



Gulf Power®

Mitchell P. Goldstein

Vice President, Finance

December 15, 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 October 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

October 2020

Earnings Surveillance
Report
(Rate of Return)



Gulf Power[®]

GULF POWER COMPANY
Earnings Surveillance Report Summary
October 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	268,196,593	(101,645,761)	166,550,831	0	166,550,831
Average Rate Base	5,262,160,714	(2,336,755,169)	2,925,405,545	0	2,925,405,545
Average Rate of Return	5.10%		5.69%		5.69%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	268,019,740	(103,558,355)	164,461,384	0	164,461,384
Year End Rate Base	5,601,438,057	(2,588,108,873)	3,013,329,184	0	3,013,329,184
Year End Rate of Return	4.78%		5.46%		5.46%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

Average Capital Structure
(FPSC Adjusted Basis)

Low	5.17%
Midpoint	5.61%
High	6.05%

IV. Financial Integrity Indicators

A. Tie With AFUDC	5.79	x (System per Books Basis)
B. Tie Without AFUDC	5.21	x (System per Books Basis)
C. AFUDC To Net Income	14.12%	(System per Books Basis)
D. Internally Generated Funds	48.64%	(System per Books Basis)
E. LTD To Total Investor Funds	38.17%	(FPSC Adjusted Basis)
F. STD To Total Investor Funds	7.15%	(FPSC Adjusted Basis)
G. Return on Common Equity	10.44%	(FPSC Adjusted Basis)
H. Return on Common Equity	10.44%	(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



December 15, 2020

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
October 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	5,938,468,286	1,871,354,937	4,067,113,349	14,084,388	796,970,686	0	4,878,168,423	483,610,220	5,361,778,643
JURISDICTIONAL PER BOOKS	5,747,037,317	1,825,782,168	3,921,255,149	13,691,166	780,132,819	0	4,715,079,134	547,081,580	5,262,160,714
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE INT BEARING CWIP	(1,549,090,544)	(371,914,087)	(1,177,176,457)		(82,293,050)		(1,259,469,507)	(42,245,920)	(1,301,715,427)
ENERGY CONSERVATION CLAUSE					(569,494,116)		(569,494,116)	0	(569,494,116)
LOANS TO EMPLOYEES / RETIREES	(17,579,163)	5,651,651	(23,230,814)				(23,230,814)	(683,151)	(23,913,965)
INTEREST, DIVIDENDS AND RENT RECEIVABLE								(6,889)	(6,889)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,053,751)			(12,053,751)	(297,827)	(297,827)
INTERCOMPANY RECEIVABLES							(45,885,616)	(5,486,449)	(57,939,367)
MICHAEL STORM RECOVERY CLAUSE RELATED DEFERRED DEBITS							(5,486,449)	(187,117,768)	(187,117,768)
LEASES	(206,386,236)	(73,707,206)	(132,679,030)				(1,688,839)	(1,688,839)	(1,688,839)
							(132,679,030)	(56,415,492)	(189,094,522)
TOTAL FPSC ADJUSTMENTS	(1,773,055,943)	(439,969,642)	(1,333,086,301)	(12,053,751)	(651,787,166)	0	(1,996,927,218)	(339,827,951)	(2,336,755,169)
	3,973,981,374	1,385,812,526	2,588,168,848	1,637,415	128,345,653	0	2,718,151,916	207,253,629	2,925,405,545
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	3,973,981,374	1,385,812,526	2,588,168,848	1,637,415	128,345,653	0	2,718,151,916	207,253,629	2,925,405,545

