

**Susan D. Ritenour**  
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November 14, 2013

**Mr. Andrew Maurey**  
Chief of Surveillance & Rate Filings  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**RE: Monthly Rate of Return Report**

Dear Mr. Maurey:

Enclosed is Gulf Power Company's Jurisdictional Rate of Return Report for the month of September 2013.

Sincerely,

*Susan D. Ritenour*

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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FLORIDA PUBLIC SERVICE  
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DIVISION OF  
ACCOUNTING & FINANCE

**September 2013**

Earnings Surveillance  
Report  
(Rate of Return)



**GULF POWER COMPANY**  
**Earnings Surveillance Report Summary**  
**September, 2013**

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<b>I. Average Rate of Return (Jurisdictional)</b>					
	(a)	(b)			
Net Operating Income	163,773,719	(70,006,945)	93,766,774	0	93,766,774
Average Rate Base	2,951,009,234	(1,103,393,256)	1,847,615,978	0	1,847,615,978
Average Rate of Return	5.55%		5.08%		5.08%
<b>II. Year End Rate of Return (Jurisdictional)</b>					
	(a)	(b)			
Net Operating Income	163,765,139	(70,157,169)	93,607,970	0	93,607,970
Year End Rate Base	3,040,397,851	(1,129,595,949)	1,910,801,902	0	1,910,801,902
Year End Rate of Return	5.39%		4.90%		4.90%

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

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

Low	5.42%
Midpoint	5.79%
High	6.16%

**IV. Financial Integrity Indicators**

A. Tie With AFUDC	4.44 x (System per Books Basis)
B. Tie Without AFUDC	4.30 x (System per Books Basis)
C. AFUDC To Net Income	6.05% (System per Books Basis)
D. Internally Generated Funds	55.72% (System per Books Basis)
E. LTD To Total Investor Funds	46.77% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	2.92% (FPSC Adjusted Basis)
G. Return on Common Equity	8.29% (FPSC Adjusted Basis)
H. Return on Common Equity	8.29% (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  
11/13/13

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
RATE BASE  
September, 2013

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)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
<b>SYSTEM PER BOOKS</b>	4,236,499,341	1,392,372,381	2,844,126,960	18,455,978	194,005,920	0	3,056,588,858	237,041,288	3,293,630,146
<b>JURISDICTIONAL PER BOOKS</b>	3,768,251,282	1,254,775,223	2,513,476,059	17,841,450	179,848,259	0	2,711,165,768	239,843,466	2,951,009,234
<b>FPSC ADJUSTMENTS:</b>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,014,974,487)	(108,829,372)	(906,145,115)		(565,024)		(906,710,139)	(8,149,452)	(914,859,591)
INT BEARING CWIP					(136,940,867)		(136,940,867)	0	(136,940,867)
ENERGY CONSERVATION CLAUSE	(10,713,898)	4,696,872	(15,410,770)		(0)		(15,410,770)	(2,712,160)	(18,122,930)
LOANS TO EMPLOYEES / RETIREES								(29,472)	(29,472)
INTEREST AND DIVIDENDS RECEIVABLE								0	0
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,587,859)			(12,587,859)	(4,740,597)	(17,328,456)
FUEL RELATED DEFERRED DEBITS								(14,143,244)	(14,143,244)
ACCRUED PROVISION FOR REFUND								900,447	900,447
UNAMORTIZED RATE CASE EXPENSES								(2,869,143)	(2,869,143)
<b>TOTAL FPSC ADJUSTMENTS</b>	<b>(1,025,688,385)</b>	<b>(104,132,500)</b>	<b>(921,555,885)</b>	<b>(12,587,859)</b>	<b>(137,505,891)</b>	<b>0</b>	<b>(1,071,649,635)</b>	<b>(31,743,621)</b>	<b>(1,103,393,256)</b>
<b>FPSC ADJUSTED</b>	<b>2,742,562,897</b>	<b>1,150,642,723</b>	<b>1,591,920,174</b>	<b>5,253,591</b>	<b>42,342,368</b>	<b>0</b>	<b>1,639,516,133</b>	<b>208,099,845</b>	<b>1,847,615,978</b>
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
<b>TOTAL PRO FORMA ADJUST</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PRO FORMA ADJUSTED</b>	<b>2,742,562,897</b>	<b>1,150,642,723</b>	<b>1,591,920,174</b>	<b>5,253,591</b>	<b>42,342,368</b>	<b>0</b>	<b>1,639,516,133</b>	<b>208,099,845</b>	<b>1,847,615,978</b>

