,667
June	2019	291,667
July	2019	291,667
August	2019	291,667
September	2019	291,667
October	2019	875,001
November	2019	291,667
December	2019	291,667
January	2020	291,667
February	2020	291,677
12 - M-T-D		<u><u>4,083,344</u></u>