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April 29, 2005

Ms. Blanca S. Bayo, Director
Division of the Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 050002-EG, Energy Conservation Cost Recovery Clause

Enclosed for official filing are an original and fifteen copies of the final true-up testimony and exhibits for the period January – December 2004 of William D. Eggart in the above referenced docket.

Sincerely,

A handwritten signature in cursive script that reads "Linda G. Malone". The signature is written in black ink on a light-colored background.

db

Enclosures

cc: Beggs and Lane
Jeffrey A. Stone, Esquire

DOCUMENT NUMBER-DATE

04277 MAY-28

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Conservation Cost Recovery)

Docket No. 050002-EG

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail this 29th day of April 2005 to the following:

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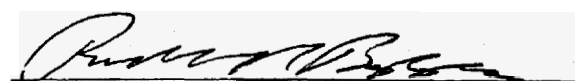
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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ENERGY CONSERVATION COST
RECOVERY CLAUSE**

DOCKET NO. 050002-EG

**PREPARED DIRECT TESTIMONY AND
EXHIBIT OF
WILLIAM D. EGGART**

**Final True-up
JANUARY - DECEMBER 2004**

May 2, 2005



DOCUMENT NUMBER-CA7

04277 MAY-2 8

FPSC-COMMISSION CLEF

1 Gulf Power Company

2 Before the Florida Public Service Commission
3 Prepared Direct Testimony and Exhibit of
4 William D. Eggart
5 Docket No. 050002-EG
6 May 2, 2005

7 Q. Will you please state your name, business address,
8 employer and position?

9 A. My name is William D. Eggart and my business address is
10 One Energy Place, Pensacola, Florida 32520. I am
11 employed by Gulf Power Company as the Economic
12 Evaluation and Market Reporting Team Leader.

13 Q. Mr. Eggart, please describe your educational background
14 and business experience.

15 A. My employment at Gulf Power Company began in 1983. I
16 graduated from The University of West Florida in
17 Pensacola, Florida in 1984 with a Bachelor of Science
18 Degree in Management and from Troy State University in
19 Pensacola, Florida in 1988 with a Master of Science
20 Degree in Management. I have held various positions
21 of increasing responsibility with Gulf Power in both
22 District and Corporate Marketing. For the past 8 ½
23 years, I have supervised the GoodCents Select group as
24 Team Leader. I assumed my current position as the
25 Economic Evaluation and Market Reporting Team Leader in

1 April 2005.

2

3 Q. Mr. Eggart, for what purpose are you appearing before
4 this Commission today?

5 A. I am testifying before this Commission on behalf of Gulf
6 Power Company regarding matters related to the Energy
7 Conservation Cost Recovery Clause, specifically the
8 approved programs and related expenses for
9 January, 2004, through December, 2004.

10

11 Q. Are you familiar with the documents concerning the
12 Energy Conservation Cost Recovery Clause and its related
13 true-up and interest provisions?

14 A. Yes, I am.

15

16 Q. Have you verified that to the best of your knowledge and
17 belief, this information is correct?

18 A. Yes, I have.

19 Counsel: We ask that Mr. Eggart's exhibit consisting of
20 6 Schedules, CT-1 through CT-6, be marked for
21 identification as:

22 Exhibit No. _____ (WDE-1)

23

24 Q. Would you summarize for this Commission the deviations
25 resulting from the actual expenses for this recovery

1 period and the estimated/actual estimate of expenses
2 previously filed with this Commission?

3 A. The estimated/actual true-up net expenses for the entire
4 recovery period January, 2004, through December, 2004,
5 were \$7,850,255 while the actual costs were \$7,619,636
6 resulting in a variance of (\$230,619) or 2.9% under the
7 estimated/actual true-up. See Schedule CT-2, Line 9.

8

9 Q. Mr. Eggart, would you explain the January, 2004, through
10 December, 2004, variance?

11 A. Yes, the reasons for this variance are less expenses
12 than estimated in Residential Energy Audits, under
13 \$104,419; Green Pricing, under \$43,176; Geothermal Heat
14 Pump Program, under \$202,978; GoodCents Commercial
15 Buildings, under \$122,728; Commercial/ Industrial Energy
16 Audits and Technical Assistance Audits, under \$132,494;
17 Commercial Mail-in Audit, under \$2,498; Conservation
18 Demonstration and Development, under \$52,023 and
19 Residential Mail-in Audit, under \$12,966. These
20 programs are off-set by an increase of expenses in the
21 GoodCents *Select* program of \$442,663. The resulting net
22 variance is \$230,619 under the estimated/actual program
23 expenses reported in October, 2004. A more detailed
24 description of the deviations is contained in Schedule
25 CT-6.

