ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ENVIRONMENTAL COST RECOVERY CLAUSE

DOCKET NO. 040007-EI

PREPARED DIRECT TESTIMONY AND
EXHIBIT OF
TERRY A. DAVIS

PROJECTION FILING FOR THE PERIOD

JANUARY 2005 – DECEMBER 2005

SEPTEMBER 3, 2004

CMP ____
COM 5
CTR DCG
ECR ____
GCL 1
OPC ____
MMS ____
RCA ____
SCR ____
SEC 1
OTH ____

GULF POWER
A SOUTHERN COMPANY

GULF POWER COMPANY

Before the Florida Public Service Commission
Direct Testimony and Exhibit of
Terry A. Davis
Docket No. 040007-EI
Date of Filing: September 3, 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 for 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 1993, I joined the Rates and Regulatory Matters area, where I have participated with increasing responsibility in activities related to the cost recovery clauses, the rate case, budgeting, and other regulatory functions. In 2004, I was promoted to my current position.

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

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

A. Yes, I have.

Q. What is the purpose of your testimony?

A. The purpose of my testimony is to present both the calculation of the revenue requirements and the development of the environmental cost recovery factors for the period of January 2005 through December 2005.

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

A. Yes, I have. My exhibit consists of 7 schedules, each of which were prepared under my direction, supervision, or review.

Counsel: We ask that Ms. Davis's Exhibit consisting of 7 schedules be marked as Exhibit No. _____ (TAD-3).

Q. What environmental costs is Gulf requesting for recovery through the Environmental Cost Recovery Clause?

A. As discussed in the testimony of J. O. Vick, Gulf is requesting recovery for certain environmental compliance operating expenses and capital costs that are consistent with both the decision of the Commission in

Docket No. 930613-EI and with past proceedings in this ongoing recovery docket. The costs we have identified for recovery through the ECRC are not currently being recovered through base rates or any other recovery mechanism.

Q. How was the amount of projected O & M expenses to be recovered through the ECRC calculated?

A. Mr. Vick has provided me with projected recoverable O & M expenses for January 2005 through December 2005. Schedule 2P of my exhibit shows the calculation of the recoverable O & M expenses broken down between the demand-related and energy-related expenses. Also, Schedule 2P provides the appropriate jurisdictional factors and amounts related to these expenses. All O & M expenses associated with compliance with the Clean Air Act Amendments of 1990 were considered to be energy-related, consistent with Commission Order No. PSC-94-0044-FOF-EI. The remaining expenses were broken down between demand and energy consistent with Gulf's last approved cost-of-service methodology in Docket No. 010949-EI.

Q. Please describe Schedules 3P and 4P of your exhibit.

A. Schedule 3P summarizes the monthly recoverable revenue requirements associated with each capital investment for the recovery period. Schedule 4P shows the detailed calculation of the revenue requirements associated with each investment. These schedules also include the calculation of the jurisdictional amount of recoverable revenue requirements. Mr. Vick has provided me with the expenditures,

clearings, retirements, salvage, and cost of removal related to each capital project and the monthly costs for emission allowances. From that information, I calculated Plant-in-Service and Construction Work In Progress-Non Interest Bearing (CWIP-NIB). Depreciation and dismantlement expense and the associated accumulated depreciation balances were calculated based on Gulf's approved depreciation rates and dismantlement accruals. The capital projects identified for recovery through the ECRC are those environmental projects which are not included in the approved projected June 2002 through May 2003 test year on which present base rates were set.

Q. How was the amount of Property Taxes to be recovered through the ECRC derived?

A. Property taxes were calculated by applying the applicable tax rate to taxable investment. In Florida, pollution control facilities are taxed based only on their salvage value. For the recoverable environmental investment located in Florida, the amount of property taxes is estimated to be $0. In Mississippi, there is no such reduction in property taxes for pollution control facilities. Therefore, property taxes related to recoverable environmental investment at Plant Daniel are calculated by applying the applicable millage rate to the assessed value of the property.

Q. What capital structure and return on equity were used to develop the rate of return used to calculate the revenue requirements?

A. The rate of return used is based on Gulf's capital structure as approved in Gulf's last rate case, Docket No. 010949-EI, Order No. PSC-02-0787-FOF-EI, dated June 10, 2002. This rate of return incorporates a return on equity of 12.0 percent.

Q. How was the breakdown between demand-related and energy-related investment costs determined?

A. The investment-related costs associated with compliance with the Clean Air Act Amendments of 1990 (CAAA) were considered to be energy-related, consistent with Commission Order No. PSC-94-0044-FOF-EI, dated January 12, 1994 in Docket No. 930613-EI. The remaining investment-related costs of environmental compliance not associated with the CAAA were allocated 12/13th based on demand and 1/13th based on energy, consistent with Gulf's last cost-of-service study. The calculation of this breakdown is shown on Schedule 4P and summarized on Schedule 3P.

Q. What is the total amount of projected recoverable costs related to the period January 2005 through December 2005?

A. The total projected jurisdictional recoverable costs for the period January 2005 through December 2005 are $26,067,223 as shown on line 1c of Schedule 1P. This includes costs related to O & M activities of $3,872,303 and costs related to capital projects of $22,194,920 as shown on lines 1a and 1b of Schedule 1P.

Q. What is the total recoverable revenue requirement and how was it allocated to each rate class?

A. The total recoverable revenue requirement including revenue taxes is $25,804,909 for the period January 2005 through December 2005 as shown on line 5 of Schedule 1P. This amount includes the recoverable costs related to the projection period and the total true-up cost of $280,880 to be refunded. Schedule 1P also summarizes the energy and demand components of the requested revenue requirement. I allocated these amounts to rate class using the appropriate energy and demand allocators as shown on Schedules 6P and 7P.

Q. How were the allocation factors calculated for use in the Environmental Cost Recovery Clause?

A. The demand allocation factors used in the ECRC were calculated using the 2001 load data filed with the Commission in accordance with FPSC Rule 25-6.0437. The energy allocation factors were calculated based on projected KWH sales for the period adjusted for losses. The calculation of the allocation factors for the period is shown in columns 1 through 9 on Schedule 6P.

Q. How were these factors applied to allocate the requested recovery amount properly to the rate classes?

A. As I described earlier in my testimony, Schedule 1P summarizes the energy and demand portions of the total requested revenue requirement. The energy-related recoverable revenue requirement of $21,787,810 for

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
Supervisor of Treasury and Regulatory Matters

Sworn to and subscribed before me this 2nd day of September, 2004.

Notary Public, State of Florida at Large

DIANNE BURGESS
MY COMMISSION # DD 247993
EXPIRES: September 8, 2007
Bonded Thru Notary Public Underwriters

Schedule 1P

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Total Jurisdictional Amount to be Recovered

For the Projected Period
January 2005 - December 2005

Line No.		Energy ($)	Demand ($)	Total ($)
1	Total Jurisdictional Rev. Req. for the projected period			
	a Projected O & M Activities (Schedule 2P, Lines 7, 8 & 9)	2,017,830	1,854,473	3,872,303
	b Projected Capital Projects (Schedule 3P, Lines 7, 8 & 9)	19,929,244	2,265,676	22,194,920
	c Total Jurisdictional Rev. Req. for the projected period (Lines 1a + 1b)	21,947,074	4,120,149	26,067,223
2	True-Up for Estimated Over/(Under) Recovery for the period January 2004 - December 2004 (Schedule 1E, Line 4)	(83,715)	(29,936)	(113,651)
3	Final True-Up for the period January 2003 - December 2003 (Schedule 1A, Line 3)	258,655	135,876	394,531
4	Total Jurisdictional Amount to be Recovered/(Refunded) in the projection period January 2005 - December 2005 (Line 1c - Line 2 - Line 3)	21,772,134	4,014,209	25,786,343
5	Total Projected Jurisdictional Amount Adjusted for Taxes (Line 4 x Revenue Tax Multiplier)	21,787,810	4,017,099	25,804,909

Notes:

Allocation to energy and demand in each period are in proportion to the respective period split of costs indicated on Lines 7 & 8 of Schedules 5E & 7E and 5A & 7A.

Gulf Power Company
Environmental Cost Recovery Clause
Calculation of the Projected Period Amount
January 2005 - December 2005

Schedule 2P

O & M Activities
(in Dollars)

Line		January	February	March	April	May	June	July	August	September	October	November	December	End of Period 12-Month	Method of Classification Demand	Method of Classification Energy
1	Description of O & M Activities															
	.1 Sulfur	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	.2 Air Emission Fees	0	655,500	0	0	0	0	0	124,374	0	0	0	0	779,874		779,874
	.3 Title V	5,296	5,296	9,241	7,888	5,670	10,470	5,670	5,670	11,691	5,670	5,441	9,229	87,232		87,232
	.4 Asbestos Fees	2,000	0	0	0	0	0	0	0	0	0	0	0	2,000	2,000	
	.5 Emission Monitoring	29,739	30,682	31,399	67,579	47,702	46,903	34,419	104,419	39,496	34,428	34,748	32,735	534,249		534,249
	.6 General Water Quality	32,882	37,924	87,696	38,527	41,061	68,650	39,698	38,314	67,288	41,896	39,132	67,072	600,140	600,140	
	.7 Groundwater Contamination Investigation	106,652	115,264	56,573	59,514	66,870	54,790	54,265	55,578	59,249	68,182	116,105	114,176	927,218	927,218	
	.8 State NPDES Administration	23,000	11,500	0	0	0	0	0	0	0	0	0	0	34,500	34,500	
	.9 Lead and Copper Rule	167	167	2,667	167	167	2,667	167	167	2,667	167	167	2,663	12,000	12,000	
	.10 Env Auditing/Assessment	83	83	83	1,083	1,083	1,083	1,083	1,083	1,733	1,083	83	237	8,800	8,800	
	.11 General Solid & Hazardous Waste	16,294	16,056	17,323	20,235	16,941	17,672	16,921	16,923	20,985	17,844	18,124	19,455	214,773	214,773	
	.12 Above Ground Storage Tanks	0	0	26,250	0	1,200	26,250	0	0	26,250	0	0	26,250	106,200	106,200	
	.13 Low Nox	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	.14 Ash Pond Diversion Curtains	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	.15 Mercury Emissions	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	.16 Sodium Injection	0	0	0	0	0	0	0	0	0	0	0	0	0		0
	.17 Gulf Coast Ozone Study	600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	1,600	3,400	20,000		20,000
	.18 SPCC Substation Project	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
	.19 FDEP NOX Reduction Agreement	0	0	0	28,124	82,755	90,171	95,450	96,097	91,463	92,649	105,233	75,299	757,241		757,241
	.20 Turtle Protective Lighting Program	1,715	1,715	1,715	1,715	868	868	868	868	686	686	686	756	13,146	13,146	
	.21 So2 Allowances	(7,704)		(7,913)	(7,814)	(7,656)	(7,657)	(7,617)	(7,618)	(7,745)	(7,848)	(7,877)	(7,729)	(93,036)		(93,036)
2	Total of O & M Activities	210,724	867,929	226,634	218,618	258,261	313,467	242,524	437,475	315,363	256,357	313,442	343,543	4,004,337	1,918,777	2,085,560
3	Recoverable Costs Allocated to Energy	27,931	685,220	34,327	97,377	130,071	141,487	129,522	324,542	136,505	126,499	139,145	112,934	2,085,560		
4	Recoverable Costs Allocated to Demand	182,793	182,709	192,307	121,241	128,190	171,980	113,002	112,933	178,858	129,858	174,297	230,609	1,918,777		
5	Retail Energy Jurisdictional Factor	0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299			
6	Retail Demand Jurisdictional Factor	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872			
7	Jurisdictional Energy Recoverable Costs (A)	26,941	662,942	33,165	94,261	126,125	137,285	125,451	314,209	131,959	122,297	134,236	108,959	2,017,830		
8	Jurisdictional Demand Recoverable Costs (B)	176,667	176,586	185,862	117,178	123,894	166,216	109,215	109,148	172,864	125,506	168,456	222,881	1,854,473		
9	Total Jurisdictional Recoverable Costs for O & M Activities (Lines 7 + 8)	203,608	839,528	219,027	211,439	250,019	303,501	234,666	423,357	304,823	247,803	302,692	331,840	3,872,303		

