



Gulf Power®

May 14, 2021

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 March 2021.

Sincerely,

Mitchell P. Goldstein
Vice President, Finance

md

Enclosures

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

GULF POWER COMPANY
EARNINGS SURVEILLANCE REPORT SUMMARY
MARCH, 2021

SCHEDULE 1: PAGE 1 OF 1

	ACTUAL PER BOOKS	FPSC ADJUSTMENTS	FPSC ADJUSTED	PRO FORMA ADJUSTMENTS	PRO FORMA ADJUSTED
<u>I. AVERAGE RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 294,283,888 (A)	(110,653,981) (B)	183,629,907	0	\$ 183,629,907
RATE BASE	\$ 5,617,343,422	(2,482,363,434)	3,134,979,988	0	\$ 3,134,979,988
AVERAGE RATE OF RETURN	5.24%		5.86%		5.86%
<u>II. YEAR END RATE OF RETURN (JURISDICTIONAL)</u>					
NET OPERATING INCOME	\$ 294,283,888 (A)	(110,861,322) (B)	183,422,566	0	\$ 183,422,566
RATE BASE	\$ 5,526,304,882	(2,223,876,886)	3,302,427,996	0	\$ 3,302,427,996
YEAR END RATE OF RETURN	5.33%		5.55%		5.55%
(A) INCLUDES AFUDC EARNINGS (B) INCLUDES REVERSAL OF AFUDC EARNINGS					

III. REQUIRED RATES OF RETURN AVERAGE CAPITAL STRUCTURE (FPSC ADJUSTED BASIS)

LOW	5.29%
MIDPOINT	5.78%
HIGH	6.26%

IV. FINANCIAL INTEGRITY INDICATORS

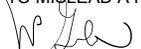
A. TIMES INTEREST EARNED WITH AFUDC	8.04	(SYSTEM PER BOOKS BASIS)
B. TIMES INTEREST EARNED WITHOUT AFUDC	7.15	(SYSTEM PER BOOKS BASIS)
C. AFUDC AS PERCENT OF NET INCOME	14.94%	(SYSTEM PER BOOKS BASIS)
D. PERCENT OF CONSTRUCTION GENERATED INTERNALLY	73.90%	(SYSTEM PER BOOKS BASIS)
E. LTD TO TOTAL INVESTOR FUNDS	34.41%	(FPSC ADJUSTED BASIS)
F. STD TO TOTAL INVESTOR FUNDS	6.19%	(FPSC ADJUSTED BASIS)
G. RETURN ON COMMON EQUITY (AVERAGE)	10.42%	(FPSC ADJUSTED)

NOTE: THIS REPORT HAS BEEN PREPARED USING A THIRTEEN MONTH AVERAGE AND END OF PERIOD RATE BASE AND ADJUSTMENTS CONSISTENT WITH DOCKET NO. 160021-EI, ORDER NO. PSC-16-0560-AS-EI. THIS REPORT DOES NOT NECESSARILY REPRESENT THE OPINION OF THE COMPANY AS TO THE ACTUAL EARNED RATE OF RETURN FOR THE PERIOD COVERED.

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

MITCHELL P. GOLDSTEIN
(VICE PRESIDENT - FINANCE)



(SIGNATURE)

May 7, 2021
(DATE)

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
MARCH, 2021

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 UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 5,871,555,458	1,721,279,494	4,150,275,964	13,942,602	960,263,122	0	5,124,481,688	573,994,672	\$ 5,698,476,360
JURISDICTIONAL PER BOOKS	\$ 5,787,932,576	1,687,589,399	4,100,343,177	13,553,339	938,758,216	0	5,052,654,731	564,688,691	\$ 5,617,343,422
FPSC ADJUSTMENTS (SEE SCHEDULE 2, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (1,664,166,658)	(304,652,426)	(1,359,514,232)	(12,014,531)	(812,217,764)	0	(2,183,746,527)	(298,616,907)	\$ (2,482,363,434)
FPSC ADJUSTED:	\$ 4,123,765,918	1,382,936,974	2,740,828,945	1,538,808	126,540,452	0	2,868,908,204	266,071,784	\$ 3,134,979,988
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 4,123,765,918	1,382,936,974	2,740,828,945	1,538,808	126,540,452	0	2,868,908,204	266,071,784	\$ 3,134,979,988

NOTE:

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL OF THE PROFORMA ADJUSTMENTS THAT WOULD BE MADE IN A BASE RATE FILING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
MARCH, 2021