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
October 2020

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	1,397,650,896	462,818,718	252,849,763	276,714,381	110,967,343	(41,430,656)	73,272,854	24,262,636	(27,187)	1,159,427,852	238,223,044	(a)
JURISDICTIONAL PER BOOKS	1,314,830,398	391,962,516	248,543,520	272,433,585	110,175,493	(40,472,421)	72,131,504	23,825,472	(26,428)	1,078,573,240	236,257,159	(a)
LESS FPSC ADJUSTMENTS:												
RETAIL FUEL REVENUES & EXPENSES	(307,794,473)	(309,546,329)				430,819				(309,115,510)	1,321,037	
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(81,033,608)	(82,416,186)				340,006				(82,076,180)	1,042,572	
ENERGY CONSERVATION COST REVENUES & EXPENSES	(7,390,526)		(4,052,459)	(1,388,642)	(270,906)	(412,784)				(6,124,791)	(1,265,735)	
ENVIRONMENTAL COST RECOVERY CLAUSE	(174,562,845)		(20,718,876)	(58,043,444)	(6,854,958)	(21,873,616)				(107,490,894)	(67,071,951)	
FRANCHISE FEE REVENUE & EXPENSE	(42,920,185)				(41,816,281)	(271,474)				(42,087,755)	(832,430)	
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(30,631,585)				(29,814,306)	(200,986)				(30,015,292)	(616,293)	
ECONOMIC DEVELOPMENT EXPENSE			(64,237)			15,798				(48,439)	48,439	(b)
MGMT FINANCIAL PLANNING SERVICES			(18,243)			4,486				(13,757)	13,757	
GRT, FPSC FEES ON CLAUSES & FEES					(1,379,688)	339,295				(1,040,393)	1,040,393	
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						7,714			(31,366)	(23,652)	23,652	
MICHAEL STORM RECOVERY	(66,775,747)			(66,775,836)		22				(66,775,814)	67	
INTEREST SYNCHRONIZATION						3,409,835				3,409,835	(3,409,835)	
TOTAL FPSC ADJUSTMENTS	(711,108,969)	(391,962,516)	(24,853,815)	(126,207,922)	(80,136,139)	(18,210,885)	0	0	(31,366)	(641,402,642)	(69,706,327)	
FPSC ADJUSTED	603,721,429	0	223,689,705	146,225,663	30,039,354	(58,683,306)	72,131,504	23,825,472	(57,794)	437,170,598	166,550,831	
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS												
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	
PRO FORMA ADJUSTED	603,721,429	0	223,689,705	146,225,663	30,039,354	(58,683,306)	72,131,504	23,825,472	(57,794)	437,170,598	166,550,831	
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY		32,609,827					31,939,434					
(b) SYSTEM ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:		1,284,742					1,284,742					
CURRENT MONTH SYSTEM PER BOOKS	114,478,143	35,784,698	24,282,280	22,418,349	9,292,762	(5,301,893)	10,848,070	(93,145)	0	97,231,120	17,247,023	
CURRENT MONTH JURISDICTIONAL PER BOOKS	107,668,246	30,032,410	23,221,001	22,088,095	9,227,238	(4,770,838)	10,413,651	(91,467)	0	90,120,090	17,548,155	