Notes:

(A) Line 3 x Line 5 x 1.0007 line loss multiplier
(B) Line 4 x Line 6

Schedule 3P

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2005 - December 2005

Capital Investment Projects - Recoverable Costs
(in Dollars)

Line		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	End of Period Total	*Method of Classification* Demand	Energy
1	Description of Investment Projects (A)															
	.1 Air Quality Assurance Testing	2,881	2,860	2,838	2,818	2,797	2,777	2,756	2,734	2,714	2,693	2,673	2,652	33,193	0	33,193
	.2 Crist 5, 6 & 7 Precipitator Projects	207,214	206,647	206,080	205,513	204,946	204,380	203,812	203,245	202,678	202,111	201,544	200,977	2,449,147	0	2,449,147
	.3 Crist 7 Flue Gas Conditioning	19,579	19,510	19,440	19,372	19,301	19,234	19,164	19,095	19,025	18,957	18,887	18,818	230,382	0	230,382
	.4 Low Nox Burners, Crist 6 & 7	192,076	191,672	191,269	190,866	190,463	190,058	189,655	189,252	188,849	188,444	184,311	180,219	2,267,134	0	2,267,134
	.5 CEMs- Plant Crist, Scholz, Smith, and Daniel	62,158	62,017	61,909	61,989	62,354	62,529	62,549	62,568	62,722	63,444	63,992	64,066	752,297	0	752,297
	.6 Sub. Contam. Mobile Groundwater Treat. Sys.	9,489	9,471	9,453	9,435	9,417	9,399	9,381	9,363	9,344	9,326	9,308	9,290	112,676	104,008	8,668
	.7 Raw Water Well Flowmeters - Crist & Smith	2,737	2,730	2,723	2,716	2,709	2,702	2,695	2,688	2,681	2,674	2,667	2,660	32,382	29,891	2,491
	.8 Crist Cooling Tower Cell	8,166	8,136	8,107	8,076	8,047	8,016	7,988	7,957	7,929	7,898	7,867	7,838	96,025	88,638	7,387
	.9 Crist 1-5 Dechlorination	2,898	2,889	2,879	2,869	2,860	2,851	2,842	2,832	2,823	2,814	2,804	2,795	34,156	31,529	2,627
	.10 Crist Diesel Fuel Oil Remediation	702	700	698	696	694	692	690	687	686	683	681	679	8,288	7,650	638
	.11 Crist Bulk Tanker Unload Sec Contain Struc	964	961	958	955	952	949	945	942	939	936	933	930	11,364	10,490	874
	.12 Crist IWW Sampling System	563	561	560	557	556	554	552	550	548	547	545	543	6,636	6,126	510
	.13 Smith Sodium Injection System	1,131	1,129	1,125	1,123	1,120	1,117	1,115	1,112	1,110	1,106	1,103	1,101	13,392	0	13,392
	.14 Smith Stormwater Collection System	26,286	26,213	26,141	26,069	25,997	25,924	25,852	25,780	25,708	25,636	25,563	25,492	310,661	286,764	23,897
	.15 Smith Waste Water Treatment Facility	3,154	3,148	3,143	3,137	3,131	3,125	3,120	3,114	3,108	3,102	3,097	3,091	37,470	34,587	2,883
	.16 Daniel Ash Management Project	153,099	152,774	152,462	152,150	151,852	151,553	151,236	150,920	151,683	153,531	155,368	156,612	1,833,240	1,692,219	141,020
	.17 Smith Water Conservation	537	535	818	1,546	1,991	1,986	1,982	1,977	1,973	1,969	1,964	1,960	19,238	17,759	1,479
	.18 Underground Fuel Tank Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	.19 Crist DEP Project	478,270	477,089	475,906	926,103	1,375,205	1,371,839	1,368,473	1,365,106	1,361,739	1,358,373	1,473,979	1,589,299	13,621,381	0	13,621,381
	.20 Crist Stormwater Collection System	3,164	3,156	3,149	3,141	3,133	3,126	3,118	3,110	3,102	3,095	3,087	3,079	37,460	34,579	2,881
	.21 Crist Common FTIR	755	752	751	750	747	746	743	742	740	738	737	734	8,935	0	8,935
	.22 Precipitator Upgrades for CAM Compliance	39,512	40,219	40,940	41,684	72,683	103,199	102,978	102,759	102,538	102,318	102,097	101,878	952,805	0	952,805
	.23 SO2 Allowances	6,261	6,335	6,410	6,483	6,556	6,628	6,701	6,772	6,845	6,919	6,993	7,066	79,969	0	79,969
2	Total Investment Projects - Recoverable Costs	1,221,596	1,219,504	1,217,759	1,668,048	2,147,511	2,173,384	2,168,347	2,163,305	2,159,484	2,157,314	2,270,200	2,381,779	22,948,231	2,344,240	20,603,990
3	Recoverable Costs Allocated to Energy	1,026,126	1,024,482	1,022,906	1,472,959	1,952,428	1,978,728	1,974,131	1,969,532	1,965,155	1,961,427	2,072,768	2,183,348	20,603,990		
4	Recoverable Costs Allocated to Demand	195,469	195,022	194,853	195,089	195,083	194,656	194,216	193,772	194,329	195,886	197,433	198,432	2,344,240		
5	Retail Energy Jurisdictional Factor	0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299			
6	Retail Demand Jurisdictional Factor	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872			
7	Jurisdictional Energy Recoverable Costs (A)	989,756	991,174	988,290	1,425,830	1,893,198	1,919,962	1,912,081	1,906,826	1,899,703	1,896,271	1,999,648	2,106,505	19,929,244		
8	Jurisdictional Demand Recoverable Costs (B)	188,918	188,486	188,323	188,551	188,545	188,133	187,707	187,278	187,816	189,321	190,816	191,782	2,265,676		
9	Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	1,178,674	1,179,660	1,176,613	1,614,381	2,081,743	2,108,095	2,099,788	2,094,104	2,087,519	2,085,592	2,190,464	2,298,287	22,194,920		

Notes:

(A) Each project's Total System Recoverable Expenses on Schedule 4P, Line 9
(B) Line 3 x Line 5 x 1.0007 line loss multiplier
(C) Line 4 x Line 6

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2005 - December 2005

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	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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)	(255,904)	(258,108)	(260,312)	(262,516)	(264,720)	(266,924)	(269,128)	(271,332)	(273,536)	(275,740)	(277,944)	(280,148)	(282,352)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	72,793	70,589	68,385	66,181	63,977	61,773	59,569	57,365	55,161	52,957	50,753	48,549	46,345	
6	Average Net Investment		71,691	69,487	67,283	65,079	62,875	60,671	58,467	56,263	54,059	51,855	49,651	47,447	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		527	511	494	478	462	446	430	413	397	381	365	349	5,253
	b Debt Component (Line 6 x 2.5042% x 1/12)		150	145	140	136	131	127	122	117	113	108	104	99	1,492
8	Investment Expenses														
	a Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Amortization (F)		2,204	2,204	2,204	2,204	2,204	2,204	2,204	2,204	2,204	2,204	2,204	2,204	26,448
	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)		2,881	2,860	2,838	2,818	2,797	2,777	2,756	2,734	2,714	2,693	2,673	2,652	33,193
	a Recoverable Costs Allocated to Energy		2,881	2,860	2,838	2,818	2,797	2,777	2,756	2,734	2,714	2,693	2,673	2,652	33,193
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		2,779	2,767	2,742	2,728	2,712	2,695	2,669	2,647	2,624	2,604	2,579	2,559	32,105
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		2,779	2,767	2,742	2,728	2,712	2,695	2,669	2,647	2,624	2,604	2,579	2,559	32,105

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) N/A
(F) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	13,911,401	13,911,401	13,911,401	13,911,401	13,911,401	13,911,401	13,911,401	13,911,401	13,911,401	13,911,401	13,911,401	13,911,401	13,911,401	
3	Less: Accumulated Depreciation (C)	1,712,438	1,652,336	1,592,234	1,532,131	1,472,029	1,411,927	1,351,824	1,291,722	1,231,620	1,171,518	1,111,415	1,051,313	991,210	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	15,623,839	15,563,737	15,503,635	15,443,532	15,383,430	15,323,328	15,263,225	15,203,123	15,143,021	15,082,919	15,022,816	14,962,714	14,902,611	
6	Average Net Investment		15,593,788	15,533,686	15,473,584	15,413,481	15,353,379	15,293,277	15,233,174	15,173,072	15,112,970	15,052,868	14,992,765	14,932,663	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		114,568	114,126	113,684	113,243	112,801	112,360	111,918	111,477	111,035	110,593	110,152	109,710	1,345,667
	b Debt Component (Line 6 x 2.5042% x 1/12)		32,544	32,419	32,293	32,168	32,043	31,917	31,792	31,666	31,541	31,415	31,290	31,164	382,252
8	Investment Expenses														
	a Depreciation (E)		45,212	45,212	45,212	45,212	45,212	45,212	45,212	45,212	45,212	45,212	45,212	45,212	542,544
	b Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Dismantlement		14,890	14,890	14,891	14,890	14,890	14,891	14,890	14,890	14,890	14,891	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)		207,214	206,647	206,080	205,513	204,946	204,380	203,812	203,245	202,678	202,111	201,544	200,977	2,449,147
	a Recoverable Costs Allocated to Energy		207,214	206,647	206,080	205,513	204,946	204,380	203,812	203,245	202,678	202,111	201,544	200,977	2,449,147
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		199,869	199,929	199,106	198,937	198,729	198,310	197,406	196,774	195,928	195,397	194,434	193,904	2,368,723
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		199,869	199,929	199,106	198,937	198,729	198,310	197,406	196,774	195,928	195,397	194,434	193,904	2,368,723

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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)	(878,156)	(885,495)	(892,835)	(900,174)	(907,514)	(914,853)	(922,193)	(929,532)	(936,872)	(944,211)	(951,551)	(958,890)	(966,230)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	1,301,089	1,293,750	1,286,410	1,279,071	1,271,731	1,264,392	1,257,052	1,249,713	1,242,373	1,235,034	1,227,694	1,220,355	1,213,015	
6	Average Net Investment		1,297,420	1,290,080	1,282,741	1,275,401	1,268,062	1,260,722	1,253,383	1,246,043	1,238,704	1,231,364	1,224,025	1,216,685	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		9,532	9,478	9,424	9,370	9,316	9,263	9,209	9,155	9,101	9,047	8,993	8,939	110,827
	b Debt Component (Line 6 x 2.5042% x 1/12)		2,708	2,692	2,677	2,662	2,646	2,631	2,616	2,600	2,585	2,570	2,555	2,539	31,481
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)		19,579	19,510	19,440	19,372	19,301	19,234	19,164	19,095	19,025	18,957	18,887	18,818	230,382
	a Recoverable Costs Allocated to Energy		19,579	19,510	19,440	19,372	19,301	19,234	19,164	19,095	19,025	18,957	18,887	18,818	230,382
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		18,885	18,876	18,782	18,752	18,715	18,663	18,562	18,487	18,391	18,327	18,221	18,156	222,817
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		18,885	18,876	18,782	18,752	18,715	18,663	18,562	18,487	18,391	18,327	18,221	18,156	222,817

