

Robert L. McGee, Jr.
Regulatory & Pricing Manager

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December 14, 2012

Mr. John Slemkewicz
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. Slemkewicz:

Enclosed is Gulf Power Company's Jurisdictional Rate of Return Report for the month of October 2012.

Sincerely,

Robert L. McGee, Jr.
Regulatory and Pricing Manager

wb

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

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DIVISION OF
ACCOUNTING & FINANCE

October 2012

Earnings Surveillance
Report
(Rate of Return)



GULF POWER COMPANY
Earnings Surveillance Report Summary
October, 2012

	(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	160,427,852	(71,965,364)	88,462,489	0	88,462,489
Average Rate Base	2,735,289,356	(1,060,235,058)	1,675,054,298	0	1,675,054,298
Average Rate of Return	5.87%		5.28%		5.28%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	160,419,959	(72,558,402)	87,861,558	0	87,861,558
Year End Rate Base	2,839,421,697	(1,113,729,185)	1,725,692,512	0	1,725,692,512
Year End Rate of Return	5.65%		5.09%		5.09%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

III. Required Rates of Return

Average Capital Structure
(FPSC Adjusted Basis)

Low	5.75%
Midpoint	6.13%
High	6.50%

IV. Financial Integrity Indicators

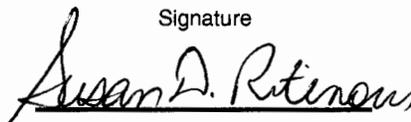
A. Tie With AFUDC	4.25 x (System per Books Basis)
B. Tie Without AFUDC	4.10 x (System per Books Basis)
C. AFUDC To Net Income	6.56% (System per Books Basis)
D. Internally Generated Funds	87.99% (System per Books Basis)
E. LTD To Total Investor Funds	48.05% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	2.50% (FPSC Adjusted Basis)
G. Return on Common Equity	8.00% (FPSC Adjusted Basis)
H. Return on Common Equity	8.00% (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

12-12-12

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
October, 2012

	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	3,990,405,253	1,359,810,009	2,630,595,244	13,454,140	229,708,669	0	2,873,758,053	196,656,318	3,070,414,371
JURISDICTIONAL PER BOOKS	3,533,241,516	1,229,228,182	2,304,013,334	13,006,158	219,702,615	0	2,536,722,107	198,567,248	2,735,289,356
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(928,034,332)	(84,588,367)	(843,445,965)		(4,749,831)		(848,195,796)	(8,953,111)	(857,148,907)
INT BEARING CWIP					(165,646,091)		(165,646,091)	0	(165,646,091)
ENERGY CONSERVATION CLAUSE	(10,390,061)	2,664,285	(13,054,346)		(0)		(13,054,346)	(2,162,793)	(15,217,139)
LOANS TO EMPLOYEES / RETIREES								(40,497)	(40,497)
INTEREST AND DIVIDENDS RECEIVABLE								(64,292)	(64,292)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV				(7,746,374)			(7,746,374)	(10,354,940)	(18,101,314)
FUEL RELATED DEFERRED DEBITS								(2,387,061)	(2,387,061)
FLAME RESISTANT CLOTHING								0	0
ACCRUED PROVISION FOR REFUND								935,502	935,502
UNAMORTIZED RATE CASE EXPENSES								(2,565,259)	(2,565,259)
SALE OF RAILCARS								0	0
TOTAL FPSC ADJUSTMENTS	(938,424,393)	(81,924,082)	(856,500,311)	(7,746,374)	(170,395,922)	0	(1,034,642,607)	(25,592,450)	(1,060,235,058)
FPSC ADJUSTED	2,594,817,123	1,147,304,100	1,447,513,023	5,259,784	49,306,693	0	1,502,079,500	172,974,798	1,675,054,298
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	2,594,817,123	1,147,304,100	1,447,513,023	5,259,784	49,306,693	0	1,502,079,500	172,974,798	1,675,054,298