SCHEDULE 2: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 1,415,202,265	468,871,854	227,271,768	277,272,810	111,810,061	(46,355,791)	92,651,766	24,238,311	(16,559)	1,155,744,221	\$ 259,458,044
JURISDICTIONAL PER BOOKS	\$ 1,398,836,589	467,252,705	223,519,957	274,289,315	111,132,432	(45,297,544)	90,391,171	23,798,892	(16,558)	1,145,070,369	\$ 253,766,220
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (44,096,450)	0	(31,749)	0	(1,102,411)	(10,535,135)	0	0	0	(11,669,296)	\$ (32,427,154)
FRANCHISE EXPENSE	0	0	0	0	(42,980,509)	10,539,603	0	0	0	(32,440,906)	32,440,906
GROSS RECEIPTS TAX	(32,151,386)	0	0	0	(30,825,582)	(325,111)	0	0	0	(31,150,693)	(1,000,692)
FINANCIAL PLANNING SERVICES	0	0	(31,572)	0	0	7,742	0	0	0	(23,830)	23,830
ECONOMIC DEVELOPMENT 5%	0	0	(48,172)	0	0	11,813	0	0	0	(36,360)	36,360
FUEL COST REC RETAIL	(385,360,787)	(392,064,160)	(224,026)	0	0	4,119,054	(2,501,578)	0	0	(390,670,710)	5,309,924
CONSERVATION COST RECOVERY	(7,650,645)	0	(4,428,280)	(1,405,138)	(257,519)	336,762	(743,375)	0	0	(6,497,550)	(1,153,095)
CAPACITY COST RECOVERY	(79,807,707)	(70,836,772)	(8,958,071)	0	0	(11,735)	8,869	0	0	(79,797,709)	(9,998)
ENVIRONMENTAL COST RECOVERY	(171,973,209)	0	(20,220,236)	(50,324,913)	(6,931,112)	(25,085,776)	1,977,627	0	39	(100,584,372)	(71,388,836)
STORM PROTECTION COST RECOVERY	(88,511)	0	29	(4,822)	0	(272,113)	251,584	0	0	(25,322)	(63,189)
STORM DEFICIENCY RECOVERY	(69,955,186)	0	0	(69,670,500)	0	(69,810)	0	0	0	(69,740,310)	(214,876)
INTEREST SYNCHRONIZATION	0	0	0	0	0	4,750,822	(3,169,528)	0	0	1,581,294	(1,581,294)
NORTH ESCAMBIA TIMBER SALES	(134,549)	0	0	0	0	(32,994)	0	0	0	(32,994)	(101,555)
(GAIN) / LOSS ON DISPOSITION OF PROPERTY	0	0	0	0	0	(2,158)	0	0	8,800	6,642	(6,642)
TOTAL FPSC ADJUSTMENTS	\$ (791,218,429)	(462,900,932)	(33,942,078)	(121,405,373)	(82,097,133)	(16,569,037)	(4,176,402)	0	8,839	(721,082,116)	\$ (70,136,313)
FPSC ADJUSTED	\$ 607,618,160	4,351,773	189,577,879	152,883,942	29,035,299	(61,866,581)	86,214,769	23,798,892	(7,719)	423,988,253	\$ 183,629,907
PRO FORMA ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	0	0	\$ 0
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 607,618,160	4,351,773	189,577,879	152,883,942	29,035,299	(61,866,581)	86,214,769	23,798,892	(7,719)	423,988,253	\$ 183,629,907
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY AND THE JURISDICTIONAL NOI BY											
	\$ 41,231,614										
	\$ 40,517,668										
(B) ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:											
ON A TOTAL COMPANY BASIS	\$ 982,756										
ON A JURISDICTIONAL BASIS	\$ 963,447										
CURRENT MONTH AMOUNT											
SYSTEM PER BOOKS	\$ 107,513,869	38,597,965	17,197,781	22,983,185	8,610,069	1,006,790	2,911,666	30,599	(2,414)	91,335,641	\$ 16,178,228
JURISDICTIONAL PER BOOKS	\$ 107,526,115	38,462,427	16,941,868	22,725,091	8,551,792	1,050,055	3,062,305	30,044	(2,414)	90,821,168	\$ 16,704,947

NOTES:

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
MARCH, 2021

SCHEDULE 2: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,368,531,107	\$ 1,363,958,680
STORM PROTECTION	215,180	210,587
LOAD CONTROL	17,799,895	17,799,895
ASSET RETIREMENT OBLIGATION	68,281,129	67,195,923
CAPITAL LEASES	218,971,326	215,001,573
TOTAL	<u>\$ 1,673,798,637</u>	<u>\$ 1,664,166,658</u>
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (201,255,567)	\$ (200,583,148)
STORM PROTECTION	(686)	(671)
ASSET RETIREMENT OBLIGATION	(12,240,502)	(12,045,961)
LOAD CONTROL	5,265,510	5,265,510
CAPITAL LEASES	(99,757,861)	(97,288,156)
TOTAL	<u>\$ (307,989,106)</u>	<u>\$ (304,652,426)</u>
PROPERTY HELD FOR FUTURE USE:		
FUTURE USE PLANT - NORTH ESCAMBIA	12,359,599	12,014,531
TOTAL	<u>\$ 12,359,599</u>	<u>\$ 12,014,531</u>
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 731,850,161	\$ 712,964,377
CWIP - CLAUSE PROJECTS	99,611,112	99,253,387
TOTAL	<u>\$ 831,461,273</u>	<u>\$ 812,217,764</u>
WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3)	\$ 300,678,079	\$ 298,616,907
TOTAL ADJUSTMENTS	<u>\$ 2,510,308,482</u>	<u>\$ 2,482,363,434</u>

NOTES:

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
MARCH, 2021

SCHEDULE 2: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 1,415,202,265	468,871,854	227,271,768	277,272,810	111,810,061	(46,355,791)	92,651,766	24,238,311	(16,559)	1,155,744,221	\$ 259,458,044
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (44,096,450)	0	(31,749)	0	(1,102,411)	(10,808,275)	0	0	0	(11,942,436)	\$ (32,154,014)
FRANCHISE EXPENSE	0	0	0	0	(42,980,509)	10,606,306	0	0	0	(32,374,203)	32,374,203
GROSS RECEIPTS TAX	(32,151,386)	0	0	0	(30,825,582)	(122,015)	0	0	0	(30,947,597)	(1,203,788)
FINANCIAL PLANNING SERVICES	0	0	(32,205)	0	0	7,920	0	0	0	(24,285)	24,285
ECONOMIC DEVELOPMENT 5%	0	0	(49,138)	0	0	12,122	0	0	0	(37,015)	37,015
FUEL COST RECOVERY	(389,698,525)	(391,590,511)	(224,026)	0	0	4,061,504	(3,623,522)	0	0	(391,376,555)	1,678,030
CONSERVATION COST RECOVERY	(7,650,645)	0	(4,428,280)	(1,405,138)	(257,519)	337,623	(743,375)	0	0	(6,496,690)	(1,153,956)
CAPACITY COST RECOVERY	(79,808,837)	(72,844,706)	(9,203,350)	0	0	538,033	8,869	0	0	(81,501,154)	1,692,316
ENVIRONMENTAL COST RECOVERY	(171,973,452)	0	(20,287,606)	(50,493,618)	(6,954,348)	(25,187,453)	1,977,627	0	39	(100,945,359)	(71,028,094)
STORM DEFICIENCY RECOVERY	(69,955,186)	0	0	(69,670,500)	0	(69,810)	0	0	0	(69,740,310)	(214,876)
INTEREST SYNCHRONIZATION	0	0	0	0	0	4,836,392	(3,228,050)	0	0	1,608,342	(1,608,342)
NORTH ESCAMBIA TIMBER SALES	(134,549)	0	0	0	0	(33,640)	0	0	0	(33,640)	(100,909)
(GAIN)/LOSS ON DISPOSITION OF PROPERTY	0	0	0	0	0	0	0	0	8,800	8,800	(8,800)
STORM PROTECTION PLAN COST RECOVERY	(88,511)	0	29	(4,927)	0	(272,087)	251,584	0	0	(25,401)	(63,110)
TOTAL FPSC ADJUSTMENTS	\$ (795,557,541)	(464,435,217)	(34,256,325)	(121,574,183)	(82,120,368)	(16,093,381)	(5,356,868)	0	8,839	(723,827,504)	\$ (71,730,038)
FPSC ADJUSTED	\$ 619,644,724	4,436,637	193,015,443	155,698,627	29,689,692	(62,449,172)	87,294,898	24,238,311	(7,719)	431,916,717	\$ 187,728,007
PRO FORMA ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	0	0	\$ 0
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 619,644,724	4,436,637	193,015,443	155,698,627	29,689,692	(62,449,172)	87,294,898	24,238,311	(7,719)	431,916,717	\$ 187,728,007
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 41,231,614										

NOTES:

