



**Gulf Power®**

September 13, 2019

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 July, 2019.

Sincerely,

C. Shane Boyett  
Regulatory, Forecasting and Pricing Manager

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Attachment

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

**July 2019**

Earnings Surveillance  
Report  
(Rate of Return)



**Gulf Power®**

GULF POWER COMPANY  
Earnings Surveillance Report Summary  
July 2019

	(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	176,065,963	(32,567,986)	143,497,977	0	143,497,977
Average Rate Base	4,030,558,839	(1,367,266,857)	2,663,291,982	0	2,663,291,982
Average Rate of Return	4.37%		5.39%		5.39%
<b>II. Year End Rate of Return (Jurisdictional)</b>					
	(a)	(b)			
Net Operating Income	147,987,071	(33,079,973)	114,907,098	0	114,907,098
Year End Rate Base	4,205,931,322	(1,401,176,993)	2,804,754,329	0	2,804,754,329
Year End Rate of Return	3.52%		4.10%		4.10%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

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

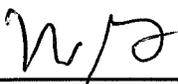
Low	5.36%
Midpoint	5.80%
High	6.24%

**IV. Financial Integrity Indicators**

A. Tie With AFUDC	3.98	x (System per Books Basis)
B. Tie Without AFUDC	3.97	x (System per Books Basis)
C. AFUDC To Net Income	0.40%	(System per Books Basis)
D. Internally Generated Funds	-31.27%	(System per Books Basis)
E. LTD To Total Investor Funds	40.91%	(FPSC Adjusted Basis)
F. STD To Total Investor Funds	1.19%	(FPSC Adjusted Basis)
G. Return on Common Equity	9.33%	(FPSC Adjusted Basis)
H. Return on Common Equity	9.33%	(Proforma Basis)

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Name and Title	Signature	Date
Mitchell P. Goldstein Vice President - Finance		9/12/19

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
RATE BASE  
July 2019

	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>	5,383,897,141	1,783,612,515	3,600,284,626	14,109,788	219,376,540	0	3,833,770,954	249,071,002	4,082,841,956
<b>JURISDICTIONAL PER BOOKS</b>	5,213,821,153	1,760,070,174	3,453,750,979	13,715,857	214,435,011	0	3,681,901,847	348,656,992	4,030,558,839
<b>FPSC ADJUSTMENTS:</b>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,563,638,608)	(348,875,230)	(1,214,763,378)		(56,666,990)		(1,271,430,368)	(25,644,613)	(1,297,074,981)
INT BEARING CWIP					(8,053,727)		(8,053,727)	0	(8,053,727)
ENERGY CONSERVATION CLAUSE	(17,073,040)	6,534,562	(23,607,602)				(23,607,602)	(1,037,170)	(24,644,772)
LOANS TO EMPLOYEES / RETIREES								(13,965)	(13,965)
INTEREST AND DIVIDENDS RECEIVABLE								(63,171)	(63,171)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,053,657)			(12,053,657)	(24,951,685)	(37,005,342)
DEPRECIATION CREDIT ADJUSTMENT								0	0
FUEL RELATED DEFERRED DEBITS								(410,899)	(410,899)
FLAME RESISTANT CLOTHING								0	0
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								0	0
SALE OF RAILCARS								0	0
<b>TOTAL FPSC ADJUSTMENTS</b>	<b>(1,580,711,648)</b>	<b>(342,340,668)</b>	<b>(1,238,370,980)</b>	<b>(12,053,657)</b>	<b>(64,720,717)</b>	<b>0</b>	<b>(1,315,145,354)</b>	<b>(52,121,503)</b>	<b>(1,367,266,857)</b>
<b>FPSC ADJUSTED</b>	<b>3,633,109,505</b>	<b>1,417,729,506</b>	<b>2,215,379,999</b>	<b>1,662,200</b>	<b>149,714,294</b>	<b>0</b>	<b>2,366,756,493</b>	<b>296,535,489</b>	<b>2,663,291,982</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>3,633,109,505</b>	<b>1,417,729,506</b>	<b>2,215,379,999</b>	<b>1,662,200</b>	<b>149,714,294</b>	<b>0</b>	<b>2,366,756,493</b>	<b>296,535,489</b>	<b>2,663,291,982</b>