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
October, 2012

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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	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,436,249,844	618,980,510	317,757,396	140,048,312	98,029,025	(87,663,258)	164,605,199	(1,351,746)	0	1,250,405,439	185,844,406 (a)
JURISDICTIONAL PER BOOKS	1,207,963,778	465,245,771	305,452,648	129,402,827	96,561,036	(39,762,347)	100,637,548	(999,353)	0	1,056,538,130	151,425,648 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(146,587,252)		(23,270,383)	(36,244,246)	(1,380,928)	(33,055,571)				(93,951,128)	(52,636,124)
GROSS RECEIPTS TAX REVENUE	(28,723,109)					(11,079,939)				(11,079,939)	(17,643,170)
MARKETING SUPPORT ACTIVITIES			(173,703)			67,006				(106,697)	106,697
GAIN/LOSS ON DISPOSITION						69			(180)	(111)	111
MGMT FINANCIAL PLANNING SERVICES			(177,161)			68,340				(108,821)	108,821
DIRECTORS' & OFFICERS' INSURANCE			(41,433)			15,983				(25,450)	25,450
FRANCHISE FEE REVENUES	(38,319,613)					(14,781,791)				(14,781,791)	(23,537,822)
RETAIL FUEL REVENUES	(426,708,294)					(164,602,725)				(164,602,725)	(262,105,569)
ECCR and PPCC REVENUES	(65,414,171)					(25,233,516)				(25,233,516)	(40,180,655)
INT ON TAX ASSESSMENT			252,671			(97,468)				155,203	(155,203)
ECON DEV EXPENSE TOTAL			(818,715)			315,819				(502,896)	502,896
ECON DEV EXPENSE ALLOWED			777,779			(300,028)				477,751	(477,751)
LIAISON EXPENSES			(548,349)		(24,093)	220,820				(351,622)	351,622
CORP ADV & WHOLESALE EXPENSES		(41,902)	(4,393)			17,858				(28,437)	28,437
INDUSTRY ASSOCIATION DUES			(241)			93				(148)	148
RETAIL FUEL EXPENSES		(426,378,533)				164,475,519				(261,903,014)	261,903,014
ECCR AND PPCC EXPENSES		(38,825,337)	(20,582,019)	(293,436)	(181,866)	23,099,735				(36,782,923)	36,782,923
FRANCHISE FEE					(37,340,000)	14,403,905				(22,936,095)	22,936,095
GRT, FPSC FEES ON CLAUSES & FEES					(1,357,652)	523,714				(833,938)	833,938
GROSS RECEIPTS TAX ADJUST					(28,382,343)	10,948,489				(17,433,854)	17,433,854
INTEREST SYNCHRONIZATION						7,240,870				7,240,870	(7,240,870)
TOTAL FPSC ADJUSTMENTS	(705,752,439)	(465,245,771)	(44,585,947)	(36,537,682)	(68,666,882)	(27,752,818)	0	0	(180)	(642,789,280)	(62,963,160)
FPSC ADJUSTED	502,211,339	0	260,866,701	92,865,145	27,894,154	(67,515,165)	100,637,548	(999,353)	(180)	413,748,850	88,462,489
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	502,211,339	0	260,866,701	92,865,145	27,894,154	(67,515,165)	100,637,548	(999,353)	(180)	413,748,850	88,462,489
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				9,251,641			9,002,204				
CURRENT MO. SYSTEM PER BOOKS	109,918,333	41,568,402	28,307,631	12,202,526	7,902,502	(11,003,798)	17,040,621	(112,699)	0	95,905,186	14,013,146
CURRENT MO. JURIS PER BOOKS	97,011,471	34,615,061	26,425,401	11,309,735	7,741,064	(5,921,068)	11,007,079	(83,340)	0	85,093,932	11,917,539

