

Susan D. Ritenour
Corporate Secretary, Treasurer &
Corporate Planning Manager

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December 13, 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 October 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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ACCOUNTING & FINANCE

October 2013

Earnings Surveillance
Report
(Rate of Return)



GULF POWER COMPANY
Earnings Surveillance Report Summary
October, 2013

	(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	163,271,032	(69,927,640)	93,343,392	0	93,343,392
Average Rate Base	2,968,175,766	(1,108,242,148)	1,859,933,618	0	1,859,933,618
Average Rate of Return	5.50%		5.02%		5.02%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	163,254,153	(70,048,994)	93,205,159	0	93,205,159
Year End Rate Base	3,060,277,521	(1,144,775,099)	1,915,502,423	0	1,915,502,423
Year End Rate of Return	5.33%		4.87%		4.87%

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

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

Low	5.41%
Midpoint	5.78%
High	6.14%

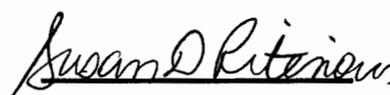
IV. Financial Integrity Indicators

A. Tie With AFUDC	4.44 x (System per Books Basis)
B. Tie Without AFUDC	4.29 x (System per Books Basis)
C. AFUDC To Net Income	6.23% (System per Books Basis)
D. Internally Generated Funds	64.12% (System per Books Basis)
E. LTD To Total Investor Funds	46.64% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	2.87% (FPSC Adjusted Basis)
G. Return on Common Equity	8.17% (FPSC Adjusted Basis)
H. Return on Common Equity	8.17% (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
12/13/13

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
October, 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
SYSTEM PER BOOKS	4,250,192,834	1,395,404,305	2,854,788,529	18,451,196	198,874,049	0	3,072,113,774	239,001,598	3,311,115,372
JURISDICTIONAL PER BOOKS	3,780,853,703	1,257,102,745	2,523,750,958	17,836,827	184,364,138	0	2,725,951,923	242,223,842	2,968,175,766
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,014,968,883)	(111,436,853)	(903,532,030)		(692,025)		(904,224,055)	(8,091,526)	(912,315,581)
INT BEARING CWIP					(141,371,372)		(141,371,372)	0	(141,371,372)
ENERGY CONSERVATION CLAUSE	(10,779,749)	4,858,875	(15,638,624)		(0)		(15,638,624)	(2,678,715)	(18,317,339)
LOANS TO EMPLOYEES / RETIREES								(28,526)	(28,526)
INTEREST AND DIVIDENDS RECEIVABLE								0	0
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,583,235)			(12,583,235)	(4,713,734)	(17,296,969)
FUEL RELATED DEFERRED DEBITS								(16,672,029)	(16,672,029)
ACCRUED PROVISION FOR REFUND								803,661	803,661
UNAMORTIZED RATE CASE EXPENSES								(3,043,992)	(3,043,992)
TOTAL FPSC ADJUSTMENTS	(1,025,748,632)	(106,577,978)	(919,170,654)	(12,583,235)	(142,063,397)	0	(1,073,817,286)	(34,424,861)	(1,108,242,148)
FPSC ADJUSTED	2,755,105,071	1,150,524,767	1,604,580,304	5,253,592	42,300,741	0	1,652,134,637	207,798,981	1,859,933,618
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	2,755,105,071	1,150,524,767	1,604,580,304	5,253,592	42,300,741	0	1,652,134,637	207,798,981	1,859,933,618