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
September, 2013

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	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,428,417,878	608,165,392	313,450,824	149,220,087	96,548,587	(18,655,718)	97,870,436	(1,352,397)	0	1,245,247,211	183,170,667 (a)
JURISDICTIONAL PER BOOKS	1,229,568,499	477,610,987	298,275,580	138,332,820	94,721,895	277,696	65,842,899	(999,918)	0	1,074,061,960	155,506,539 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(145,296,216)		(24,360,264)	(39,548,815)	(1,110,359)	(30,966,767)				(95,986,205)	(49,310,011)
GROSS RECEIPTS TAX REVENUE	(27,212,603)					(10,497,262)				(10,497,262)	(16,715,341)
MARKETING SUPPORT ACTIVITIES			(154,529)			59,610				(94,919)	94,919
GAIN/LOSS ON DISPOSITION										0	0
MGMT FINANCIAL PLANNING SERVICES			(35,816)			13,816				(22,000)	22,000
DIRECTORS' & OFFICERS' INSURANCE			(42,568)			16,421				(26,147)	26,147
FRANCHISE FEE REVENUES	(36,869,511)					(14,222,414)				(14,222,414)	(22,647,097)
RETAIL FUEL REVENUES	(442,989,143)					(170,883,062)				(170,883,062)	(272,106,081)
ECCR and PPCC REVENUES	(71,157,768)					(27,449,109)				(27,449,109)	(43,708,659)
ECON DEV EXPENSE TOTAL			(997,220)			384,678				(612,542)	612,542
ECON DEV EXPENSE ALLOWED			947,359			(365,444)				581,915	(581,915)
LIAISON EXPENSES			(318,077)		(15,242)	128,578				(204,741)	204,741
CORP ADV & WHOLESALE EXPENSES		(171,155)	(142,208)			120,879				(192,482)	192,482
INDUSTRY ASSOCIATION DUES			(259)			100				(159)	159
RETAIL FUEL EXPENSES		(442,726,763)				170,781,849				(271,944,914)	271,944,914
ECCR AND PPCC EXPENSES		(34,713,069)	(25,253,056)	(301,925)	(407,018)	23,405,408				(37,269,661)	37,269,661
FRANCHISE FEE					(36,087,586)	13,920,786				(22,166,800)	22,166,800
GRT, FPSC FEES ON CLAUSES & FEES					(1,280,375)	493,905				(786,470)	786,470
GROSS RECEIPTS TAX ADJUST					(26,880,964)	10,369,332				(16,511,632)	16,511,632
INTEREST SYNCHRONIZATION						6,503,129				6,503,129	(6,503,129)
TOTAL FPSC ADJUSTMENTS	(723,525,241)	(477,610,987)	(50,356,637)	(39,850,740)	(65,781,544)	(28,185,587)	0	0	0	(661,785,476)	(61,739,785)
FPSC ADJUSTED	506,043,258	0	247,918,943	98,482,080	28,940,351	(27,907,871)	65,842,899	(999,918)	0	412,276,484	93,766,774
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	506,043,258	0	247,918,943	98,482,080	28,940,351	(27,907,871)	65,842,899	(999,918)	0	412,276,484	93,766,774
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				8,496,250	AND THE JURISDICTIONAL NOI BY	8,267,180					
CURRENT MO. SYSTEM PER BOOKS	127,029,577	52,806,588	25,569,413	12,582,806	9,257,800	(7,166,240)	15,431,259	(112,700)	0	108,378,925	18,650,652
CURRENT MO. JURIS PER BOOKS	116,779,129	48,097,893	23,604,897	11,688,680	9,095,560	(4,818,596)	12,320,291	(83,342)	0	99,905,382	16,873,747