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
October, 2012

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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
PLANT SCHERER		FRANCHISE FEE REVENUES	(38,319,613)	(14,781,791)
INVESTMENT	(368,250,010)	IIC FUEL REVENUES	(114,513,945)	(44,173,754)
ACCUMULATED DEPRECIATION	112,477,627	FUEL REVENUES	(461,624,091)	(178,071,493)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(469,401)	(181,072)
INVESTMENT	(10,390,061)	ECCR, PPCC, AND ECRC REVENUES	(212,257,051)	(81,878,157)
ACCUMULATED DEPRECIATION	(2,664,285)	GROSS RECEIPTS TAX REVENUES/STORM RECOVERY REV	(28,723,109)	(11,079,939)
ENVIRONMENTAL RECOVERY CLAUSE		COMPETITIVE SALES REV/TRANS REV/G/L ON SALE OF GAS	22,569	8,706
INVESTMENT	(957,314,964)	CORP ADVERTISING & WHOLESALE EXPENSES	(47,810)	18,443
ACCUMULATED DEPRECIATION	87,280,360	INDUSTRY ASSOCIATION DUES	(246)	95
PHFU - NORTH ESCAMBIA	(8,013,189)	FUEL AND PPCC EXPENSES	(618,957,941)	238,763,026
INTEREST BEARING CWIP	(170,235,881)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(184)	71
SCHERER CWIP	(3,900,383)	ECON DEVELOP EXPENSE- TOTAL	(818,715)	315,819
ECRC CWIP	(4,899,500)	ECON DEV EXPENSE - ALLOWED	777,779	(300,028)
ECCR CWIP	(0)	INTEREST ON TAX ADJUSTMENT	258,205	(99,603)
FAS 143 NET PLANT	(14,650,944)	CONSERVATION EXPENSES - O & M	(20,582,019)	7,939,514
		CONSERVATION EXPENSES - OTHER TAXES	(67,768)	26,142
		MARKETING SUPPORT ACTIVITIES	(173,703)	67,006
WORKING CAPITAL:		MGMT FINANCIAL PLANNING SERVICES	(181,041)	69,837
ECRC WORKING CAPITAL	(9,233,677)	DIRECTORS' & OFFICERS' INSURANCE	(42,340)	16,333
LOANS TO EMPLOYEES AND RETIREES	(42,438)	FRANCHISE FEE	(37,340,000)	14,403,905
UNREALIZED LOSS ON FWD CONTRACT	0	GROSS RECEIPTS TAX EXPENSE	(28,382,343)	10,948,489
CONSERVATION/AEM INVENTORY	(2,162,793)	LIAISON EXPENSE	(585,048)	225,682
INTEREST & DIVIDENDS RECEIVABLE	(67,373)	ECRC/ECCR EXPENSES	(63,150,698)	24,360,382
PLANT SCHERER	(11,191,270)	COMPETITIVE SALES EXPENSES	0	0
TEMPORARY CASH INVESTMENTS	(98,616)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,357,652)	523,714
FUNDED PROPERTY INSURANCE RESERVE	1	INTEREST SYNCHRONIZATION	7,539,421	7,539,421
NORTH ESCAMBIA SITE	(10,752,488)			
UNAMORTIZED RATE CASE EXPENSES	(2,688,175)			
FUEL RELATED DEFERRED DEBITS	(2,387,061)			
FLAME RESISTANT CLOTHING	0			
ACCUM. PROV. FOR RATE REFUNDS	980,327			
FAS 143 WORKING CAPITAL	19,644,486			
FAS 158 REGULATORY ASSETS	(111,909,491)			
FAS 158 REGULATORY LIABILITIES	111,909,491			
PPA REGULATORY ASSETS	(115,625,605)			
PPA REGULATORY LIABILITIES	115,625,605			
FAS 133 REGULATORY ASSETS	(40,586,290)			
FAS 133 REGULATORY LIABILITIES	40,586,290			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
October, 2012

	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	4,137,726,984	1,395,983,057	2,741,743,926	18,455,978	218,086,464	0	2,978,286,369	196,656,318	3,174,942,687
JURISDICTIONAL PER BOOKS	3,677,889,898	1,261,294,725	2,416,595,173	17,841,451	206,329,974	0	2,640,766,598	198,655,100	2,839,421,697
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,014,753,461)	(98,305,287)	(916,448,174)		(960,863)		(917,409,037)	(8,953,111)	(926,362,148)
INT BEARING CWIP					(143,917,208)		(143,917,208)	0	(143,917,208)
ENERGY CONSERVATION CLAUSE	(10,480,864)	3,741,767	(14,222,631)				(14,222,631)	(2,162,793)	(16,385,424)
LOANS TO EMPLOYEES AND RETIREES								(40,497)	(40,497)
INTEREST AND DIVIDENDS RECEIVABLE								(64,292)	(64,292)
NOTES RECEIVABLE								0	0
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,587,859)			(12,587,859)	(10,354,940)	(22,942,799)
FUEL RELATED DEFERRED DEBITS								(2,387,061)	(2,387,061)
FLAME RESISTANT CLOTHING								0	0
ACCRUED PROVISION FOR REFUND								935,502	935,502
UNAMORTIZED RATE CASE EXPENSES								(2,565,259)	(2,565,259)
SALE OF RAILCARS								0	0
TOTAL FPSC ADJUSTMENTS	(1,025,234,325)	(94,563,520)	(930,670,805)	(12,587,859)	(144,878,071)	0	(1,088,136,735)	(25,592,451)	(1,113,729,185)
FPSC ADJUSTED	2,652,655,573	1,166,731,205	1,485,924,368	5,253,592	61,451,903	0	1,552,629,863	173,062,649	1,725,692,512
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	2,652,655,573	1,166,731,205	1,485,924,368	5,253,592	61,451,903	0	1,552,629,863	173,062,649	1,725,692,512