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
July 2019

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	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME	
SYSTEM PER BOOKS	1,474,251,778	590,571,710	331,659,058	195,621,524	113,607,597	(40,049,431)	45,791,638	(300,361)	2,224	1,236,903,959	237,347,818	(a)
JURISDICTIONAL PER BOOKS	1,295,166,658	459,565,307	330,175,891	195,134,153	112,739,205	(9,796,965)	32,242,517	(294,949)	2,162	1,119,767,321	175,399,337	(a)
LESS FPSC ADJUSTMENTS:												
RETAIL FUEL REVENUES & EXPENSES	(328,864,208)	(378,244,534)				12,515,444				(365,729,090)	36,864,883	
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(75,736,614)	(81,320,773)				1,415,305				(79,905,468)	4,168,854	
ENERGY CONSERVATION COST REVENUES & EXPENSES	(8,880,794)		(6,588,745)	(1,351,228)	(316,794)	(158,159)				(8,414,926)	(465,867)	
ENVIRONMENTAL COST RECOVERY CLAUSE	(190,175,192)		(33,451,722)	(57,402,387)	(8,398,189)	(23,044,407)				(122,296,705)	(67,878,487)	
FRANCHISE FEE REVENUE & EXPENSE	(42,496,725)				(41,600,426)	(227,167)				(41,827,593)	(669,132)	
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(30,720,876)				(30,078,720)	(162,754)				(30,241,474)	(479,402)	
MARKETING SUPPORT ACTIVITIES			(117,492)			29,778				(87,714)	87,714	
WHOLESALE EXPENSES			(52,463)			13,297				(39,166)	39,166	
INSTITUTIONAL ADVERTISING EXPENSE			(174,567)			44,244				(130,323)	130,323	
ECONOMIC DEVELOPMENT EXPENSE			(109,878)			27,848				(82,030)	82,030	(b)
MGMT FINANCIAL PLANNING SERVICES			(9,925)			2,515				(7,410)	7,410	
DIRECTORS' & OFFICERS' INSURANCE			(15,748)			3,991				(11,757)	11,757	
INDUSTRY ASSOCIATION DUES			(1,137)			288				(849)	849	
TALLAHASSEE LIAISON EXPENSES			(433,796)		(17,059)	114,269				(336,586)	336,586	
GRT, FPSC FEES ON CLAUSES & FEES					(1,395,175)	353,607				(1,041,568)	1,041,568	
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						8,672			(34,218)	(25,546)	25,546	
INTEREST SYNCHRONIZATION						5,205,157				5,205,157	(5,205,157)	
TOTAL FPSC ADJUSTMENTS	(676,874,408)	(459,565,307)	(40,955,473)	(58,753,615)	(81,806,363)	(3,858,072)	0	0	(34,218)	(644,973,048)	(31,901,360)	
FPSC ADJUSTED	618,292,250	0	289,220,418	136,380,537	30,932,842	(13,655,037)	32,242,517	(294,949)	(32,055)	474,794,273	143,497,977	
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS												
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	
PRO FORMA ADJUSTED	618,292,250	0	289,220,418	136,380,537	30,932,842	(13,655,037)	32,242,517	(294,949)	(32,055)	474,794,273	143,497,977	
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY		680,619										
												AND THE JURISDICTIONAL NOI BY
												666,626
(b) SYSTEM ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:		2,197,567										ON A JURISDICTIONAL BASIS
												2,197,567
CURRENT MONTH SYSTEM PER BOOKS	149,539,840	54,077,302	24,946,979	16,833,623	11,286,816	6,367,472	252,063	(23,610)	0	113,740,645	35,799,195	
CURRENT MONTH JURISDICTIONAL PER BOOKS	129,794,109	44,964,170	24,466,844	16,475,455	11,215,398	4,023,166	126,016	(23,185)	0	101,247,864	28,546,245	