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
September, 2013

SCHEDULE 2  
PAGE 3 OF 3

<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	(36,869,511)	(14,222,414)
INVESTMENT	(375,334,123)	IIC FUEL REVENUES	(87,372,271)	(33,703,853)
ACCUMULATED DEPRECIATION	118,824,051	FUEL REVENUES	(477,859,139)	(184,334,183)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(186,442)	(71,920)
INVESTMENT	(10,713,898)	ECCR, PPCC, AND ECRC REVENUES	(216,811,229)	(83,834,932)
ACCUMULATED DEPRECIATION	(4,696,872)	GROSS RECEIPTS TAX REVENUES	(27,212,603)	(10,497,282)
ENVIRONMENTAL RECOVERY CLAUSE		COMP SALES REVTRANS REV/G/L SALE GAS/PROV RATE REF	117,008	45,136
INVESTMENT	(1,045,217,612)	CORP ADVERTISING & WHOLESALE EXPENSES	(322,083)	124,244
ACCUMULATED DEPRECIATION	112,104,423	INDUSTRY ASSOCIATION DUES	(265)	102
PHFU - NORTH ESCAMBIA	(13,021,433)	FUEL AND PPCC EXPENSES	(608,048,299)	234,554,631
INTEREST BEARING CWIP	(140,735,281)	GAIN/LOSS ON DISPOSITION OF PROPERTY	0	0
SCHERER CWIP	(9,173,170)	ECON DEVELOP EXPENSE- TOTAL	(997,220)	384,678
ECRC CWIP	(581,859)	ECON DEV EXPENSE - ALLOWED	947,359	(365,444)
ECCR CWIP	(0)	CONSERVATION EXPENSES - O & M	(25,253,056)	9,741,368
FAS 143 NET PLANT	(14,463,398)	CONSERVATION EXPENSES - OTHER TAXES	(280,643)	108,258
		MARKETING SUPPORT ACTIVITIES	(154,529)	59,810
		MGMT FINANCIAL PLANNING SERVICES	(36,601)	14,119
		DIRECTORS' & OFFICERS' INSURANCE	(43,501)	16,780
WORKING CAPITAL:		FRANCHISE FEE	(36,087,586)	13,920,786
ECRC WORKING CAPITAL	(8,390,277)	GROSS RECEIPTS TAX EXPENSE	(26,880,964)	10,369,332
LOANS TO EMPLOYEES AND RETIREES	(30,884)	LIAISON EXPENSE	(340,662)	131,410
CONSERVATION/AEM INVENTORY	(2,712,160)	ECRC/ECCR EXPENSES	(67,319,472)	25,968,486
INTEREST & DIVIDENDS RECEIVABLE	0	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,280,375)	493,905
PLANT SCHERER	(12,450,061)	INTEREST SYNCHRONIZATION	6,861,066	6,861,068
TEMPORARY CASH INVESTMENTS	0			
FUNDED PROPERTY INSURANCE RESERVE - NET	0			
NORTH ESCAMBIA SITE	(4,967,746)			
UNAMORTIZED RATE CASE EXPENSES	(3,006,620)			
FUEL RELATED DEFERRED DEBITS	(14,143,244)			
ACCUM. PROV. FOR RATE REFUNDS - WHOLESALE	943,593			
FAS 143 WORKING CAPITAL	23,906,167			
FAS 158 REGULATORY ASSETS	(134,818,909)			
FAS 158 REGULATORY LIABILITIES	134,818,909			
PPA REGULATORY ASSETS	(154,770,176)			
PPA REGULATORY LIABILITIES	154,770,176			
FAS 133 REGULATORY ASSETS	(30,176,639)			
FAS 133 REGULATORY LIABILITIES	30,176,639			

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
RATE BASE  
September, 2013

