

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ENVIRONMENTAL COST RECOVERY  
CLAUSE

DOCKET NO. 040007-EI

PREPARED TESTIMONY AND EXHIBIT OF  
TERRY A. DAVIS

ESTIMATED TRUE-UP FOR THE PERIOD

JANUARY 2004 – DECEMBER 2004

AUGUST 4, 2004



CMP \_\_\_\_\_  
COM 5 \_\_\_\_\_  
CTR \_\_\_\_\_  
ECR \_\_\_\_\_  
GCL 1 \_\_\_\_\_  
OPC \_\_\_\_\_  
MMS \_\_\_\_\_  
RCA \_\_\_\_\_  
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GULF POWER COMPANY

Before the Florida Public Service Commission  
Direct Testimony and Exhibit of  
Terry A. Davis  
Docket No. 040007-EI  
Date of Filing: August 4, 2004

Q. Please state your name, business address and occupation.

A. My name is Terry Davis. My business address is One Energy Place, Pensacola, Florida 32520-0780. I am the Supervisor of Treasury and Regulatory Matters at Gulf Power Company.

Q. Please briefly describe your educational background and business experience.

A. I graduated in 1979 from Mississippi College in Clinton, Mississippi with a Bachelor of Science Degree in Business Administration and a major in Accounting. Prior to joining Gulf Power, I was an accountant for a seismic survey firm, Geophysical Field Surveys in Jackson, Mississippi. In that capacity, I was responsible for accounts receivable, accounts payable, sales, use, and fuel tax returns, and various other accounting activities. In 1986, I joined Gulf Power as an Associate Accountant in the Plant Accounting Department. Since then, I have held various positions of increasing responsibility with Gulf Power in Accounts Payable, Financial Reporting, and Cost Accounting. In

1           1993, I joined the Rates and Regulatory Matters area,  
2           where I have participated with increasing  
3           responsibility in activities related to the cost  
4           recovery clauses, the rate case, budgeting, and other  
5           regulatory functions. In 2004, I was promoted to my  
6           current position.

7           My responsibilities now include supervision of:  
8           tariff administration, cost of service activities,  
9           calculation of cost recovery factors, the regulatory  
10          filing function of the Rates and Regulatory Matters  
11          Department, and various treasury activities.

12

13 Q.    Have you previously filed testimony before this  
14          Commission in connection with Gulf's Environmental  
15          Cost Recovery Clause (ECRC)?

16 A.    Yes, I have.

17

18 Q.    Have you prepared an exhibit that contains information  
19          to which you will refer in your testimony?

20 A.    Yes, I have. My exhibit consists of 8 schedules, each  
21          of which was prepared under my direction, supervision,  
22          or review.

23          Counsel: We ask that Ms. Davis' Exhibit  
24                    consisting of 8 schedules be marked  
25                    as Exhibit No. \_\_\_\_\_ (TAD-2).

1 Q. Have you verified that to the best of your knowledge  
2 and belief the information contained in these  
3 documents is correct?

4 A. Yes, I have.

5

6 Q. What has Gulf calculated as the estimated true-up for  
7 the January 2004 through December 2004 period to be  
8 refunded or collected in the period January 2005  
9 through December 2005?

10 A. The estimated true-up for the current period is an  
11 under-recovery of \$113,651 as shown on Schedule 1E.  
12 This is based on six months of actual data and six  
13 months of estimated data. This amount will be netted  
14 against the 2003 final true-up over-recovery amount of  
15 \$394,531 (see Schedule 1A to my testimony filed  
16 April 1, 2004). The difference of \$280,880 will be  
17 refunded to the customers during the January 2005  
18 through December 2005 period. The detailed  
19 calculations supporting the estimated true-up for 2004  
20 are contained in Schedules 1E through 8E.

21

22 Q. Please describe Schedules 2E and 3E of your exhibit.

23 A. Schedule 2E shows the calculation of the estimated  
24 under-recovery of environmental costs for the period  
25 January 2004 through December 2004. Schedule 3E of my

1 exhibit is the calculation of the interest provision  
2 on the under-recovery. This is the same method of  
3 calculating interest that is used in the Fuel Cost  
4 Recovery (FCR) and Purchased Power Capacity Cost  
5 (PPCC) Recovery clauses.

6

7 Q. Please describe Schedules 4E and 5E of your exhibit.

8 A. Schedule 4E compares the estimated/actual O & M  
9 expenses for the period January 2004 through December  
10 2004 with the projected O & M expenses approved by the  
11 Commission in conjunction with the November 2003  
12 hearing. Schedule 5E shows the monthly O & M expenses  
13 by activity, along with the calculation of  
14 jurisdictional O & M expenses for the current recovery  
15 period. Per the Staff's request, emission allowance  
16 expenses and the amortization of gains on emission  
17 allowances are included with O & M expenses. Mr. Vick  
18 describes the main reasons for the expected variances  
19 in O & M expenses in his true-up testimony.

20

21 Q. Please describe Schedules 6E and 7E of your exhibit.

22 A. Schedule 6E for the period January 2004 through  
23 December 2004 compares the estimated/actual carrying  
24 costs related to investment with the projected amount  
25 approved in conjunction with the November 2003

1 hearing. The recoverable costs include the return on  
2 investment, depreciation expense, dismantlement  
3 accrual, and property tax associated with each  
4 environmental capital project for the current recovery  
5 period. Recoverable costs also include a return on  
6 working capital associated with emission allowances.  
7 Schedule 7E provides the monthly carrying costs  
8 associated with each project, along with the  
9 calculation of the jurisdictional carrying costs.  
10 Mr. Vick describes the major variances in recoverable  
11 costs related to environmental investment for this  
12 estimated true-up period in his testimony.

13  
14 Q. Please describe Schedule 8E of your exhibit.

15 A. Schedule 8E includes 22 pages that provide the monthly  
16 calculations of recoverable costs associated with each  
17 capital project for the current recovery period. As I  
18 stated earlier, these costs include return on  
19 investment, depreciation expense, dismantlement  
20 accrual, property tax, and the return on working  
21 capital associated with emission allowances. Pages 1  
22 through 21 of Schedule 8E show the investment and  
23 associated costs related to capital projects, while  
24 page 22 shows the investment and return related to  
25 emission allowances.

1 Q. What capital structure and return on equity were used  
2 to develop the rate of return used to calculate the  
3 revenue requirements?  
4 A. Consistent with Commission policy, the capital  
5 structure used in calculating the rate of return for  
6 recovery clause purposes is based on the capital  
7 structure approved in Gulf's last completed rate  
8 case. The rate of return for the ECRC is based on the  
9 capital structure approved in Docket No. 010949-EI,  
10 Order No. PSC-02-0787-FOF-EI dated June 10, 2002. The  
11 rate of return used to calculate ECRC revenue  
12 requirements includes a jurisdictional return on  
13 equity of 12.0% for the period January 2004 through  
14 December 31, 2004.  
15  
16 Q. Ms. Davis, does this conclude your testimony?  
17 A. Yes, it does.  
18  
19  
20  
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23  
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25

AFFIDAVIT

STATE OF FLORIDA     )  
                                  )  
COUNTY OF ESCAMBIA )

Docket No. 040007-EI

Before me the undersigned authority, personally appeared Terry A. Davis, who being first duly sworn, deposes, and says that she is the Supervisor of Treasury and Regulatory Matters at of Gulf Power Company, a Maine corporation, that the foregoing is true and correct to the best of her knowledge, information, and belief. She is personally known to me.

*Terry A. Davis*

Terry A. Davis  
Supervisor of Treasury and Regulatory Matters

Sworn to and subscribed before me this 3rd day of August,

2004.

*Linda C. Webb*

Notary Public, State of Florida at Large



**LINDA C. WEBB**  
Notary Public-State of FL  
Comm. Exp: May 31, 2006  
Comm. No: DD 110088



Schedule 1E

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

<u>Line</u>	<u>Period Amount (\$)</u>
1 Over/(Under) Recovery for the current period (Schedule 2E, Line 5)	- (127,089)
2 Interest Provision (Schedule 2E, Line 6)	12,962
3 Sum of Current Period Adjustments (Schedule 2E, Line 10)	<u>476</u>
4 Current Period True-Up Amount to be refunded/(recovered) in the projection period January 2005 - December 2005 (Lines 1 + 2 + 3)	<u>(113,651)</u>

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Current Period Estimated True-Up Amount**  
**January 2004 - December 2004**