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
MARCH, 2021

SCHEDULE 2: PAGE 3B OF 3

WORKING CAPITAL ADJUSTMENTS	SYSTEM	JURISDICTIONAL
ADJUSTMENTS TO ASSETS PER BOOKS:		
ACCOUNTS RECEIVABLE - ASSOC COS	14,635,454	14,382,034
ASSET RETIREMENT OBLIGATION	78,164,184	76,921,905
INTEREST & DIVIDENDS RECEIVABLE	9,078	8,921
NET UNDERRECOVERED FUEL, CAPACITY,ECCR, ECRC	5,182,838	5,182,838
POLE ATTACHMENTS RENTS RECEIVABLE	1,082,325	1,063,584
PREPAYMENTS - INTEREST ON COMMERCIAL PAPER	1,402,009	1,381,912
TEMPORARY CASH INVESTMENTS	47,476,923	46,654,836
STORM DEFICIENCY RECOVERY	269,777,610	0
JOBGING ACCOUNTS	3,940,394	3,872,164
OTH REG ASSETS - CLAUSES	98,833,067	98,504,880
MISC. DEFFERED DEBIT - CLAUSES	24,536	24,565
EMPLOYEE LOAN RECEIVABLES	4,765	4,682
OPERATING LEASES	49,692,791	48,791,906
UNREALIZED LOSS ON FWD CONTRACT	38,963	38,288
FAS 158 PENSION	1,790,930	1,762,462
TOTAL ADJUSTMENTS TO ASSETS PER BOOKS	\$ 572,055,867	\$ 298,594,979
ADJUSTMENTS TO LIABILITIES PER BOOKS:		
ACCUM DEFERRED RETIREMENT BENEFITS	(11,497,128)	(11,298,049)
ACCUM. PROV. - PROPERTY & STORM INSURANCE	(1,221,613)	267,776,188
GAIN ON SALE OF EMISSION ALLOWANCE	(139)	(139)
JOBGING ACCOUNTS	(180,128)	(180,128)
STORM DEFICIENCY RECOVERY	(97,646,246)	(97,646,246)
ASSET RETIREMENT OBLIGATION	(135,396,553)	(133,244,669)
DEFERRED TRANSMISSION CREDIT	(10,014,561)	(10,014,561)
OTHER REG LIAB - CLAUSES	(15,421,420)	(15,370,469)
TOTAL ADJUSTMENTS TO LIABILITIES PER BOOKS	\$ (271,377,788)	\$ 21,928
NET ADJUSTMENTS TO WORKING CAPITAL PER BOOKS	\$ 300,678,079	\$ 298,616,907

NOTES:

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
MARCH, 2021

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 UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	\$ 5,736,870,726	1,860,059,825	3,876,810,901	13,741,154	1,085,492,485	0	4,976,044,540	573,994,672	\$ 5,550,039,213
JURISDICTIONAL PER BOOKS	\$ 5,650,770,666	1,763,864,298	3,886,906,367	13,357,515	1,061,352,310	0	4,961,616,191	564,688,691	\$ 5,526,304,882
FPSC ADJUSTMENTS (SEE SCHEDULE 3, PAGE 3 OF 3 AND SCHEDULE 2, PAGE 3B OF 3)	\$ (1,354,990,813)	(398,249,183)	(956,741,630)	(11,980,913)	(956,537,436)	0	(1,925,259,980)	(298,616,907)	\$ (2,223,876,886)
FPSC ADJUSTED:	\$ 4,295,779,853	1,365,615,116	2,930,164,737	1,376,601	104,814,873	0	3,036,356,212	266,071,784	\$ 3,302,427,996
 <u>PRO FORMA ADJUSTMENTS</u>									
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	\$ 0
PRO FORMA ADJUSTED	\$ 4,295,779,853	1,365,615,116	2,930,164,737	1,376,601	104,814,873	0	3,036,356,212	266,071,784	\$ 3,302,427,996