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
July 2019

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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,608,617,530)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(458,388,988)	(116,178,690)
ACCUMULATED DEPRECIATION	358,910,817	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(195,042,952)	(49,433,636)
CWIP	(58,297,047)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(75,797,242)	(19,210,811)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,073,040)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(8,880,794)	(2,250,837)
ACCUMULATED DEPRECIATION	(6,534,562)	FUEL EXPENSE	(507,151,896)	128,537,648
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(83,678,180)	21,208,235
FAS 143 NET PLANT	(70,030,965)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(7,939,974)	2,012,386
INTEREST BEARING CWIP	(8,222,771)	CONSERVATION EXPENSES - OTHER TAXES	(316,794)	80,291
PHFU - NORTH ESCAMBIA	(12,399,848)	ENVIRONMENTAL COST RECOVERY EXPENSE	(102,005,336)	25,853,252
		FRANCHISE FEE REVENUES	(42,496,725)	(10,770,795)
		FRANCHISE FEE	(41,600,426)	10,543,628
		GROSS RECEIPTS TAX REVENUES	(30,720,876)	(7,786,206)
WORKING CAPITAL:		GROSS RECEIPTS TAX EXPENSE	(30,078,720)	7,623,452
ECRC WORKING CAPITAL	(26,382,294)	MARKETING SUPPORT ACTIVITIES	(117,492)	29,778
CONSERVATION/AEM INVENTORY	(1,052,733)	WHOLESALE EXPENSES	(53,991)	13,684
TEMPORARY CASH INVESTMENT	(24,369,231)	INSTITUTIONAL ADVERTISING EXPENSE	(177,901)	45,089
LOANS TO EMPLOYEES AND RETIREES	(14,211)	ECONOMIC DEVELOPMENT EXPENSE	(109,878)	27,849
INTEREST & DIVIDENDS RECEIVABLE	(64,284)	MGMT FINANCIAL PLANNING SERVICES	(10,133)	2,568
NORTH ESCAMBIA SITE	(1,022,061)	DIRECTORS' & OFFICERS' INSURANCE	(16,078)	4,075
UNAMORTIZED RATE CASE EXPENSE	0	INDUSTRY ASSOCIATION DUES	(1,159)	294
FUEL RELATED DEFERRED DEBITS	(410,899)	TALLAHASSEE LIAISON EXPENSE	(460,294)	116,661
UNREALIZED LOSS ON FWD CONTRACT	(41,761)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,395,174)	353,607
ACCUM. PROV. FOR RATE REFUNDS	0	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REF\N. ESC REV	(535,040)	(135,606)
FAS 143 WORKING CAPITAL	72,920,346	GAIN/LOSS ON DISPOSITION OF PROPERTY	(35,200)	8,921
FAS 158 REGULATORY ASSETS	(102,450,127)	INTEREST SYNCHRONIZATION	5,157,566	5,157,566
FAS 158 REGULATORY LIABILITIES	101,636,792			
PPA REGULATORY ASSETS	(90,867,173)			
PPA REGULATORY LIABILITIES	91,374,201			
FAS 133 REGULATORY ASSETS	(7,121,957)			
FAS 133 REGULATORY LIABILITIES	7,121,957			

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
RATE BASE  
July 2019

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	5,555,874,436	1,851,910,802	3,703,963,634	14,109,788	317,618,243	0	4,035,691,665	249,071,002	4,284,762,667
JURISDICTIONAL PER BOOKS	5,377,036,361	1,844,026,784	3,533,009,577	13,715,856	310,548,897	0	3,857,274,330	348,656,992	4,205,931,322
<b>FPSC ADJUSTMENTS:</b>									
ENVIRONMENTAL RECOVERY CLAUSE INT BEARING CWIP	(1,575,009,174)	(341,893,371)	(1,233,115,803)		(70,670,220)		(1,303,786,023)	(25,644,613)	(1,329,430,636)
ENERGY CONSERVATION CLAUSE	(17,224,548)	5,994,170	(23,218,718)		(9,996,998)		(9,996,998)	0	(9,996,998)
LOANS TO EMPLOYEES AND RETIREES							(23,218,718)	(1,037,170)	(24,255,888)
INTEREST AND DIVIDENDS RECEIVABLE								(13,965)	(13,965)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,053,751)			(12,053,751)	(24,951,685)	(37,005,436)
FUEL RELATED DEFERRED DEBITS								(410,899)	(410,899)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								0	0
<b>TOTAL FPSC ADJUSTMENTS</b>	<b>(1,592,233,722)</b>	<b>(335,899,201)</b>	<b>(1,256,334,521)</b>	<b>(12,053,751)</b>	<b>(80,667,218)</b>	<b>0</b>	<b>(1,349,055,490)</b>	<b>(52,121,503)</b>	<b>(1,401,176,993)</b>
<b>FPSC ADJUSTED</b>	<b>3,784,802,639</b>	<b>1,508,127,583</b>	<b>2,276,675,056</b>	<b>1,662,105</b>	<b>229,881,679</b>	<b>0</b>	<b>2,508,218,840</b>	<b>296,535,489</b>	<b>2,804,754,329</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>3,784,802,639</b>	<b>1,508,127,583</b>	<b>2,276,675,056</b>	<b>1,662,105</b>	<b>229,881,679</b>	<b>0</b>	<b>2,508,218,840</b>	<b>296,535,489</b>	<b>2,804,754,329</b>