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005
Return on Capital Investments, Depreciation and Taxes
For Project: Low Nox Burners, Crist 6 & 7
P.E.s 1234, 1236, & 1242
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	c Retirements		0	0	0	0	0	0	0	0	0	0	2,700,000	0	
	d Cost of Removal		0	0	0	0	0	0	0	0	0	0	200,000	0	
	e Salvage		0	0	0	0	0	0	0	0	0	0	65,000	0	
2	Plant-in-Service/Depreciation Base (B)	13,159,921	13,159,921	13,159,921	13,159,921	13,159,921	13,159,921	13,159,921	13,159,921	13,159,921	13,159,921	13,159,921	10,459,921	10,459,921	
3	Less: Accumulated Depreciation (C)	2,687,852	2,645,082	2,602,312	2,559,542	2,516,772	2,474,002	2,431,232	2,388,462	2,345,692	2,302,922	2,260,152	5,056,770	5,022,775	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	15,847,773	15,805,003	15,762,233	15,719,463	15,676,693	15,633,923	15,591,153	15,548,383	15,505,613	15,462,843	15,420,073	15,516,691	15,482,696	
6	Average Net Investment		15,826,388	15,783,618	15,740,848	15,698,078	15,655,308	15,612,538	15,569,768	15,526,998	15,484,228	15,441,458	15,468,382	15,499,694	
7	**Return on Average Net Investment**														
	a Equity Component Grossed Up For Taxes (D)		116,276	115,962	115,648	115,334	115,020	114,705	114,391	114,077	113,763	113,448	113,646	113,876	1,376,146
	b Debt Component (Line 6 x 2.5042% x 1/12)		33,030	32,940	32,851	32,762	32,673	32,583	32,494	32,405	32,316	32,226	32,283	32,348	390,911
8	Investment Expenses														
	a Depreciation (E)		42,770	42,770	42,770	42,770	42,770	42,770	42,770	42,770	42,770	42,770	38,382	33,995	500,077
	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)		192,076	191,672	191,269	190,866	190,463	190,058	189,655	189,252	188,849	188,444	184,311	180,219	2,267,134
	a Recoverable Costs Allocated to Energy		192,076	191,672	191,269	190,866	190,463	190,058	189,655	189,252	188,849	188,444	184,311	180,219	2,267,134
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		185,268	185,440	184,796	184,759	184,685	184,414	183,694	183,227	182,559	182,184	177,809	173,876	2,192,711
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		185,268	185,440	184,796	184,759	184,685	184,414	183,694	183,227	182,559	182,184	177,809	173,876	2,192,711

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: CEMs- Plant Crist, Scholz, Smith, and Daniel
P.E.s 1154, 1164, 1217, 1240, 1245, 1286, 1289, 1290, 1311, 1316, 1323, 1324, 1325, 1330, 1440, 1441, 1442, 1454, 1459, 1460, 1558, 1570
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		0	0	0	40,000	40,000	0	27,510	0	35,233	100,000	20,000	20,000	
	b Clearings to Plant		0	0	0	0	80,000	0	0	0	84,602	80,000	0	0	
	c Retirements		20,000	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)	3,937,842	3,917,842	3,917,842	3,917,842	3,917,842	3,997,842	3,997,842	3,997,842	3,997,842	4,082,444	4,162,444	4,162,444	4,162,444	
3	Less: Accumulated Depreciation (C)	1,262,697	1,271,170	1,259,675	1,248,180	1,236,685	1,225,093	1,213,405	1,201,717	1,190,029	1,178,242	1,166,260	1,154,182	1,142,104	
4	CWIP - Non Interest Bearing	41,859	41,859	41,859	41,859	81,859	41,859	41,859	69,369	69,369	20,000	40,000	60,000	80,000	
5	Net Investment (Lines 2 - 3 + 4)	5,242,398	5,230,871	5,219,376	5,207,881	5,236,386	5,264,794	5,253,106	5,268,928	5,257,240	5,280,686	5,368,704	5,376,626	5,384,548	
6	Average Net Investment		5,236,635	5,225,124	5,213,629	5,222,134	5,250,590	5,258,950	5,261,017	5,263,084	5,268,963	5,324,695	5,372,665	5,380,587	
7	**Return on Average Net Investment**														
	a Equity Component Grossed Up For Taxes (D)		38,474	38,389	38,305	38,367	38,576	38,638	38,653	38,668	38,711	39,121	39,473	39,531	464,906
	b Debt Component (Line 6 x 2.5042% x 1/12)		10,929	10,905	10,881	10,899	10,958	10,975	10,980	10,984	10,996	11,113	11,213	11,229	132,062
8	Investment Expenses														
	a Depreciation (E)		11,527	11,495	11,495	11,495	11,592	11,688	11,688	11,688	11,787	11,982	12,078	12,078	140,593
	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**		**1,228**	**1,228**	**1,228**	**1,228**	**1,228**	**1,228**	**1,228**	**1,228**	**1,228**	**1,228**	**1,228**	**1,228**	**14,736**
	e **Other (G)**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
9	**Total System Recoverable Expenses (Lines 7 + 8)**		**62,158**	**62,017**	**61,909**	**61,989**	**62,354**	**62,529**	**62,549**	**62,568**	**62,722**	**63,444**	**63,992**	**64,066**	**752,297**
	a Recoverable Costs Allocated to Energy		**62,158**	**62,017**	**61,909**	**61,989**	**62,354**	**62,529**	**62,549**	**62,568**	**62,722**	**63,444**	**63,992**	**64,066**	**752,297**
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		59,955	60,001	59,814	60,006	60,462	60,672	60,583	60,576	60,633	61,336	61,735	61,811	727,584
13	**Retail Demand-Related Recoverable Costs (I)**		**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
14	Total Juris. Recoverable Costs (Lines 12 + 13)		59,955	60,001	59,814	60,006	60,462	60,672	60,583	60,576	60,633	61,336	61,735	61,811	727,584

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Beginning Balances: Crist, $2,322,037; Scholz $486,599; Smith $685,842; Daniel $533,363. Ending Balances: Crist, $2,232,037; Scholz $646,599; Smith $685,842; Daniel $617,965
(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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 (C)	(125,270)	(127,182)	(129,094)	(131,006)	(132,918)	(134,830)	(136,742)	(138,654)	(140,566)	(142,478)	(144,390)	(146,302)	(148,214)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	804,124	802,212	800,300	798,388	796,476	794,564	792,652	790,740	788,828	786,916	785,004	783,092	781,180	
6	Average Net Investment		803,168	801,256	799,344	797,432	795,520	793,608	791,696	789,784	787,872	785,960	784,048	782,136	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		5,901	5,887	5,873	5,859	5,845	5,831	5,817	5,803	5,788	5,774	5,760	5,746	69,884
	b Debt Component (Line 6 x 2.5042% x 1/12)		1,676	1,672	1,668	1,664	1,660	1,656	1,652	1,648	1,644	1,640	1,636	1,632	19,848
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	1,912	22,944
	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
9	Total System Recoverable Expenses (Lines 7 + 8)		9,489	9,471	9,453	9,435	9,417	9,399	9,381	9,363	9,344	9,326	9,308	9,290	112,676
	a Recoverable Costs Allocated to Energy		730	729	727	726	724	723	722	720	719	717	716	715	8,668
	b Recoverable Costs Allocated to Demand		8,759	8,742	8,726	8,709	8,693	8,676	8,659	8,643	8,625	8,609	8,592	8,575	104,008
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		704	705	702	703	702	702	699	697	695	693	691	690	8,383
13	Retail Demand-Related Recoverable Costs (I)		8,465	8,449	8,434	8,417	8,402	8,385	8,369	8,353	8,336	8,320	8,304	8,288	100,522
14	Total Juris. Recoverable Costs (Lines 12 + 13)		9,169	9,154	9,136	9,120	9,104	9,087	9,068	9,050	9,031	9,013	8,995	8,978	108,905

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Part of PE 1007 is depreciable at 2.5% annually. PEs 3400 and 3412 are depreciable at 2.5% annually.
(F) Any property that is amortized uses a 7 year amortization period. The balance of PE 1007 is amortized.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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)	(31,209)	(31,952)	(32,695)	(33,438)	(34,181)	(34,924)	(35,667)	(36,410)	(37,153)	(37,896)	(38,639)	(39,382)	(40,125)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	211,734	210,991	210,248	209,505	208,762	208,019	207,276	206,533	205,790	205,047	204,304	203,561	202,818	
6	Average Net Investment		211,363	210,620	209,877	209,134	208,391	207,648	206,905	206,162	205,419	204,676	203,933	203,190	
7	**Return on Average Net** Investment														
	a Equity Component Grossed Up For Taxes (D)		1,553	1,547	1,542	1,537	1,531	1,526	1,520	1,515	1,509	1,504	1,498	1,493	18,275
	b Debt Component (Line 6 x 2.5042% x 1/12)		441	440	438	436	435	433	432	430	429	427	426	424	5,191
8	Investment Expenses														
	a Depreciation (E)		743	743	743	743	743	743	743	743	743	743	743	743	8,916
	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)		2,737	2,730	2,723	2,716	2,709	2,702	2,695	2,688	2,681	2,674	2,667	2,660	32,382
	a Recoverable Costs Allocated to Energy		211	210	209	209	208	208	207	207	206	206	205	205	2,491
	b Recoverable Costs Allocated to Demand		2,526	2,520	2,514	2,507	2,501	2,494	2,488	2,481	2,475	2,468	2,462	2,455	29,891
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		204	203	202	202	202	202	200	200	199	199	198	198	2,409
13	Retail Demand-Related Recoverable Costs (I)		2,441	2,436	2,430	2,423	2,417	2,410	2,405	2,398	2,392	2,385	2,379	2,373	28,889
14	Total Juris. Recoverable Costs (Lines 12 + 13)		2,645	2,639	2,632	2,625	2,619	2,612	2,605	2,598	2,591	2,584	2,577	2,571	31,298