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
October 2020

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	(1,590,325,766)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(377,577,132)	(95,696,924)
ACCUMULATED DEPRECIATION	381,814,064	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(175,233,734)	(44,412,990)
CWIP	(84,483,607)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(81,070,247)	(20,547,254)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,579,163)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(7,364,192)	(1,866,454)
ACCUMULATED DEPRECIATION	(5,651,651)	FUEL EXPENSE	(378,050,788)	95,816,972
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(84,767,930)	21,484,432
FAS 143 NET PLANT	(63,643,980)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(5,441,100)	1,379,047
INTEREST BEARING CWIP	(581,447,514)	CONSERVATION EXPENSES - OTHER TAXES	(270,906)	68,661
PHFU - NORTH ESCAMBIA	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(87,543,381)	22,187,870
LEASES	(135,129,152)	FRANCHISE FEE REVENUES	(42,920,185)	(10,878,121)
WORKING CAPITAL:		FRANCHISE FEE	(41,816,281)	10,598,336
ECRC WORKING CAPITAL	(43,370,464)	GROSS RECEIPTS TAX REVENUES/MICHAEL STORM REVENUES	(97,407,332)	(24,687,888)
CONSERVATION/AEM INVENTORY	(683,646)	GROSS RECEIPTS TAX EXPENSE	(29,814,306)	7,556,436
TEMPORARY CASH INVESTMENT	(46,688,462)	ECONOMIC DEVELOPMENT EXPENSE	(64,237)	16,281
LOANS TO EMPLOYEES AND RETIREES	(7,010)	MICHAEL STORM RECOVERY	(66,775,836)	16,924,336
INTERCOMPANY RECEIVABLES	(5,583,124)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,379,688)	349,682
INTEREST & DIVIDENDS RECEIVABLE	(303,075)	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REFIN. ESC REV	(250,188)	(63,410)
NORTH ESCAMBIA SITE	0	GAIN/LOSS ON DISPOSITION OF PROPERTY	(32,267)	8,178
MICHAEL STORM RECOVERY	(187,117,768)	INTEREST SYNCHRONIZATION	3,424,347	3,424,347
CLAUSE RELATED DEFERRED DEBITS	(1,688,839)			
UNREALIZED LOSS ON FWD CONTRACT	(38,963)			
LEASES	(57,457,290)			
FAS 143 WORKING CAPITAL	66,381,048			
FAS 158 REGULATORY ASSETS	(3,289,294)			
FAS 158 REGULATORY LIABILITIES	717,814			
FAS 133 REGULATORY ASSETS	(534,256)			
FAS 133 REGULATORY LIABILITIES	534,255			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
October 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	5,444,841,169	1,344,399,463	4,100,441,706	13,944,692	1,105,707,266	0	5,220,093,664	483,610,220	5,703,703,884
JURISDICTIONAL PER BOOKS	5,277,185,498	1,309,716,809	3,967,468,689	13,555,370	1,082,480,876	0	5,063,504,935	537,933,122	5,601,438,057
<u>FPSC ADJUSTMENTS:</u>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,026,636,573)	139,398,726	(1,166,035,299)		(97,070,374)		(1,263,105,673)	(42,245,920)	(1,305,351,593)
INT BEARING CWIP					(844,587,322)		(844,587,322)	0	(844,587,322)
ENERGY CONSERVATION CLAUSE	(17,750,725)	5,152,054	(22,902,779)				(22,902,779)	(683,151)	(23,585,930)
LOANS TO EMPLOYEES AND RETIREES								(6,889)	(6,889)
INTEREST AND DIVIDENDS RECEIVABLE								(297,827)	(297,827)
INTERCOMPANY RECEIVABLES								(5,486,449)	(5,486,449)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER IN				(12,053,751)			(12,053,751)	(45,885,616)	(57,939,367)
LEASES	(216,890,635)	(102,110,780)	(114,779,855)				(114,779,855)	(47,267,034)	(162,046,889)
CLAUSE RELATED DEFERRED DEBITS								(1,688,839)	(1,688,839)
MICHAEL STORM RECOVERY								(187,117,768)	(187,117,768)
TOTAL FPSC ADJUSTMENTS	(1,261,277,933)	42,440,000	(1,303,717,933)	(12,053,751)	(941,657,696)	0	(2,257,429,380)	(330,679,493)	(2,588,108,873)
FPSC ADJUSTED	4,015,907,565	1,352,156,809	2,663,750,756	1,501,619	140,823,180	0	2,806,075,555	207,253,629	3,013,329,184
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	4,015,907,565	1,352,156,809	2,663,750,756	1,501,619	140,823,180	0	2,806,075,555	207,253,629	3,013,329,184