**Current Period True-Up Amount**  
(in Dollars)

Line	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1 ECRC Revenues (net of Revenue Taxes)	1,208,430	1,074,419	993,342	985,885	1,263,644	1,387,421	1,445,411	1,445,331	1,196,957	1,057,963	916,620	1,049,637	14,025,060
2 True-Up Provision (Order No. PSC-03-1348-FOF-EI)	36,564	36,564	36,563	36,564	36,563	36,563	36,564	36,564	36,563	36,564	36,564	36,563	438,763
3 ECRC Revenues Applicable to Period (Lines 1 + 2)	1,244,994	1,110,983	1,029,905	1,022,449	1,300,207	1,423,984	1,481,975	1,481,895	1,233,520	1,094,527	953,184	1,086,200	14,463,823
4 Jurisdictional ECRC Costs													
a O & M Activities (Schedule 5E, Line 9)	148,830	856,139	96,142	98,220	104,527	123,332	138,323	300,699	176,678	163,264	167,715	190,918	2,574,787
b Capital Investment Projects (Schedule 7E, Line 9)	683,275	691,579	703,791	932,252	1,151,710	1,150,202	1,132,656	1,117,663	1,115,233	1,114,781	1,111,533	1,111,450	12,016,125
c Total Jurisdictional ECRC Costs	832,105	1,557,718	799,933	1,030,472	1,256,237	1,273,534	1,270,979	1,418,362	1,291,911	1,278,045	1,279,248	1,302,368	14,590,912
5 Over/(Under) Recovery (Line 3 - Line 4c)	412,889	(446,735)	229,972	(8,023)	43,970	150,450	210,996	63,533	(58,391)	(183,518)	(326,064)	(216,168)	(127,089)
6 Interest Provision (Schedule 3E, Line 10)	1,096	1,011	868	953	966	1,167	1,311	1,412	1,379	1,225	939	635	12,962
7 Beginning Balance True-Up & Interest Provision	438,763	816,660	334,372	528,649	485,015	493,388	608,442	784,185	812,566	718,991	500,134	138,445	438,763
a Deferred True-Up from January 2003 - December 2003 (Schedule 1A, Line 3)	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135
8 True-Up Collected/(Refunded) (see Line 2)	(36,564)	(36,564)	(36,563)	(36,564)	(36,563)	(36,563)	(36,564)	(36,564)	(36,563)	(36,564)	(36,564)	(36,563)	(438,763)
9 End of Period Total True-Up (Lines 5 + 6 + 7 + 7a + 8)	1,447,319	965,507	1,159,784	1,116,150	1,124,523	1,239,577	1,415,320	1,443,701	1,350,126	1,131,269	769,580	517,484	517,008
10 Adjustments to Period Total True-Up Including Interest *	476												476
11 Current Period Total Net True-Up (Lines 9 + 10)	1,447,795	965,507	1,159,784	1,116,150	1,124,523	1,239,577	1,415,320	1,443,701	1,350,126	1,131,269	769,580	517,484	517,484

\* Adjustment per audit finding to O&M expense

Gulf Power Company  
 Environmental Cost Recovery Clause (ECRC)  
 Calculation of the Current Period Estimated True-Up Amount  
 January 2004 - December 2004

Line	Interest Provision (in Dollars)											End of Period Amount		
	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November		Estimated December	
1	Beg. True-Up Amount (Schedule 2E, Lines 7 + 7a + 10)	1,070,374	1,447,795	965,507	1,159,784	1,116,150	1,124,523	1,239,577	1,415,320	1,443,701	1,350,126	1,131,269	769,580	
2	Ending True-Up Amount Before Interest (Line 1 + Schedule 2E, Lines 5 + 8)	1,446,699	964,496	1,158,916	1,115,197	1,123,557	1,238,410	1,414,009	1,442,289	1,348,747	1,130,044	768,641	516,849	
3	Total of Beginning & Ending True-up (Lines 1 + 2)	2,517,073	2,412,291	2,124,423	2,274,981	2,239,707	2,362,933	2,653,586	2,857,609	2,792,448	2,480,170	1,899,910	1,286,429	
4	Average True-Up Amount (Line 3 x 1/2)	1,258,537	1,206,146	1,062,212	1,137,491	1,119,854	1,181,467	1,326,793	1,428,805	1,396,224	1,240,085	949,955	643,215	
5	Interest Rate (First Day of Reporting Business Month)	0.010600	0.010300	0.009800	0.009800	0.010300	0.010400	0.013300	0.010400	0.013300	0.010400	0.013300	0.010400	
6	Interest Rate (First Day of Subsequent Business Month)	0.010300	0.009800	0.009800	0.010300	0.010400	0.013300	0.010400	0.013300	0.010400	0.013300	0.010400	0.013300	
7	Total of Beginning and Ending Interest Rates (Line 5 + Line 6)	0.020900	0.020100	0.019600	0.020100	0.020700	0.023700	0.023700	0.023700	0.023700	0.023700	0.023700	0.023700	
8	Average Interest Rate (Line 7 x 1/2)	0.010450	0.010050	0.009800	0.010050	0.010350	0.011850	0.011850	0.011850	0.011850	0.011850	0.011850	0.011850	
9	Monthly Average Interest Rate (Line 8 x 1/12)	0.000871	0.000838	0.000817	0.000838	0.000863	0.000988	0.000988	0.000988	0.000988	0.000988	0.000988	0.000988	
10	Interest Provision for the Month (Line 4 x Line 9)	1,096	1,011	868	953	966	1,167	1,311	1,412	1,379	1,225	939	635	12,962

**Schedule 4E**

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Current Period Estimated True-Up Amount**  
**January 2004 - December 2004**

**Variance Report of O & M Activities**  
(in Dollars)

Line	(1)	(2)	(3) (4)	
	Estimated/ <u>Actual</u>	Original <u>Projection</u>	<u>Amount</u>	<u>Percent</u>
1 Description of O & M Activities				
.1 Sulfur	1,752	0	1,762	100.0 %
.2 Air Emission Fees	789,874	789,874	0	0.0 %
.3 Title V	94,136	94,136	0	0.0 %
.4 Asbestos Fees	1,500	2,000	(500)	(25.0) %
.5 Emission Monitoring	488,968	488,968	0	0.0 %
.6 General Water Quality	265,655	340,655	(75,000)	(22.0) %
.7 Groundwater Contamination Investigation	922,143	922,143	0	0.0 %
.8 State NPDES Administration	46,885	42,000	4,885	11.6 %
.9 Lead and Copper Rule	9,000	9,000	0	0.0 %
.10 Env Auditing/Assessment	10,382	5,000	5,382	107.6 %
.11 General Solid & Hazardous Waste	209,126	209,126	0	0.0 %
.12 Above Ground Storage Tanks	65,000	65,000	0	0.0 %
.13 Low Nox	1,084	0	1,084	100.0 %
.14 Ash Pond Diversion Curtains	0	0	0	0.0 %
.15 Mercury Emissions	0	0	0	0.0 %
.16 Sodium Injection	13,473	0	13,473	100.0 %
.17 Gulf Coast Ozone Study	10,000	20,000	(10,000)	(50.0) %
.18 SPCC Substation Project	62,217	100,000	(37,783)	(37.8) %
.19 SO2 Allowances	<u>(325,382)</u>	<u>(82,143)</u>	<u>(243,239)</u>	296.1 %
2 Total O & M Activities	<u>2,665,823</u>	<u>3,005,759</u>	<u>(339,936)</u>	(11.3) %
3 Recoverable Costs Allocated to Energy	1,073,915	1,310,835	(236,920)	(18.1) %
4 Recoverable Costs Allocated to Demand	1,591,908	1,694,924	(103,016)	(6.1) %

Notes:

Column (1) is the End of Period Totals on Schedule 5E  
Column (2) is the approved Projected amount in accordance with FPSC Order No. PSC-03-1348-FOF-EI  
Column (3) = Column (1) - Column (2)

**Gulf Power Company**  
 Environmental Cost Recovery Clause (BCRC)  
 Calculation of the Current Period Estimated True-Up Amount  
 January 2004 - December 2004

**O & M Activities**  
 (in Dollars)

Line	Actual	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	End of	Method of Classification	
	January	February	March	April	May	June	July	August	September	October	November	December	12-Month	Demand	Energy
1	Description of O & M Activities														
.1		1,762						-					1,762		1,762
.2		662,978						126,896					789,874		789,874
.3	5,092	6,367	3,087	5,416	5,633	5,795	9,137	9,137	11,637	11,731	8,908	12,196	94,136		94,136
.4		1,000										500	1,500	1,500	
.5	24,221	53,592	19,538	25,367	52,114	54,164	51,344	36,257	46,257	40,394	38,597	47,123	488,968		488,968
.6	22,676	8,712	10,726	20,280	12,633	11,867	29,283	25,880	26,082	27,604	31,062	38,850	265,655	265,655	
.7	39,993	121,235	36,533	35,871	39,541	36,956	97,551	99,940	99,046	103,900	113,069	98,508	922,143	922,143	
.8	46,000	17	218				-	450		200		-	46,885	46,885	
.9	59	59	6,190	59			160	160	910	190	200	1,013	9,000	9,000	
.10	143			1,488	5,145	106	1,500	1,500	500	-	-	-	10,382	10,382	
.11	5,160	21,854	16,669	20,261	23,519	18,590	16,504	16,506	17,331	15,864	17,722	19,146	209,126	209,126	
.12	16,500	6,146	4,727	172		7,083	-	-	11,868	-	-	16,250	65,000	65,000	
.13		1,084					-	-	-	-	-	-	1,084		1,084
.14							-	-	-	-	-	-	0		0
.15							-	-	-	-	-	-	0		0
.16			8,843		4,630								13,473		13,473
.17	1,330	18,420				28,143	(45,118)	1,445	1,445	1,445	1,445	1,445	10,000		10,000
.18						2,217	20,000	30,000	5,000	5,000	-	-	62,217	62,217	
.19	(6,972)	(7,064)	(7,014)	(7,237)	(37,269)	(37,350)	(36,963)	(36,962)	(37,018)	(37,166)	(37,190)	(37,177)	(325,382)		(325,382)
2	<u>154,202</u>	<u>896,162</u>	<u>99,517</u>	<u>101,677</u>	<u>108,200</u>	<u>127,571</u>	<u>143,398</u>	<u>311,209</u>	<u>183,058</u>	<u>169,162</u>	<u>173,813</u>	<u>197,854</u>	<u>2,665,823</u>	<u>1,591,908</u>	<u>1,073,915</u>
3	23,671	737,139	24,454	23,546	25,108	50,752	(21,600)	136,773	22,321	16,404	11,760	23,587	1,073,915		
4	130,531	159,023	75,063	78,131	83,092	76,819	164,998	174,436	160,737	152,758	162,053	174,267	1,591,908		
5	0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988			
6	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187			
7	22,865	712,679	23,705	22,822	24,342	49,200	(20,903)	132,365	21,564	15,850	11,331	22,747	1,038,567		
8	<u>125,965</u>	<u>153,460</u>	<u>72,437</u>	<u>75,398</u>	<u>80,185</u>	<u>74,132</u>	<u>159,226</u>	<u>168,334</u>	<u>155,114</u>	<u>147,414</u>	<u>156,384</u>	<u>168,171</u>	<u>1,536,220</u>		
9	<u>148,830</u>	<u>866,139</u>	<u>96,142</u>	<u>98,220</u>	<u>104,527</u>	<u>123,332</u>	<u>138,323</u>	<u>300,692</u>	<u>176,678</u>	<u>163,264</u>	<u>167,715</u>	<u>190,918</u>	<u>2,574,787</u>		