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
October, 2012

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	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,436,249,844	618,980,510	317,757,396	140,048,312	98,029,025	(87,663,258)	164,605,199	(1,351,746)	0	1,250,405,439	185,844,406 (a)
JURISDICTIONAL PER BOOKS	1,207,963,778	465,245,771	305,452,648	129,402,827	96,561,036	(39,785,145)	100,668,239	(999,353)	0	1,056,546,023	151,417,755 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(146,587,252)		(23,270,383)	(36,244,246)	(1,380,928)	(33,055,571)				(93,951,128)	(52,636,124)
GROSS RECEIPTS TAX REVENUE	(28,723,109)					(11,079,939)				(11,079,939)	(17,643,170)
MARKETING SUPPORT ACTIVITIES			(173,703)			67,006				(106,697)	106,697
GAIN/LOSS ON DISPOSITION						69			(180)	(111)	111
MGMT FINANCIAL PLANNING SERVICES			(177,161)			68,340				(108,821)	108,821
DIRECTORS' & OFFICERS' INSURANCE			(41,433)			15,983				(25,450)	25,450
FRANCHISE FEE REVENUES	(38,319,613)					(14,781,791)				(14,781,791)	(23,537,822)
RETAIL FUEL REVENUES	(426,708,294)					(164,602,725)				(164,602,725)	(262,105,569)
ECCR & PPCC REVENUES	(65,414,171)					(25,233,516)				(25,233,516)	(40,180,655)
INT ON TAX ASSESSMENT			252,671			(97,468)				155,203	(155,203)
ECON DEV EXPENSE TOTAL			(818,715)			315,819				(502,896)	502,896
ECON DEV EXPENSE ALLOWED			777,779			(300,028)				477,751	(477,751)
LIAISON EXPENSES			(548,349)		(24,093)	220,820				(351,622)	351,622
CORP ADV & WHOLESALE EXPENSES		(41,902)	(4,393)			17,858				(28,437)	28,437
INDUSTRY ASSOCIATION DUES			(241)			93				(148)	148
RETAIL FUEL EXPENSES		(426,378,533)				164,475,519				(261,903,014)	261,903,014
ECCR AND PPCC EXPENSES		(38,825,337)	(20,582,019)	(293,436)	(181,866)	23,099,735				(36,782,923)	36,782,923
FRANCHISE FEE					(37,340,000)	14,403,905				(22,936,095)	22,936,095
GRT, FPSC FEES ON CLAUSES & FEES					(1,357,652)	523,714				(833,938)	833,938
GROSS RECEIPTS TAX ADJUST					(28,382,343)	10,948,489				(17,433,854)	17,433,854
INTEREST SYNCHRONIZATION						7,833,908				7,833,908	(7,833,908)
TOTAL FPSC ADJUSTMENTS	(705,752,439)	(465,245,771)	(44,585,947)	(36,537,682)	(68,666,882)	(27,159,780)	0	0	(180)	(642,196,242)	(63,556,198)
FPSC ADJUSTED	502,211,339	0	260,866,701	92,865,145	27,894,154	(66,944,925)	100,668,239	(999,353)	(180)	414,349,781	87,861,558
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	502,211,339	0	260,866,701	92,865,145	27,894,154	(66,944,925)	100,668,239	(999,353)	(180)	414,349,781	87,861,558

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 9,251,641 AND THE JURISDICTIONAL NOI BY 9,002,204