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)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	4,304,795,683	1,421,876,669	2,882,919,014	18,455,978	245,588,017	0	3,146,963,010	237,041,288	3,384,004,298
JURISDICTIONAL PER BOOKS	3,833,187,820	1,280,151,304	2,553,036,516	17,841,451	229,373,154	0	2,800,251,121	240,146,730	3,040,397,851
<b>FPSC ADJUSTMENTS:</b>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,015,450,127)	(125,715,196)	(889,734,931)		(419,258)		(890,154,189)	(8,149,452)	(898,303,641)
INT BEARING CWIP					(178,421,619)		(178,421,619)	0	(178,421,619)
ENERGY CONSERVATION CLAUSE	(10,988,819)	5,699,842	(16,688,661)				(16,688,661)	(2,712,160)	(19,400,821)
LOANS TO EMPLOYEES AND RETIREES								(29,472)	(29,472)
INTEREST AND DIVIDENDS RECEIVABLE								0	0
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,587,859)			(12,587,859)	(4,740,597)	(17,328,456)
FUEL RELATED DEFERRED DEBITS								(14,143,244)	(14,143,244)
ACCRUED PROVISION FOR REFUND								900,447	900,447
UNAMORTIZED RATE CASE EXPENSES								(2,869,143)	(2,869,143)
<b>TOTAL FPSC ADJUSTMENTS</b>	<b>(1,026,438,946)</b>	<b>(120,015,354)</b>	<b>(906,423,592)</b>	<b>(12,587,859)</b>	<b>(178,840,877)</b>	<b>0</b>	<b>(1,097,852,328)</b>	<b>(31,743,621)</b>	<b>(1,129,595,949)</b>
<b>FPSC ADJUSTED</b>	<b>2,806,748,874</b>	<b>1,160,135,950</b>	<b>1,646,612,924</b>	<b>5,253,592</b>	<b>50,532,277</b>	<b>0</b>	<b>1,702,398,793</b>	<b>208,403,109</b>	<b>1,910,801,902</b>
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
<b>TOTAL PRO FORMA ADJUSTMENTS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PRO FORMA ADJUSTED</b>	<b>2,806,748,874</b>	<b>1,160,135,950</b>	<b>1,646,612,924</b>	<b>5,253,592</b>	<b>50,532,277</b>	<b>0</b>	<b>1,702,398,793</b>	<b>208,403,109</b>	<b>1,910,801,902</b>

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
September, 2013

SCHEDULE 3  
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	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,428,417,878	608,165,392	313,450,824	149,220,087	96,548,587	(18,655,718)	97,870,436	(1,352,397)	0	1,245,247,211	183,170,667 (a)
JURISDICTIONAL PER BOOKS	1,229,568,499	477,610,987	298,275,580	138,332,820	94,721,895	268,303	65,860,872	(999,918)	0	1,074,070,540	155,497,959 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(145,296,216)		(24,360,264)	(39,548,815)	(1,110,359)	(30,966,767)			(95,986,205)		(49,310,011)
GROSS RECEIPTS TAX REVENUE	(27,212,603)					(10,497,262)			(10,497,262)		(16,715,341)
MARKETING SUPPORT ACTIVITIES			(154,529)			59,610			(94,919)		94,919
GAIN/LOSS ON DISPOSITION									0		0
MGMT FINANCIAL PLANNING SERVICES			(35,816)			13,816			(22,000)		22,000
DIRECTORS' & OFFICERS' INSURANCE			(42,568)			16,421			(26,147)		26,147
FRANCHISE FEE REVENUES	(36,869,511)					(14,222,414)			(14,222,414)		(22,647,097)
RETAIL FUEL REVENUES	(442,989,143)					(170,883,062)			(170,883,062)		(272,106,081)
ECCR & PPCC REVENUES	(71,157,768)					(27,449,109)			(27,449,109)		(43,708,659)
ECON DEV EXPENSE TOTAL			(997,220)			384,678			(612,542)		612,542
ECON DEV EXPENSE ALLOWED			947,359			(365,444)			581,915		(581,915)
LIAISON EXPENSES			(318,077)		(15,242)	128,578			(204,741)		204,741
CORP ADV & WHOLESALE EXPENSES		(171,155)	(142,206)			120,879			(192,482)		192,482
INDUSTRY ASSOCIATION DUES			(259)			100			(159)		159
RETAIL FUEL EXPENSES		(442,726,763)				170,781,849			(271,944,914)		271,944,914
ECCR AND PPCC EXPENSES		(34,713,069)	(25,253,056)	(301,925)	(407,018)	23,405,408			(37,269,661)		37,269,661
FRANCHISE FEE					(36,087,586)	13,920,766			(22,166,800)		22,166,800
GRIT, FPSC FEES ON CLAUSES & FEES					(1,280,375)	493,905			(786,470)		786,470
GROSS RECEIPTS TAX ADJUST					(26,860,964)	10,369,332			(16,511,632)		16,511,632
INTEREST SYNCHRONIZATION						6,653,353			6,653,353		(6,653,353)
TOTAL FPSC ADJUSTMENTS	(723,525,241)	(477,610,987)	(50,356,637)	(39,850,740)	(65,761,544)	(28,035,343)	0	0	0	(661,635,252)	(61,889,989)
FPSC ADJUSTED	506,043,258	0	247,918,943	98,482,080	28,940,351	(27,767,040)	65,860,872	(999,918)	0	412,435,288	93,607,970
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	506,043,258	0	247,918,943	98,482,080	28,940,351	(27,767,040)	65,860,872	(999,918)	0	412,435,288	93,607,970