1 Q. Mr. Eggart, what was Gulf's adjusted net true-up for the
2 period January, 2004 through December, 2004?

3 A. There was an over-recovery of \$396,983 as shown on
4 Schedule CT-1, page 1.

5
6 Q. Would you describe the results of your programs during
7 the recovery period?

8 A. A more detailed review of each of the programs is
9 included in my Schedule CT-6. The following is a
10 synopsis of the accomplishments during this recovery
11 period.

12 (A) Residential Energy Audits - During this period, the
13 Company projected to audit 1,500 structures. The
14 Company completed 1,278 audits.

15 (B) Residential Mail-In Audits - During this period,
16 600 audits were projected and 1,363 audits were
17 completed.

18 (C) GoodCents Environmental Home Program - This program
19 was available in 2004 to any customer desiring it,
20 but the company no longer promotes it as a stand
21 alone program. No units were completed during this
22 recovery period.

23 (D) Duct Leakage Program - This program was available in
24 2004 to any customer desiring it, but the company no
25 longer promotes it as a stand alone program. No units

1 were completed during 2004.

2 (E) Geothermal Heat Pump - During the 2004 recovery
3 period, a total of 66 geothermal heat pumps were
4 installed compared to a projection of 200.

5 (F) GoodCents Select - During this recovery period, a net
6 total of 1,478 units were installed with a total of
7 5,722 units on-line at December 31, 2004.

8 As reported in previous dockets, the startup of
9 this program was delayed because of several issues.
10 As a result of the delays and participation levels,
11 the schedule for market implementation was modified
12 from the original projection in the 2000 Demand-
13 side Management (DSM) Plan. Since that
14 modification, the GoodCents *Select* program has
15 begun to gain momentum in the market. However, in
16 2004, Hurricane Ivan created wide-spread damage
17 which resulted in increased removals and lost
18 opportunities for new installations. These results
19 are expected to be a temporary condition with the
20 anticipation that increased opportunities will be
21 presented as existing structures are repaired.

22 (G) GoodCents Buildings - During this recovery period a
23 total of 152 buildings were built or improved to
24 GoodCents standards, compared to a projection of 155.

25 (H) Commercial/Industrial Energy Audits and Technical

1 Assistance Audits (E.A./T.A.A) - During 2004, a total
2 of 121 E.A./T.A.A. were completed compared to a
3 projection of 125.

4 (I) Commercial Mail-in Audit - 600 mail-in audits were
5 projected compared to 13 mail-in audits completed.

6 (J) Green Pricing - Costs associated with the Green
7 Pricing program are provided in Schedule CT-3.
8 Further description of these activities can be
9 found in Schedule CT-6.

10 (K) Conservation Demonstration and Development - Costs
11 associated with the Conservation Demonstration and
12 Development program are provided in Schedule CT-3.
13 Further description of these activities can be found
14 in Schedule CT-6.

15

16 Q. Mr. Eggart, does this conclude your testimony?

17 A. Yes, it does.

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 050002-EG

Before me the undersigned authority, personally appeared William D. Eggart, who being first duly sworn, deposes and says that he is the Economic Evaluation and Market Reporting Team Leader of Gulf Power Company, a Maine Corporation, that the foregoing is true and correct to the best of his knowledge, information and belief. He is personally known to me.

William D. Eggart
William D. Eggart
Economic Evaluation and Market
Reporting Team Leader

Sworn to and subscribed before me this 27th day of April, 2005.



Melinda M. Mixon
Notary Public, State of Florida at Large

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Schedule Number	Title	Pages
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GULF POWER COMPANY
ENERGY CONSERVATION COST RECOVERY
ADJUSTED NET TRUE-UP

For the Period: January, 2004 Through December, 2004

	<u>\$</u>	<u>\$</u>
Actual		
1. Principal	211,038	
2. Interest	<u>(426)</u>	
3. Actual Over/(Under) Recovery Ending Balance		210,612
Estimated/Actual as filed October 4, 2004		
4. Principal	(185,060)	
5. Interest	<u>(1,311)</u>	
6. Total Estimated/Actual Over/(Under) Recovery		<u>(186,371)</u>
7. Adjusted Net True-up Over/(Under) Recovery (Line 3 - 6)		<u><u>396,983</u></u>

GULF POWER COMPANY
ENERGY CONSERVATION COST RECOVERY
ANALYSIS OF ENERGY CONSERVATION PROGRAM COSTS
ACTUAL compared to ESTIMATED/ACTUAL
For the Period: January, 2004 Through December, 2004