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
October, 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	1,438,772,803	619,854,008	312,075,372	149,622,162	97,176,432	(7,515,288)	96,358,747	(1,352,398)	0	1,256,219,037	182,553,766 (a)
JURISDICTIONAL PER BOOKS	1,230,978,393	480,999,287	296,458,196	138,720,632	95,349,661	7,826,377	57,832,928	(999,926)	0	1,076,187,155	154,791,238 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(145,958,786)		(25,751,860)	(39,554,155)	(1,118,215)	(30,680,455)				(97,104,685)	(48,854,101)
GROSS RECEIPTS TAX REVENUE	(27,414,922)					(10,575,306)				(10,575,306)	(16,839,616)
MARKETING SUPPORT ACTIVITIES			(143,152)			55,221				(87,931)	87,931
GAIN/LOSS ON DISPOSITION						(5,479)			14,203	8,724	(8,724)
MGMT FINANCIAL PLANNING SERVICES			(37,284)			14,382				(22,902)	22,902
DIRECTORS' & OFFICERS' INSURANCE			(43,109)			16,629				(26,480)	26,480
FRANCHISE FEE REVENUES	(37,145,670)					(14,328,942)				(14,328,942)	(22,816,728)
RETAIL FUEL REVENUES	(446,168,972)					(172,109,681)				(172,109,681)	(274,059,291)
ECCR and PPCC REVENUES	(71,642,482)					(27,636,087)				(27,636,087)	(44,006,395)
ECON DEV EXPENSE TOTAL			(951,006)			366,851				(584,155)	584,155
ECON DEV EXPENSE ALLOWED			903,456			(348,508)				554,948	(554,948)
LIAISON EXPENSES			(301,525)		(15,102)	122,139				(194,488)	194,488
CORP ADV & WHOLESale EXPENSES		(162,859)	(174,935)			130,304				(207,490)	207,490
INDUSTRY ASSOCIATION DUES			(259)			100				(159)	159
RETAIL FUEL EXPENSES		(445,848,727)				171,986,147				(273,862,580)	273,862,580
ECCR AND PPCC EXPENSES		(34,987,701)	(25,145,094)	(303,377)	(408,249)	23,470,735				(37,373,686)	37,373,686
FRANCHISE FEE					(36,356,651)	14,024,578				(22,332,073)	22,332,073
GRT, FPSC FEES ON CLAUSES & FEES					(1,288,525)	497,049				(791,476)	791,476
GROSS RECEIPTS TAX ADJUST					(27,080,540)	10,448,318				(16,634,222)	16,634,222
INTEREST SYNCHRONIZATION						6,425,686				6,425,686	(6,425,686)
TOTAL FPSC ADJUSTMENTS	(728,330,831)	(480,999,287)	(51,644,768)	(39,857,532)	(66,267,282)	(28,128,319)	0	0	14,203	(666,882,985)	(61,447,846)
FPSC ADJUSTED	502,647,562	0	244,813,428	98,863,100	29,082,379	(20,301,942)	57,832,928	(999,926)	14,203	409,304,170	93,343,392
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	502,647,562	0	244,813,428	98,863,100	29,082,379	(20,301,942)	57,832,928	(999,926)	14,203	409,304,170	93,343,392
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				8,714,756	AND THE JURISDICTIONAL NOI BY	8,479,794					
CURRENT MO. SYSTEM PER BOOKS	120,273,258	52,980,396	27,208,801	12,604,601	8,530,347	136,635	5,528,932	(112,700)	0	106,877,012	13,396,245
CURRENT MO. JURIS PER BOOKS	98,482,502	38,060,297	24,606,192	11,697,546	8,369,388	1,284,447	3,342,440	(83,348)	0	87,276,963	11,205,539