## Notes:

(A) Line 3 x Line 5 x line loss multiplier

(B) Line 4 x Line 6

Schedule 6E

**Gulf Power Company**  
 Environmental Cost Recovery Clause (ECRC)  
 Calculation of the Current Period Estimated True-Up Amount  
 January 2004 - December 2004

**Variance Report of Capital Investment Projects - Recoverable Costs**  
 (in Dollars)

<u>Line</u>	(1) <u>Estimated/ Actual</u>	(2) <u>Original Projected</u>	(3) <u>Amount</u>	(4) <u>Variance Percent</u>	
<b>1</b>	<b>Description of Investment Projects</b>				
.1	21,762	21,757	5	0.0	%
.2	2,541,640	2,511,043	30,597	1.2	%
.3	240,354	240,354	0	0.0	%
.4	2,286,376	2,394,729	(108,353)	(4.5)	%
.5	721,287	761,744	(40,457)	(5.3)	%
.6	116,989	116,989	0	0.0	%
.7	33,392	33,392	0	0.0	%
.8	100,305	100,305	0	0.0	%
.9	35,504	35,504	0	0.0	%
.10	6,102	7,921	(1,819)	(23.0)	%
.11	11,813	11,813	0	0.0	%
.12	6,897	6,897	0	0.0	%
.13	13,790	13,790	0	0.0	%
.14	321,060	321,060	0	0.0	%
.15	24,752	19,599	5,153	26.3	%
.16	1,855,986	1,873,530	(17,544)	(0.9)	%
.17	6,538	6,538	0	0.0	%
.18	62,388	62,388	0	0.0	%
.19	4,094,002	3,105,796	988,206	31.8	%
.20	7,480	7,478	2	0.0	%
.21	3,400	7,140	(3,740)	(52.4)	%
.22	(81,995)	(66,639)	(15,356)	(24.6)	%
<b>2</b>	<b><u>12,429,822</u></b>	<b><u>11,593,128</u></b>	<b><u>836,694</u></b>	<b>7.2</b>	<b>%</b>
<b>3</b>	<b>10,039,788</b>	<b>9,189,979</b>	<b>849,809</b>	<b>9.2</b>	<b>%</b>
<b>4</b>	<b>2,390,034</b>	<b>2,403,149</b>	<b>(13,115)</b>	<b>(0.5)</b>	<b>%</b>

**Notes:**

Column (1) is the End of Period Totals on Schedule 7E

Column (2) is the approved Projected amount in accordance with FPSC Order No. PSC-03-1348-POF-EI

Column (3) = Column (1) - Column (2)

Column (4) = Column (3) / Column (2)

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Current Period Estimated True-Up Amount**  
**January 2004 - December 2004**

**Capital Investment Projects - Recoverable Costs**  
**(in Dollars)**

Line	Actual	Actual	Actual	Actual	Actual	Actual	Estimated	Estimated	Estimated	Estimated	Estimated	Estimated	End of	Method of Classification	
	January	February	March	April	May	June	July	August	September	October	November	December	Period Amount	Demand	Energy
<b>1</b>	<b>Description of Investment Projects (A)</b>														
.1	1,869	1,858	1,848	1,838	1,829	1,818	1,808	1,798	1,788	1,777	1,768	1,758	21,762	0	21,762
.2	230,861	229,985	229,108	228,219	227,480	226,739	209,753	192,951	192,425	191,899	191,373	190,847	2,541,640	0	2,541,640
.3	20,410	20,341	20,271	20,203	20,133	20,065	19,995	19,926	19,856	19,788	19,717	19,649	240,354	0	240,354
.4	172,776	177,042	190,245	200,906	196,053	190,581	192,340	194,094	193,690	193,286	192,883	192,480	2,286,376	0	2,286,376
.5	59,940	59,831	59,723	59,614	59,505	59,397	59,250	59,481	60,113	60,759	61,514	62,160	721,287	0	721,287
.6	9,855	9,835	9,817	9,798	9,779	9,759	9,739	9,720	9,701	9,682	9,663	9,641	116,989	107,989	9,000
.7	2,820	2,814	2,807	2,800	2,793	2,786	2,779	2,772	2,765	2,759	2,751	2,746	33,392	30,823	2,569
.8	8,523	8,493	8,463	8,432	8,403	8,373	8,345	8,315	8,285	8,255	8,223	8,195	100,305	92,589	7,716
.9	3,010	3,000	2,991	2,982	2,973	2,963	2,954	2,945	2,935	2,926	2,917	2,908	35,504	32,772	2,732
.10	467	465	464	463	460	459	458	480	526	572	617	671	6,102	5,633	469
.11	1,002	999	995	992	989	986	982	980	977	973	971	967	11,813	10,904	909
.12	584	583	582	579	578	575	574	572	570	569	566	565	6,897	6,366	531
.13	1,165	1,161	1,159	1,156	1,153	1,151	1,148	1,145	1,142	1,139	1,137	1,134	13,790	0	13,790
.14	27,152	27,080	27,008	26,936	26,863	26,791	26,719	26,647	26,574	26,502	26,430	26,358	321,060	296,362	24,698
.15	1,658	1,654	1,649	1,645	1,711	1,777	1,795	1,838	2,023	2,677	3,166	3,159	24,752	22,848	1,904
.16	156,778	156,394	156,010	155,626	155,242	154,858	154,473	154,089	153,705	153,321	152,937	152,553	1,855,986	1,713,218	142,768
.17	552	551	549	548	547	545	544	543	542	540	539	538	6,538	6,036	502
.18	5,455	5,408	5,362	5,315	5,268	5,223	5,175	5,130	5,083	5,037	4,989	4,943	62,388	57,589	4,799
.19	8,701	14,157	13,774	240,486	474,401	481,004	479,835	478,666	477,497	476,329	475,160	473,992	4,094,002	0	4,094,002
.20	0	0	0	0	0	1	197	589	982	1,376	1,769	2,566	7,480	6,905	575
.21	0	0	0	0	0	0	89	372	664	760	759	756	3,400	0	3,400
.22	(6,030)	(5,963)	(5,896)	(5,830)	(7,301)	(8,470)	(7,957)	(7,609)	(7,260)		(6,559)	(6,209)	(81,995)	0	(81,995)
<b>2</b>	<b>707,548</b>	<b>715,688</b>	<b>726,929</b>	<b>962,708</b>	<b>1,188,859</b>	<b>1,187,381</b>	<b>1,170,995</b>	<b>1,155,444</b>	<b>1,154,583</b>	<b>1,154,015</b>	<b>1,153,290</b>	<b>1,152,377</b>	<b>12,429,822</b>	<b>2,390,034</b>	<b>10,039,788</b>
<b>3</b>	<b>506,453</b>	<b>515,124</b>	<b>526,902</b>	<b>763,218</b>	<b>989,836</b>	<b>988,831</b>	<b>972,779</b>	<b>957,333</b>	<b>956,428</b>	<b>955,381</b>	<b>954,331</b>	<b>953,167</b>	<b>10,039,788</b>		
<b>4</b>	<b>201,095</b>	<b>200,564</b>	<b>200,027</b>	<b>199,490</b>	<b>199,023</b>	<b>198,550</b>	<b>198,216</b>	<b>198,111</b>	<b>198,155</b>	<b>198,634</b>	<b>198,959</b>	<b>199,210</b>	<b>2,390,034</b>		
<b>5</b>	<b>0.9652882</b>	<b>0.9661409</b>	<b>0.9686867</b>	<b>0.9685600</b>	<b>0.9688241</b>	<b>0.9687473</b>	<b>0.9670392</b>	<b>0.9670966</b>	<b>0.9654291</b>	<b>0.9655301</b>	<b>0.9628637</b>	<b>0.9636988</b>			
<b>6</b>	<b>0.9650187</b>	<b>0.9650187</b>	<b>0.9650187</b>	<b>0.9650187</b>	<b>0.9650187</b>	<b>0.9650187</b>	<b>0.9650187</b>	<b>0.9650187</b>	<b>0.9650187</b>	<b>0.9650187</b>	<b>0.9650187</b>	<b>0.9650187</b>			
<b>7</b>	<b>489,215</b>	<b>498,031</b>	<b>510,761</b>	<b>739,740</b>	<b>959,649</b>	<b>958,598</b>	<b>941,374</b>	<b>926,482</b>	<b>924,010</b>	<b>923,095</b>	<b>919,534</b>	<b>919,209</b>	<b>9,709,698</b>		
<b>8</b>	<b>194,060</b>	<b>193,548</b>	<b>193,030</b>	<b>192,512</b>	<b>192,061</b>	<b>191,604</b>	<b>191,282</b>	<b>191,181</b>	<b>191,223</b>	<b>191,686</b>	<b>191,999</b>	<b>192,241</b>	<b>2,306,427</b>		
<b>9</b>	<b>683,275</b>	<b>691,579</b>	<b>703,791</b>	<b>932,252</b>	<b>1,151,710</b>	<b>1,150,202</b>	<b>1,132,656</b>	<b>1,117,663</b>	<b>1,115,233</b>	<b>1,114,781</b>	<b>1,111,533</b>	<b>1,111,450</b>	<b>12,016,125</b>		

## Notes:

- (A) Pages 1-18 of Schedule 8E, Line 9, Page 19 of Schedule 8E, Line 6  
 (B) Line 3 x Line 5 x Line loss multiplier  
 (C) Line 4 x Line 6