	<u>Est/Actual</u>	<u>Difference</u>
	\$	\$
1. Depreciation, Return & Property Tax	1,842,412.66	5,281.16
2. Payroll & Benefits	2,252,297.40	(40,814.60)
3. Materials & Supplies	3,155,766.45	(131,444.55)
4. Advertising	800,108.97	(88,529.03)
5. Adjustments	0.00	0.00
6. Other	0.00	0.00
7. Subtotal	<u>8,050,585.48</u>	<u>(255,507.02)</u>
8. Program Revenues	<u>430,948.95</u>	<u>(24,888.41)</u>
9. Total Program Costs	<u>7,619,636.53</u>	<u>(230,618.61)</u>
10. Less: Payroll Adjustment	0.00	0.00
11. Amounts Inc. in Base Rate	<u>0.00</u>	<u>0.00</u>
12. Conservation Adjustment Revenues	<u>7,980,841.88</u>	<u>165,479.23</u>
13. Rounding Adjustment	<u>7,980,842.00</u>	<u>165,480.00</u>
14. True-up Before Adjustment Over/(Under) Recovery	361,205	396,098
15. Interest Provision	(426)	885
16. Prior Period True-up	(150,167)	0
19. Other	<u>0</u>	<u>0</u>
17. End of Period True-up	<u>210,612</u>	<u>396,983</u>

GULF POWER COMPANY

CONSERVATION COSTS BY PROGRAM
 VARIANCE ACTUAL Vs ESTIMATED/ACTUAL
 For the Period: January, 2004 Through December, 2004

Program	Depr/Amort & Return	Payroll & Benefits	Materials & Expenses	Advertising	Other	Sub-Total	Program Revenues	Total
1. Residential Energy Audit	0.00	(77,585.44)	(23,017.15)	(3,816.72)	0.00	(104,419.31)	0.00	(104,419.31)
2. Gulf Express	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Green Pricing								
a. Good Cents Environmental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Solar for Schools	0.00	(2,025.07)	3,457.45	0.00	0.00	1,432.38	0.00	1,432.38
c. Earth Cents	0.00	4,584.68	(306.06)	72.50	0.00	4,351.12	0.00	4,351.12
d. Green Pricing	0.00	(9,708.96)	(39,250.87)	0.00	0.00	(48,959.83)	0.00	(48,959.83)
Total	0.00	(7,149.35)	(36,099.48)	72.50	0.00	(43,176.33)	0.00	(43,176.33)
4. Duct leakage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Geothermal Heat Pump	0.00	(42,761.86)	(91,033.90)	(69,181.91)	0.00	(202,977.67)	0.00	(202,977.67)
6. Good Cents Select	5,281.16	270,669.26	124,883.49	16,940.61	0.00	417,774.52	(24,888.41)	442,662.93
7. Comm/Ind Good Cents Building	0.00	(92,308.28)	(15,204.32)	(15,215.00)	0.00	(122,727.60)	0.00	(122,727.60)
8. Comm/Ind E.A. & T.A.A.	0.00	(87,066.84)	(42,395.16)	(3,032.00)	0.00	(132,494.00)	0.00	(132,494.00)
9. Commercial Mail In Audit	0.00	(734.20)	(1,763.86)	0.00	0.00	(2,498.06)	0.00	(2,498.06)
10. Research & Development	0.00	(3,110.18)	(48,912.58)	0.00	0.00	(52,022.76)	0.00	(52,022.76)
11. Residential Mail In Audit	0.00	(767.71)	2,098.41	(14,296.51)	0.00	(12,965.81)	0.00	(12,965.81)
12. Total	5,281.16	(40,814.60)	(131,444.55)	(88,529.03)	0.00	(255,507.02)	(24,888.41)	(230,618.61)

GULF POWER COMPANY

CONSERVATION COSTS BY PROGRAM
ACTUAL EXPENSES
For the Period: January, 2004 Through December, 2004