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
July 2019

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	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,474,251,778	590,571,710	331,659,058	195,621,524	113,607,597	(40,049,431)	45,791,638	(300,361)	2,224	1,236,903,959	237,347,818 (a)
JURISDICTIONAL PER BOOKS	1,295,166,658	459,565,307	330,175,891	195,134,153	112,739,205	10,321,782	40,202,662	(294,949)	2,162	1,147,846,213	147,320,445 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(328,864,208)	(378,244,534)				12,515,444				(365,729,090)	36,864,883
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(75,736,614)	(81,320,773)				1,415,305				(79,905,468)	4,168,854
ENERGY CONSERVATION COST REVENUES & EXPENSES	(8,880,794)		(6,588,745)	(1,351,228)	(316,794)	(158,159)				(8,414,926)	(465,867)
ENVIRONMENTAL COST RECOVERY CLAUSE	(190,175,192)		(33,451,722)	(57,402,387)	(8,398,189)	(23,044,407)				(122,296,705)	(67,878,487)
FRANCHISE FEE REVENUE & EXPENSE	(42,496,725)				(41,600,426)	(227,167)				(41,827,593)	(669,132)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(30,720,876)				(30,078,720)	(162,754)				(30,241,474)	(479,402)
MARKETING SUPPORT ACTIVITIES			(117,492)			29,778				(87,714)	87,714
WHOLESALE EXPENSES			(52,463)			13,297				(39,166)	39,166
INSTITUTIONAL ADVERTISING EXPENSE			(174,567)			44,244				(130,323)	130,323
ECONOMIC DEVELOPMENT EXPENSE			(109,878)			27,848				(82,030)	82,030
MGMT FINANCIAL PLANNING SERVICES			(9,925)			2,515				(7,410)	7,410
DIRECTORS' & OFFICERS' INSURANCE			(15,748)			3,991				(11,757)	11,757
INDUSTRY ASSOCIATION DUES			(1,137)			288				(849)	849
TALLAHASSEE LIAISON EXPENSES			(433,796)		(17,059)	114,269				(336,586)	336,586
GRT, FPSC FEES ON CLAUSES & FEES					(1,395,175)	353,607				(1,041,568)	1,041,568
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						8,672			(34,218)	(25,546)	25,546
INTEREST SYNCHRONIZATION						5,717,144				5,717,144	(5,717,144)
TOTAL FPSC ADJUSTMENTS	(676,874,408)	(459,565,307)	(40,955,473)	(58,753,615)	(81,806,363)	(3,346,085)	0	0	(34,218)	(644,461,061)	(32,413,347)
FPSC ADJUSTED	618,292,250	0	289,220,418	136,380,537	30,932,842	6,975,697	40,202,662	(294,949)	(32,055)	503,385,152	114,907,098
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	618,292,250	0	289,220,418	136,380,537	30,932,842	6,975,697	40,202,662	(294,949)	(32,055)	503,385,152	114,907,098

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 680,619 AND THE JURISDICTIONAL NOI BY 666,626

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
SYSTEM ADJUSTMENTS  
July 2019