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Air Quality Assurance Testing  
P.E.s 1006 & 1244  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	328,697	328,697	328,697	328,697	328,697	328,697	328,697	328,697	328,697	328,697	328,697	328,697	328,697	328,697
3	Less: Accumulated Depreciation (C)	(243,107)	(244,173)	(245,240)	(246,306)	(247,373)	(248,439)	(249,506)	(250,572)	(251,639)	(252,705)	(253,772)	(254,838)	(255,904)	(255,904)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	85,590	84,524	83,457	82,391	81,324	80,258	79,191	78,125	77,058	75,992	74,925	73,859	72,793	
6	Average Net Investment		85,057	83,991	82,924	81,858	80,791	79,725	78,658	77,592	76,525	75,459	74,392	73,326	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		625	617	609	601	594	586	578	570	562	554	547	539	6,982
b	Debt Component (Line 6 x Debt Component x I/12)		178	175	173	171	169	166	164	162	160	157	155	153	1,983
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	12,797
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		1,869	1,858	1,848	1,838	1,829	1,818	1,808	1,798	1,788	1,777	1,768	1,758	21,762
a	Recoverable Costs Allocated to Energy		1,869	1,858	1,848	1,838	1,829	1,818	1,808	1,798	1,788	1,777	1,768	1,758	21,762
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		1,805	1,796	1,792	1,782	1,774	1,763	1,750	1,740	1,728	1,717	1,704	1,696	21,047
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		1,805	1,796	1,792	1,782	1,774	1,763	1,750	1,740	1,728	1,717	1,704	1,696	21,047

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Applicable depreciation rate or rates.
- (F) 7 year amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11



**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: **Crist 5, 6 & 7 Precipitator Projects**  
P.E.s 1119, 1216, 1243  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	11,862,909	0	0	0	0	0	0
d	Cost of Removal		0	2,818	0	0	31,774	0	665,408	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	10,000	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	24,440,825	24,440,825	24,440,825	24,440,825	24,440,825	24,440,825	24,440,825	12,577,916	12,577,916	12,577,916	12,577,916	12,577,916	12,577,916	12,577,916
3	Less: Accumulated Depreciation ©	(9,920,644)	(10,014,967)	(10,106,472)	(10,200,795)	(10,295,118)	(10,357,668)	(10,451,992)	1,991,280	1,935,512	1,879,743	1,823,975	1,768,207	1,712,438	1,712,438
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	14,520,181	14,425,858	14,334,353	14,240,030	14,145,707	14,083,157	13,988,833	14,569,196	14,513,428	14,457,639	14,401,891	14,346,123	14,290,354	
6	Average Net Investment		14,473,020	14,380,106	14,287,192	14,192,869	14,114,432	14,035,995	14,279,015	14,541,312	14,485,544	14,429,775	14,374,007	14,318,239	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		106,333	105,651	104,968	104,275	103,699	103,122	104,908	106,835	106,425	106,016	105,606	105,196	1,263,034
b	Debt Component (Line 6 x Debt Component x 1/12)		30,205	30,011	29,817	29,621	29,457	29,293	29,800	30,348	30,231	30,115	29,999	29,882	358,779
8	Investment Expenses														
a	Depreciation (E)		79,433	79,433	79,433	79,433	79,433	79,433	60,155	40,878	40,878	40,878	40,878	40,878	741,143
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		14,890	14,890	14,890	14,890	14,891	14,891	14,890	14,890	14,891	14,890	14,890	14,891	178,684
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		230,861	229,985	229,108	228,219	227,480	226,739	209,753	192,951	192,425	191,899	191,373	190,847	2,541,640
a	Recoverable Costs Allocated to Energy		230,861	229,985	229,108	228,219	227,480	226,739	209,753	192,951	192,425	191,899	191,373	190,847	2,541,640
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9688687	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		223,003	222,353	222,089	221,199	220,542	219,807	202,981	186,733	185,903	185,414	184,395	184,048	2,458,467
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		223,003	222,353	222,089	221,199	220,542	219,807	202,981	186,733	185,903	185,414	184,395	184,048	2,458,467

- (A) Description and reason for "Other" adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: **Crist 7 Flue Gas Conditioning**  
P.E. 1228  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245
3	Less: Accumulated Depreciation (C)	(790,082)	(797,421)	(804,761)	(812,100)	(819,440)	(826,779)	(834,119)	(841,458)	(848,798)	(856,137)	(863,477)	(870,816)	(878,156)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	1,389,163	1,381,824	1,374,484	1,367,145	1,359,805	1,352,466	1,345,126	1,337,787	1,330,447	1,323,108	1,315,768	1,308,429	1,301,089	
6	Average Net Investment		1,385,494	1,378,154	1,370,815	1,363,475	1,356,136	1,348,796	1,341,457	1,334,117	1,326,778	1,319,438	1,312,099	1,304,759	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		10,179	10,125	10,071	10,017	9,964	9,910	9,856	9,802	9,748	9,694	9,640	9,586	118,592
b	Debt Component (Line 6 x Debt Component x 1/12)		2,892	2,876	2,861	2,846	2,830	2,815	2,800	2,784	2,769	2,754	2,738	2,723	33,688
8	Investment Expenses														
a	Depreciation (E)		7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	7,083	84,996
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		256	257	256	257	256	257	256	257	256	257	256	257	3,078
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		20,410	20,341	20,271	20,203	20,133	20,065	19,995	19,926	19,856	19,788	19,717	19,649	240,354
a	Recoverable Costs Allocated to Energy		20,410	20,341	20,271	20,203	20,133	20,065	19,995	19,926	19,856	19,788	19,717	19,649	240,354
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		19,715	19,666	19,650	19,582	19,519	19,452	19,349	19,284	19,183	19,119	18,998	18,949	232,466
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		19,715	19,666	19,650	19,582	19,519	19,452	19,349	19,284	19,183	19,119	18,998	18,949	232,466

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Low NOx Burners, Crist 6 & 7  
P.E.s 1234, 1236, and 1242  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		295,393	366,576	2,214,406	75,486	122,681	0	339,728	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	4,539,680	0	339,728	0	0	0	0	0	
c	Retirements		0	0	0	0	8,015,846	0	0	0	0	0	0	0	
d	Cost of Removal		33,363	314,706	9,319	66,928	3,787	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	16,296,359	16,296,359	16,296,359	16,296,359	16,296,359	12,820,193	12,820,193	13,159,921	13,159,921	13,159,921	13,159,921	13,159,921	13,159,921	
3	Less: Accumulated Depreciation (C)	(5,199,196)	(5,218,796)	(4,957,053)	(5,000,697)	(4,986,732)	2,985,586	2,943,920	2,901,702	2,858,932	2,816,162	2,773,392	2,730,622	2,687,852	
4	CWIP - Non Interest Bearing	1,465,138	1,760,531	2,127,107	4,341,513	4,416,999	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	12,562,301	12,838,094	13,466,413	15,637,175	15,726,626	15,805,779	15,764,113	16,061,623	16,018,853	15,976,083	15,933,313	15,890,543	15,847,773	
6	Average Net Investment		12,700,198	13,152,254	14,551,794	15,681,901	15,766,203	15,784,946	15,912,868	16,040,238	15,997,468	15,954,698	15,911,928	15,869,158	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		93,308	96,630	106,912	115,215	115,834	115,972	116,912	117,848	117,533	117,219	116,905	116,591	1,346,879
b	Debt Component (Line 6 x Debt Component x 1/12)		26,505	27,449	30,370	32,728	32,904	32,943	33,210	33,476	33,387	33,297	33,208	33,119	382,596
8	Investment Expenses														
a	Depreciation (E)		52,963	52,963	52,963	52,963	47,315	41,666	42,218	42,770	42,770	42,770	42,770	42,770	556,901
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		172,776	177,042	190,245	200,906	196,053	190,581	192,340	194,094	193,690	193,286	192,883	192,480	2,286,376
a	Recoverable Costs Allocated to Energy		172,776	177,042	190,245	200,906	196,053	190,581	192,340	194,094	193,690	193,286	192,883	192,480	2,286,376
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		166,895	171,167	184,417	194,726	190,074	184,754	186,131	187,839	187,125	186,754	185,850	185,623	2,211,355
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		166,895	171,167	184,417	194,726	190,074	184,754	186,131	187,839	187,125	186,754	185,850	185,623	2,211,355

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: **CEMS - Crist, Scholz, Smith, & Daniel**  
P.E.s 1154, 1164, 1240, 1245, 1286, 1289, 1290, 1311, 1316, 1323, 1330, 1440, 1441, 1442, 1454, 1459, 1460 & 1558  
(in Dollars)

Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
<b>1 Investments</b>														
a Expenditures/Additions		0	0	0	0	0	0	0	80,000	77,000	58,300	100,300	58,400	
b Clearings to Plant		0	0	0	0	0	0	0	0	0	157,000	0	217,000	
c Retirements		0	0	0	0	0	0	32,500	0	0	100,000	0	200,000	
d Cost of Removal		0	0	0	0	0	0	0	0	0	5,000	0	0	
e Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2 Plant-in-Service/Depreciation Base (B)	3,938,342	3,938,342	3,938,342	3,938,342	3,938,342	3,938,342	3,938,342	3,905,842	3,905,842	3,905,842	3,962,842	3,962,842	3,979,842	
3 Less: Accumulated Depreciation ©	1,063,633	1,052,101	1,040,569	1,029,037	1,017,505	1,005,973	994,441	1,015,447	1,003,991	992,535	1,085,987	1,074,346	1,262,697	
4 CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	80,000	157,000	58,300	158,600	0	
5 Net Investment (Lines 2 - 3 + 4)	5,001,975	4,990,443	4,978,911	4,967,379	4,955,847	4,944,315	4,932,783	4,921,289	4,989,833	5,055,377	5,107,129	5,195,788	5,242,539	
6 Average Net Investment		4,996,209	4,984,677	4,973,145	4,961,613	4,950,081	4,938,549	4,927,036	4,955,561	5,022,605	5,081,253	5,151,459	5,219,164	
7 Return on Average Net Investment														
a Equity Component Grossed Up For Taxes (D)		36,707	36,622	36,538	36,453	36,368	36,284	36,199	36,409	36,901	37,332	37,848	38,345	442,006
b Debt Component (Line 6 x Debt Component x 1/12)		10,427	10,403	10,379	10,355	10,331	10,307	10,283	10,342	10,482	10,605	10,751	10,892	125,557
8 Investment Expenses														
a Depreciation (E)		11,532	11,532	11,532	11,532	11,532	11,532	11,494	11,456	11,456	11,548	11,641	11,649	138,436
b Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d Property Taxes		1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	1,274	15,288
e Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9 Total System Recoverable Expenses (Lines 7 + 8)		59,940	59,831	59,723	59,614	59,505	59,397	59,250	59,481	60,113	60,759	61,514	62,160	721,287
a Recoverable Costs Allocated to Energy		59,940	59,831	59,723	59,614	59,505	59,397	59,250	59,481	60,113	60,759	61,514	62,160	721,287
b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10 Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11 Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12 Retail Energy-Related Recoverable Costs (H)		57,900	57,846	57,893	57,780	57,690	57,581	57,337	57,564	58,075	58,706	59,271	59,945	697,588
13 Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14 Total Jurisdictional Recoverable Costs (Lines 12 + 13)		57,900	57,846	57,893	57,780	57,690	57,581	57,337	57,564	58,075	58,706	59,271	59,945	697,588

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning Balances: Crist, \$2,200,037; Scholz \$486,600; Smith \$565,863; Daniel \$565,863. Ending Balances: Crist, \$2,232,037; Scholz \$486,600; Smith \$685,842; Daniel \$575,363
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Crist: 3.9%; Smith 3.3%; Scholz 2.9%; Daniel 2.8% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Sub. Contam. Mobile Groundwater Treat. Sys.  
P.E. 1007, 3400, & 3412  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394
3	Less: Accumulated Depreciation ©	(100,707)	(102,754)	(104,801)	(106,848)	(108,895)	(110,942)	(112,989)	(115,036)	(117,083)	(119,130)	(121,177)	(123,224)	(125,270)	(125,270)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	828,687	826,640	824,593	822,546	820,499	818,452	816,405	814,358	812,311	810,264	808,217	806,170	804,124	
6	Average Net Investment		827,664	825,617	823,570	821,523	819,476	817,429	815,382	813,335	811,288	809,241	807,194	805,148	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		6,081	6,066	6,051	6,036	6,021	6,006	5,991	5,976	5,961	5,945	5,930	5,915	71,979
b	Debt Component (Line 6 x Debt Component x 1/12)		1,727	1,723	1,719	1,715	1,710	1,706	1,702	1,697	1,693	1,689	1,685	1,680	20,446
8	Investment Expenses														
a	Depreciation (E)		1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,911	22,943
b	Amortization (F)		135	135	135	135	135	135	135	135	135	135	135	135	1,620
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		9,855	9,835	9,817	9,798	9,779	9,759	9,739	9,720	9,701	9,682	9,663	9,641	116,988
a	Recoverable Costs Allocated to Energy		759	756	755	754	752	751	749	747	746	745	744	742	9,000
b	Recoverable Costs Allocated to Demand		9,096	9,079	9,062	9,044	9,027	9,008	8,990	8,973	8,955	8,937	8,919	8,899	107,989
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		733	731	732	731	729	728	725	723	721	720	717	716	8,706
13	Retail Demand-Related Recoverable Costs (I)		8,778	8,761	8,745	8,728	8,711	8,693	8,676	8,659	8,642	8,624	8,607	8,588	104,212
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		9,511	9,492	9,477	9,459	9,440	9,421	9,401	9,382	9,363	9,344	9,324	9,304	112,918

**Notes:**

- (A) Description and reason for "Other" adjustments to net investment for this project
- (B) Beginning and ending balance for depreciable property: \$131,648
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Part of PE 1007 depreciable at 2.5% annually, PEs 3400 and 3412 depreciable at 2.5% annually
- (F) 7 year amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Raw Water Well Flowmeters - Plants Crist & Smith  
P.E. 1155 & 1606  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943
3	Less: Accumulated Depreciation (C)	(22,290)	(23,033)	(23,776)	(24,519)	(25,262)	(26,005)	(26,748)	(27,491)	(28,234)	(28,977)	(29,721)	(30,465)	(31,209)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	220,653	219,910	219,167	218,424	217,681	216,938	216,195	215,452	214,709	213,966	213,222	212,478	211,734	
6	Average Net Investment		220,282	219,539	218,796	218,053	217,310	216,567	215,824	215,081	214,338	213,594	212,850	212,106	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		1,618	1,613	1,607	1,602	1,597	1,591	1,586	1,580	1,575	1,569	1,564	1,558	19,060
b	Debt Component (Line 6 x Debt Component x 1/12)		460	458	457	455	454	452	450	449	447	446	444	443	5,415
8	Investment Expenses														
a	Depreciation (E)		743	743	743	743	743	743	743	743	743	744	744	744	8,919
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		2,820	2,814	2,807	2,800	2,793	2,786	2,779	2,772	2,765	2,759	2,751	2,746	33,394
a	Recoverable Costs Allocated to Energy		217	216	216	216	215	214	214	213	213	213	211	211	2,569
b	Recoverable Costs Allocated to Demand		2,603	2,598	2,591	2,584	2,578	2,572	2,565	2,559	2,552	2,546	2,540	2,535	30,823
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		210	209	209	209	208	207	207	206	206	206	203	203	2,483
13	Retail Demand-Related Recoverable Costs (I)		2,512	2,507	2,500	2,494	2,488	2,482	2,475	2,469	2,463	2,457	2,451	2,446	29,744
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,722	2,716	2,709	2,703	2,696	2,689	2,682	2,675	2,669	2,663	2,654	2,649	32,227

## Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project  
 (B) Beginning and Ending Balances: Crist, \$149,920 and Smith \$93,023  
 (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.  
 (D) The equity component has been grossed up for taxes. The approved ROE is 12%.  
 (E) Crist 3.9%; Smith 3.3% annually  
 (F) Applicable amortization period  
 (G) Description and reason for "Other" adjustments to investment expenses for this project.  
 (H) Line 9a x Line 10 x 1.0007 line loss multiplier  
 (I) Line 9b x Line 11



Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: **Crist Cooling Tower Cell**  
P.E. 1232  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659
3	Less: Accumulated Depreciation (E)	(335,771)	(338,923)	(342,074)	(345,226)	(348,377)	(351,528)	(354,679)	(357,831)	(360,983)	(364,134)	(367,286)	(370,436)	(373,587)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	570,888	567,736	564,585	561,433	558,282	555,131	551,980	548,828	545,676	542,525	539,373	536,223	533,072	
6	Average Net Investment		569,312	566,161	563,009	559,858	556,707	553,556	550,404	547,252	544,101	540,949	537,798	534,648	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		4,183	4,160	4,136	4,113	4,090	4,067	4,044	4,021	3,998	3,974	3,951	3,928	48,665
b	Debt Component (Line 6 x Debt Component x 1/12)		1,188	1,182	1,175	1,168	1,162	1,155	1,149	1,142	1,136	1,129	1,122	1,116	13,824
8	Investment Expenses														
a	Depreciation (E)		2,947	2,947	2,947	2,947	2,947	2,947	2,947	2,947	2,947	2,947	2,946	2,947	35,363
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		205	204	205	204	204	204	205	205	204	205	204	204	2,453
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		8,523	8,493	8,463	8,432	8,403	8,373	8,345	8,315	8,285	8,255	8,223	8,195	100,305
a	Recoverable Costs Allocated to Energy		656	653	651	649	646	644	642	640	637	635	633	630	7,716
b	Recoverable Costs Allocated to Demand		7,867	7,840	7,812	7,783	7,757	7,729	7,703	7,675	7,648	7,620	7,590	7,565	92,589
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		634	631	631	629	626	624	621	619	615	614	610	608	7,462
13	Retail Demand-Related Recoverable Costs (I)		7,592	7,566	7,539	7,511	7,486	7,459	7,434	7,407	7,380	7,353	7,324	7,300	89,351
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		8,226	8,197	8,170	8,140	8,112	8,083	8,055	8,026	7,995	7,967	7,934	7,908	96,813

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Current Period Estimated True-Up Amount**  
**January 2004 - December 2004**

**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Crist 1-5 Dechlorination**  
**P.E. 1248**  
**(in Dollars)**

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323
3	Less: Accumulated Depreciation (C)	(90,897)	(91,889)	(92,881)	(93,873)	(94,865)	(95,857)	(96,849)	(97,841)	(98,833)	(99,825)	(100,817)	(101,809)	(102,801)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	214,426	213,434	212,442	211,450	210,458	209,466	208,474	207,482	206,490	205,498	204,506	203,514	202,522	
6	Average Net Investment		213,930	212,938	211,946	210,954	209,962	208,970	207,978	206,986	205,994	205,002	204,010	203,018	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		1,572	1,564	1,557	1,550	1,543	1,535	1,528	1,521	1,513	1,506	1,499	1,492	18,380
b	Debt Component (Line 6 x Debt Component x 1/12)		446	444	442	440	438	436	434	432	430	428	426	424	5,220
8	Investment Expenses														
a	Depreciation (E)		992	992	992	992	992	992	992	992	992	992	992	992	11,904
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		-	-	-	-	-	-	-	-	-	-	-	-	-
9	Total System Recoverable Expenses (Lines 7 + 8)		3,010	3,000	2,991	2,982	2,973	2,963	2,954	2,945	2,935	2,926	2,917	2,908	35,504
a	Recoverable Costs Allocated to Energy		232	231	230	229	229	228	227	227	226	225	224	224	2,732
b	Recoverable Costs Allocated to Demand		2,778	2,769	2,761	2,753	2,744	2,735	2,727	2,718	2,709	2,701	2,693	2,684	32,772
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		224	223	223	222	222	221	220	220	218	217	216	216	2,642
13	Retail Demand-Related Recoverable Costs (I)		2,681	2,672	2,664	2,657	2,648	2,639	2,632	2,623	2,614	2,607	2,599	2,590	31,626
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,905	2,895	2,887	2,879	2,870	2,860	2,852	2,843	2,832	2,824	2,815	2,806	34,268