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
MARCH, 2021

SCHEDULE 3: PAGE 2 OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 1,415,202,265	468,871,854	227,271,768	277,272,810	111,810,061	(46,355,791)	92,651,766	24,238,311	(16,559)	1,155,744,221	\$ 259,458,044
JURISDICTIONAL PER BOOKS	\$ 1,398,836,589	467,252,705	223,519,957	274,289,315	111,132,432	(45,297,544)	90,391,171	23,798,892	(16,558)	1,145,070,369	\$ 253,766,220
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (44,096,450)	0	(31,749)	0	(1,102,411)	(10,535,135)	0	0	0	(11,669,296)	\$ (32,427,154)
FRANCHISE EXPENSE	0	0	0	0	(42,980,509)	10,539,603	0	0	0	(32,440,906)	32,440,906
GROSS RECEIPTS TAX	(32,151,386)	0	0	0	(30,825,582)	(325,111)	0	0	0	(31,150,693)	(1,000,692)
FINANCIAL PLANNING SERVICES	0	0	(31,572)	0	0	7,742	0	0	0	(23,830)	23,830
ECONOMIC DEVELOPMENT 5%	0	0	(48,172)	0	0	11,813	0	0	0	(36,360)	36,360
FUEL COST REC RETAIL	(385,360,787)	(392,064,160)	(224,026)	0	0	4,119,054	(2,501,578)	0	0	(390,670,710)	5,309,924
CONSERVATION COST RECOVERY	(7,650,645)	0	(4,428,280)	(1,405,138)	(257,519)	336,762	(743,375)	0	0	(6,497,550)	(1,153,095)
CAPACITY COST RECOVERY	(79,807,707)	(70,836,772)	(8,958,071)	0	0	(11,735)	8,869	0	0	(79,797,709)	(9,998)
ENVIRONMENTAL COST RECOVERY	(171,973,209)	0	(20,220,236)	(50,324,913)	(6,931,112)	(25,085,776)	1,977,627	0	39	(100,584,372)	(71,388,836)
STORM DEFICIENCY RECOVERY	(69,955,186)	0	0	(69,670,500)	0	(69,810)	0	0	0	(69,740,310)	(214,876)
INTEREST SYNCHRONIZATION	0	0	0	0	0	4,958,163	(3,169,528)	0	0	1,788,634	(1,788,634)
NORTH ESCAMBIA TIMBER SALES	(134,549)	0	0	0	0	(32,994)	0	0	0	(32,994)	(101,555)
(GAIN) / LOSS ON DISPOSITION OF PROPERTY	0	0	0	0	0	(2,158)	0	0	8,800	6,642	(6,642)
STORM PROTECTION PLAN COST RECOVERY	(88,511)	0	29	(4,822)	0	(272,113)	251,584	0	0	(25,322)	(63,189)
TOTAL FPSC ADJUSTMENTS	\$ (791,218,429)	(462,900,932)	(33,942,078)	(121,405,373)	(82,097,133)	(16,361,697)	(4,176,402)	0	8,839	(720,874,776)	\$ (70,343,653)
FPSC ADJUSTED	\$ 607,618,160	4,351,773	189,577,879	152,883,942	29,035,299	(61,659,241)	86,214,769	23,798,892	(7,719)	424,195,594	\$ 183,422,566
PRO FORMA ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	0	0	\$ 0
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 607,618,160	4,351,773	189,577,879	152,883,942	29,035,299	(61,659,241)	86,214,769	23,798,892	(7,719)	424,195,594	\$ 183,422,566
(A) THE ADDITION OF EARNINGS FROM AFUDC											
WOULD INCREASE THE SYSTEM NOI BY	\$ 41,231,614										
AND THE JURISDICTIONAL NOI BY	\$ 40,517,668										

NOTES:

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
MARCH, 2021

SCHEDULE 3: PAGE 3 OF 3

RATE BASE ADJUSTMENTS	SYSTEM	JURISDICTIONAL
PLANT IN SERVICE:		
ENVIRONMENTAL	\$ 1,049,917,715	\$ 1,046,409,813
LOAD CONTROL	18,329,525	18,329,525
ASSET RETIREMENT OBLIGATION	64,325,558	63,303,219
CAPITAL LEASES	229,045,504	224,893,115
STORM PROTECTION	2,099,968	2,055,140
TOTAL	\$ 1,363,718,269	\$ 1,354,990,813
ACCUMULATED PROVISION FOR DEPRECIATION:		
ENVIRONMENTAL	\$ (256,456,663)	\$ (255,599,811)
ASSET RETIREMENT OBLIGATION	(21,640,630)	(21,296,691)
LOAD CONTROL	4,820,854	4,820,854
CAPITAL LEASES	(129,369,565)	(126,166,763)
STORM PROTECTION	(6,919)	(6,771)
TOTAL	\$ (402,652,924)	\$ (398,249,183)
PROPERTY HELD FOR FUTURE USE:		
FUTURE USE PLANT - NORTH ESCAMBIA	12,325,016	11,980,913
TOTAL	\$ 12,325,016	\$ 11,980,913
CONSTRUCTION WORK IN PROGRESS:		
CONSTRUCTION WORK IN PROGRESS	\$ 858,687,636	\$ 836,822,576
CWIP - CLAUSE PROJECTS	120,288,441	119,714,860
TOTAL	\$ 978,976,078	\$ 956,537,436
WORKING CAPITAL: (SEE SCHEDULE 2, PAGE 3B OF 3)	\$ 300,678,079	\$ 298,616,907
TOTAL ADJUSTMENTS	\$ 2,253,044,517	\$ 2,223,876,886

NOTES:

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
INCOME STATEMENT
MARCH, 2021