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

SCHEDULE 3
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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	1,397,650,896	462,818,718	252,849,763	276,714,381	110,967,343	(41,430,656)	73,272,854	24,262,636	(27,187)	1,159,427,852	238,223,044 (a)
JURISDICTIONAL PER BOOKS	1,314,830,398	391,962,516	248,543,520	272,433,585	110,175,493	(41,566,360)	73,402,296	23,825,472	(26,428)	1,078,750,093	236,080,306 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(307,794,473)	(309,546,329)				430,819				(309,115,510)	1,321,037
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(81,033,608)	(82,416,186)				340,006				(82,076,180)	1,042,572
ENERGY CONSERVATION COST REVENUES & EXPENSES	(7,390,526)		(4,052,459)	(1,388,642)	(270,906)	(412,784)				(6,124,791)	(1,265,735)
ENVIRONMENTAL COST RECOVERY CLAUSE	(174,562,845)		(20,718,876)	(58,043,444)	(6,854,958)	(21,873,616)				(107,490,894)	(67,071,951)
FRANCHISE FEE REVENUE & EXPENSE	(42,920,185)				(41,816,281)	(271,474)				(42,087,755)	(832,430)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(30,631,585)				(29,814,306)	(200,986)				(30,015,292)	(616,293)
ECONOMIC DEVELOPMENT EXPENSE			(64,237)			15,798				(48,439)	48,439
MGMT FINANCIAL PLANNING SERVICES			(18,243)			4,486				(13,757)	13,757
GRT, FPSC FEES ON CLAUSES & FEES					(1,379,688)	339,295				(1,040,393)	1,040,393
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						7,714			(31,366)	(23,652)	23,652
MICHAEL STORM RECOVERY	(66,775,747)			(66,775,836)		22				(66,775,814)	67
INTEREST SYNCHRONIZATION						5,322,429				5,322,429	(5,322,429)
TOTAL FPSC ADJUSTMENTS	(711,108,969)	(391,962,516)	(24,853,815)	(126,207,922)	(80,136,139)	(16,298,291)	0	0	(31,366)	(639,490,048)	(71,618,921)
FPSC ADJUSTED	603,721,429	0	223,689,705	146,225,663	30,039,354	(57,864,651)	73,402,296	23,825,472	(57,794)	439,260,045	164,461,384
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	603,721,429	0	223,689,705	146,225,663	30,039,354	(57,864,651)	73,402,296	23,825,472	(57,794)	439,260,045	164,461,384

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 32,609,827 AND THE JURISDICTIONAL NOI BY 31,939,434

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

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	(1,274,428,930)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(377,577,132)	(95,696,924)
ACCUMULATED DEPRECIATION	(143,050,786)	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(175,233,734)	(44,412,990)
CWIP	(99,613,488)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(81,070,247)	(20,547,254)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,750,725)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(7,364,192)	(1,866,454)
ACCUMULATED DEPRECIATION	(5,152,054)	FUEL EXPENSE	(378,050,788)	95,816,972
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(84,767,930)	21,484,432
FAS 143 NET PLANT	(50,495,685)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(5,441,100)	1,379,047
INTEREST BEARING CWIP	(862,314,789)	CONSERVATION EXPENSES - OTHER TAXES	(270,906)	68,661
PHFU - NORTH ESCAMBIA LEASES	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(87,543,381)	22,187,870
	(116,899,441)	FRANCHISE FEE REVENUES	(42,920,185)	(10,878,121)
		FRANCHISE FEE	(41,816,281)	10,598,336
WORKING CAPITAL:		GROSS RECEIPTS TAX REVENUES/MICHAEL STORM REVENUES	(97,407,332)	(24,687,888)
ECRC WORKING CAPITAL	(43,370,464)	GROSS RECEIPTS TAX EXPENSE	(29,814,306)	7,556,436
CONSERVATION/AEM INVENTORY	(683,646)	ECONOMIC DEVELOPMENT EXPENSE	(64,237)	16,281
TEMPORARY CASH INVESTMENT	(46,688,462)	MICHAEL STORM RECOVERY	(66,775,836)	16,924,336
LOANS TO EMPLOYEES AND RETIREES	(7,010)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,379,688)	349,682
INTERCOMPANY RECEIVABLES	(5,583,124)	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REFIN. ESC REV	(250,188)	(63,410)
INTEREST & DIVIDENDS RECEIVABLE	(303,075)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(32,267)	8,178
NORTH ESCAMBIA SITE	0	INTEREST SYNCHRONIZATION	5,376,126	5,376,126
MICHAEL STORM RECOVERY	(187,117,768)			
CLAUSE RELATED DEFERRED DEBITS	(1,688,839)			
UNREALIZED LOSS ON FWD CONTRACT LEASES	(38,963)			
FAS 143 WORKING CAPITAL	(57,457,290)			
FAS 158 REGULATORY ASSETS	66,381,048			
FAS 158 REGULATORY LIABILITIES	(3,289,294)			
FAS 133 REGULATORY ASSETS	717,814			
FAS 133 REGULATORY LIABILITIES	(534,255)			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
October 2020