Program	Depreciation Property Taxes & Return on Equity	Payroll & Benefits	Materials & Expenses	Advertising	Other	Sub-Total	Program Revenues	Total
1. Residential Energy Audit	0.00	267,166.56	57,331.85	123,453.28	0.00	447,951.69	0.00	447,951.69
2. Gulf Express	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Green Pricing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
a. Good Cents Environmental	0.00	1,269.93	4,113.45	0.00	0.00	5,383.38	0.00	5,383.38
b. Solar for Schools	0.00	14,021.68	7,523.94	72.50	0.00	21,618.12	0.00	21,618.12
c. Earth Cents	0.00	30,296.04	16,088.13	0.00	0.00	46,384.17	0.00	46,384.17
d. Green Pricing	0.00	45,589.65	27,725.52	72.50	0.00	73,387.67	0.00	73,387.67
4. Duct Leakage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Geothermal Heat Pump	0.00	76,017.14	15,335.10	45,273.09	0.00	136,625.33	0.00	136,625.33
6. Good Cents Select	1,842,412.66	1,019,432.26	2,925,193.49	61,940.61	0.00	6,353,979.02	430,948.95	5,923,030.07
7. Comm/Ind Good Cents Building	0.00	51,442.72	51,893.68	1,445.00	0.00	104,781.40	0.00	104,781.40
8. Comm/Ind E.A. & T.A.A.	0.00	417,453.16	17,220.84	1,040.00	0.00	435,714.00	0.00	435,714.00
9. Commercial/Industrial Mail In Audit	0.00	16,584.80	2,079.14	0.00	0.00	18,663.94	0.00	18,663.94
10. Research & Development	0.00	(5.67)	(23.33)	0.00	0.00	(29.00)	0.00	(29.00)
a. Aquatic Pools	0.00	265.09	1,089.45	0.00	0.00	1,354.54	0.00	1,354.54
b. Mary Esther School (Baker School)	0.00	1,982.13	9,715.42	0.00	0.00	11,697.55	0.00	11,697.55
c. Geothermal	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Fuel Cell	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Gulf Coast Community College	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
f. Groovin Hwy 29	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
g. Hampton	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h. OakRidge	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
i. Pine Forest	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j. PJC Project	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
k. Sealed, SemiConditioned Attic	0.00	5,712.36	1,183.77	0.00	0.00	6,896.13	0.00	6,896.13
l. Springhill Suites	0.00	1,869.84	2,569.63	0.00	0.00	4,439.47	0.00	4,439.47
m. Triggers	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
n. Water Furnace	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
o. Warner Solar	0.00	3,037.07	606.48	0.00	0.00	3,643.55	0.00	3,643.55
Total	0.00	12,860.82	15,141.42	0.00	0.00	27,002.24	0.00	27,002.24
11. Residential Mail In Audit	0.00	21,750.29	3,845.41	61,884.49	0.00	87,480.19	0.00	87,480.19
12. Total	1,842,412.66	2,252,297.40	3,155,766.45	800,108.97	0.00	8,050,585.48	430,948.95	7,619,636.53

GULF POWER COMPANY

CONSERVATION COSTS BY PROGRAM
SUMMARY OF ACTUAL EXPENSES BY PROGRAM BY MONTH
For the Period: January, 2004 Through December, 2004