SCHEDULE 3: PAGE 3A OF 3

	OPERATING REVENUES	OPERATION & MAINTENANCE FUEL & NET INTERCHANGE	OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION	TOTAL OPERATING EXPENSES	NET OPERATING INCOME (A)
SYSTEM PER BOOKS	\$ 1,415,202,265	468,871,854	227,271,768	277,272,810	111,810,061	(46,355,791)	92,651,766	24,238,311	(16,559)	1,155,744,221	\$ 259,458,044
FPSC ADJUSTMENTS											
FRANCHISE REVENUE	\$ (44,096,450)	0	(31,749)	0	(1,102,411)	(10,808,275)	0	0	0	(11,942,436)	\$ (32,154,014)
FRANCHISE EXPENSE	0	0	0	0	(42,980,509)	10,606,306	0	0	0	(32,374,203)	32,374,203
GROSS RECEIPTS TAX	(32,151,386)	0	0	0	(30,825,582)	(122,015)	0	0	0	(30,947,597)	(1,203,788)
FINANCIAL PLANNING SERVICES	0	0	(32,205)	0	0	7,920	0	0	0	(24,285)	24,285
ECONOMIC DEVELOPMENT 5%	0	0	(49,138)	0	0	12,122	0	0	0	(37,015)	37,015
FUEL COST REC RETAIL	(389,698,525)	(391,590,511)	(224,026)	0	0	4,061,504	(3,623,522)	0	0	(391,376,555)	1,678,030
CONSERVATION COST RECOVERY	(7,650,645)	0	(4,428,280)	(1,405,138)	(257,519)	337,623	(743,375)	0	0	(6,496,690)	(1,153,956)
CAPACITY COST RECOVERY	(79,808,837)	(72,844,706)	(9,203,350)	0	0	538,033	8,869	0	0	(81,501,154)	1,692,316
ENVIRONMENTAL COST RECOVERY	(171,973,452)	0	(20,287,606)	(50,493,618)	(6,954,348)	(25,187,453)	1,977,627	0	39	(100,945,359)	(71,028,094)
STORM DEFICIENCY RECOVERY	(69,955,186)	0	0	(69,670,500)	0	(69,810)	0	0	0	(69,740,310)	(214,876)
INTEREST SYNCHRONIZATION	0	0	0	0	0	5,161,474	(3,228,050)	0	0	1,933,424	(1,933,424)
NORTH ESCAMBIA TIMBER SALES	(134,549)	0	0	0	0	(33,640)	0	0	0	(33,640)	(100,909)
(GAIN) / LOSS ON DISPOSITION OF PROPERTY	0	0	0	0	0	0	0	0	8,800	8,800	(8,800)
STORM PROTECTION PLAN COST RECOVERY	(88,511)	0	29	(4,927)	0	(272,087)	251,584	0	0	(25,401)	(63,110)
TOTAL FPSC ADJUSTMENTS	\$ (795,557,541)	(464,435,217)	(34,256,325)	(121,574,183)	(82,120,368)	(15,768,299)	(5,356,868)	0	8,839	(723,502,421)	\$ (72,055,120)
FPSC ADJUSTED	\$ 619,644,724	4,436,637	193,015,443	155,698,627	29,689,692	(62,124,090)	87,294,898	24,238,311	(7,719)	432,241,799	\$ 187,402,925
PRO FORMA ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS:	\$ 0	0	0	0	0	0	0	0	0	0	\$ 0
PRO FORMA SYSTEM PER BOOKS ADJUSTED	\$ 619,644,724	4,436,637	193,015,443	155,698,627	29,689,692	(62,124,090)	87,294,898	24,238,311	(7,719)	432,241,799	\$ 187,402,925
(A) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	\$ 41,231,614										

NOTES:

THE PROFORMA ADJUSTMENTS ARE NOT NECESSARILY ALL THE PROFORMA THAT WOULD BE MADE IN A BASE RATE FILING.