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11



Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Crist Diesel Fuel Oil Remediation  
P.E. 1270  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	5,000	5,000	5,000	5,000	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	20,000	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	47,955	47,955	47,955	47,955	47,955	47,955	47,955	47,955	47,955	47,955	47,955	47,955	67,955	
3	Less: Accumulated Depreciation (C)	(14,937)	(15,093)	(15,249)	(15,405)	(15,561)	(15,717)	(15,873)	(16,029)	(16,185)	(16,341)	(16,497)	(16,653)	(16,841)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	5,000	10,000	15,000	20,000	0	
5	Net Investment (Lines 2 - 3 + 4)	33,018	32,862	32,706	32,550	32,394	32,238	32,082	31,926	36,770	41,614	46,458	51,302	51,114	
6	Average Net Investment		32,940	32,784	32,628	32,472	32,316	32,160	32,004	34,348	39,192	44,036	48,880	51,208	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		242	241	240	239	237	236	235	252	288	324	359	376	3,269
b	Debt Component (Line 6 x Debt Component x 1/12)		69	68	68	68	67	67	67	72	82	92	102	107	929
8	Investment Expenses														
a	Depreciation (E)		156	156	156	156	156	156	156	156	156	156	156	188	1,904
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		467	465	464	463	460	459	458	480	526	572	617	671	6,102
a	Recoverable Costs Allocated to Energy		36	36	36	36	35	35	35	37	40	44	47	52	469
b	Recoverable Costs Allocated to Demand		431	429	428	427	425	424	423	443	486	528	570	619	5,633
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		35	35	35	35	34	34	34	36	39	43	45	50	455
13	Retail Demand-Related Recoverable Costs (I)		416	414	413	412	410	409	408	428	469	510	550	597	5,436
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		451	449	448	447	444	443	442	464	508	553	595	647	5,891

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: **Crist Bulk Tanker Unload Sec Contain Struc**  
P.E. 1271  
(in Dollars)

Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
<b>1 Investments</b>														
a Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
<b>2 Plant-in-Service/Depreciation Base (B)</b>	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495
<b>3 Less: Accumulated Depreciation (C)</b>	(30,152)	(30,482)	(30,812)	(31,142)	(31,472)	(31,802)	(32,132)	(32,462)	(32,792)	(33,122)	(33,452)	(33,782)	(34,112)	(34,112)
<b>4 CWIP - Non Interest Bearing</b>	0	0	0	0	0	0	0	0	0	0	0	0	0	0
<b>5 Net Investment (Lines 2 - 3 + 4)</b>	<b>71,343</b>	<b>71,013</b>	<b>70,683</b>	<b>70,353</b>	<b>70,023</b>	<b>69,693</b>	<b>69,363</b>	<b>69,033</b>	<b>68,703</b>	<b>68,373</b>	<b>68,043</b>	<b>67,713</b>	<b>67,383</b>	
<b>6 Average Net Investment</b>		<b>71,178</b>	<b>70,848</b>	<b>70,518</b>	<b>70,188</b>	<b>69,858</b>	<b>69,528</b>	<b>69,198</b>	<b>68,868</b>	<b>68,538</b>	<b>68,208</b>	<b>67,878</b>	<b>67,548</b>	
<b>7 Return on Average Net Investment</b>														
a <b>Equity Component Grossed Up For Taxes (D)</b>		523	521	518	516	513	511	508	506	504	501	499	496	6,116
b <b>Debt Component (Line 6 x Debt Component x 1/12)</b>		149	148	147	146	146	145	144	144	143	142	142	141	1,737
<b>8 Investment Expenses</b>														
a Depreciation (E)		330	330	330	330	330	330	330	330	330	330	330	330	3,960
b Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
<b>9 Total System Recoverable Expenses (Lines 7 + 8)</b>		<b>1,002</b>	<b>999</b>	<b>995</b>	<b>992</b>	<b>989</b>	<b>986</b>	<b>982</b>	<b>980</b>	<b>977</b>	<b>973</b>	<b>971</b>	<b>967</b>	<b>11,813</b>
a Recoverable Costs Allocated to Energy		77	77	77	76	76	76	76	75	75	75	75	74	909
b Recoverable Costs Allocated to Demand		925	922	918	916	913	910	906	905	902	898	896	893	10,904
<b>10 Energy Jurisdictional Factor</b>		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
<b>11 Demand Jurisdictional Factor</b>		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
<b>12 Retail Energy-Related Recoverable Costs (H)</b>		74	74	75	74	74	74	74	73	72	72	72	71	879
<b>13 Retail Demand-Related Recoverable Costs (I)</b>		893	890	886	884	881	878	874	873	870	867	865	862	10,523
<b>14 Total Jurisdictional Recoverable Costs (Lines 12 + 13)</b>		<b>967</b>	<b>964</b>	<b>961</b>	<b>958</b>	<b>955</b>	<b>952</b>	<b>948</b>	<b>946</b>	<b>942</b>	<b>939</b>	<b>937</b>	<b>933</b>	<b>11,402</b>

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Crist IWW Sampling System  
P.E. 1275  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543
3	Less: Accumulated Depreciation (C)	(18,006)	(18,200)	(18,394)	(18,588)	(18,782)	(18,976)	(19,170)	(19,364)	(19,558)	(19,752)	(19,946)	(20,140)	(20,334)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	41,537	41,343	41,149	40,955	40,761	40,567	40,373	40,179	39,985	39,791	39,597	39,403	39,209	
6	Average Net Investment		41,440	41,246	41,052	40,858	40,664	40,470	40,276	40,082	39,888	39,694	39,500	39,306	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		304	303	302	300	299	297	296	294	293	292	290	289	3,559
b	Debt Component (Line 6 x Debt Component x 1/12)		86	86	86	85	85	84	84	84	83	83	82	82	1,010
8	Investment Expenses														
a	Depreciation (E)		194	194	194	194	194	194	194	194	194	194	194	194	2,328
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)														
9	Total System Recoverable Expenses (Lines 7 + 8)		584	583	582	579	578	575	574	572	570	569	566	565	6,897
a	Recoverable Costs Allocated to Energy		45	45	45	45	44	44	44	44	44	44	44	43	531
b	Recoverable Costs Allocated to Demand		539	538	537	534	534	531	530	528	526	525	522	522	6,366
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		43	44	44	44	43	43	43	43	43	43	42	41	516
13	Retail Demand-Related Recoverable Costs (I)		520	519	518	515	515	512	511	510	508	507	504	504	6,143
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		563	563	562	559	558	555	554	553	551	550	546	545	6,659

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: **Smith Sodium Injection System**  
P.E. 1413  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497
3	Less: Accumulated Depreciation ©	(13,988)	(14,281)	(14,574)	(14,867)	(15,160)	(15,453)	(15,746)	(16,039)	(16,332)	(16,625)	(16,918)	(17,211)	(17,504)	(17,504)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	<u>92,509</u>	<u>92,216</u>	<u>91,923</u>	<u>91,630</u>	<u>91,337</u>	<u>91,044</u>	<u>90,751</u>	<u>90,458</u>	<u>90,165</u>	<u>89,872</u>	<u>89,579</u>	<u>89,286</u>	<u>88,993</u>	
6	Average Net Investment		92,363	92,070	91,777	91,484	91,191	90,898	90,605	90,312	90,019	89,726	89,433	89,140	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		679	676	674	672	670	668	666	664	661	659	657	655	8,001
b	Debt Component (Line 6 x Debt Component x 1/12)		193	192	192	191	190	190	189	188	188	187	187	186	2,273
8	Investment Expenses														
a	Depreciation (E)		293	293	293	293	293	293	293	293	293	293	293	293	3,516
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		1,165	1,161	1,159	1,156	1,153	1,151	1,148	1,145	1,142	1,139	1,137	1,134	13,790
a	Recoverable Costs Allocated to Energy		1,165	1,161	1,159	1,156	1,153	1,151	1,148	1,145	1,142	1,139	1,137	1,134	13,790
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		1,125	1,122	1,123	1,120	1,118	1,116	1,111	1,108	1,103	1,101	1,096	1,094	13,337
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		<u>1,125</u>	<u>1,122</u>	<u>1,123</u>	<u>1,120</u>	<u>1,118</u>	<u>1,116</u>	<u>1,111</u>	<u>1,108</u>	<u>1,103</u>	<u>1,101</u>	<u>1,096</u>	<u>1,094</u>	<u>13,337</u>