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
October, 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	(37,145,670)	(14,328,942)
INVESTMENT	(376,115,576)	IIC FUEL REVENUES	(94,472,632)	(36,442,818)
ACCUMULATED DEPRECIATION	119,413,291	FUEL REVENUES	(482,438,258)	(186,100,558)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(128,939)	(49,738)
INVESTMENT	(10,779,749)	ECCR, PPCC, AND ECRC REVENUES	(217,905,093)	(84,056,890)
ACCUMULATED DEPRECIATION	(4,858,875)	GROSS RECEIPTS TAX REVENUES	(27,414,922)	(10,575,306)
ENVIRONMENTAL RECOVERY CLAUSE		COMP SALES\TRANS REV\G/L SALE GAS\PROV RATE REF\N. E:	103,302	39,849
INVESTMENT	(1,045,227,230)	CORP ADVERTISING & WHOLESALE EXPENSES	(346,903)	133,818
ACCUMULATED DEPRECIATION	114,791,268	INDUSTRY ASSOCIATION DUES	(265)	102
PHFU - NORTH ESCAMBIA	(13,016,650)	FUEL AND PPCC EXPENSES	(619,731,854)	239,061,563
INTEREST BEARING CWIP	(145,288,548)	GAIN/LOSS ON DISPOSITION OF PROPERTY	14,500	(5,593)
SCHERER CWIP	(9,399,121)	ECON DEVELOP EXPENSE - TOTAL	(951,006)	366,851
ECRC CWIP	(713,550)	ECON DEV EXPENSE - ALLOWED	903,456	(348,508)
ECCR CWIP	(0)	CONSERVATION EXPENSES - O & M	(25,145,094)	9,699,720
FAS 143 NET PLANT	(14,446,067)	CONSERVATION EXPENSES - OTHER TAXES	(280,437)	108,179
		MARKETING SUPPORT ACTIVITIES	(143,152)	55,221
		MGMT FINANCIAL PLANNING SERVICES	(38,101)	14,697
WORKING CAPITAL:		DIRECTORS' & OFFICERS' INSURANCE	(44,053)	16,994
ECRC WORKING CAPITAL	(8,330,766)	FRANCHISE FEE	(36,356,651)	14,024,578
LOANS TO EMPLOYEES AND RETIREES	(29,893)	GROSS RECEIPTS TAX EXPENSE	(27,080,540)	10,446,318
CONSERVATION/AEM INVENTORY	(2,678,715)	LIAISON EXPENSE	(323,605)	124,831
INTEREST & DIVIDENDS RECEIVABLE	0	ECRC/ECCR EXPENSES	(68,774,055)	26,529,592
PLANT SCHERER	(12,433,667)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,288,525)	497,049
TEMPORARY CASH INVESTMENTS	0	INTEREST SYNCHRONIZATION	6,784,587	6,784,587
FUNDED PROPERTY INSURANCE RESERVE - NET	0			
NORTH ESCAMBIA SITE	(4,939,595)			
UNAMORTIZED RATE CASE EXPENSES	(3,189,847)			
FUEL RELATED DEFERRED DEBITS	(16,672,029)			
ACCUM. PROV. FOR RATE REFUNDS - WHOLESALE	842,169			
FAS 143 WORKING CAPITAL	24,329,631			
FAS 158 REGULATORY ASSETS	(136,187,426)			
FAS 158 REGULATORY LIABILITIES	136,187,426			
PPA REGULATORY ASSETS	(158,190,463)			
PPA REGULATORY LIABILITIES	158,190,463			
FAS 133 REGULATORY ASSETS	(30,192,976)			
FAS 133 REGULATORY LIABILITIES	30,192,976			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
October, 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	4,309,478,698	1,427,630,215	2,881,848,483	18,393,811	263,982,031	0	3,164,224,325	239,001,598	3,403,225,923
JURISDICTIONAL PER BOOKS	3,836,070,512	1,284,759,457	2,551,311,055	17,781,353	248,603,063	0	2,817,695,471	242,582,050	3,060,277,521
<u>FPSC ADJUSTMENTS:</u>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,015,209,739)	(128,996,311)	(886,213,428)		(1,515,438)		(887,728,866)	(8,091,526)	(895,820,392)
INT BEARING CWIP					(193,167,887)		(193,167,887)	0	(193,167,887)
ENERGY CONSERVATION CLAUSE	(11,213,864)	5,711,859	(16,925,723)				(16,925,723)	(2,678,715)	(19,604,438)
LOANS TO EMPLOYEES AND RETIREES								(28,526)	(28,526)
INTEREST AND DIVIDENDS RECEIVABLE								0	0
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,527,761)			(12,527,761)	(4,713,734)	(17,241,495)
FUEL RELATED DEFERRED DEBITS								(16,672,029)	(16,672,029)
ACCRUED PROVISION FOR REFUND								803,661	803,661
UNAMORTIZED RATE CASE EXPENSES								(3,043,992)	(3,043,992)
TOTAL FPSC ADJUSTMENTS	(1,026,423,603)	(123,284,452)	(903,139,151)	(12,527,761)	(194,683,325)	0	(1,110,350,237)	(34,424,861)	(1,144,775,099)
FPSC ADJUSTED	2,809,646,909	1,161,475,005	1,648,171,904	5,253,592	53,919,738	0	1,707,345,234	208,157,189	1,915,502,423
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	2,809,646,909	1,161,475,005	1,648,171,904	5,253,592	53,919,738	0	1,707,345,234	208,157,189	1,915,502,423