PROGRAMS	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. Residential Energy Audits	22,869.61	32,841.88	40,445.50	56,735.84	46,714.67	28,627.16	38,592.61	28,084.75	26,743.11	41,195.73	43,152.86	41,967.97	447,951.69
2. Gulf Express	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3. Green Pricing													
a. Good Cents Environmental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Solar for Schools	379.21	255.29	1,306.06	358.75	309.90	1,942.68	141.80	151.48	121.42	89.98	137.72	188.89	5,383.38
c. Earth Cents	1,905.43	3,911.67	2,021.06	2,049.67	2,161.98	938.06	(802.68)	1,199.14	2,537.45	820.69	1,467.34	3,408.31	21,618.12
d. Green Pricing	2,585.64	2,592.44	8,361.60	14,625.98	5,062.75	2,050.96	(3,718.26)	2,303.84	3,173.68	2,418.11	2,750.68	4,158.65	46,386.17
Total	4,870.28	6,759.40	11,708.72	17,034.40	7,534.63	4,931.90	(4,379.14)	3,654.56	5,832.55	3,328.78	4,355.74	7,755.85	73,387.67
4. Duct Leakage	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Geothermal Heat Pump	8,138.28	8,474.71	9,879.46	9,850.60	9,333.11	9,562.03	18,051.51	22,551.59	7,061.65	11,273.77	11,591.58	10,857.04	136,625.33
6. Good Cents Select	376,672.93	438,233.91	416,175.49	323,766.83	359,155.54	711,668.51	246,172.94	186,461.36	385,445.67	333,904.69	360,939.53	372,968.96	4,511,566.36
Amortization & Return on Investment	147,746.42	147,979.43	148,161.14	148,625.01	148,845.96	149,270.89	152,311.41	156,568.39	156,882.91	160,436.50	161,290.29	162,294.31	1,842,412.66
Total	524,419.35	586,213.34	564,336.63	472,391.84	508,001.50	860,939.40	398,484.35	343,029.75	544,328.58	494,341.19	522,229.82	535,263.27	6,353,979.02
7. Comm/Ind Good Cents Bldg	33,892.63	32,159.18	36,010.70	37,064.58	36,221.60	37,120.35	36,501.13	44,965.29	31,973.80	15,180.47	34,513.25	33,178.42	408,781.40
8. Comm/Ind E.A. & T.A.A.	39,948.00	36,540.26	40,130.03	40,524.53	41,955.52	40,451.72	41,452.53	40,175.53	40,309.38	19,385.51	45,462.59	49,378.40	475,714.00
9. Commercial Mail In Audit	3,012.95	3,037.95	4,665.38	3,280.23	6,699.10	(41.04)	3,312.28	3,289.06	3,306.90	990.07	3,222.88	3,888.18	38,663.94
10. Research & Development													
a. Aquatic Pools	(29.00)	0.00	(2,490.25)	0.00	84.47	225.80	37.06	51.06	0.00	2,091.86	0.00	0.00	(29.00)
b. Mary Esther School (Baker School)	1,354.54	0.00	(2,490.25)	0.00	84.47	225.80	37.06	51.06	0.00	4,183.72	0.00	(2,091.86)	1,354.54
c. Geothermal	0.00	0.00	8,068.45	0.00	1,223.32	225.80	37.06	51.06	0.00	2,091.86	0.00	0.00	11,697.55
d. Fuel Cell	0.00	0.00	(2,490.25)	0.00	84.47	225.80	37.06	51.06	0.00	2,091.86	0.00	0.00	0.00
e. Gulf Coast Community College	0.00	0.00	(2,490.25)	0.00	84.47	225.80	37.06	51.06	0.00	2,091.86	0.00	0.00	0.00
f. Groovin Hwy 29	0.00	0.00	(2,490.25)	0.00	84.47	225.80	37.06	51.06	0.00	2,091.86	0.00	0.00	0.00
g. Hampton	0.00	0.00	(2,490.25)	0.00	84.47	225.80	37.06	51.06	0.00	2,091.86	0.00	0.00	0.00
h. OakRidge	0.00	0.00	(2,490.25)	0.00	84.47	225.80	37.06	51.06	0.00	2,091.86	0.00	0.00	0.00
i. Pine Forest	0.00	0.00	(2,490.25)	0.00	84.47	225.80	37.06	51.06	0.00	2,091.86	0.00	0.00	0.00
j. PJC Project	0.00	0.00	(2,490.26)	0.00	84.50	225.76	37.08	51.04	0.00	2,091.88	0.00	0.00	0.00
k. Sealed SemiConditioned Attic	0.00	1,129.49	(2,490.25)	956.60	373.37	391.78	437.10	51.06	1,220.11	2,776.95	1,010.41	1,039.51	6,896.13
l. Springhill Suites	0.00	0.00	(2,490.25)	0.00	84.47	2,136.87	564.85	2,051.67	0.00	0.00	0.00	2,091.86	4,439.47
m. Triggers	0.00	0.00	(2,490.25)	0.00	84.47	225.80	37.06	51.06	0.00	2,091.86	0.00	0.00	0.00
n. Water Furnace	0.00	0.00	(2,490.25)	0.00	84.47	225.80	37.06	51.06	0.00	2,091.86	0.00	0.00	0.00
d. Warner Solar	0.00	638.17	(2,490.25)	488.75	195.34	301.71	220.02	190.57	560.43	2,415.33	229.01	954.47	3,543.55
Total	1,325.54	1,787.66	(26,795.06)	1,445.35	2,805.70	5,539.92	1,666.71	2,846.00	1,780.54	32,386.46	1,239.42	1,993.98	28,002.24
11. Residential Mail In Audit	1,488.52	2,786.97	8,287.88	13,769.56	13,155.70	4,072.39	3,385.62	3,148.64	1,976.43	16,120.78	10,620.19	8,667.51	87,480.19
12. Recoverable Conservation Expenses	639,965.16	710,581.35	688,669.24	652,096.93	672,421.53	991,203.83	537,067.60	491,725.17	663,312.94	634,202.78	676,388.33	692,950.62	8,050,585.48

CT

GULF POWER COMPANY
ENERGY CONSERVATION ADJUSTMENT
CALCULATION OF OVER/UNDER RECOVERY
For the Period: January, 2004 through December, 2004