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.3% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: **Smith Stormwater Collection System**  
P.E. 1446  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
<b>1</b>	<b>Investments</b>														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600
3	Less: Accumulated Depreciation (C)	(711,786)	(719,438)	(727,090)	(734,742)	(742,394)	(750,046)	(757,698)	(765,350)	(773,002)	(780,654)	(788,306)	(795,958)	(803,610)	(803,610)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	<u>2,070,814</u>	<u>2,063,162</u>	<u>2,055,510</u>	<u>2,047,858</u>	<u>2,040,206</u>	<u>2,032,554</u>	<u>2,024,902</u>	<u>2,017,250</u>	<u>2,009,598</u>	<u>2,001,946</u>	<u>1,994,294</u>	<u>1,986,642</u>	<u>1,978,990</u>	
6	Average Net Investment		2,066,988	2,059,336	2,051,684	2,044,032	2,036,380	2,028,728	2,021,076	2,013,424	2,005,772	1,998,120	1,990,468	1,982,816	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		15,186	15,130	15,074	15,018	14,961	14,905	14,849	14,793	14,736	14,680	14,624	14,568	178,524
b	Debt Component (Line 6 x Debt Component x 1/12)		4,314	4,298	4,282	4,266	4,250	4,234	4,218	4,202	4,186	4,170	4,154	4,138	50,712
8	Investment Expenses														
a	Depreciation (E)		7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	91,824
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		27,152	27,080	27,008	26,936	26,863	26,791	26,719	26,647	26,574	26,502	26,430	26,358	321,060
a	Recoverable Costs Allocated to Energy		2,089	2,083	2,078	2,072	2,066	2,061	2,055	2,050	2,044	2,039	2,033	2,028	24,698
b	Recoverable Costs Allocated to Demand		25,063	24,997	24,930	24,864	24,797	24,730	24,664	24,597	24,530	24,463	24,397	24,330	296,362
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		2,018	2,014	2,014	2,008	2,003	1,998	1,989	1,984	1,975	1,970	1,959	1,956	23,888
13	Retail Demand-Related Recoverable Costs (I)		24,186	24,123	24,058	23,994	23,930	23,865	23,801	23,737	23,672	23,607	23,544	23,479	285,996
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		<u>26,204</u>	<u>26,137</u>	<u>26,072</u>	<u>26,002</u>	<u>25,933</u>	<u>25,863</u>	<u>25,790</u>	<u>25,721</u>	<u>25,647</u>	<u>25,577</u>	<u>25,503</u>	<u>25,435</u>	<u>309,884</u>

- (A) Description and reason for 'Other' adjustments to net investment for this project  
 (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).  
 (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.  
 (D) The equity component has been grossed up for taxes. The approved ROE is 12%.  
 (E) 3.3% annually  
 (F) Applicable amortization period  
 (G) Description and reason for "Other" adjustments to investment expenses for this project.  
 (H) Line 9a x Line 10 x 1.0007 line loss multiplier  
 (I) Line 9b x Line 11

Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Smith Waste Water  
P.E. 1466 & 1643  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	14,983	0	5,000	5,000	35,000	91,438	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	151,421	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	105,795	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	175,200	175,200	175,200	175,200	175,200	175,200	175,200	175,200	175,200	175,200	220,826	220,826	220,826	
3	Less: Accumulated Depreciation ©	(50,245)	(50,727)	(51,209)	(51,691)	(52,173)	(52,655)	(53,137)	(53,619)	(54,101)	(54,583)	50,667	50,060	49,453	
4	CWIP - Non Interest Bearing	0	0	0	0	0	14,983	14,983	19,983	24,983	29,983	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	124,955	124,473	123,991	123,509	123,027	137,528	137,046	141,564	146,082	180,600	271,493	270,886	270,279	
6	Average Net Investment		124,714	124,232	123,750	123,268	130,278	137,287	139,305	143,823	163,341	226,047	271,190	270,583	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		916	913	909	906	957	1,009	1,023	1,057	1,200	1,661	1,992	1,988	14,531
b	Debt Component (Line 6 x Debt Component x 1/12)		260	259	258	257	272	287	291	300	341	472	566	565	4,128
8	Investment Expenses														
a	Depreciation (E)		482	482	482	482	482	482	482	482	482	545	607	607	6,097
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		1,658	1,654	1,649	1,645	1,711	1,777	1,795	1,838	2,023	2,677	3,166	3,159	24,756
a	Recoverable Costs Allocated to Energy		128	127	127	127	131	137	138	141	156	206	243	243	1,904
b	Recoverable Costs Allocated to Demand		1,530	1,527	1,522	1,518	1,580	1,640	1,657	1,697	1,867	2,471	2,923	2,916	22,848
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		124	123	123	123	127	133	134	136	151	199	234	234	1,841
13	Retail Demand-Related Recoverable Costs (I)		1,476	1,474	1,469	1,465	1,525	1,583	1,599	1,638	1,802	2,385	2,821	2,814	22,051
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		1,600	1,597	1,592	1,588	1,652	1,716	1,733	1,774	1,953	2,584	3,055	3,048	23,892

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Smith 3.3% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Daniel Ash Management Project  
P.E. 1535  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
<b>1</b>	<b>Investments</b>														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469
3	Less: Accumulated Depreciation <sup>Ⓞ</sup>	(3,817,679)	(3,858,397)	(3,899,115)	(3,939,833)	(3,980,551)	(4,021,269)	(4,061,987)	(4,102,705)	(4,143,423)	(4,184,141)	(4,224,859)	(4,265,577)	(4,306,295)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	9,424,790	9,384,072	9,343,354	9,302,636	9,261,918	9,221,200	9,180,482	9,139,764	9,099,046	9,058,328	9,017,610	8,976,892	8,936,174	
6	Average Net Investment		9,404,431	9,363,713	9,322,995	9,282,277	9,241,559	9,200,841	9,160,123	9,119,405	9,078,687	9,037,969	8,997,251	8,956,533	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		69,094	68,795	68,496	68,197	67,898	67,599	67,299	67,000	66,701	66,402	66,103	65,804	809,388
b	Debt Component (Line 6 x Debt Component x 1/12)		19,627	19,542	19,457	19,372	19,287	19,202	19,117	19,032	18,947	18,862	18,777	18,692	229,914
8	Investment Expenses														
a	Depreciation (E)		30,895	30,895	30,895	30,895	30,895	30,895	30,895	30,895	30,895	30,895	30,895	30,895	370,740
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		9,823	9,823	9,823	9,823	9,823	9,823	9,823	9,823	9,823	9,823	9,823	9,823	117,876
d	Property Taxes		27,339	27,339	27,339	27,339	27,339	27,339	27,339	27,339	27,339	27,339	27,339	27,339	328,068
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		156,778	156,394	156,010	155,626	155,242	154,858	154,473	154,089	153,705	153,321	152,937	152,553	1,855,986
a	Recoverable Costs Allocated to Energy		12,060	12,030	12,001	11,971	11,942	11,912	11,883	11,853	11,823	11,794	11,764	11,735	142,768
b	Recoverable Costs Allocated to Demand		144,718	144,364	144,009	143,655	143,300	142,946	142,590	142,236	141,882	141,527	141,173	140,818	1,713,218
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9668687	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		11,650	11,631	11,633	11,603	11,578	11,548	11,499	11,471	11,422	11,395	11,335	11,317	138,082
13	Retail Demand-Related Recoverable Costs (I)		139,656	139,314	138,971	138,630	138,287	137,946	137,602	137,260	136,919	136,576	136,235	135,892	1,653,288
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		151,306	150,945	150,604	150,233	149,865	149,494	149,101	148,731	148,341	147,971	147,570	147,209	1,791,370

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 2.8% annually
- (F) 0
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Smith Shield Water Project  
P.E. 1620  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906
3	Less: Accumulated Depreciation (C)	(3,359)	(3,491)	(3,623)	(3,755)	(3,887)	(4,019)	(4,151)	(4,283)	(4,415)	(4,547)	(4,679)	(4,811)	(4,943)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	44,547	44,415	44,283	44,151	44,019	43,887	43,755	43,623	43,491	43,359	43,227	43,095	42,963	
6	Average Net Investment		44,481	44,349	44,217	44,085	43,953	43,821	43,689	43,557	43,425	43,293	43,161	43,029	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		327	326	325	324	323	322	321	320	319	318	317	316	3,858
b	Debt Component (Line 6 x Debt Component x 1/12)		93	93	92	92	92	91	91	91	91	90	90	90	1,096
8	Investment Expenses														
a	Depreciation (E)		132	132	132	132	132	132	132	132	132	132	132	132	1,584
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		552	551	549	548	547	545	544	543	542	540	539	538	6,538
a	Recoverable Costs Allocated to Energy		42	42	42	42	42	42	42	42	42	42	41	41	502
b	Recoverable Costs Allocated to Demand		510	509	507	506	505	503	502	501	500	498	498	497	6,036
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		41	41	41	41	41	41	41	41	41	41	40	40	490
13	Retail Demand-Related Recoverable Costs (I)		492	491	489	488	487	485	484	483	483	481	481	480	5,824
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		533	532	530	529	528	526	525	524	524	522	521	520	6,314

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.3% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11



Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Underground Fuel Tank Replacement  
P.E. 4397  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919
3	Less: Accumulated Depreciation (C)	(398,875)	(403,796)	(408,716)	(413,637)	(418,558)	(423,478)	(428,399)	(433,319)	(438,240)	(443,160)	(448,081)	(453,001)	(457,921)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	59,044	54,123	49,203	44,282	39,361	34,441	29,520	24,600	19,679	14,759	9,838	4,918	(2)	
6	Average Net Investment		56,584	51,663	46,743	41,822	36,901	31,981	27,060	22,140	17,219	12,299	7,378	2,458	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		416	380	343	307	271	235	199	163	127	90	54	18	2,603
b	Debt Component (Line 6 x Debt Component x 1/12)		118	108	98	87	77	67	56	46	36	26	15	5	739
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		4,921	4,920	4,921	4,921	4,920	4,921	4,920	4,921	4,920	4,921	4,920	4,920	59,046
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		5,455	5,408	5,362	5,315	5,268	5,223	5,175	5,130	5,083	5,037	4,989	4,943	62,388
a	Recoverable Costs Allocated to Energy		420	416	412	409	405	402	398	395	391	387	384	380	4,799
b	Recoverable Costs Allocated to Demand		5,035	4,992	4,950	4,906	4,863	4,821	4,777	4,735	4,692	4,650	4,605	4,563	57,589
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		406	402	399	396	393	390	385	382	378	374	370	366	4,641
13	Retail Demand-Related Recoverable Costs (I)		4,859	4,817	4,777	4,734	4,693	4,652	4,610	4,569	4,528	4,487	4,444	4,403	55,573
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		5,265	5,219	5,176	5,130	5,086	5,042	4,995	4,951	4,906	4,861	4,814	4,769	60,214