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Beginning Balances: Crist, $149,921; Smith $93,023. Ending Balances: Crist, $149,921; 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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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 (C)	(373,587)	(376,739)	(379,890)	(383,042)	(386,193)	(389,345)	(392,496)	(395,648)	(398,799)	(401,951)	(405,102)	(408,253)	(411,404)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	533,072	529,920	526,769	523,617	520,466	517,314	514,163	511,011	507,860	504,708	501,557	498,406	495,255	
6	Average Net Investment		531,496	528,345	525,193	522,042	518,890	515,739	512,587	509,436	506,284	503,133	499,982	496,831	
7	**Return on Average Net Investment**														
	a Equity Component Grossed Up For Taxes (D)		3,905	3,882	3,859	3,835	3,812	3,789	3,766	3,743	3,720	3,697	3,673	3,650	45,331
	b Debt Component (Line 6 x 2.5042% x 1/12)		1,109	1,103	1,096	1,090	1,083	1,076	1,070	1,063	1,057	1,050	1,043	1,037	12,877
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	2,947	2,947	35,364
	b Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
	c Dismantlement		**205**	**204**	**205**	**204**	**205**	**204**	**205**	**204**	**205**	**204**	**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)		8,166	8,136	8,107	8,076	8,047	8,016	7,988	7,957	7,929	7,898	7,867	7,838	96,025
	a Recoverable Costs Allocated to Energy		628	626	624	621	619	617	614	612	610	608	605	603	7,387
	b Recoverable Costs Allocated to Demand		**7,538**	**7,510**	**7,483**	**7,455**	**7,428**	**7,399**	**7,374**	**7,345**	**7,319**	**7,290**	**7,262**	**7,235**	88,638
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		606	606	603	601	600	599	595	593	590	588	584	582	7,147
13	Retail Demand-Related Recoverable Costs (I)		7,285	7,258	7,232	7,205	7,179	7,151	7,127	7,099	7,074	7,046	7,019	6,993	85,668
14	Total Juris. Recoverable Costs (Lines 12 + 13)		**7,891**	**7,864**	**7,835**	**7,806**	**7,779**	**7,750**	**7,722**	7,692	7,664	7,634	7,603	7,575	92,815

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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)	(102,801)	(103,793)	(104,785)	(105,777)	(106,769)	(107,761)	(108,753)	(109,745)	(110,737)	(111,729)	(112,721)	(113,713)	(114,705)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	202,522	201,530	200,538	199,546	198,554	197,562	196,570	195,578	194,586	193,594	192,602	191,610	190,618	
6	Average Net Investment		202,026	201,034	200,042	199,050	198,058	197,066	196,074	195,082	194,090	193,098	192,106	191,114	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		1,484	1,477	1,470	1,462	1,455	1,448	1,441	1,433	1,426	1,419	1,411	1,404	17,330
	b Debt Component (Line 6 x 2.5042% x 1/12)		422	420	417	415	413	411	409	407	405	403	401	399	4,922
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)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		2,898	2,889	2,879	2,869	2,860	2,851	2,842	2,832	2,823	2,814	2,804	2,795	34,156
	a Recoverable Costs Allocated to Energy		223	222	221	221	220	219	219	218	217	216	216	215	2,627
	b Recoverable Costs Allocated to Demand		2,675	2,667	2,658	2,648	2,640	2,632	2,623	2,614	2,606	2,598	2,588	2,580	31,529
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		215	215	214	214	213	212	212	211	210	209	208	207	2,540
13	Retail Demand-Related Recoverable Costs (I)		2,585	2,578	2,569	2,559	2,552	2,544	2,535	2,526	2,519	2,511	2,501	2,494	30,473
14	Total Juris. Recoverable Costs (Lines 12 + 13)		2,800	2,793	2,783	2,773	2,765	2,756	2,747	2,737	2,729	2,720	2,709	2,701	33,013

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	67,955	67,955	67,955	67,955	67,955	67,955	67,955	67,955	67,955	67,955	67,955	67,955	67,955	
3	Less: Accumulated Depreciation (C)	(16,841)	(17,062)	(17,283)	(17,504)	(17,725)	(17,946)	(18,167)	(18,388)	(18,609)	(18,830)	(19,051)	(19,272)	(19,493)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	51,114	50,893	50,672	50,451	50,230	50,009	49,788	49,567	49,346	49,125	48,904	48,683	48,462	
6	Average Net Investment		51,004	50,783	50,562	50,341	50,120	49,899	49,678	49,457	49,236	49,015	48,794	48,573	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		375	373	371	370	368	367	365	363	362	360	358	357	4,389
	b Debt Component (Line 6 x 2.5042% x 1/12)		106	106	106	105	105	104	104	103	103	102	102	101	1,247
8	Investment Expenses														
	a Depreciation (E)		221	221	221	221	221	221	221	221	221	221	221	221	2,652
	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)		702	700	698	696	694	692	690	687	686	683	681	679	8,288
	a Recoverable Costs Allocated to Energy		54	54	54	54	53	53	53	53	53	53	52	52	638
	b Recoverable Costs Allocated to Demand		648	646	644	642	641	639	637	634	633	630	629	627	7,650
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		52	52	52	52	51	51	51	51	51	51	50	50	614
13	Retail Demand-Related Recoverable Costs (I)		626	624	622	620	620	618	616	613	612	609	608	606	7,394
14	Total Juris. Recoverable Costs (Lines 12 + 13)		678	676	674	672	671	669	667	664	663	660	658	656	8,008

(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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	
3	Less: Accumulated Depreciation (C)	(34,112)	(34,442)	(34,772)	(35,102)	(35,432)	(35,762)	(36,092)	(36,422)	(36,752)	(37,082)	(37,412)	(37,742)	(38,072)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	67,383	67,053	66,723	66,393	66,063	65,733	65,403	65,073	64,743	64,413	64,083	63,753	63,423	
6	Average Net Investment		67,218	66,888	66,558	66,228	65,898	65,568	65,238	64,908	64,578	64,248	63,918	63,588	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		494	491	489	487	484	482	479	477	474	472	470	467	5,766
	b Debt Component (Line 6 x 2.5042% x 1/12)		140	140	139	138	138	137	136	135	135	134	133	133	1,638
8	Investment Expenses														
	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
9	Total System Recoverable Expenses (Lines 7 + 8)		964	961	958	955	952	949	945	942	939	936	933	930	11,364
	a Recoverable Costs Allocated to Energy		74	74	74	73	73	73	73	72	72	72	72	72	874
	b Recoverable Costs Allocated to Demand		890	887	884	882	879	876	872	870	867	864	861	858	10,490
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		71	72	71	71	71	71	71	70	70	70	69	69	846
13	Retail Demand-Related Recoverable Costs (I)		860	857	854	852	850	847	843	841	838	835	832	829	10,138
14	Total Juris. Recoverable Costs (Lines 12 + 13)		931	929	925	923	921	918	914	911	908	905	901	898	10,984

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005
Return on Capital Investments, Depreciation and Taxes
For Project: Crist IWW Sampling System
P.E. 1275
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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)	(20,334)	(20,528)	(20,722)	(20,916)	(21,110)	(21,304)	(21,498)	(21,692)	(21,886)	(22,080)	(22,274)	(22,468)	(22,662)	
4	**CWIP - Non Interest Bearing**	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	39,209	39,015	38,821	38,627	38,433	38,239	38,045	37,851	37,657	37,463	37,269	37,075	36,881	
6	Average Net Investment		39,112	38,918	38,724	38,530	38,336	38,142	37,948	37,754	37,560	37,366	37,172	36,978	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		287	286	285	283	282	280	279	277	276	275	273	272	3,355
	b Debt Component (Line 6 x 2.5042% x 1/12)		82	81	81	80	80	80	79	79	78	78	78	77	953
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)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		563	561	560	557	556	554	552	550	548	547	545	543	6,636
	a Recoverable Costs Allocated to Energy		43	43	43	43	43	43	42	42	42	42	42	42	510
	b Recoverable Costs Allocated to Demand		520	518	517	514	513	511	510	508	506	505	503	501	6,126
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		41	42	42	42	42	42	41	41	41	41	41	41	497
13	Retail Demand-Related Recoverable Costs (I)		503	501	500	497	496	494	493	491	489	488	486	484	5,922
14	Total Juris. Recoverable Costs (Lines 12 + 13)		544	543	542	539	538	536	534	532	530	529	527	525	6,419

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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 (C)	(17,504)	(17,797)	(18,090)	(18,383)	(18,676)	(18,969)	(19,262)	(19,555)	(19,848)	(20,141)	(20,434)	(20,727)	(21,020)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	88,993	88,700	88,407	88,114	87,821	87,528	87,235	86,942	86,649	86,356	86,063	85,770	85,477	
6	Average Net Investment		88,847	88,554	88,261	87,968	87,675	87,382	87,089	86,796	86,503	86,210	85,917	85,624	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		653	651	648	646	644	642	640	638	636	633	631	629	7,691
	b Debt Component (Line 6 x 2.5042% x 1/12)		185	185	184	184	183	182	182	181	181	180	179	179	2,185
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)		1,131	1,129	1,125	1,123	1,120	1,117	1,115	1,112	1,110	1,106	1,103	1,101	13,392
	a Recoverable Costs Allocated to Energy		1,131	1,129	1,125	1,123	1,120	1,117	1,115	1,112	1,110	1,106	1,103	1,101	13,392
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		1,091	1,092	1,087	1,087	1,086	1,084	1,080	1,077	1,073	1,069	1,064	1,062	12,952
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		1,091	1,092	1,087	1,087	1,086	1,084	1,080	1,077	1,073	1,069	1,064	1,062	12,952

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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)	(803,610)	(811,262)	(818,914)	(826,566)	(834,218)	(841,870)	(849,522)	(857,174)	(864,826)	(872,478)	(880,130)	(887,782)	(895,434)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	1,978,990	1,971,338	1,963,686	1,956,034	1,948,382	1,940,730	1,933,078	1,925,426	1,917,774	1,910,122	1,902,470	1,894,818	1,887,166	
6	Average Net Investment		1,975,164	1,967,512	1,959,860	1,952,208	1,944,556	1,936,904	1,929,252	1,921,600	1,913,948	1,906,296	1,898,644	1,890,992	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		14,512	14,455	14,399	14,343	14,287	14,230	14,174	14,118	14,062	14,006	13,949	13,893	170,428
	b Debt Component (Line 6 x 2.5042% x 1/12)		4,122	4,106	4,090	4,074	4,058	4,042	4,026	4,010	3,994	3,978	3,962	3,947	48,409
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)		26,286	26,213	26,141	26,069	25,997	25,924	25,852	25,780	25,708	25,636	25,563	25,492	310,661
	a Recoverable Costs Allocated to Energy		2,022	2,016	2,011	2,005	2,000	1,994	1,989	1,983	1,978	1,972	1,966	1,961	23,897
	b Recoverable Costs Allocated to Demand		24,264	24,197	24,130	24,064	23,997	23,930	23,863	23,797	23,730	23,664	23,597	23,531	286,764
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		1,950	1,950	1,943	1,941	1,939	1,935	1,926	1,920	1,912	1,906	1,897	1,892	23,111
13	Retail Demand-Related Recoverable Costs (I)		23,451	23,386	23,321	23,258	23,193	23,128	23,063	22,999	22,935	22,871	22,806	22,742	277,153
14	Total Juris. Recoverable Costs (Lines 12 + 13)		25,401	25,336	25,264	25,199	25,132	25,063	24,989	24,919	24,847	24,777	24,703	24,634	300,264