1. Good Cents Select RSVP Fees	30,628.79	28,488.45		29,063.83	28,527.52	31,655.52	37,743.48	42,291.88	44,893.89	34,766.71	47,037.30	40,211.47	35,640.11	430,948.95
2. Conservation Adjustment Revenues	665,716.34	624,479.23	(28,467.94)	550,458.25	546,013.01	700,321.89	769,632.50	853,305.71	804,689.44	572,063.66	657,181.85	541,775.39	723,672.55	7,980,841.88
3. Total Revenues	696,345.13	652,967.68	(28,467.94)	579,522.08	574,540.53	731,977.41	807,375.98	895,597.59	849,583.33	606,830.37	704,219.15	581,986.86	759,312.66	8,411,790.83
4. Adjustment not Applicable to Period - Prior True Up	17,078.16	17,078.16	0.00	17,078.16	17,078.16	17,078.16	17,078.16	17,078.16	17,078.16	17,078.16	17,078.16	17,078.16	17,078.24	204,938.00
5. Conservation Revenues Applicable to Period	713,423.29	670,045.84	(28,467.94)	596,600.24	591,618.69	749,055.57	824,454.14	912,675.75	866,661.49	623,908.53	721,297.31	599,065.02	776,390.90	8,616,728.83
6. Conservation Expenses (CT-3, Page 3, Line 12)	639,965.16	710,581.35	0.00	688,669.24	652,096.93	672,421.53	991,203.83	537,067.60	491,725.17	663,312.94	634,202.78	676,388.33	692,950.62	8,050,585.48
7. True Up this Period (Line 5 - 6)	73,458.13	(40,535.51)	(28,467.94)	(92,069.00)	(60,478.24)	76,634.04	(166,749.69)	375,608.15	374,936.32	(39,404.41)	87,094.53	(77,323.31)	83,440.28	566,143.35
8. Interest Provision this Period (CT-3, Page 5, Line 10)	(106.22)	(102.76)	(11.92)	(191.64)	(274.87)	(289.67)	(393.24)	(365.11)	54.33	274.68	313.28	330.69	336.48	(425.97)
9. True Up & Interest Provision Beginning of Month	(150,167.47)	(93,893.72)	(151,610.16)	(180,090.02)	(289,428.82)	(367,260.09)	(307,993.88)	(492,214.97)	(134,050.09)	223,862.40	167,654.51	237,984.16	143,913.38	(150,167.47)
10. Prior True Up Collected or Refunded	(17,078.16)	(17,078.16)	0.00	(17,078.16)	(17,078.16)	(17,078.16)	(17,078.16)	(17,078.16)	(17,078.16)	(17,078.16)	(17,078.16)	(17,078.16)	(17,078.24)	(204,938.00)
11. End of Period- Net True Up														

6

GULF POWER COMPANY
 COMPUTATION OF INTEREST EXPENSE
 ENERGY CONSERVATION ADJUSTMENT
 For the Period: January, 2004 through December, 2004

Interest Provision	JANUARY	FEBRUARY	FEBRUARY * ADJUSTMENT	MARCH	APRIL	MAY	JUNE	JULY	AUGUST**	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1. Beginning True up Amount	(150,167.47)	(93,893.72)	0.00	(180,090.02)	(289,428.82)	(367,260.09)	(307,993.88)	(492,214.97)	(134,050.09)	223,862.40	167,654.51	237,984.16	143,913.38	
2. Ending True up before Interest	(93,787.50)	(151,507.40)	(28,467.94)	(289,237.19)	(366,985.23)	(307,704.20)	(491,821.74)	(133,684.97)	223,808.07	167,379.83	237,670.88	143,582.69	210,275.42	
3. Total beginning & ending	(243,954.98)	(245,401.12)	(28,467.94)	(469,327.21)	(656,414.05)	(674,964.29)	(799,815.62)	(625,899.94)	89,757.97	391,242.22	405,325.38	381,566.84	354,188.80	
4. Average True up Amount	(121,977.49)	(122,700.56)	(14,233.97)	(234,663.61)	(328,207.03)	(337,482.15)	(399,907.81)	(312,949.97)	44,878.99	195,621.11	202,662.69	190,783.42	177,094.40	
5. Interest Rate First Day Reporting Business Month	1.0600	1.0300	1.0300	0.9800	0.9800	1.0300	1.0300	1.3300	1.4700	1.6000	1.7700	1.9400	2.2200	
6. Interest Rate First Day Subsequent Business Month	1.0300	0.9800	0.9800	0.9800	1.0300	1.0300	1.3300	1.4700	1.6000	1.7700	1.9400	2.2200	2.3400	
7. Total of Lines 5 and 6	2.0900	2.0100	2.0100	1.9600	2.0100	2.0600	2.3600	2.8000	3.0700	3.3700	3.7100	4.1600	4.5600	
8. Average Interest rate (50% of Line 7)	1.0450	1.0050	1.0050	0.9800	1.0050	1.0300	1.1800	1.4000	1.5350	1.6850	1.8550	2.0800	2.2800	
9. Monthly Average Interest Rate Line 8 \ 12	0.000871	0.000838	0.000838	0.000817	0.000838	0.000858	0.000983	0.001167	0.001279	0.001404	0.001546	0.001733	0.001900	
10. Interest Adjustment **									(3.08)					
11. Interest Provision (Line 4 X 9)	(106.22)	(102.76)	(11.92)	(191.64)	(274.87)	(289.67)	(393.24)	(365.11)	54.33	274.68	313.28	330.69	336.48	(425.97)

* In February's ECCR revenue calculation, the Good Cents Select Participation Fee was inadvertently included twice and was corrected in March before March's ECCR Over/Under recovery was calculated.