SCHEDULE 3  
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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,620,349,610)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(458,388,988)	(116,178,690)
ACCUMULATED DEPRECIATION	351,735,596	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(195,042,952)	(49,433,636)
CWIP	(72,704,632)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(75,797,242)	(19,210,811)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,224,548)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(8,880,794)	(2,250,837)
ACCUMULATED DEPRECIATION	(5,994,170)	FUEL EXPENSE	(507,151,896)	128,537,648
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(83,678,180)	21,208,235
FAS 143 NET PLANT	(92,723,213)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(7,939,974)	2,012,386
INTEREST BEARING CWIP	(10,206,830)	CONSERVATION EXPENSES - OTHER TAXES	(316,794)	80,291
PHFU - NORTH ESCAMBIA	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(102,005,336)	25,853,252
		FRANCHISE FEE REVENUES	(42,496,725)	(10,770,795)
		FRANCHISE FEE	(41,600,426)	10,543,628
WORKING CAPITAL:		GROSS RECEIPTS TAX REVENUES	(30,720,876)	(7,786,206)
ECRC WORKING CAPITAL	(26,382,294)	GROSS RECEIPTS TAX EXPENSE	(30,078,720)	7,623,452
CONSERVATION/AEM INVENTORY	(1,052,733)	MARKETING SUPPORT ACTIVITIES	(117,492)	29,778
TEMPORARY CASH INVESTMENT	(24,369,231)	WHOLESALE EXPENSES	(53,991)	13,684
LOANS TO EMPLOYEES AND RETIREES	(14,211)	INSTITUTIONAL ADVERTISING EXPENSE	(177,901)	45,089
INTEREST & DIVIDENDS RECEIVABLE	(64,284)	ECONOMIC DEVELOPMENT EXPENSE	(109,878)	27,849
NORTH ESCAMBIA SITE	(1,022,061)	MGMT FINANCIAL PLANNING SERVICES	(10,133)	2,568
UNAMORTIZED RATE CASE EXPENSE	0	DIRECTORS' & OFFICERS' INSURANCE	(16,078)	4,075
FUEL RELATED DEFERRED DEBITS	(410,899)	INDUSTRY ASSOCIATION DUES	(1,159)	294
UNREALIZED LOSS ON FWD CONTRACT	(41,761)	TALLAHASSEE LIAISON EXPENSE	(460,294)	116,661
ACCUM. PROV. FOR RATE REFUNDS	0	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,395,174)	353,607
FAS 143 WORKING CAPITAL	72,920,346	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REF\N. ESC REV	(535,040)	(135,606)
FAS 158 REGULATORY ASSETS	(102,450,127)	GAIN\LOSS ON DISPOSITION OF PROPERTY	(35,200)	8,921
FAS 158 REGULATORY LIABILITIES	101,636,792	INTEREST SYNCHRONIZATION	5,709,244	5,709,244
PPA REGULATORY ASSETS	(90,867,173)			
PPA REGULATORY LIABILITIES	91,374,201			
FAS 133 REGULATORY ASSETS	(7,121,957)			
FAS 133 REGULATORY LIABILITIES	7,121,957			

GULF POWER COMPANY  
 CAPITAL STRUCTURE  
 FPSC ADJUSTED BASIS  
 July 2019

SCHEDULE 4

AVERAGE	ADJUSTMENTS				ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,295,557,585	1,257,572,179	(426,600,089)	0	830,972,090	31.20	3.93	1.22	3.93	1.22	3.93	1.22
SHORT TERM DEBT	38,064,349	36,549,461	(12,398,496)	0	24,150,965	0.91	2.88	0.03	2.88	0.03	2.88	0.03
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	34,453,414	33,305,381	(11,298,022)	0	22,007,359	0.83	2.36	0.02	2.36	0.02	2.36	0.02
COMMON EQUITY	1,819,515,131	1,780,071,750	(603,845,076)	0	1,176,226,674	44.16	9.25	4.09	10.25	4.53	11.25	4.97
DEFERRED INCOME TAXES	604,096,496	586,384,547	(198,916,376)	0	387,468,171	14.55						
FASB 109 DEFERRED TAXES	345,924,890	335,782,462	(113,905,850)	0	221,876,612	8.33						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	920,034	893,059	(302,948)	0	590,111	0.02	7.05	0.00	7.63	0.00	8.22	0.00
<b>TOTAL</b>	<b>4,138,531,899</b>	<b>4,030,558,839</b>	<b>(1,367,266,857)</b>	<b>0</b>	<b>2,663,291,982</b>	<b>100.00 %</b>		<b>5.36 %</b>		<b>5.80 %</b>		<b>6.24 %</b>