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	0 0 0
1	Investments (A)														
	a Expenditures/Additions			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
	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)	220,826	220,826	220,826	220,826	220,826	220,826	220,826	220,826	220,826	220,826	220,826	220,826	220,826	0
3	Less: Accumulated Depreciation (C)	49,453	48,846	48,239	47,632	47,025	46,418	45,811	45,204	44,597	43,990	43,383	42,776	42,169	0
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)	270,279	269,672	269,065	268,458	267,851	267,244	266,637	266,030	265,423	264,816	264,209	263,602	262,995	0
6	Average Net Investment		269,976	269,369	268,762	268,155	267,548	266,941	266,334	265,727	265,120	264,513	263,906	263,299	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		1,984	1,979	1,975	1,970	1,966	1,961	1,957	1,952	1,948	1,943	1,939	1,934	23,508
	b Debt Component (Line 6 x 2.5042% x 1/12)		563	562	561	560	558	557	556	555	553	552	551	550	6,678
8	Investment Expenses														
	a Depreciation (E)		607	607	607	607	607	607	607	607	607	607	607	607	7,284
	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
9	Total System Recoverable Expenses (Lines 7 + 8)		3,154	3,148	3,143	3,137	3,131	3,125	3,120	3,114	3,108	3,102	3,097	3,091	37,470
	a Recoverable Costs Allocated to Energy		243	242	242	241	241	240	240	240	239	239	238	238	2,883
	b Recoverable Costs Allocated to Demand		2,911	2,906	2,901	2,896	2,890	2,885	2,880	2,874	2,869	2,863	2,859	2,853	34,587
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		234	234	234	233	234	233	232	232	231	231	230	230	2,788
13	Retail Demand-Related Recoverable Costs (I)		2,813	2,809	2,804	2,799	2,793	2,788	2,783	2,778	2,773	2,767	2,763	2,757	33,427
14	Total Juris. Recoverable Costs (Lines 12 + 13)		3,047	3,043	3,038	3,032	3,027	3,021	3,015	3,010	3,004	2,998	2,993	2,987	36,215

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005
Return on Capital Investments, Depreciation and Taxes
For Project: Daniel Ash Management Project
P.E. 1535 and 1555
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		5,562	7,723	8,034	7,722	11,081	7,492	7,331	7,723	236,146	237,497	233,956	82,229	
	b Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	120,728	
	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)	13,363,197	13,363,197	13,363,197	13,363,197	13,363,197	13,363,197	13,363,197	13,363,197	13,363,197	13,363,197	13,363,197	13,363,197	13,483,925	
3	Less: Accumulated Depreciation (C)	(4,306,295)	(4,347,295)	(4,388,295)	(4,429,295)	(4,470,295)	(4,511,295)	(4,552,295)	(4,593,295)	(4,634,295)	(4,675,295)	(4,716,295)	(4,757,295)	(4,798,435)	
4	CWIP - Non Interest Bearing	95,538	101,100	108,823	116,857	124,579	135,660	143,152	150,483	158,206	394,352	631,849	865,805	827,306	
5	Net Investment (Lines 2 - 3 + 4)	9,152,440	9,117,002	9,083,725	9,050,759	9,017,481	8,987,562	8,954,054	8,920,385	8,887,108	9,082,254	9,278,751	9,471,707	9,512,796	
6	Average Net Investment		9,134,721	9,100,364	9,067,242	9,034,120	9,002,522	8,970,808	8,937,220	8,903,747	8,984,681	9,180,503	9,375,229	9,492,252	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		67,113	66,860	66,617	66,374	66,142	65,909	65,662	65,416	66,010	67,449	68,880	69,740	802,172
	b Debt Component (Line 6 x 2.5042% x 1/12)		19,064	18,992	18,923	18,854	18,788	18,722	18,652	18,582	18,751	19,160	19,566	19,810	227,864
8	Investment Expenses														
	a Depreciation (E)		31,177	31,177	31,177	31,177	31,177	31,177	31,177	31,177	31,177	31,177	31,177	31,317	374,264
	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		25,922	25,922	25,922	25,922	25,922	25,922	25,922	25,922	25,922	25,922	25,922	25,922	311,064
	e Other (G)														
9	Total System Recoverable Expenses (Lines 7 + 8)		153,099	152,774	152,462	152,150	151,852	151,553	151,236	150,920	151,683	153,531	155,368	156,612	1,833,240
	a Recoverable Costs Allocated to Energy		11,777	11,752	11,728	11,704	11,681	11,658	11,634	11,609	11,668	11,810	11,952	12,047	141,020
	b Recoverable Costs Allocated to Demand		141,321	141,022	140,734	140,446	140,171	139,895	139,602	139,310	140,015	141,720	143,417	144,566	1,692,219
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		11,360	11,370	11,331	11,330	11,327	11,312	11,268	11,239	11,279	11,418	11,530	11,623	136,387
13	Retail Demand-Related Recoverable Costs (I)		136,585	136,296	136,018	135,739	135,473	135,207	134,924	134,641	135,323	136,971	138,611	139,721	1,635,509
14	Total Juris. Recoverable Costs (Lines 12 + 13)		147,945	147,666	147,349	147,069	146,800	146,519	146,192	145,880	146,602	148,389	150,141	151,344	1,771,896

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Smith Water Conservation
P.E. 1620, 1638
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	0 0 0
1	Investments (A)														
	a Expenditures/Additions		0	0	60,000	60,000	0	0	0	0	0	0	0	0	
	b Clearings to Plant		0	0	0	120,000	0	0	0	0	0	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)	47,906	47,906	47,906	47,906	167,906	167,906	167,906	167,906	167,906	167,906	167,906	167,906	167,906	
3	Less: Accumulated Depreciation (C)	(4,943)	(5,075)	(5,207)	(5,339)	(5,636)	(6,098)	(6,560)	(7,022)	(7,484)	(7,946)	(8,408)	(8,870)	(9,332)	
4	**CWIP - Non Interest Bearing**	**0**	**0**	**0**	**60,000**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	
5	Net Investment (Lines 2 - 3 + 4)	42,963	42,831	42,699	102,567	162,270	161,808	161,346	160,884	160,422	159,960	159,498	159,036	158,574	
6	Average Net Investment		42,897	42,765	72,633	132,419	162,039	161,577	161,115	160,653	160,191	159,729	159,267	158,805	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		315	314	534	973	1,191	1,187	1,184	1,180	1,177	1,174	1,170	1,167	11,566
	b Debt Component (Line 6 x 2.5042% x 1/12)		90	89	152	276	338	337	336	335	334	333	332	331	3,283
8	Investment Expenses														
	a Depreciation (E)		132	132	132	297	462	462	462	462	462	462	462	462	4,389
	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
9	Total System Recoverable Expenses (Lines 7 + 8)		537	535	818	1,546	1,991	1,986	1,982	1,977	1,973	1,969	1,964	1,960	19,238
	a Recoverable Costs Allocated to Energy		41	41	63	119	153	153	152	152	152	151	151	151	1,479
	b Recoverable Costs Allocated to Demand		496	494	755	1,427	1,838	1,833	1,830	1,825	1,821	1,818	1,813	1,809	17,759
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		40	40	61	115	148	148	147	147	147	146	146	146	1,431
13	Retail Demand-Related Recoverable Costs (I)		**479**	**477**	**730**	**1,379**	**1,776**	**1,772**	**1,769**	**1,764**	**1,760**	**1,757**	**1,752**	**1,748**	**17,163**
14	Total Juris. Recoverable Costs (Lines 12 + 13)		**519**	**517**	**791**	**1,494**	**1,924**	**1,920**	**1,916**	**1,911**	**1,907**	**1,903**	**1,898**	**1,894**	**18,594**

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	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)	(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)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	0	0	0	0	0	0	0	0	0	0	0	0	0	
6	Average Net Investment		0	0	0	0	0	0	0	0	0	0	0	0	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Debt Component (Line 6 x 2.5042% x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
	a Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
	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	
	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	0	0	0	0	0	0
	a Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) N/A
(F) This project was fully amortized as of December 2004.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist FDEP Agreement for Ozone Attainment
P.E. 1199 and P.E. 1287
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
	b Clearings to Plant (J)		0	0	0	71,258,872	0	0	0	0	0	0	18,782,314	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)	38,541,850	38,541,850	38,541,850	38,541,850	109,800,722	109,800,722	109,800,722	109,800,722	109,800,722	109,800,722	109,800,722	128,583,036	128,583,036	
3	Less: Accumulated Depreciation (C)	(1,060,430)	(1,185,691)	(1,310,952)	(1,436,213)	(1,677,270)	(2,034,122)	(2,390,974)	(2,747,826)	(3,104,678)	(3,461,530)	(3,818,382)	(4,205,755)	(4,623,650)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	37,481,420	37,356,159	37,230,898	37,105,637	108,123,452	107,766,600	107,409,748	107,052,896	106,696,044	106,339,192	105,982,340	124,377,281	123,959,386	
6	Average Net Investment		37,418,790	37,293,529	37,168,268	72,614,545	107,945,026	107,588,174	107,231,322	106,874,470	106,517,618	106,160,766	115,179,811	124,168,334	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		274,916	273,996	273,075	533,499	793,072	790,450	787,829	785,207	782,585	779,963	846,226	912,265	7,833,083
	b Debt Component (Line 6 x 2.5042% x 1/12)		78,093	77,832	77,570	151,547	225,281	224,537	223,792	223,047	222,302	221,558	240,380	259,139	2,225,078
8	Investment Expenses														
	a Depreciation (E)		125,261	125,261	125,261	241,057	356,852	356,852	356,852	356,852	356,852	356,852	387,373	417,895	3,563,220
	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)		478,270	477,089	475,906	926,103	1,375,205	1,371,839	1,368,473	1,365,106	1,361,739	1,358,373	1,473,979	1,589,299	13,621,381
	a Recoverable Costs Allocated to Energy		478,270	477,089	475,906	926,103	1,375,205	1,371,839	1,368,473	1,365,106	1,361,739	1,358,373	1,473,979	1,589,299	13,621,381
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		461,318	461,578	459,801	896,471	1,333,486	1,331,097	1,325,460	1,321,644	1,316,385	1,313,249	1,421,982	1,533,363	13,175,834
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		461,318	461,578	459,801	896,471	1,333,486	1,331,097	1,325,460	1,321,644	1,316,385	1,313,249	1,421,982	1,533,363	13,175,834

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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
(J) This project qualifies for AFUDC treatment. As portions of the project are moved to P-I-S, they are included in the ECRC.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist Storm Water Projects - Switchyard & Other Areas
P.E. 1272, 1296
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	250,000	
3	Less: Accumulated Depreciation (C)	(406)	(1,219)	(2,032)	(2,845)	(3,658)	(4,471)	(5,284)	(6,097)	(6,910)	(7,723)	(8,536)	(9,349)	(10,162)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	249,594	248,781	247,968	247,155	246,342	245,529	244,716	243,903	243,090	242,277	241,464	240,651	239,838	
6	Average Net Investment		249,188	248,375	247,562	246,749	245,936	245,123	244,310	243,497	242,684	241,871	241,058	240,245	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		1,831	1,825	1,819	1,813	1,807	1,801	1,795	1,789	1,783	1,777	1,771	1,765	21,576
	b Debt Component (Line 6 x 2.5042% x 1/12)		520	518	517	515	513	512	510	508	506	505	503	501	6,128
8	Investment Expenses														
	a Depreciation (E)		813	813	813	813	813	813	813	813	813	813	813	813	9,756
	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)		3,164	3,156	3,149	3,141	3,133	3,126	3,118	3,110	3,102	3,095	3,087	3,079	37,460
	a Recoverable Costs Allocated to Energy		243	243	242	242	241	240	240	239	239	238	237	237	2,881
	b Recoverable Costs Allocated to Demand		2,921	2,913	2,907	2,899	2,892	2,886	2,878	2,871	2,863	2,857	2,850	2,842	34,579
10	Energy Jurisdictional Factor		0.9638810	0.9638810	0.9638810	0.9638810	0.9638810	0.9638810	0.9638810	0.9638810	0.9638810	0.9638810	0.9638810	0.9638810	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		234	234	233	233	232	231	231	231	231	230	229	229	2,778
13	Retail Demand-Related Recoverable Costs (I)		2,823	2,815	2,810	2,802	2,795	2,789	2,782	2,775	2,767	2,761	2,754	2,747	33,420
14	Total Juris. Recoverable Costs (Lines 12 + 13)		3,057	3,049	3,043	3,035	3,027	3,020	3,013	3,006	2,998	2,991	2,983	2,976	36,198