** Interest adjustment represents the correction of a small error that resulted from using an incorrect rate in May.

GULF POWER COMPANY
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN
 Good Cents Select
 For the Period January, 2004 Through December, 2004

Line No. Description	Beginning of Period	January	February	March	April	May	June	July	August	September	October	November	December
1 Investments Added to Plant In Service (Net of Retirements)		4,475.83	134,264.82	3,286.44	336,853.66	111,846.30	226,249.52	248,846.30	493,476.66	72,921.16	279,099.71	119,202.54	7,890.40
2 Depreciable Base (Cumulative Plant Additions PM Ln 2 + CM Ln 1)	4,851,520.06	4,855,995.89	4,990,260.71	4,993,547.15	5,330,400.81	5,442,047.11	5,668,296.63	5,917,142.83	6,410,619.59	6,483,540.75	6,762,640.46	6,881,843.00	6,889,733.40
3 Depreciation Expense ((PM Ln 2 + CM Ln 2)/2 * .0019) (Note A)		9,222.14	9,353.94	9,484.62	9,807.75	10,233.83	10,554.83	11,006.17	11,711.37	12,249.45	12,583.87	12,962.26	13,083.00
4 Retirements										(13,540.14)			(159,357.02)
5 Salvage									8,327.47	1,836.44		14,826.46	53,483.92
6 Less: Accum. Depr, COR and Sal. (PM Ln 6 + CM Ln 3 + 4 + 5)	234,772.21	243,994.35	253,348.29	262,832.91	272,640.66	282,874.49	293,429.32	304,435.49	324,474.33	325,020.08	337,603.95	365,392.67	272,602.57
7 Net Plant In Service (CM Ln 2 - CM Ln 6)	4,616,747.85	4,612,001.54	4,736,912.42	4,730,714.24	5,057,760.15	5,159,172.62	5,374,867.31	5,612,707.44	6,086,145.26	6,158,520.67	6,425,036.51	6,516,450.33	6,617,130.83
8 Net Additions/Reductions to CWIP	0.00	130,869.82	(74,939.31)	143,364.86	(199,295.37)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9 CWIP Balance (PM Ln 9 + CM Ln 8)	0.00	130,869.82	55,930.51	199,295.37	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10 Inventory	8,243,810.25	8,167,722.06	8,089,170.66	7,991,402.10	7,854,091.64	7,718,750.67	7,559,017.44	7,814,119.43	7,600,713.58	7,644,909.97	7,520,285.63	7,387,764.71	7,515,459.76
11 Net Investment (CM Ln 7 + CM Ln 9 + CM Ln 10)	12,860,558.10	12,910,593.42	12,882,013.79	12,921,411.71	12,911,851.79	12,877,923.29	12,933,884.75	13,426,826.87	13,686,858.84	13,803,430.64	13,945,322.14	13,904,215.04	14,132,590.59
12 Average Net Investment (PM Ln 11 + CM Ln 11)/2	12,866,255.94	12,885,575.76	12,896,303.60	12,901,712.75	12,916,631.75	12,894,887.54	12,905,904.02	13,180,355.81	13,556,842.85	13,745,144.74	13,874,376.39	13,924,768.59	14,018,402.81
13 Rate of Return / 12 (Note B)		0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434	0.009434
14 Return Requirement on Average Net Investment (CM Ln 12 * CM Ln 13)		121,562.52	121,663.73	121,714.76	121,855.50	121,650.37	121,754.30	124,343.48	127,895.26	129,671.70	130,890.87	131,366.27	132,249.61
15 Property Tax		16,961.76	16,961.76	16,961.76	16,961.76	16,961.76	16,961.76	16,961.76	16,961.76	16,961.75	16,961.76	16,961.76	16,961.70
16 Total Depreciation, Prop Taxes & Return (CM Ln 3 + CM Ln 14 + CM Ln 15)		147,746.42	147,979.43	148,161.14	148,825.01	148,845.96	149,270.89	152,311.41	156,568.39	158,882.91	160,436.50	161,290.29	162,294.31

Notes:
 (A) GoodCents Select Property Additions Depreciated at 2.3% per year
 (B) Revenue Requirement Return (including income taxes) is 11.3204

Florida Public Service Commission
 Docket No. 050002-EG
 GULF POWER COMPANY
 Witness: William D. Eggart
 Exhibit No. _____ (WDE-1)
 Schedule CT-4
 Page 1 of 1

Florida Public Service Commission
Docket No. 050002-EG
Gulf Power Company
Witness: William D. Eggart
Exhibit No. _____ (WDE-1)
Schedule CT-5
Page 1 of 1

GULF POWER COMPANY

Reconciliation and Explanation of
Differences Between Filing and FPSC Audit
Report for Months, January, 2003 through December, 2003

(If no differences exist, please state.)

NO DIFFERENCES

Program Description and Progress

Program Title: Residential Energy Audits

Program Description: This program consists of two types of audits: (1) Class A Energy Conservation Audits and (2) Centsable Energy Checks, a walk-through audit. Both of these audits are performed on-site and involve assisting the customer in upgrading the thermal and equipment efficiencies in their homes as well as lifestyle measures and other low or no cost improvements.