SCHEDULE 4

AVERAGE	ADJUSTMENTS				ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,774,063,371	1,742,708,724	(657,715,858)	(189,094,522)	895,898,344	30.62	3.13	0.96	3.13	0.96	3.13	0.96
SHORT TERM DEBT	299,011,538	290,970,267	(123,181,005)	0	167,789,262	5.74	2.06	0.12	2.06	0.12	2.06	0.12
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	35,471,562	34,914,865	(14,781,057)	0	20,133,808	0.69	2.41	0.02	2.41	0.02	2.41	0.02
COMMON EQUITY	2,269,786,594	2,225,412,025	(942,118,563)	0	1,283,293,462	43.87	9.25	4.06	10.25	4.50	11.25	4.94
DEFERRED INCOME TAXES	644,201,493	630,437,843	(266,893,136)	0	363,544,707	12.43						
FASB 109 DEFERRED TAXES	331,172,306	324,096,664	(137,204,922)	0	186,891,742	6.39						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	13,917,684	13,620,326	(5,766,106)	0	7,854,220	0.27	6.73	0.02	7.32	0.02	7.91	0.02
TOTAL	5,367,624,548	5,262,160,714	(2,147,660,647)	(189,094,522)	2,925,405,545	100.00 %		5.17 %		5.61 %		6.05 %

YEAR-END	ADJUSTMENTS				ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,704,803,600	1,662,174,665	(669,082,781)	(162,046,889)	831,044,995	27.58	1.06	0.29	1.06	0.29	1.06	0.29
SHORT TERM DEBT	200,000,000	192,348,406	(85,790,696)	0	106,557,710	3.54	14.25	0.50	14.25	0.50	14.25	0.50
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	37,481,213	36,911,987	(16,463,381)	0	20,448,606	0.68	2.25	0.02	2.25	0.02	2.25	0.02
COMMON EQUITY	2,767,829,156	2,682,188,221	(1,196,302,063)	0	1,485,886,158	49.31	9.25	4.56	10.25	5.05	11.25	5.55
DEFERRED INCOME TAXES	710,376,905	689,017,522	(307,313,662)	0	381,703,860	12.66						
FASB 109 DEFERRED TAXES	324,307,291	314,556,123	(140,297,439)	0	174,258,684	5.78						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	24,992,601	24,241,133	(10,811,962)	0	13,429,171	0.45	6.31	0.03	6.95	0.03	7.59	0.03
TOTAL	5,769,790,767	5,601,438,057	(2,426,061,984)	(162,046,889)	3,013,329,184	100.00 %		5.40 %		5.90 %		6.39 %

GULF POWER COMPANY
Financial Integrity Indicators
October 2020

A. Times Interest Earned with AFUDC

Earnings Before Interest	259,602,540
AFUDC - Debt	10,087,533
Income Taxes	<u>56,104,834</u>
 Total	 325,794,907
Interest Charges (Before Deducting AFUDC - Debt)	<u>56,271,364</u>
T.I.E. With AFUDC	<u>5.79</u> x