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 8,496,250 AND THE JURISDICTIONAL NOI BY 8,267,180

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
SYSTEM ADJUSTMENTS  
September, 2013

SCHEDULE 3  
PAGE 3 OF 3

<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	(36,869,511)	(14,222,414)
INVESTMENT	(378,909,181)	IIC FUEL REVENUES	(87,372,271)	(33,703,853)
ACCUMULATED DEPRECIATION	122,373,947	FUEL REVENUES	(477,859,139)	(184,334,163)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(186,442)	(71,920)
INVESTMENT	(10,988,819)	ECCR, PPCC, AND ECRC REVENUES	(216,811,229)	(83,834,932)
ACCUMULATED DEPRECIATION	(5,699,842)	GROSS RECEIPTS TAX REVENUES	(27,212,603)	(10,497,282)
ENVIRONMENTAL RECOVERY CLAUSE		COMP SALES REV/TRANS REV/G/L SALEGAS/PROV RATE REF	117,008	45,136
INVESTMENT	(1,043,862,231)	CORP ADVERTISING & WHOLESALE EXPENSES	(322,083)	124,244
ACCUMULATED DEPRECIATION	129,275,442	INDUSTRY ASSOCIATION DUES	(265)	102
PHFU - NORTH ESCAMBIA	(13,021,433)	FUEL AND PPCC EXPENSES	(608,048,299)	234,554,631
INTEREST BEARING CWIP	(183,365,399)	GAIN/LOSS ON DISPOSITION OF PROPERTY	0	0
SCHERER CWIP	(9,859,317)	ECON DEVELOP EXPENSE - TOTAL	(997,220)	384,678
ECRC CWIP	(430,852)	ECON DEV EXPENSE - ALLOWED	947,359	(365,444)
ECCR CWIP	(0)	CONSERVATION EXPENSES - O & M	(25,253,058)	9,741,366
FAS 143 NET PLANT	(14,611,058)	CONSERVATION EXPENSES - OTHER TAXES	(280,643)	108,258
		MARKETING SUPPORT ACTIVITIES	(154,529)	59,610
		MGMT FINANCIAL PLANNING SERVICES	(36,601)	14,119
WORKING CAPITAL:		DIRECTORS' & OFFICERS' INSURANCE	(43,501)	16,780
ECRC WORKING CAPITAL	(8,390,277)	FRANCHISE FEE	(36,087,586)	13,920,786
LOANS TO EMPLOYEES AND RETIREES	(30,884)	GROSS RECEIPTS TAX EXPENSE	(26,880,964)	10,369,332
CONSERVATION/AEM INVENTORY	(2,712,160)	LIAISON EXPENSE	(340,662)	131,410
INTEREST & DIVIDENDS RECEIVABLE	0	ECRC/ECCR EXPENSES	(67,319,472)	25,966,486
PLANT SCHERER	(11,314,505)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,280,375)	493,905
TEMPORARY CASH INVESTMENTS	0	INTEREST SYNCHRONIZATION	7,157,261	7,157,261
FUNDED PROPERTY INSURANCE RESERVE - NET	0			
NORTH ESCAMBIA SITE	(4,967,746)			
UNAMORTIZED RATE CASE EXPENSES	(3,006,620)			
FUEL RELATED DEFERRED DEBITS	(14,143,244)			
ACCUM. PROV. FOR RATE REFUNDS - WHOLESALE	943,593			
FAS 143 WORKING CAPITAL	23,906,167			
FAS 158 REGULATORY ASSETS	(134,818,909)			
FAS 158 REGULATORY LIABILITIES	134,818,909			
PPA REGULATORY ASSETS	(154,770,176)			
PPA REGULATORY LIABILITIES	154,770,176			
FAS 133 REGULATORY ASSETS	(30,176,639)			
FAS 133 REGULATORY LIABILITIES	30,176,639			