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
October, 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	1,438,772,803	819,854,008	312,075,372	149,622,162	97,176,432	(7,515,286)	86,358,747	(1,352,398)	0	1,256,219,037	182,553,766 (a)
JURISDICTIONAL PER BOOKS	1,230,978,393	480,999,287	296,458,196	138,720,632	95,349,661	7,811,873	57,864,311	(999,926)	0	1,076,204,034	154,774,359 (a)
LESS FPSC ADJUSTMENTS:											
ENVIRONMENTAL RECOVERY CLAUSE	(145,958,786)		(25,751,860)	(39,554,155)	(1,118,215)	(30,680,455)				(97,104,685)	(48,854,101)
GROSS RECEIPTS TAX REVENUE	(27,414,922)					(10,575,306)				(10,575,306)	(18,839,616)
MARKETING SUPPORT ACTIVITIES			(143,152)			55,221				(87,931)	87,931
GAIN/LOSS ON DISPOSITION						(5,479)			14,203	8,724	(8,724)
MGMT FINANCIAL PLANNING SERVICES			(37,284)			14,382				(22,902)	22,902
DIRECTORS' & OFFICERS' INSURANCE			(43,109)			16,629				(26,480)	26,480
FRANCHISE FEE REVENUES	(37,145,670)					(14,328,942)				(14,328,942)	(22,816,728)
RETAIL FUEL REVENUES	(446,168,972)					(172,109,681)				(172,109,681)	(274,059,291)
ECCR & PPCC REVENUES	(71,642,482)					(27,636,087)				(27,636,087)	(44,006,395)
ECON DEV EXPENSE TOTAL			(951,006)			366,851				(584,155)	584,155
ECON DEV EXPENSE ALLOWED			903,456			(348,508)				554,948	(554,948)
LIAISON EXPENSES			(301,525)		(15,102)	122,139				(194,488)	194,488
CORP ADV & WHOLESALE EXPENSES		(162,859)	(174,935)			130,304				(207,490)	207,490
INDUSTRY ASSOCIATION DUES			(259)			100				(159)	159
RETAIL FUEL EXPENSES		(445,848,727)				171,986,147				(273,862,580)	273,862,580
ECCR AND PPCC EXPENSES		(34,987,701)	(25,145,094)	(303,377)	(408,249)	23,470,735				(37,373,686)	37,373,686
FRANCHISE FEE					(36,356,651)	14,024,578				(22,332,073)	22,332,073
GRT, FPSC FEES ON CLAUSES & FEES					(1,288,525)	497,049				(791,476)	791,476
GROSS RECEIPTS TAX ADJUST					(27,080,540)	10,446,318				(16,634,222)	16,634,222
INTEREST SYNCHRONIZATION						6,547,040				6,547,040	(6,547,040)
TOTAL FPSC ADJUSTMENTS	(728,330,831)	(480,999,287)	(51,644,768)	(39,857,532)	(66,267,282)	(28,006,965)	0	0	14,203	(666,761,631)	(61,569,200)
FPSC ADJUSTED	502,647,562	0	244,813,428	98,863,100	29,082,379	(20,195,092)	57,864,311	(999,926)	14,203	409,442,403	93,205,159
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	502,647,562	0	244,813,428	98,863,100	29,082,379	(20,195,092)	57,864,311	(999,926)	14,203	409,442,403	93,205,159

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 8,714,756 AND THE JURISDICTIONAL NOI BY 8,479,794