B. Times Interest Earned without AFUDC

Earnings Before Interest	259,602,540
AFUDC - Other	(22,522,295)
Income Taxes	<u>56,104,834</u>
 Total	 293,185,080
Interest Charges (Before Deducting AFUDC - Debt)	<u>56,271,364</u>
T.I.E. Without AFUDC	<u>5.21</u> x

C. Percent AFUDC To Net Income Available
for Common Stockholders

AFUDC - Debt	10,087,533
	0.75408
 Subtotal	 7,606,793
AFUDC - Other	<u>22,522,295</u>
 Total	 <u>30,129,087</u>
 Net Income Available for Common Stockholders	 <u>213,418,709</u>
Percent AFUDC to Available Net Income	<u>14.12%</u>

D. Percent Internally Generated Funds

Net Income	213,418,709
Preference Dividends	0
Common Dividends	0
AFUDC (Debt & Other)	(32,609,827)
Depreciation & Amortization	279,244,826
Deferred Income Taxes	73,177,109
Investment Tax Credits	(24,262,636)
Other	<u>206,977,853</u>
 Total	 715,946,034
 Construction Expenditures (Excluding AFUDC Other & Debt)	 <u>1,471,866,302</u>
 Percent Internally Generated Funds	 <u>48.64%</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	895,898,344
Short Term Debt	167,789,262
Preference Stock	0
Common Equity	<u>1,283,293,462</u>
 Total	 <u>2,346,981,068</u>
 % Long Term Debt To Total	 <u>38.17%</u>
 % Short Term Debt To Total	 <u>7.15%</u>

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.69%	5.69%
 Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(0.96)	(0.96)
Short Term Debt	(0.12)	(0.12)
Preference Stock	0.00	0.00
Customer Deposits	(0.02)	(0.02)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	<u>(0.02)</u>	<u>(0.02)</u>
 Subtotal	 <u>(1.11)</u>	 <u>(1.11)</u>
 Total	 4.58	 4.58
Divided by Common Equity Ratio	<u>43.87</u>	<u>43.87</u>
 Jurisdictional Return on Common Equity	 <u>10.44%</u>	 <u>10.44%</u>

GULF POWER COMPANY**Supplemental 1**

Storm Accrual - Twelve Month to Date
October 2020

<u>Month</u>	<u>Year</u>	<u>\$</u>
November	2019	291,667
December	2019	291,667
January	2020	291,667
February	2020	291,677
March	2020	291,677
April	2020	291,677
May	2020	291,677
June	2020	291,667
July	2020	291,667
August	2020	291,667
September	2020	291,667
October	2020	291,667
12 - M-T-D		<u><u>3,500,042</u></u>

GULF POWER COMPANY
 COVID-19 Regulatory Asset Report
 October 2020

Supplemental 2

Order No: 2020-0262-PCO-EI

Line No.			October Activity	Cumulative Balance
1	Incremental Bad Debt Expense		\$ 2,323,727	\$ 12,641,553
2				
3	Safety Related Costs ⁽¹⁾ :			
4	Testing		\$ 62,823	\$ 793,084
5	Personal Protective Equipment		\$ 51,136	\$ 441,650
6	Temperature Screening		\$ 485,074	\$ 925,624
7	Facility Upgrades/Cleaning		\$ 29,380	\$ 370,160
8	Other		\$ -	\$ 534
9	Total Safety Related Costs	Sum of Lines 4 - 8	\$ 628,413	\$ 2,531,052
10				
11	Total COVID-19 Costs	Lines 1 + 9	\$ 2,952,140	\$ 15,172,605
12				
13	Less Savings:			
14	Reduction in Travel and Meal Expenses		\$ (235,106)	\$ (602,764)
15				
16	Total Regulatory Asset	Lines 11 - 14	\$ 2,717,034	\$ 14,569,842

Notes

(1) Excludes capital costs.