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005

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

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		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	
	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)	60,111	60,111	60,111	60,111	60,111	60,111	60,111	60,111	60,111	60,111	60,111	60,111	60,111	
3	Less: Accumulated Depreciation (C)	(683)	(878)	(1,073)	(1,268)	(1,463)	(1,658)	(1,853)	(2,048)	(2,243)	(2,438)	(2,633)	(2,828)	(3,023)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	59,428	59,233	59,038	58,843	58,648	58,453	58,258	58,063	57,868	57,673	57,478	57,283	57,088	
6	Average Net Investment		59,331	59,136	58,941	58,746	58,551	58,356	58,161	57,966	57,771	57,576	57,381	57,186	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		436	434	433	432	430	429	427	426	424	423	422	420	5,136
	b Debt Component (Line 6 x 2.5042% x 1/12)		124	123	123	123	122	122	121	121	121	120	120	119	1,459
8	Investment Expenses														
	a Depreciation (E)		195	195	195	195	195	195	195	195	195	195	195	195	2,340
	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)		755	752	751	750	747	746	743	742	740	738	737	734	8,935
	a Recoverable Costs Allocated to Energy		755	752	751	750	747	746	743	742	740	738	737	734	8,935
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		728	728	726	726	724	724	720	718	715	713	711	708	8,641
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		728	728	726	726	724	724	720	718	715	713	711	708	8,641

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription and reason for "Other" adjustments to investment expenses for this project.
(H) Line 9a x Line 10 x 1.0007 line loss multiplier

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Precipitator Upgrades for CAM Compliance
P.E. 1462
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Expenditures/Additions		75,337	74,515	78,312	79,336	4,029,987	0	0	0	0	0	0	0	
	b Clearings to Plant		0	0	0	0	8,488,126	0	0	0	0	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	8,488,126	8,488,126	8,488,126	8,488,126	8,488,126	8,488,126	8,488,126	8,488,126	
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	(11,671)	(35,013)	(58,355)	(81,697)	(105,039)	(128,381)	(151,723)	(175,065)	
4	CWIP - Non Interest Bearing	4,150,639	4,225,976	4,300,491	4,378,803	4,458,139	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 - 3 + 4)	4,150,639	4,225,976	4,300,491	4,378,803	4,458,139	8,476,455	8,453,113	8,429,771	8,406,429	8,383,087	8,359,745	8,336,403	8,313,061	
6	Average Net Investment		4,188,308	4,263,234	4,339,647	4,418,471	6,467,297	8,464,784	8,441,442	8,418,100	8,394,758	8,371,416	8,348,074	8,324,732	
7	Return on Average Net Investment														
	a Equity Component Grossed Up For Taxes (D)		30,771	31,322	31,883	32,463	47,515	62,191	62,019	61,848	61,676	61,505	61,333	61,162	605,688
	b Debt Component (Line 6 x 2.5042% x 1/12)		8,741	8,897	9,057	9,221	13,497	17,666	17,617	17,569	17,520	17,471	17,422	17,374	172,052
8	Investment Expenses														
	a Depreciation (E)		0	0	0	0	11,671	23,342	23,342	23,342	23,342	23,342	23,342	23,342	175,065
	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)		39,512	40,219	40,940	41,684	72,683	103,199	102,978	102,759	102,538	102,318	102,097	101,878	952,805
	a Recoverable Costs Allocated to Energy		39,512	40,219	40,940	41,684	72,683	103,199	102,978	102,759	102,538	102,318	102,097	101,878	952,805
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		38,112	38,911	39,555	40,350	70,478	100,134	99,741	99,487	99,123	98,919	98,495	98,292	921,597
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		38,112	38,911	39,555	40,350	70,478	100,134	99,741	99,487	99,123	98,919	98,495	98,292	921,597

Notes:
(A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
(B) Applicable beginning of period and end of period depreciable base by production plant names (s), units, or plant accounts(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) Any property that is amortized uses a 7 year amortization period.
(G) Decription 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 Projected Period Amount
January 2005 - December 2005
Return on Capital Investments, Depreciation and Taxes
For Project: SO2 Allowances

(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
	a Purchases/Transfers		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	
	c Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	
2	Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	
	a FERC 158.1 Allowance Inventory	10,174	9,673	9,326	9,034	8,643	8,094	7,546	6,958	6,371	5,911	5,554	5,226	4,749	
	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	649,707	657,912	666,117	674,322	682,527	690,732	698,937	707,142	715,347	723,552	731,757	739,962	748,168	
3	Total Working Capital Balance	659,881	667,585	675,443	683,356	691,170	698,826	706,483	714,100	721,718	729,463	737,311	745,188	752,917	
4	Average Net Working Capital Balance		663,733	671,514	679,400	687,263	694,998	702,655	710,292	717,909	725,591	733,387	741,250	749,053	
5	Return on Average Net Working Capital Balance														
	a Equity Component Grossed Up For Taxes (A)		4,876	4,934	4,992	5,049	5,106	5,162	5,219	5,274	5,331	5,388	5,446	5,503	62,280
	b Debt Component (Line 6 x 2.5042% x 1/12)		1,385	1,401	1,418	1,434	1,450	1,466	1,482	1,498	1,514	1,531	1,547	1,563	17,689
6	Total Return Component (D)		6,261	6,335	6,410	6,483	6,556	6,628	6,701	6,772	6,845	6,919	6,993	7,066	79,969
7	Expenses:														
	a Gains		(8,205)	(8,205)	(8,205)	(8,205)	(8,205)	(8,205)	(8,205)	(8,205)	(8,205)	(8,205)	(8,205)	(8,206)	(98,461)
	b Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
	c SO2 Allowance Expense		501	347	292	391	549	548	588	587	460	357	328	477	5,425
8	Net Expenses (E)		(7,704)	(7,858)	(7,913)	(7,814)	(7,656)	(7,657)	(7,617)	(7,618)	(7,745)	(7,848)	(7,877)	(7,729)	(93,036)
9	Total System Recoverable Expenses (Lines 6 + 8)		(1,443)	(1,523)	(1,503)	(1,331)	(1,100)	(1,029)	(916)	(846)	(900)	(929)	(884)	(663)	(13,067)
	a Recoverable Costs Allocated to Energy		(1,443)	(1,523)	(1,503)	(1,331)	(1,100)	(1,029)	(916)	(846)	(900)	(929)	(884)	(663)	(13,067)
	b Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9638810	0.9668113	0.9654833	0.9673264	0.9689849	0.9696226	0.9678911	0.9674849	0.9660176	0.9661048	0.9640488	0.9641299	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (B)		(1,392)	(1,473)	(1,452)	(1,288)	(1,067)	(998)	(887)	(819)	(870)	(898)	(853)	(640)	(12,637)
13	**Retail Demand-Related Recoverable Costs (C)**		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		(1,392)	(1,473)	(1,452)	(1,288)	(1,067)	(998)	(887)	(819)	(870)	(898)	(853)	(640)	(12,637)

Notes:
(A) Line 4 x 8.8168% 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 3P
(E) Line 8 is reported on Schedule 2P

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Air Quality Assurance Testing
PE 1006, 1244

Description:
Audit test trailer with associated support equipment to conduct Relative Accuracy Audits (RATAs) on the Continuous Emission Monitoring Systems (CEMs) as required by the 1990 Clean Air Act Amendments.

Accomplishments:
The CEMs system in the RATA test trailer was replaced during the 2002 recovery period and was completed in January 2003. This replacement provides Gulf with the accuracy and reliability needed to accurately measure SO2, NOx, CO2, and opacity and to further maintain compliance with Clean Air Act Amendment requirements.

All RATAs have been performed in a timely and cost-effective manner and provided assurance of CEMs performance.

Project-to-Date: $328,697

Progress Summary: In-Service.

Projections:N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Crist 5, 6 & 7 Precipitator Projects
PE's 1119, 1216, 1243,

Description:
These projects are necessary to improve particulate removal capabilities as a result of burning low sulfur coal. The larger precipitators with increased collection areas improve particulate collection efficiency.

Accomplishments:
No visible emission violations have occurred since installation and opacity has been substantially reduced. The precipitators have functioned successfully in burning low sulfur coal. The upgraded Crist Unit 7 precipitator was placed in service during 2004.

Project-to-Date: $24,440,825

Progress Summary: In-Service.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Crist 7 Flue Gas Conditioning
PE 1228

Description:
Injection of sulfur trioxide into the flue gas to improve particulate removal and improve the collection characteristics of fly ash.

Accomplishments:
System has proven effective in enhanced particulate removal in the precipitator.

Project-to-Date: $2,179,245

Progress Summary: In-Service.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Low NOx Burners, Crist 6 & 7
PE's 1234, 1236, 1242

Description:
These are unique burners installed to decrease the NOx emissions that are formed in the combustion process. This equipment is a requirement of the 1990 Clean Air Act Amendments.

Accomplishments:
System has proven effective in reducing NOx emissions. The low NOx burners on Unit 7 were replaced during 2003-2004 and the Unit 6 burners will be replaced during 2005.

Project-to-Date: $20,928,110

Progress Summary: In-Service.

Projections: $247,657

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: CEMs – Plant Crist, Scholz, Smith, and Daniel
PE's 1154, 1164, 1217, 1240, 1245, 1286, 1289, 1290, 1311, 1316, 1323, 1324, 1325, 1330, 1440, 1441, 1442, 1454, 1459, 1460, 1558, 1570

Description:
This line item includes dilution extraction continuous emission monitors that measure concentrations of sulfur dioxide (SO2), carbon dioxide (CO2) and nitrogen oxides (NOx) in the flue gas. Opacity and flow monitors were also installed under this line item. All monitors were installed pursuant to the 1990 Clean Air Act Amendments.

Accomplishments:
The systems at both Gulf and Mississippi Power continue to successfully exceeded routine quality assurance/quality control (QA/QC) audits as required by the 1990 Clean Air Act Amendments.

Project-to-Date: $6,460,751

Progress Summary:
Crist 4,5,6 and 7 CEMS equipment replacements (gas analyzers, opacity monitors, and common CEMS equipment), Scholz 1 & 2 CEMS analyzer replacements, and Smith 1 gas analyzers and opacity monitor replacements were completed in 2001 and 2002. The Plant Crist Units 6 & 7 flow monitors will be replaced during fourth quarter 2004. The Plant Scholz flow monitor replacement was extended until 2005 to allow more time for advancements in technology before the replacement.

Projections:
Changes to the CEMs project during this projection period will include the replacement of the Plant Crist Units 4&5 CEMs shelter housing, the gas analyzers on Plant Daniel Units 1&2, and the Plant Scholz Units 1&2 flow monitors. The gas analyzers and flow monitors are necessary in order to provide Gulf with the accuracy and reliability needed to accurately measure SO2, NOx, CO2, Opacity, and flow and further maintain compliance with CAAA requirements. Capital expenditures for this project are expected to be approximately $325,000 in the remainder of 2004 and $280,000 in 2005. All of the existing analyzers are approaching the end of their useful life, and will be retired upon replacement.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Substation Contamination Mobile Groundwater Treatment System
PE's 1007, 3400, 3412

Description:
Three groundwater treatment systems were purchased for the treatment of contaminated groundwater at substation sites.