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
MARCH, 2021

SCHEDULE 4: PAGE 1 OF 2

AVERAGE	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 5	ADJUSTMENTS		ADJUSTED RETAIL 8	RATIO (%) 9	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA 6	SPECIFIC 7			COST RATE (%) 10	WEIGHTED COST (%) 11	COST RATE (%) 12	WEIGHTED COST (%) 13	COST RATE (%) 14	WEIGHTED COST (%) 15
			LONG TERM DEBT	\$ 1,708,282,649			\$ 1,683,832,920	\$ (645,496,863)	\$ (167,887,235)	\$ 870,448,821	27.77%	2.63%
SHORT TERM DEBT	276,816,516	272,851,620	(116,181,514)	-	156,670,106	5.00%	1.71%	0.09%	1.71%	0.09%	1.71%	0.09%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	2,645,118,644	2,607,088,667	(1,114,374,969)	10,014,561	1,502,728,259	47.93%	9.25%	4.43%	10.25%	4.91%	11.25%	5.39%
CUSTOMER DEPOSITS	36,645,273	36,737,363	(15,642,944)	-	21,094,420	0.67%	2.27%	0.02%	2.27%	0.02%	2.27%	0.02%
DEFERRED INCOME TAX	682,649,638	672,867,483	(286,642,003)	309,618	386,535,098	12.33%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	325,779,595	321,113,392	(136,731,605)	-	184,381,786	5.88%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	23,184,047	22,851,977	(9,730,480)	-	13,121,497	0.42%	6.82%	0.03%	7.46%	0.03%	8.09%	0.03%
TOTAL	\$ 5,698,476,360	\$ 5,617,343,422	\$ (2,324,800,378)	\$ (157,563,056)	\$ 3,134,979,988	100.00%		5.29%		5.78%		6.26%

YEAR END	SYSTEM PER BOOKS 1	RETAIL PER BOOKS 5	ADJUSTMENTS		ADJUSTED RETAIL 8	RATIO (%) 9	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA 6	SPECIFIC 7			COST RATE (%) 10	WEIGHTED COST (%) 11	COST RATE (%) 12	WEIGHTED COST (%) 13	COST RATE (%) 14	WEIGHTED COST (%) 15
			LONG TERM DEBT	\$ 1,555,911,044			\$ 1,543,071,088	\$ (539,608,789)	\$ (148,900,170)	\$ 854,562,129	25.88%	2.69%
SHORT TERM DEBT	293,286,116	292,457,352	(113,194,556)	-	179,262,797	5.43%	0.98%	0.05%	0.98%	0.05%	0.98%	0.05%
PREFERRED STOCK	-	-	-	-	-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
COMMON EQUITY	2,664,520,568	2,657,427,780	(1,032,423,868)	10,014,561	1,635,018,473	49.51%	9.25%	4.58%	10.25%	5.07%	11.25%	5.57%
CUSTOMER DEPOSITS	35,062,641	34,905,663	(13,510,110)	-	21,395,553	0.65%	2.00%	0.01%	2.00%	0.01%	2.00%	0.01%
DEFERRED INCOME TAX	683,398,427	681,480,787	(263,884,499)	309,618	417,905,905	12.65%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
FAS 109 DEFERRED INCOME TAX	294,869,167	294,035,930	(113,805,539)	-	180,230,392	5.46%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
INVESTMENT TAX CREDITS (1)	22,991,250	22,926,282	(8,873,534)	-	14,052,748	0.43%	7.00%	0.03%	7.66%	0.03%	8.31%	0.04%
TOTAL	\$ 5,550,039,213	\$ 5,526,304,882	\$ (2,085,300,896)	\$ (138,575,990)	\$ 3,302,427,996	100.00%		5.37%		5.87%		6.37%

NOTE:
(1) INVESTMENT TAX CREDITS COST RATES ARE BASED ON THE WEIGHTED AVERAGE COST OF LONG TERM DEBT, PREFERRED STOCK AND COMMON EQUITY.
(2) COLUMNS MAY NOT FOOT DUE TO ROUNDING.

GULF POWER COMPANY
MARCH, 2021

SCHEDULE 5: PAGE 1 OF 2

A. TIMES INTEREST EARNED WITH AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$	288,635,637
ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION		12,736,441
INCOME TAXES		71,164,648
TOTAL	\$	372,536,726
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$	46,337,318
TIMES INTEREST EARNED WITH AFUDC		8.04

B. TIMES INTEREST EARNED WITHOUT AFUDC

EARNINGS BEFORE INTEREST CHARGES	\$	288,635,637
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION		(28,495,174)
INCOME TAXES		71,164,648
TOTAL	\$	331,305,112
INTEREST CHARGES EXCLUDING DEBT AFUDC	\$	46,337,318
TIMES INTEREST EARNED WITHOUT AFUDC		7.15

C. PERCENT AFUDC TO NET INCOME AVAILABLE FOR COMMON STOCKHOLDERS

ALLOWANCE FOR BORROWED FUNDS DURING CONSTRUCTION X (1 - INCOME_TAX_RATE)	\$	12,736,441
SUBTOTAL	\$	9,613,234
ALLOWANCE FOR EQUITY FUNDS USED DURING CONSTRUCTION		28,495,174
TOTAL	\$	38,108,407
NET INCOME AVAILABLE FOR COMMON	\$	255,034,760
AFUDC AS PERCENT OF NET INCOME		14.94%