57.90%

YEAR-END	ADJUSTMENTS				ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,270,722,926	1,202,131,620	(400,481,853)	0	801,649,767	28.58	3.88	1.11	3.88	1.11	3.88	1.11
SHORT TERM DEBT	100,000,000	94,220,429	(31,388,886)	0	62,831,543	2.24	0.00	0.00	0.00	0.00	0.00	0.00
PREFERENCE STOCK	0	(17,664)	5,885	0	(11,779)	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	34,180,090	32,378,813	(10,786,778)	0	21,592,035	0.77	2.13	0.02	2.13	0.02	2.13	0.02
COMMON EQUITY	2,063,144,387	1,959,996,658	(652,959,360)	0	1,307,037,298	46.60	9.25	4.31	10.25	4.78	11.25	5.24
DEFERRED INCOME TAXES	629,671,939	595,727,435	(198,462,483)	0	397,264,952	14.16						
FASB 109 DEFERRED TAXES	339,011,939	320,736,405	(106,851,120)	0	213,885,285	7.63						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	800,795	757,626	(252,398)	0	505,228	0.02	7.21	0.00	7.83	0.00	8.45	0.00
<b>TOTAL</b>	<b>4,437,532,076</b>	<b>4,205,931,322</b>	<b>(1,401,176,993)</b>	<b>0</b>	<b>2,804,754,329</b>	<b>100.00 %</b>		<b>5.44 %</b>		<b>5.90 %</b>		<b>6.37 %</b>

GULF POWER COMPANY  
Financial Integrity Indicators  
July 2019

## A. Times Interest Earned with AFUDC

Earnings Before Interest	216,032,975
AFUDC - Debt	210,243
Income Taxes	296,801
	<hr/>
Total	216,540,020
Interest Charges (Before Deducting AFUDC - Debt)	54,375,398
	<hr/>
T.I.E. With AFUDC	3.98 x

## B. Times Interest Earned without AFUDC

Earnings Before Interest	216,032,975
AFUDC - Other	(470,376)
Income Taxes	296,801
	<hr/>
Total	215,859,401
Interest Charges (Before Deducting AFUDC - Debt)	54,375,398
	<hr/>
T.I.E. Without AFUDC	3.97 x

C. Percent AFUDC To Net Income Available  
for Common Stockholders

AFUDC - Debt	210,243
X (1 - Income Tax Rate)	0.74655
	<hr/>
Subtotal	156,957
AFUDC - Other	470,376
	<hr/>
Total	627,332
	<hr/>
Net Income Available for Common Stockholders	157,445,984
	<hr/>
Percent AFUDC to Available Net Income	0.40%

## D. Percent Internally Generated Funds

Net Income	157,445,984
Preference Dividends	0
Common Dividends	(38,201,000)
AFUDC (Debt & Other)	(680,619)
Depreciation & Amortization	201,615,571
Deferred Income Taxes	45,774,446
Investment Tax Credits	0
Other	(479,773,481)
	<hr/>
Total	(113,819,099)
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	364,022,211
	<hr/>
Percent Internally Generated Funds	-31.27%

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	830,972,090
Short Term Debt	24,150,965
Preference Stock	0
Common Equity	1,176,226,674
	<hr/>
Total	2,031,349,729
	<hr/>
% Long Term Debt To Total	40.91%
	<hr/>
% Short Term Debt To Total	1.19%

G. FPSC Adjusted Average Jurisdictional Return  
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.39%	5.39%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.22)	(1.22)
Short Term Debt	(0.03)	(0.03)
Preference Stock	0.00	0.00
Customer Deposits	(0.02)	(0.02)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.00)	(0.00)
	<hr/>	<hr/>
Subtotal	(1.27)	(1.27)
	<hr/>	<hr/>
Total	4.12	4.12
Divided by Common Equity Ratio	44.16	44.16
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	9.33%	9.33%

GULF POWER COMPANY  
Storm Accrual - Twelve Month to Date  
July 2019

**Supplemental 1**

<u>Month</u>	<u>Year</u>	<u>\$</u>
August	2018	0
September	2018	0
October	2018	0
November	2018	10,900,000
December	2018	7,444,428
January	2019	0
February	2019	0
March	2019	291,663
April	2019	291,667
May	2019	291,667
June	2019	291,667
<b>July</b>	<b>2019</b>	<b>291,667</b>
<b>12 - M-T-D</b>		<b><u><u>19,802,759</u></u></b>