Accomplishments:
Systems have proven effective in groundwater remediation.

Project-to-Date: $929,394

Progress Summary: The three systems are currently in-service and can be relocated to other substation sites after project completion.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Raw Water Flow Meters; Crist and Smith
PE's 1155, 1606

Description:
This capital project is necessary for Gulf to ensure compliance with an environmental requirement that is being made part of the Consumptive Use and Individual Water Use permits issued by the Northwest Florida Water Management District (NWFWMD). This requirement imposes a condition on any permit issued by the NWFWMD that requires the installation and monitoring of in-line totaling water flow meters on all existing and future water supply wells at Gulf facilities. Gulf incurred costs related to the installation and operation of new in-line totaling water flow meters at both Plant Crist and Plant Smith for implementation of this new activity.

Accomplishments:
The raw water flow meters have been installed at both Plant Crist and Plant Smith. The Plant Crist flow meters will need to be replaced within the next two years.

Project-to-Date: $242,943

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Crist Cooling Tower Cell
PE 1232

Description:
Pollution control device which allows condenser cooling water to be continually reinjected into the condenser. The cooling tower function limits water discharge temperatures to meet the National Pollution Discharge Elimination System (NPDES) requirements.

Accomplishments:
The additional cooling tower cell has effectively enhanced temperature discharge compliance limits as required by the SPDES Permit.

Project-to-Date: $906,659

Progress Summary: In-Service.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Crist 1-5 Dechlorination
PE 1248

Description:
State and Federal Pollution Discharge Elimination System permits require significant reductions in chlorine discharge from the plant. This equipment injects sulfur trioxide (SO3) into the cooling water canal to chemically eliminate the residual chlorine present in discharge water.

Accomplishments:
The system has been effective in maintaining chlorine discharge limits.

Project-to-Date: $305,323

Progress Summary: In-Service.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Crist Diesel Fuel Oil Remediation
PE 1270

Description:
Monitoring wells were installed in the vicinity of storage tank systems to determine if groundwater contamination was present. The project proposed the installation of an impervious cap to reduce migration of contaminants to groundwater. FDEP has approved the proposed capping plan and the concrete cap is scheduled to be installed during the second half of 2004.

Accomplishments:

Project-to-Date: $47,955

Progress Summary: Monitor wells are in service. The cap will be installed during the second half 2004.

Projections: $20,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Crist Bulk Tanker Unloading Secondary Containment
PE 1271

Description:
This project was necessary to address deficiencies identified during the August 1992 Environmental Audit of Plant Crist and to minimize the potential risk of an uncontrolled discharge of pollutants into the waters of the United States. It is also a requirement of the Federal Spill Prevention Control and Countermeasures (SPCC) regulations.

Accomplishments:
Unloading secondary containment complies with regulatory requirements.

Project-to-Date: $101,495

Progress Summary: In-Service.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Crist IWW Sampling System
PE 1275

Description:
The 1993 revision to Plant Crist's wastewater discharge permit moved the compliance point from the end of the discharge canal to a point upstream of Thompson's Bayou. To allow for this sample point modification, a dock with access was constructed in the discharge canal. The work includes a small building for monitoring and sampling equipment.

Accomplishments:
The dock is complete and sampling events are collected at the required compliance point.

Project-to-Date: $59,543

Progress Summary: In-Service.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Smith Sodium Injection System
PE 1413

Description:
This project includes a silo storage tank system and components that inject sodium carbonate directly onto the coal feeder belt to enhance precipitator performance when low sulfur coal is used at Plant Smith. The injection of sodium carbonate as an additive to low sulfur coal reduces opacity levels to maintain compliance with Clean Air Act provisions.

Accomplishments:
The silo storage tank and components have been installed. The system is fully operational.

Project-to-Date: $106,497

Progress Summary: In Service.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Smith Stormwater Collection System
PE 1446

Description:
The National Pollution Discharge Elimination System (NPDES) stormwater program requires that industrial facilities install stormwater management systems in order to prevent the unpermitted discharge of contaminated stormwater runoff to the surface waters of the United States.

Accomplishments:
No unpermitted discharges have occurred since system installation.

Project-to-Date: $2,782,600

Progress Summary: In-Service.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Smith Waste Water Treatment Facility
PE 1466, 1643

Description:
During the 1990's a waste water treatment facility was installed at Plant Smith to replace the septic tank system that was installed in the early 1960's. The system was designed to provide secondary treatment of raw sewage and domestic waste from the plant proper. The treatment included aeration, chlorination, and dechlorination of the wastewater prior to discharging into a drain field. In 2004 a new waste water treatment facility with additional capacity will be installed to replace the facility installed in the 1990's. The treatment includes aeration and chlorination of the wastewater prior to discharging into the ash pond.

Accomplishments: Compliance maintained.

Project-to-Date: $190,132

Progress Summary: In-Service.

Projections:

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Daniel Ash Management Project
PE 1535, 1555

Description:
The original project included the installation of a dry ash tansport system, lining the bottom of the ash pond, closure and capping of the existing fly ash pond, and the expansion of the landfill area. Plant Daniel plans to construct a vertical expansion of the existing previously approved ash storage facility because the existing monofill is approaching the end of its storage capacity. In preparation for the completion and closure of the expansion area, Plant Daniel is developing and permitting a new on-site ash storage facility.

Accomplishments: No reportable exceedances have occurred since system installation.

Project-to-Date: $13,242,469

Progress Summary: In-Service.

Projections: $1,068,762

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Smith Water Conservation
PE 1620, 1638

Description:
This project is a water conservation and consumptive use efficiency program to reduce the demand for groundwater and the potential for saltwater intrusion. This requirement is a specific condition of Gulf's individual water use permit for Plant Smith as issued by the Northwest Florida Water Management District, requesting a 25% reduction in the use of groundwater. Phase I of the project consisted of adding pumps, piping, valves and controls at Plant Smith to reclaim water from the ash pond.

Phase II, the Smith Closed Loop Cooling System will be installed during 2005. Currently, groundwater is used to cool steam cycle water samples. Plant Smith estimates that the proposed closed loop chiller for the laboratory sampling system would reduce water consumption by approximately 80,000 gallons per day. The Northwest Florida Water Management District has agreed that this is a valid project to pursue for continued implementation of the water conservation effort.

Accomplishments:

Project-to-Date: $47,906

Progress Summary: In-Service.

Projections: $120,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Underground Fuel Tank Replacement
PE 4397

Description:
To provide for the replacement of all of Gulf's underground tanks with new above-ground tanks. The environmental laws regarding underground tanks are more stringent in regard to monitoring requirements. The risk of potential discharges of petroleum products which could result in groundwater contamination and subsequent remediation are significantly reduced with the installation of above ground systems.

Accomplishments:
All underground tanks have been replaced with above ground tank systems.

Project-to-Date: $457,919

Progress Summary: In-Service.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Crist DEP Project
PE 1199, PE 1287

Description:
The FDEP and Gulf Power entered into an agreement on August 28, 2002 to ensure compliance with the new ozone air quality standards. This agreement includes a requirement for Gulf to install Selective Catalytic Reduction (SCR) controls on Crist Unit 7, relocate the Crist Unit 7 precipitator, and install a NOx reduction technology on Plant Crist Unit 6, and Units 4 and 5 if necessary, to meet the NOx standard specified in the Agreement.

Accomplishments:

Project-to-Date: Expenditures during the construction phase qualified for AFUDC treatment; consequently, they were not included in the ECRC during that time frame. Portions of the project were moved into the ECRC as they were placed in service.

Progress Summary: The Crist Unit 7 precipitator was placed in service during 2004. The Crist Unit 7 SCR will be placed in service by May 1, 2005 followed by the Crist Unit 6 Selective Non-Catalytic Reduction (SNCR)/low NOX burners with Over-Fired Air (OFA) technologies being placed in service during November 2005.

Project-to-Date: $38,541,850

Projections: $54,007,856 Construction on the project will continue through 2005.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Crist Storm Water Collection System
PE 1272

Description:
The Plant Crist Stormwater project, (PE 1272), is required as a result of a more stringent July 17, 2002 revision to Title 40 Code of Federal Regulation Part 112, which is commonly referred to as the Spill Prevention Control and Countermeasures (SPCC) regulation. Prior to the 2002 revision, equipment containing mineral oil, such as electric transformers and regulators, were excluded from regulation. The recent revision is now inclusive of oil-containing electrical equipment. Oil-filled electrical equipment that has the potential to discharge to navigable waters must be provided with appropriate containment and/or diversionary structures to prevent such a discharge. The SPCC project at Plant Crist will route stormwater from the switchyard drain to the oil skimming sump where any potential spill would be captured, preventing the oil from reaching surface water.

Accomplishments:
.

Project-to-Date: $7,169

Progress Summary: Gulf expects will continue this project during the second half of 2004.

Projections: $242,831

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Crist Common FTIR
PE 1297

Description:
The purchase of a Fourier Transform Infrared (FTIR) spectrometer, a device used to measure and analyze various low concentration stack gas emissions, will be required at Plant Crist under Title V regulations. The purchase of this instrument will enable Gulf Power to measure ammonia slip emissions required in the air construction permit on Crist Unit 7.

Accomplishments:

Project-to-Date: $18,767

Progress Summary: The FTIR has been purchased.

Projections: $41,344

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects

Title: Precipitator Upgrades for Continuous Assurance Monitoring
PE 1462

Description: Compliance Assurance Monitoring (CAM) Precipitator Upgrades, are required to comply with the new CAM regulations. CAM requirements are regulated under Title V of the 1990 Clean Air Act Amendments (CAAA) which require a method of continuously monitoring particulate emissions. Opacity can be used as a surrogate parameter if the precipitator demonstrates a correlation between opacity and particulate matter. Gulf demonstrated this correlation by stack testing in 2003 and 2004, and submitted the results as part of the CAM plan included in Gulf's Title V Air Permit renewal applications in June, 2004. The precipitator upgrades are necessary to meet the more stringent surrogate opacity standards under CAM.

Accomplishments:

Project-to-Date: $0

Progress Summary:

Projections: $8,488,126

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.1

Title: Sulfur

Description:
The Crist Unit 7 sulfur trioxide (SO3) flue gas system allows the injection of SO3 into the flue gas stream. The addition of sulfur trioxide to the flue gas improves the collection efficiency of the precipitator when burning a low sulfur coal. Ammonia agglomerates the particles, which in turn enhances the collection efficiency of the precipitator.

Accomplishments:
The flue gas injection system has improved the efficiency of the Crist Unit 7 precipitator allowing the unit to burn low sulfur coal in compliance with the Clean Air Act Amendments (CAAA) of 1990. The need for sulfur injection varies based on the sulfur content of the available coal supply at Plant Crist, and is used when necessary to meet the sulfur dioxide emission requirements of the CAAA.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.2

Title: Air Emission Fees

Description:
These expenses are the annual fees required by the Florida Department of Environmental Protection (FDEP) under Title IV of the Clean Air Act Amendments of 1990.

Accomplishments:
Fees have been paid by due dates.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: $779,874

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.3

Title: Title V

Description:
These are expenses associated with the preparation of the Clean Air Act Amendments Title V permit applications and the subsequent implementation of Title V permits. Renewal of the Title V permit is on a five year cycle; i.e. 2005, 2010, etc.