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
October, 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	(37,145,670)	(14,328,942)
INVESTMENT	(380,376,327)	IIC FUEL REVENUES	(94,472,632)	(36,442,818)
ACCUMULATED DEPRECIATION	122,983,986	FUEL REVENUES	(482,438,258)	(186,100,558)
ENERGY CONSERVATION COST RECOVERY		ECONOMY PROFITS	(128,939)	(49,738)
INVESTMENT	(11,213,864)	ECCR, PPCC, AND ECRC REVENUES	(217,905,093)	(84,056,890)
ACCUMULATED DEPRECIATION	(5,711,859)	GROSS RECEIPTS TAX REVENUES	(27,414,922)	(10,575,308)
ENVIRONMENTAL RECOVERY CLAUSE		COMP SALES\TRANS REV\G/L SALE GAS\PROV RATE REFV. ESC	103,302	39,849
INVESTMENT	(1,043,891,902)	CORP ADVERTISING & WHOLESALE EXPENSES	(346,903)	133,818
ACCUMULATED DEPRECIATION	132,681,857	INDUSTRY ASSOCIATION DUES	(265)	102
PHFU - NORTH ESCAMBIA	(12,959,265)	FUEL AND PPCC EXPENSES	(619,731,854)	239,061,563
INTEREST BEARING CWIP	(198,520,263)	GAINLOSS ON DISPOSITION OF PROPERTY	14,500	(5,593)
SCHERER CWIP	(8,482,533)	ECON DEVELOP EXPENSE- TOTAL	(951,006)	366,851
ECRC CWIP	(1,565,464)	ECON DEV EXPENSE - ALLOWED	903,456	(348,506)
ECCR CWIP	(0)	CONSERVATION EXPENSES - O & M	(25,145,094)	9,699,720
FAS 143 NET PLANT	(14,232,450)	CONSERVATION EXPENSES - OTHER TAXES	(280,437)	108,179
		MARKETING SUPPORT ACTIVITIES	(143,152)	55,221
		MGMT FINANCIAL PLANNING SERVICES	(38,101)	14,697
WORKING CAPITAL:		DIRECTORS' & OFFICERS' INSURANCE	(44,053)	16,994
ECRC WORKING CAPITAL	(8,330,766)	FRANCHISE FEE	(36,356,651)	14,024,578
LOANS TO EMPLOYEES AND RETIREES	(29,893)	GROSS RECEIPTS TAX EXPENSE	(27,080,540)	10,446,318
CONSERVATION/AEM INVENTORY	(2,678,715)	LIAISON EXPENSE	(323,605)	124,831
INTEREST & DIVIDENDS RECEIVABLE	0	ECRC/ECCR EXPENSES	(68,774,055)	26,529,592
PLANT SCHERER	(10,417,342)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,288,525)	497,049
TEMPORARY CASH INVESTMENTS	0	INTEREST SYNCHRONIZATION	6,930,987	6,930,987
FUNDED PROPERTY INSURANCE RESERVE - NET	0			
NORTH ESCAMBIA SITE	(4,939,595)			
UNAMORTIZED RATE CASE EXPENSES	(3,189,847)			
FUEL RELATED DEFERRED DEBITS	(16,672,029)			
ACCUM. PROV. FOR RATE REFUNDS - WHOLESALE	842,169			
FAS 143 WORKING CAPITAL	24,329,631			
FAS 158 REGULATORY ASSETS	(136,187,426)			
FAS 158 REGULATORY LIABILITIES	136,187,426			
PPA REGULATORY ASSETS	(158,190,463)			
PPA REGULATORY LIABILITIES	158,190,463			
FAS 133 REGULATORY ASSETS	(30,192,976)			
FAS 133 REGULATORY LIABILITIES	30,192,976			

GULF POWER COMPANY
 CAPITAL STRUCTURE
 FPSC ADJUSTED BASIS
 October, 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	1,223,764,943	1,098,179,766	(410,032,693)	0	688,147,073	37.00	4.77	1.77	4.77	1.77	4.77	1.77
SHORT TERM DEBT	93,579,856	67,565,289	(25,227,179)	0	42,338,110	2.28	0.44	0.01	0.44	0.01	0.44	0.01
PREFERENCE STOCK	116,667,918	104,718,518	(39,099,260)	0	65,619,258	3.53	6.24	0.22	6.24	0.22	6.24	0.22
CUSTOMER DEPOSITS	35,021,313	35,214,259	(13,148,118)	0	22,066,141	1.19	2.37	0.03	2.37	0.03	2.37	0.03
COMMON EQUITY	1,201,036,741	1,084,008,739	(404,741,588)	0	679,267,151	36.52	9.25	3.38	10.25	3.74	11.25	4.11
DEFERRED INCOME TAXES	671,070,413	612,644,001	(228,745,855)	0	383,898,146	20.64						
FASB 109 DEFERRED TAXES	(41,934,461)	(38,283,458)	14,294,080	0	(23,989,378)	(1.29)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	4,956,894	4,128,652	(1,541,535)	0	2,587,117	0.14	6.96	0.01	7.44	0.01	7.91	0.01
TOTAL	3,304,163,617	2,968,175,766	(1,108,242,148)	0	1,859,933,618	100.00 %		5.41 %		5.78 %		6.14 %