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Applicable depreciation rate or rates.
- (F) 7 year amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Crist FDEP Agreement for Ozone Attainment  
P.E. 1199  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		919,642	(55,051)	23	35,796,346	1,223,707	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	227,262	1,146,904	1,091,853	1,091,876	36,888,222	38,111,929	38,111,929	38,111,929	38,111,929	38,111,929	38,111,929	38,111,929	38,111,929	38,111,929
3	Less: Accumulated Depreciation ©	(369)	(2,602)	(6,240)	(9,789)	(71,507)	(193,382)	(317,246)	(441,110)	(564,974)	(688,838)	(812,702)	(936,566)	(1,060,430)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	226,893	1,144,302	1,085,613	1,082,087	36,816,715	37,918,547	37,794,683	37,670,819	37,546,955	37,423,091	37,299,227	37,175,363	37,051,499	
6	Average Net Investment		685,598	1,114,958	1,083,850	18,949,401	37,367,631	37,856,615	37,732,751	37,608,887	37,485,023	37,361,159	37,237,295	37,113,431	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		5,037	8,192	7,963	139,221	274,540	278,133	277,223	276,312	275,402	274,492	273,582	272,672	2,362,769
b	Debt Component (Line 6 x Debt Component x 1/12)		1,431	2,327	2,262	39,547	77,986	79,007	78,748	78,490	78,231	77,973	77,714	77,456	671,172
8	Investment Expenses														
a	Depreciation (E)		2,233	3,638	3,549	61,718	121,875	123,864	123,864	123,864	123,864	123,864	123,864	123,864	1,060,061
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		8,701	14,157	13,774	240,486	474,401	481,004	479,835	478,666	477,497	476,329	475,160	473,992	4,094,002
a	Recoverable Costs Allocated to Energy		8,701	14,157	13,774	240,486	474,401	481,004	479,835	478,666	477,497	476,329	475,160	473,992	4,094,002
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		8,405	13,687	13,352	233,088	459,933	466,298	464,344	463,240	461,312	460,232	457,835	457,105	3,958,831
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		8,405	13,687	13,352	233,088	459,933	466,298	464,344	463,240	461,312	460,232	457,835	457,105	3,958,831

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Applicable depreciation rate or rates.
- (F) Crist: 3.9%
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Crist Switchyard Stormwater  
P.E. 1272  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	82	0	41,593	41,675	41,675	41,675	41,675	41,625	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	250,000	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	250,000
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	(406)
4	CWIP - Non Interest Bearing	0	0	0	0	0	82	82	41,675	83,350	125,025	166,700	208,375	0	
5	Net Investment (Lines 2 - 3 + 4)	0	0	0	0	0	82	82	41,675	83,350	125,025	166,700	208,375	249,594	
6	Average Net Investment		0	0	0	0	41	82	20,879	62,513	104,188	145,863	187,538	228,985	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		0	0	0	0	0	1	153	459	765	1,072	1,378	1,682	5,510
b	Debt Component (Line 6 x Debt Component x 1/12)		0	0	0	0	0	0	44	130	217	304	391	478	1,564
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	406	406
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	0	0	1	197	589	982	1,376	1,769	2,566	7,480
a	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	15	45	76	106	136	197	575
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	1	182	544	906	1,270	1,633	2,369	6,905
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	15	44	73	102	131	190	555
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	1	176	525	874	1,226	1,576	2,286	6,664
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	1	191	569	947	1,328	1,707	2,476	7,219

- (A) Description and reason for 'Other' adjustments to net investment for this project  
 (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).  
 (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.  
 (D) The equity component has been grossed up for taxes. The approved ROE is 12%.  
 (E) 3.9% annually  
 (F) Applicable amortization period  
 (G) Description and reason for "Other" adjustments to investment expenses for this project.  
 (H) Line 9a x Line 10 x 1.0007 line loss multiplier  
 (I) Line 9b x Line 11

Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Current Period Estimated True-Up Amount  
January 2004 - December 2004

Return on Capital Investments, Depreciation and Taxes  
For Project: Crist Common FTIR Monitor  
P.E. 1297  
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
I	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	18,767	41,344	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	60,111	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	60,111	60,111	60,111	60,111	
3	Less: Accumulated Depreciation ©	0	0	0	0	0	0	0	0	0	(98)	(293)	(488)	(683)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	18,767	60,111	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	0	0	0	0	0	0	0	18,767	60,111	60,013	59,818	59,623	59,428	
6	Average Net Investment		0	0	0	0	0	0	9,384	39,439	60,062	59,916	59,721	59,526	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		0	0	0	0	0	0	69	290	441	440	439	437	2,116
b	Debt Component (Line 6 x Debt Component x 1/12)		0	0	0	0	0	0	20	82	125	125	125	124	601
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	98	195	195	195	683
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	0	0	0	0	0	0	0	89	372	664	760	759	756	3,400
a	Recoverable Costs Allocated to Energy	0	0	0	0	0	0	0	89	372	664	760	759	756	3,400
b	Recoverable Costs Allocated to Demand	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	86	360	641	734	731	729	3,281
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	86	360	641	734	731	729	3,281

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Current Period Estimated True-Up Amount**  
**January 2004 - December 2004**

**Return on Working Capital, SO2 Expenses**  
**For Project: SO2 Allowances**

(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	356,476	(34,157)	0	0	0	0	0	0	0
2	Working Capital														
a	FERC 158.1 Allowance Inventory	19,941	19,217	18,585	17,903	17,444	16,667	15,971	14,889	13,806	12,779	11,899	11,043	10,174	
b	FERC 158.2 Allowances Withheld	0	0	0	0	0	0	0	0	0	0	0	0	0	
c	FERC 182.3 Other Regl. Assets - Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	
d	FERC 254 Regulatory Liabilities - Gains	(662,537)	(654,841)	(647,145)	(639,449)	(631,753)	(950,183)	(877,980)	(839,935)	(801,890)	(763,845)	(725,799)	(687,753)	(649,707)	
3	Total Working Capital Balance	(642,596)	(635,624)	(628,560)	(621,546)	(614,309)	(933,516)	(862,009)	(825,046)	(788,084)	(751,066)	(713,900)	(676,710)	(639,533)	
4	Average Net Working Capital Balance		(639,110)	(632,092)	(625,053)	(617,928)	(773,913)	(897,763)	(843,528)	(806,565)	(769,575)	(732,483)	(695,305)	(658,122)	
5	Return on Average Net Working Capital Balance														
a	Equity Component Grossed Up For Taxes (A)		(4,696)	(4,644)	(4,592)	(4,540)	(5,686)	(6,596)	(6,197)	(5,926)	(5,654)	(5,382)	(5,108)	(4,835)	(63,856)
b	Debt Component (Line 4 x 3.5137% x 1/12)		(1,334)	(1,319)	(1,304)	(1,290)	(1,615)	(1,874)	(1,760)	(1,683)	(1,606)	(1,529)	(1,451)	(1,374)	(18,139)
6	Total Return Component (D)		(6,030)	(5,963)	(5,896)	(5,830)	(7,301)	(8,470)	(7,957)	(7,609)	(7,260)	(6,911)	(6,559)	(6,209)	(81,995)
7	Expenses														
a	Gains		(7,696)	(7,696)	(7,696)	(7,696)	(38,046)	(38,046)	(38,045)	(38,045)	(38,045)	(38,046)	(38,046)	(38,046)	(335,149)
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	SO2 Allowance Expense		724	632	682	459	777	696	1,082	1,083	1,027	880	856	869	9,767
8	Net Expenses (E)		(6,972)	(7,064)	(7,014)	(7,237)	(37,269)	(37,350)	(36,963)	(36,962)	(37,018)	(37,166)	(37,190)	(37,177)	(325,382)
9	Total System Recoverable Expenses (Lines 6 + 7)		(13,002)	(13,027)	(12,910)	(13,067)	(44,570)	(45,820)	(44,920)	(44,571)	(44,278)	(44,077)	(43,749)	(43,386)	(407,377)
a	Recoverable Costs Allocated to Energy		(13,002)	(13,027)	(12,910)	(13,067)	(44,570)	(45,820)	(44,920)	(44,571)	(44,278)	(44,077)	(43,749)	(43,386)	(407,377)
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9652882	0.9661409	0.9686867	0.9685600	0.9688241	0.9687473	0.9670392	0.9670966	0.9654291	0.9655301	0.9628637	0.9636988	
11	Demand Jurisdictional Factor		0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	0.9650187	
12	Retail Energy-Related Recoverable Costs (B)		(12,559)	(12,595)	(12,514)	(12,665)	(43,211)	(44,419)	(43,470)	(43,135)	(42,777)	(42,587)	(42,154)	(41,840)	(393,926)
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		(12,559)	(12,595)	(12,514)	(12,665)	(43,211)	(44,419)	(43,470)	(43,135)	(42,777)	(42,587)	(42,154)	(41,840)	(393,926)

(A) Line 4 x Equity Component x 1/12. Based on ROE of 12% and weighted income tax rate of 38.575%

(B) Line 9a x Line 10 x 1.0007 line loss multiplier

(C) Line 9b x Line 11

(D) Line 6 is reported on Schedule 6E and 7E

(E) Line 8 is reported on Schedule 4E and 5E