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
October, 2012

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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
PLANT SCHERER		FRANCHISE FEE REVENUES	(38,319,613)	(14,781,791)
INVESTMENT	(369,909,245)	IIC FUEL REVENUES	(114,513,945)	(44,173,754)
ACCUMULATED DEPRECIATION	115,939,548	FUEL REVENUES	(461,624,091)	(178,071,493)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(469,401)	(181,072)
INVESTMENT	(10,480,864)	ECCR, PPCC, AND ECRC REVENUES	(212,257,051)	(81,878,157)
ACCUMULATED DEPRECIATION	(3,741,767)	GROSS RECEIPTS TAX REVENUES/STORM RECOVERY REV	(28,723,109)	(11,079,939)
ENVIRONMENTAL RECOVERY CLAUSE		COMPETITIVE SALES REV/TRANS REV/L ON SALE OF GAS	22,569	8,706
INVESTMENT	(1,043,796,541)	CORP ADVERTISING & WHOLESALE EXPENSES	(47,810)	18,443
ACCUMULATED DEPRECIATION	101,156,711	INDUSTRY ASSOCIATION DUES	(246)	95
PHFU - NORTH ESCAMBIA	(13,021,433)	FUEL AND PPCC EXPENSES	(618,957,941)	238,763,026
INTEREST BEARING CWIP	(147,904,926)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(184)	71
SCHERER CWIP	(6,038,814)	ECON DEVELOP EXPENSE- TOTAL	(818,715)	315,819
ECRC CWIP	(988,084)	ECON DEV EXPENSE - ALLOWED	777,779	(300,028)
ECCR CWIP	(0)	INTEREST ON TAX ADJUSTMENT	258,205	(99,603)
FAS 143 NET PLANT	(14,614,001)	CONSERVATION EXPENSES - O & M	(20,582,019)	7,939,514
		CONSERVATION EXPENSES - OTHER TAXES	(67,768)	26,142
		MARKETING SUPPORT ACTIVITIES	(173,703)	67,006
WORKING CAPITAL:		MGMT FINANCIAL PLANNING SERVICES	(181,041)	69,837
ECRC WORKING CAPITAL	(9,233,677)	DIRECTORS' & OFFICERS' INSURANCE	(42,340)	16,333
LOANS TO EMPLOYEES AND RETIREES	(42,438)	FRANCHISE FEE	(37,340,000)	14,403,905
UNREALIZED LOSS ON FWD CONTRACT	0	GROSS RECEIPTS TAX EXPENSE	(28,382,343)	10,948,489
CONSERVATION/AEM INVENTORY	(2,162,793)	LIAISON EXPENSE	(585,048)	225,682
INTEREST & DIVIDENDS RECEIVABLE	(67,373)	ECRC/ECCR EXPENSES	(63,150,698)	24,360,382
PLANT SCHERER	(10,468,184)	COMPETITIVE SALES EXPENSES	0	0
TEMPORARY CASH INVESTMENTS	(98,616)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,357,652)	523,714
FUNDED PROPERTY INSURANCE RESERVE	1	INTEREST SYNCHRONIZATION	8,196,683	8,196,683
NORTH ESCAMBIA SITE	(10,752,488)			
UNAMORTIZED RATE CASE EXPENSES	(2,688,175)			
FUEL RELATED DEFERRED DEBITS	(2,387,061)			
FLAME RESISTANT CLOTHING	0			
ACCUM. PROV. FOR RATE REFUNDS	980,327			
FAS 143 WORKING CAPITAL	19,644,486			
FAS 158 REGULATORY ASSETS	(111,909,491)			
FAS 158 REGULATORY LIABILITIES	111,909,491			
PPA REGULATORY ASSETS	(115,625,605)			
PPA REGULATORY LIABILITIES	115,625,605			
FAS 133 REGULATORY ASSETS	(40,586,290)			
FAS 133 REGULATORY LIABILITIES	40,586,290			

GULF POWER COMPANY
 CAPITAL STRUCTURE
 FPSC ADJUSTED BASIS
 October, 2012

SCHEDULE 4

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATEWEIGHTED (%)					
LONG TERM DEBT	1,219,706,682	1,083,503,024	(419,980,390)	0	663,522,634	39.61	5.00	1.98	5.00	1.98	5.00	1.98
SHORT TERM DEBT	66,191,979	56,458,778	(21,884,184)	0	34,574,594	2.06	0.40	0.01	0.40	0.01	0.40	0.01
PREFERRED STOCK	97,998,345	87,050,095	(33,741,791)	0	53,308,304	3.18	6.33	0.20	6.33	0.20	6.33	0.20
CUSTOMER DEPOSITS	35,912,940	35,890,067	(13,911,474)	0	21,978,593	1.31	5.44	0.07	5.44	0.07	5.44	0.07
COMMON EQUITY	1,150,606,810	1,027,959,621	(398,451,018)	0	629,508,603	37.58	9.25	3.48	10.25	3.85	11.25	4.23
DEFERRED INCOME TAXES	527,064,902	475,360,120	(184,255,996)	0	291,104,124	17.38						
FASB 109 DEFERRED TAXES	(39,953,323)	(36,033,923)	13,967,234	0	(22,066,689)	(1.32)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	6,309,521	5,101,574	(1,977,439)	0	3,124,135	0.19	7.04	0.01	7.51	0.01	7.98	0.01
TOTAL	3,063,837,856	2,735,289,356	(1,060,235,058)	0	1,675,054,298	100.00 %		5.75 %		6.13 %		6.50 %