GULF POWER COMPANY  
 CAPITAL STRUCTURE  
 FPSC ADJUSTED BASIS  
 September, 2013

SCHEDULE 4

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,223,637,419	1,096,754,698	(410,080,634)	0	686,674,064	37.17	4.79	1.78	4.79	1.78	4.79	1.78
SHORT TERM DEBT	91,936,375	68,507,076	(25,615,049)	0	42,892,027	2.32	0.46	0.01	0.46	0.01	0.46	0.01
PREFERENCE STOCK	112,934,293	101,246,807	(37,856,555)	0	63,390,252	3.43	6.25	0.21	6.25	0.21	6.25	0.21
CUSTOMER DEPOSITS	35,118,913	35,278,093	(13,190,609)	0	22,087,484	1.20	2.39	0.03	2.39	0.03	2.39	0.03
COMMON EQUITY	1,198,817,914	1,078,719,579	(403,337,236)	0	675,382,343	36.55	9.25	3.38	10.25	3.75	11.25	4.11
DEFERRED INCOME TAXES	663,186,638	604,372,337	(225,977,050)	0	378,395,287	20.48						
FASB 109 DEFERRED TAXES	(41,783,280)	(38,077,755)	14,237,413	0	(23,840,342)	(1.29)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	5,069,594	4,208,399	(1,573,536)	0	2,634,863	0.14	6.97	0.01	7.44	0.01	7.91	0.01
<b>TOTAL</b>	<b>3,288,917,866</b>	<b>2,951,009,234</b>	<b>(1,103,393,256)</b>	<b>0</b>	<b>1,847,615,978</b>	<b>100.00 %</b>		<b>5.42 %</b>		<b>5.79 %</b>		<b>6.16 %</b>

YEAR-END	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,219,370,823	1,105,840,422	(410,851,777)	0	694,988,645	36.37	4.69	1.71	4.69	1.71	4.69	1.71
SHORT TERM DEBT	58,692,581	39,174,937	(14,554,625)	0	24,620,312	1.29	0.22	0.00	0.22	0.00	0.22	0.00
PREFERENCE STOCK	146,535,471	132,892,180	(49,373,298)	0	83,518,882	4.37	6.14	0.27	6.14	0.27	6.14	0.27
CUSTOMER DEPOSITS	34,783,404	35,335,116	(13,128,020)	0	22,207,096	1.16	2.45	0.03	2.45	0.03	2.45	0.03
COMMON EQUITY	1,238,234,504	1,111,293,745	(412,877,845)	0	698,415,900	36.55	9.25	3.38	10.25	3.75	11.25	4.11
DEFERRED INCOME TAXES	704,964,038	652,009,013	(242,240,251)	0	409,768,762	21.45						
FASB 109 DEFERRED TAXES	(43,133,843)	(39,893,743)	14,821,682	0	(25,072,061)	(1.31)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	4,393,394	3,746,181	(1,391,815)	0	2,354,366	0.12	6.93	0.01	7.40	0.01	7.87	0.01
<b>TOTAL</b>	<b>3,363,840,372</b>	<b>3,040,397,851</b>	<b>(1,129,595,949)</b>	<b>0</b>	<b>1,910,801,902</b>	<b>100.00 %</b>		<b>5.39 %</b>		<b>5.76 %</b>		<b>6.13 %</b>

GULF POWER COMPANY  
Financial Integrity Indicators  
September, 2013

## A. Times Interest Earned with AFUDC

Earnings Before Interest	185,876,982
AFUDC - Debt	2,945,206
Income Taxes	<u>77,989,094</u>
Total	266,811,282
Interest Charges (Before Deducting AFUDC - Debt)	<u>60,141,790</u>
T.I.E. With AFUDC	<u>4.44 x</u>

## B. Times Interest Earned without AFUDC

Earnings Before Interest	185,876,982
AFUDC - Other	(5,551,045)
Income Taxes	<u>77,989,094</u>
Total	258,315,032
Interest Charges (Before Deducting AFUDC - Debt)	<u>60,141,790</u>
T.I.E. Without AFUDC	<u>4.30 x</u>

C. Percent AFUDC To Net Income Available  
for Common Stockholders

AFUDC - Debt	2,945,206
X (1 - Income Tax Rate)	0.61425
Subtotal	1,809,093
AFUDC - Other	<u>5,551,045</u>
Total	<u>7,360,137</u>
Net Income Available for Common Stockholders	<u>121,676,787</u>
Percent AFUDC to Available Net Income	<u>6.05%</u>