D. PERCENT INTERNALLY GENERATED FUNDS

NET INCOME	\$	255,034,760
PREFERRED DIVIDENDS DECLARED		0
COMMON DIVIDENDS		0
AFUDC (DEBT & OTHER)		(41,231,614)
DEPRECIATION AND AMORTIZATION EXPENSE		277,272,810
DEFERRED INCOME TAXES		92,728,917
INVESTMENT TAX CREDITS		24,238,311
CLAUSE OVER/UNDER RECOVERY		(6,795,601)
OTHER		(16,559)
INTERNALLY GENERATED FUNDS	\$	601,231,025

CONSTRUCTION EXPENDITURES \$ 813,623,984

PERCENT INTERNALLY GENERATED FUNDS 73.90%

E. LONG TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL

F. SHORT TERM DEBT AS A PERCENT OF TOTAL INVESTOR CAPITAL

AVERAGE RETAIL AMOUNTS		
JURIS ADJUSTED LONG TERM DEBT	\$	870,448,821
JURIS ADJUSTED SHORT TERM DEBT		156,670,106
JURIS ADJUSTED PREFERRED STOCK		0
JURIS ADJUSTED COMMON STOCK		1,502,728,259
TOTAL	\$	2,529,847,187

LTD TO TOTAL INVESTOR FUNDS 34.41%

STD TO TOTAL INVESTOR FUNDS 6.19%

ADJUSTED AVERAGE JURISDICTIONAL RETURN ON COMMON EQUITY

G. FPSC ADJ.

RATE OF RETURN	5.86%
LESS: RECONCILED AVG. RETAIL WEIGHTED COST RATES FOR :	
LONG TERM DEBT	0.73%
SHORT TERM DEBT	0.09%
PREFERRED STOCK	0.00%
CUSTOMER DEPOSITS	0.02%
TAX CREDITS - WEIGHTED COST	0.03%
SUBTOTAL	0.86%

TOTAL 5.00%

DIVIDED BY COMMON EQUITY RATIO 47.93%

JURISDICTIONAL RETURN ON COMMON EQUITY 10.42%

GULF POWER COMPANY

Storm Accrual - Twelve Month to Date
March 2021

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
April	2020	291,667
May	2020	291,667
June	2020	291,667
July	2020	291,667
August	2020	291,667
September	2020	291,667
October	2020	291,667
November	2020	291,667
December	2020	291,667
January	2021	0
February	2021	583,335
March	2021	291,667
12 - M-T-D		<u><u>3,500,001</u></u>

GULF POWER COMPANY
COVID-19 Regulatory Asset Report
March 2021

Supplemental 2

Order No: 2020-0262-PCO-EI

Line No.			March Activity	Cumulative Balance
1	Incremental Bad Debt Expense		\$ 40,724	\$ 15,054,939
2				
3	Safety Related Costs ⁽¹⁾ :			
4	Testing		\$ 65,453	\$ 1,254,498
5	Personal Protective Equipment		\$ 31,989	\$ 720,576
6	Temperature Screening		\$ -	\$ 1,021,211
7	Facility Upgrades/Cleaning		\$ 27,199	\$ 542,969
8	Other		\$ 9,955	\$ 26,377
9	Total Safety Related Costs	Sum of Lines 4 - 8	\$ 134,596	\$ 3,565,631
10				
11	Total COVID-19 Costs	Lines 1 + 9	\$ 175,320	\$ 18,620,570
12				
13	Less Savings:			
14	Reduction in Travel and Meal Expenses		\$ (50,008)	\$ (880,861)
15	Reduction in Medical Expenses		\$ (1,626,578)	\$ (1,626,578)
16	Total Savings		\$ (1,676,586)	\$ (2,507,439)
17				
18	Total Regulatory Asset	Lines 11 + 16	\$ (1,501,267)	\$ 16,113,131

Notes

(1) Excludes capital costs.

1 GULF POWER COMPANY

2 DOCKET NO. 990315-EI

3 RTP QUARTERLY REPORT

4
5
6
7
8 Eighty Sixth Quarterly Report

9
10 Report Period: First Quarter, 2021

11
12

13 <u>Rate Class</u>	14 <u>First Quarter Total Revenue</u>	15 <u>First Quarter Total KWH Sales</u>	16 <u>First Quarter ¢/KWH</u>	17 <u>12-Month Rolling Average ¢/KWH</u>
18 RTP	19 \$19,274,905.82	20 245,119,900	21 7.863	22 7.497
23 PX/PXT	24 \$0.00	25 -	26 0.000	27 0.000
28 LP/LPT	29 \$16,150,861.45	30 178,912,918	31 9.027	32 9.058

33

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.