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	1,219,627,941	1,116,022,328	(417,476,703)	0	698,545,625	36.47	4.67	1.70	4.67	1.70	4.67	1.70
SHORT TERM DEBT	40,593,631	20,434,399	(7,644,010)	0	12,790,389	0.67	0.35	0.00	0.35	0.00	0.35	0.00
PREFERENCE STOCK	146,535,471	134,087,496	(50,158,858)	0	83,928,638	4.38	6.14	0.27	6.14	0.27	6.14	0.27
CUSTOMER DEPOSITS	34,580,089	35,452,098	(13,261,764)	0	22,190,334	1.16	2.27	0.03	2.27	0.03	2.27	0.03
COMMON EQUITY	1,216,645,155	1,127,847,836	(421,900,337)	0	705,947,499	36.85	9.25	3.41	10.25	3.78	11.25	4.15
DEFERRED INCOME TAXES	710,823,187	663,297,679	(248,123,467)	0	415,174,212	21.68						
FASB 109 DEFERRED TAXES	(43,451,712)	(40,557,950)	15,171,739	0	(25,386,211)	(1.33)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	4,280,694	3,693,636	(1,381,699)	0	2,311,937	0.12	6.93	0.01	7.40	0.01	7.88	0.01
TOTAL	3,329,434,456	3,080,277,521	(1,144,775,099)	0	1,915,502,423	100.00 %		5.42 %		5.79 %		6.16 %

GULF POWER COMPANY
Financial Integrity Indicators
October, 2013

A. Times Interest Earned with AFUDC

Earnings Before Interest	185,324,370
AFUDC - Debt	3,020,927
Income Taxes	<u>77,569,624</u>
Total	265,914,922
Interest Charges (Before Deducting AFUDC - Debt)	<u>59,940,875</u>
T.I.E. With AFUDC	<u>4.44 x</u>

B. Times Interest Earned without AFUDC

Earnings Before Interest	185,324,370
AFUDC - Other	(5,693,829)
Income Taxes	<u>77,569,624</u>
Total	257,200,166
Interest Charges (Before Deducting AFUDC - Debt)	<u>59,940,875</u>
T.I.E. Without AFUDC	<u>4.29 x</u>

C. Percent AFUDC To Net Income Available
for Common Stockholders

AFUDC - Debt	3,020,927
X (1 - Income Tax Rate)	0.61425
Subtotal	1,855,605
AFUDC - Other	<u>5,693,829</u>
Total	<u>7,549,433</u>
Net Income Available for Common Stockholders	<u>121,167,479</u>
Percent AFUDC to Available Net Income	<u>6.23%</u>

D. Percent Internally Generated Funds

Net Income	128,404,423
Preference Dividends	(7,236,944)
Common Dividends	(115,400,000)
AFUDC (Debt & Other)	(8,714,756)
Depreciation & Amortization	158,042,753
Deferred Income Taxes	86,337,063
Investment Tax Credits	0
Other	<u>(46,282,827)</u>
Total	195,149,712
Construction Expenditures (Excluding AFUDC Other & Debt)	<u>304,369,321</u>
Percent Internally Generated Funds	<u>64.12%</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	688,147,073
Short Term Debt	42,338,110
Preference Stock	65,619,258
Common Equity	<u>679,267,151</u>
Total	<u>1,475,371,592</u>
% Long Term Debt To Total	<u>46.64%</u>
% Short Term Debt To Total	<u>2.87%</u>

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.02%	5.02%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.77)	(1.77)
Short Term Debt	(0.01)	(0.01)
Preference Stock	(0.22)	(0.22)
Customer Deposits	(0.03)	(0.03)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	<u>(0.01)</u>	<u>(0.01)</u>
Subtotal	<u>(2.03)</u>	<u>(2.03)</u>
Total	2.98	2.98
Divided by Common Equity Ratio	<u>36.52</u>	<u>36.52</u>
Jurisdictional Return on Common Equity	<u>8.17%</u>	<u>8.17%</u>

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

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
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
September	2013	291,667
October	2013	291,667
12 - M-T-D		<u><u>3,500,000</u></u>

GULF POWER COMPANY
SUPPLEMENTAL SURVEILLANCE REPORT INFORMATION
COMMERCIAL/INDUSTRIAL SERVICE RIDER
OCTOBER 2013

CONFIDENTIAL

The information below is presented to comply with FPSC Order No. PSC-96-1219-FOF-EI and FPSC Order No. PSC-01-0390-TRF-EI. This supplemental information is to be treated as confidential. For CSA-3, it is estimated that the contract year-to-date revenues, excluding tax and franchise fees, that would have been produced by the application of Gulf Power's otherwise applicable standard tariff rates to the affected load would have been [REDACTED] than the revenues actually received by Gulf Power pursuant to the executed CSA. Although this dollar amount is required to be calculated and reported, Gulf believes a more accurate representation of the impact of CSA-3 on Gulf's general body of customers is shown in the paragraph below.

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