## D. Percent Internally Generated Funds

Net Income	128,680,398
Preference Dividends	(7,003,611)
Common Dividends	(115,600,000)
AFUDC (Debt & Other)	(8,496,250)
Depreciation & Amortization	157,662,980
Deferred Income Taxes	97,849,146
Investment Tax Credits	0
Other	<u>(84,666,853)</u>
Total	168,425,808
Construction Expenditures (Excluding AFUDC Other & Debt)	<u>302,247,326</u>
Percent Internally Generated Funds	<u>55.72%</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	686,674,064
Short Term Debt	42,892,027
Preference Stock	63,390,252
Common Equity	<u>675,382,343</u>
Total	<u>1,468,338,686</u>
% Long Term Debt To Total	<u>46.77%</u>
% Short Term Debt To Total	<u>2.92%</u>

G. FPSC Adjusted Average Jurisdictional Return  
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.08%	5.08%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.78)	(1.78)
Short Term Debt	(0.01)	(0.01)
Preference Stock	(0.21)	(0.21)
Customer Deposits	(0.03)	(0.03)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	<u>(0.01)</u>	<u>(0.01)</u>
Subtotal	<u>(2.04)</u>	<u>(2.04)</u>
Total	3.03	3.03
Divided by Common Equity Ratio	<u>36.55</u>	<u>36.55</u>
Jurisdictional Return on Common Equity	<u>8.29%</u>	<u>8.29%</u>

GULF POWER COMPANY  
Storm Accrual - Twelve Month to Date  
September, 2013

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
October	2012	291,667
November	2012	291,667
December	2012	291,667
January	2013	291,663
February	2013	291,667
March	2013	291,667
April	2013	291,667
May	2013	291,667
June	2013	291,667
July	2013	291,667
August	2013	291,667
<b>September</b>	<b>2013</b>	<b>291,667</b>
<b>12 - M-T-D</b>		<b><u><u>3,500,000</u></u></b>

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**GULF POWER COMPANY**  
**DOCKET NO. 990315-EI**  
**RTP QUARTERLY REPORT**

**Fifty-Sixth Quarterly Report**

**Report Period: Third Quarter, 2013**

<u>Rate Class</u>	<u>Third Quarter Total Revenue</u>	<u>Third Quarter Total KWH Sales</u>	<u>Third Quarter ¢/KWH</u>	<u>12-Month Rolling Average ¢/KWH</u>
RTP	\$30,579,977.13	393,258,819	7.776	7.291
PX/PXT	-	-	-	-
LP/LPT	\$26,303,525.63	314,475,193	8.364	8.419

**Notes to Quarterly  
Real Time Pricing Report**

1. Gulf Power's Real Time Pricing (RTP) multipliers ("M") changed effective July 1, 2013. The reason for this change was to reflect a change in the long-term system lambdas.

<u>Multipliers Effective 7/1/2013</u>	
On-Peak	1.227
Intermediate	0.424
Off-Peak	0.334

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.

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3 GULF POWER COMPANY  
4 SUPPLEMENTAL SURVEILLANCE REPORT INFORMATION  
5 COMMERCIAL/INDUSTRIAL SERVICE RIDER  
6 SEPTEMBER 2013  
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8 CONFIDENTIAL  
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12 The information below is presented to comply with FPSC Order No. PSC-96-1219-FOF-EI and FPSC Order  
13 No. PSC-01-0390-TRF-EI. This supplemental information is to be treated as confidential. For CSA-3, it is  
14 estimated that the contract year-to-date revenues, excluding tax and franchise fees, that would have  
15 been produced by the application of Gulf Power's otherwise applicable standard tariff rates to the  
16 affected load would have been [REDACTED] than the revenues actually received by  
17 Gulf Power pursuant to the executed CSA. Although this dollar amount is required to be calculated and  
18 reported, Gulf believes a more accurate representation of the impact of CSA-3 on Gulf's general body of  
19 customers is shown in the paragraph below.

20  
21 For CSA-3, it is estimated that the contract year-to-date net benefit to Gulf's customers, as represented  
22 by the contribution toward fixed costs associated with sales under CSA-3 which would not have  
23 occurred in the absence of CSA-3, is [REDACTED].