Accomplishments:
Title V permits for Plants Crist, Smith, and Scholz were issued by FDEP in 1999. The Title V permit for the Pea Ridge Generating Facility was issued in July, 2000. Title V renewal applications were submitted for Plant Crist, Smith, and Scholz in June, 2004.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: $87,232

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.4

Title: Asbestos Fees

Description:
These are both annual and individual project fees due to the Florida Department of Environmental Protection (FDEP) for asbestos abatement projects.

Accomplishments:
Fees paid as required and on a timely basis.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: $2,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.5

Title: Emission Monitoring

Description:
This program provides quality assurance/quality control testing for CEMs, including Relative Accuracy Test Audits and Linearity Tests as required by the Clean Air Act Amendments (CAAA) of 1990. New activities within this category include testing for the Periodic Monitoring and Compliance Assurance Monitoring (CAM) requirements associated with the CAAA of 1990.

Accomplishments:
All systems are in compliance.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: $534,249

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.6

Title: General Water Quality

Description:
These are ongoing activities undertaken pursuant to the Company's NPDES permit, soil contamination studies, dechlorination, surface and groundwater monitoring studies, and the cooling water intake program. The projected increased activity in this line item is related to the addition of the Cooling Water Intake Program and the new arsenic groundwater standard.

Accomplishments:
All activities are on-going and comply with all applicable environmental laws, rules, and regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: $600,140

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.7

Title: Groundwater Contamination Investigation

Description:
This project includes sampling and testing to determine possible environmental impacts to groundwater from past herbicide applications at various substation sites. Once possible environmental impacts to groundwater have been identified then cleanup operations are initiated.

Accomplishments:
The Florida Department of Environmental Protection has issued a No Further Action (NFA) letter for 37 sites.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: $927,218

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.8

Title: State NPDES Administration

Description:
This is the fee that is required by the State of Florida's National Pollution Discharge Elimination System (NPDES) program administration. These annual fees are required for the renewal of NPDES permits at Plants Crist, Smith and Scholz.

Accomplishments:
Compliance with fee due dates.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: $34,500

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.9

Title: Lead & Copper Rule

Description:
These are sampling and analytical costs for lead and copper in drinking water as required by the Florida Department of Environmental Protection (FDEP) regulations.

Accomplishments:
All sampling and analytical protocols are current.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: $12,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.10

Title: Environmental Auditing/Assessment

Description:
This program ensures continued compliance with environmental laws, rules, and regulations through auditing and/or assessment of company facilities and operations.

Accomplishments:
Audits and assessments accomplished to date have demonstrated compliance with environmental laws, rules, and regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: $8,800

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.11

Title: General Solid and Hazardous Waste

Description:
This program provides for the proper identification, handling, storage, transportation and disposal of solid and hazardous wastes.

Accomplishments:
Gulf has complied with all hazardous and solid wastes regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: $214,773

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.12

Title: Above Ground Storage Tanks

Description:
This project is required under the provisions of Chapter 62-762, F.A.C. and includes specific performance standards applicable to storage tank systems. These performance standards include installation of secondary containment, cathodic protection and tank integrity inspections. In-service API 653 inspections were required for Gulf's field erected above ground storage tanks during 2004.

Accomplishments:
Gulf has complied with all petroleum storage tank requirements.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: $106,200

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.13

Title: Low NOx

Description:
This activity refers to the maintenance expenses associated with the Low NOx burner tips on Crist Units 4 & 5 and Smith Unit 1.

Accomplishments:
Burner tips on Plant Crist Units 4 & 5 and Plant Smith Unit 1 have been installed and are in-service.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.14

Title: Ash Pond Diversion Curtains

Description:
This project refers to the installation of additional flow diversion curtains at the Plant Crist ash pond to effectively increase water retention time in the ash pond, thereby allowing for the sedimentation/precipitation treatment process to be more effective in reducing levels of suspended particulate from the outfall at the Plant Crist ash pond.

Accomplishments:
The diversion curtains have been installed.

Fiscal Expenditures: N/A

Progress Summary:

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.15

Title: Mercury Emissions

Description: This program pertains to requirements for Gulf to periodically analyze coal shipments for mercury and chlorine content. The EPA mandated that shipments of coal would be analyzed for mercury and chlorine only during 1999. No further notices of continued sampling requirements of coal shipments beyond 1999 have been issued by EPA, therefore no expenses have been planned for this activity in 2005.

Accomplishments:
Coal shipments were being analyzed as required. Sampling and analytical requirements are not expected in 2005.

Fiscal Expenditures: N/A

Progress Summary:

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.16

Title: Sodium Injection

Description:
This project refers to the installation of a sodium injection system at Plant Smith. The activity involves sodium injection to the coal supply at Plant Smith to enhance precipitator efficiencies when burning low sulfur coal.

Accomplishments:
Sodium carbonate is used at Plant Smith when low sulfur coal is burned.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.17

Title: Gulf Coast Ozone Study (GCOS)

Description:
Escambia and Santa Rosa counties are identified as potential ozone non-attainment areas due to the new eight-hour ambient air quality standards adopted by the U.S. Environmental Protection Agency (EPA) in accordance with Title I of the Clean Air Act Amendments of 1990. This project refers to Gulf's participation in the Gulf Coast Ozone Study (GCOS) which is a joint modeling analysis between Gulf Power and the State of Florida to provide an improved basis for assessment of eight-hour ozone air quality for Northwest Florida.

Accomplishments:

Fiscal Expenditures: N/A

Progress Summary:
The goal of the project is to develop strategies for ozone ambient air attainment to supplement the Florida Department of Environmental Protection (FDEP) studies to EPA for Escambia and Santa Rosa counties. Gulf expects the GCOS project to be finalized during 2006.

Projections: $20,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.18

Title: SPCC Substation Project

Description:
On July 17, 2002 EPA published a revision to Title 40 Code of Regulation Part 112, commonly referred to as the Spill Prevention Control and Countermeasures (SPCC) regulation. The revision expanded applicability of the rule to include oil containing electrical transformers and regulators, which had previously been excluded from the SPCC regulations. Gulf will be required to install additional containment and/or diversionary structures or equipment at several substations to prevent a potential discharge of mineral oil to navigable waters of the United States or adjoining shorelines.

Accomplishments:

Fiscal Expenditures: N/A

Progress Summary: Gulf has assessed its substations to determine which are subject to the revised SPCC regulations. Additional containment has been added to the substations that were identified as having a reasonable risk of discharging oil into navigable waters of the United States or adjoining shorelines.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.20

Title: DEP NOx Reduction Agreement

Description: This line item includes the O&M cost associated with the Selective Cataltic Reduction (SCR) project that was included as part of the FDEP and Gulf Power Agreement entered into on August 28, 2002. It includes the cost of anhydrous ammonia, air monitoring, and general operation and maintenance expenses.

Accomplishments: The SCR is projected to be placed in service by May 1, 2005

Fiscal Expenditures: N/A

Progress Summary:

Projections: $757,241

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2005-December 2005

Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.21

Title: Protective Lighting for Sea Turtles

Description: The Protective Lighting for Sea Turtles is required to meet the requirements of Title 50 Code of Federal Regulations Part 117, Endangered and Threatened Wildlife and Plants, and local County ordinances regulating artificial lighting in threatened and endangered sea turtle nesting areas. This project includes the cost to install protective sea turtle lighting in these nesting areas.

Accomplishments:

Fiscal Expenditures: N/A

Progress Summary:

Projections: $13,146

Schedule 6P

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % By Rate Class
January 2005 - December 2005

Rate Class	(1) Average 12 CP Load Factor at Meter (%)	(2) Jan - Dec. 2005 Projected Sales at Meter (KWH)	(3) Projected Avg 12 CP at Meter (KW)	(4) Demand Loss Expansion Factor	(5) Energy Loss Expansion Factor	(6) Projected Sales at Generation (KWH)	(7) Projected Avg 12 CP at Generation (KW)	(8) Percentage of KWH Sales at Generation (%)	(9) Percentage of 12 CP Demand at Generation (%)
RS, RSVP	61.971315%	5,115,450,000	942,299.64	1.00486476	1.00530097	5,142,566,847	946,883.70	46.61346%	53.41387%
GS	64.200053%	210,439,000	37,418.53	1.00485887	1.00529775	211,553,853	37,600.34	1.91757%	2.12104%
GSD, GSDT, GSTOU	73.167949%	2,554,407,000	398,533.75	1.00470565	1.00516604	2,567,603,169	400,409.11	23.27337%	22.58714%
LP, LPT	84.177808%	1,946,335,000	263,946.48	0.98422595	0.98911989	1,925,158,661	259,782.98	17.45010%	14.65440%
PX, PXT, RTP, SBS	101.650370%	1,073,614,000	120,568.84	0.97443817	0.98057253	1,052,756,396	117,486.88	9.54244%	6.62745%
OS-I/II	160.732077%	105,411,000	7,486.51	1.00468934	1.00529485	105,969,135	7,521.62	0.96053%	0.42430%
OS-III	100.278526%	26,617,000	3,030.03	1.00511513	1.00526827	26,757,226	3,045.53	0.24253%	0.17180%
TOTAL		11,032,273,000	1,773,283.78			11,032,365,287	1,772,730.16	100.00000%	100.00000%

Notes:
(1) **Average 12 CP** load factor based on actual 2003 load research data
(2) **Projected KWH** sales for the period January 2005 - December 2005
(3) **Calculated:** (Col 2) / (8,760 x Col 1), (8,760 hours = the # of hours in 1 year)
(4) **Based on demand** losses identified in Doc. 010949-EI
(5) **Based on energy** losses identified in Doc. 010949-EI
(6) Col 2 x Col 5
(7) Col 3 x Col 4
(8) **Col 6 / total** for Col 6
(9) **Col 7 / total** for Col 7

Schedule 7P

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % By Rate Class
January 2005 - December 2005

Rate Class	(1) Percentage of KWH Sales at Generation (%)	(2) Percentage of 12 CP Demand at Generation (%)	(3) Energy-Related Costs	(4) Demand-Related Costs	(5) Total Environmental Costs	(6) Projected Sales at Meter (KWH)	(7) Environmental Cost Recovery Factors (¢/KWH)
RS, RSVP	46.61346%	53.41387%	10,156,051	2,145,688	12,301,739	5,115,450,000	0.240
GS	1.91757%	2.12104%	417,797	85,204	503,001	210,439,000	0.239
GSD, GSDT, GSTOU	23.27337%	22.58714%	5,070,758	907,348	5,978,106	2,554,407,000	0.234
LP, LPT	17.45010%	14.65440%	3,801,995	588,682	4,390,677	1,946,335,000	0.226
PX, PXT, RTP, SBS	9.54244%	6.62745%	2,079,089	266,231	2,345,320	1,073,614,000	0.218
OS-I, OS II	0.96053%	0.42430%	209,278	17,045	226,323	105,411,000	0.215
OS-III	0.24253%	0.17180%	52,842	6,901	59,743	26,617,000	0.224
TOTAL	100.00000%	100.00000%	$21,787,810	$4,017,099	$25,804,909	11,032,273,000	0.234

Notes:
(1) From Schedule 6P, Col 8
(2) From Schedule 6P, Col 9
(3) Col 1 x Total Energy $ from Schedule 1P, line 5
(4) Col 2 x Total Demand $ from Schedule 1P, line 5
(5) Col 3 + Col 4
(6) Projected KWH sales for the period January 2005 - December 2005
(7) Col 5 / Col 6 x 100