YEAR-END	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATEWEIGHTED (%)					
LONG TERM DEBT	1,218,258,312	1,095,427,186	(429,668,206)	0	665,758,980	38.58	4.86	1.87	4.86	1.87	4.86	1.87
SHORT TERM DEBT	25,730,437	20,780,206	(8,150,787)	0	12,629,419	0.73	0.67	0.00	0.67	0.00	0.67	0.00
PREFERRED STOCK	97,998,345	88,117,643	(34,563,091)	0	53,554,552	3.10	6.33	0.20	6.33	0.20	6.33	0.20
CUSTOMER DEPOSITS	35,801,338	36,134,841	(14,173,459)	0	21,961,382	1.27	2.50	0.03	2.50	0.03	2.50	0.03
COMMON EQUITY	1,166,987,927	1,063,491,072	(417,141,648)	0	646,349,424	37.45	9.25	3.46	10.25	3.84	11.25	4.21
DEFERRED INCOME TAXES	624,850,398	569,124,202	(223,232,158)	0	345,892,044	20.06						
FASB 109 DEFERRED TAXES	(42,049,391)	(38,299,290)	15,022,438	0	(23,276,852)	(1.35)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	5,633,092	4,645,837	(1,822,274)	0	2,823,563	0.16	6.99	0.01	7.47	0.01	7.94	0.01
TOTAL	3,133,210,458	2,839,421,697	(1,113,729,185)	0	1,725,692,512	100.00 %		5.58 %		5.96 %		6.33 %

GULF POWER COMPANY
Financial Integrity Indicators
October, 2012

A. Times Interest Earned with AFUDC

Earnings Before Interest	190,897,467
AFUDC - Debt	2,864,659
Income Taxes	75,182,817
	<hr/>
Total	268,944,942
Interest Charges (Before Deducting AFUDC - Debt)	63,315,790
	<hr/>
T.I.E. With AFUDC	4.25 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	190,897,467
AFUDC - Other	(6,386,982)
Income Taxes	75,182,817
	<hr/>
Total	259,693,302
Interest Charges (Before Deducting AFUDC - Debt)	63,315,790
	<hr/>
T.I.E. Without AFUDC	4.10 x

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	2,864,659
X (1 - Income Tax Rate)	0.61425
	<hr/>
Subtotal	1,759,617
AFUDC - Other	6,386,982
	<hr/>
Total	8,146,599
	<hr/>
Net Income Available for Common Stockholders	124,243,836
Percent AFUDC to Available Net Income	6.56%

D. Percent Internally Generated Funds

Net Income	130,446,336
Preferred Dividends	(6,202,500)
Common Dividends	(115,800,000)
AFUDC (Debt & Other)	(9,251,641)
Depreciation & Amortization	148,536,407
Deferred Income Taxes	164,589,628
Investment Tax Credits	0
Other	(14,651,644)
	<hr/>
Total	297,666,585
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	338,291,493
	<hr/>
Percent Internally Generated Funds	87.99%

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	663,522,634
Short Term Debt	34,574,594
Preferred Stock	53,308,304
Common Equity	629,508,603
	<hr/>

Total	1,380,914,135
	<hr/>

% Long Term Debt To Total	48.05%
	<hr/>

% Short Term Debt To Total	2.50%
	<hr/>

G. FPSC Adjusted Average Jurisdictional Return On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.28%	5.28%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.98)	(1.98)
Short Term Debt	(0.01)	(0.01)
Preferred Stock	(0.20)	(0.20)
Customer Deposits	(0.07)	(0.07)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.01)	(0.01)
	<hr/>	<hr/>
Subtotal	(2.28)	(2.28)
	<hr/>	<hr/>
Total	3.01	3.01
Divided by Common Equity Ratio	37.58	37.58
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	8.00%	8.00%

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
October, 2012

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
November	2011	291,667
December	2011	291,663
January	2012	291,667
February	2012	291,667
March	2012	291,667
April	2012	291,667
May	2012	291,667
June	2012	291,667
July	2012	291,667
August	2012	291,667
September	2012	291,667
October	2012	291,667
12 - M-T-D		<u><u>3,500,000</u></u>