Program Accomplishments: 1,500 residential energy audits were forecasted to be completed compared to 1,278 actual audits completed for a difference of 222 audits under projection. The program is under projection due to time lost to Hurricane Ivan restoration efforts. There were also fewer opportunities in the last quarter of 2004 to conduct energy audits due to the wide-spread damage.

Program Fiscal Expenditures: Forecasted expenses were \$552,371 compared to actual expenses of \$447,952 resulting in a deviation of \$104,419 under budget. These expenses are under budget primarily due to the economies of scale utilized in performing audits for multi-family units and fewer audits than projected.

Program Progress Summary: Since the approval of this program, Gulf has performed 133,687 residential energy audits. This is a result of Gulf's promotional campaign to solicit energy audits as well as the overall rapport established with its customers as the "energy experts" in Northwest Florida.

Program Description and Progress

Program Title: Residential Mail-In Audits

Program Description: The Residential Mail-In Audit Program includes both mail-in and on-line energy surveys. This program supplements Gulf Power Company's long standing Residential Energy Audit program and assists in the evaluation of the specific energy requirements of a residential dwelling. Homeowners complete an audit questionnaire on their own or may request the assistance of a Gulf Power representative. This questionnaire asks customers about their energy consuming equipment or appliances, square footage, and other details regarding their lifestyles. The audit results are returned to the customer and include targeted, timely information about energy conservation opportunities specific to each dwelling.

Program Accomplishments: 1,363 audits were conducted using this process during the reporting period compared to a projection of 600. This program is over projection due to an increased request for the on-line audits and more than anticipated audits of multi-family dwellings.

Program Fiscal Expenditures: The program had actual expenses of \$87,480 compared to a projection of \$100,446 for a difference of \$12,966 under budget. These expenses are under budget due to the efficiency of on-line audits and the economies of scale utilized in performing audits for multi-family units.

Program Progress Summary: This program was approved in August 1997. There have been 4,140 mail-in audits completed program-to-date.

Program Description and Progress

Program Title: GoodCents Environmental Home

Program Description: GoodCents Environmental Home Program provides residential customers with guidance concerning energy and environmental efficiency in new construction. The program promotes energy-efficient and environmentally sensitive home construction techniques by evaluating over 500 components in six categories of design construction practices.

Program Accomplishments: During 2004, no GoodCents Environmental Homes were constructed. This program was approved in October, 1996, as part of the conservation programs in Gulf's Demand-Side Management Plan, Docket 941172-EI. However, there has been little acceptance with builders because of the added cost of materials, availability problems with materials, and current public attitudes toward environmental issues. This program was eliminated and will not be available in the recently approved 2005 Demand-Side Management Plan.

Program Fiscal Expenditures: For this period there were no expenses projected and no expenses incurred for this program.

Program Progress Summary: Ten homes have been certified to meet the GoodCents Environmental Home standards.

Program Description and Progress

Program Title: Duct Leakage Repair

Program Description: This program was developed as a result of Gulf Power Company's 1992 HVAC Duct and Infiltration (Blower Door) Pilot Program. The objective of the program is to provide the customer with a means to identify house air duct leakage and to recommend repairs that can reduce customer kWh energy usage and kW demand.

Program Accomplishments: The Company has provided demonstrations and training to builders, dealers and homeowners regarding duct leakage and duct testing methods and procedures during 2004. No customers participated in the Duct Leakage Repair program during the past year. This program was eliminated and will not be available in the recently approved 2005 Demand-Side Management Plan.

Program Fiscal Expenditures: There were no expenses projected and none incurred during this period.

Program Progress Summary: Since the program's beginning, 32 customers have participated.

Program Description and Progress

Program Title: Geothermal Heat Pump

Program Description: The objective of this program is to reduce the demand and energy requirements of new and existing residential customers through the promotion and installation of geothermal systems.

Program Accomplishments: During this recovery period, 66 Geothermal Heat Pump units were installed compared to a goal of 200 units. Installations were under projection due to less participation in the multi-family segment and as a result of time lost in the last quarter of 2004 to Hurricane Ivan restoration efforts.

Program Fiscal Expenditures: Projected expenses for the period were \$339,603 compared to actual expenses of \$136,625 for a deviation of \$202,978 under budget. These expenses are under budget due to less customer participation in this recovery period.

Program Progress Summary: Education and training continue as vital components of this program. Since the inception, 1,978 geothermal systems have been installed.

Program Description and Progress

Program Title: GoodCents Select

Program Description: The program is designed to provide the customer with a means of conveniently and automatically controlling and monitoring his/her energy purchases in response to prices that vary during the day and by season in relation to the Company's cost of producing or purchasing energy.

Program Accomplishments: It was anticipated in the October 4, 2004 Projection Filing of Docket No. 040002-EG that the total systems installed for the year would be approximately 2,500. However, damage from Hurricane Ivan caused more units to be temporarily removed from service than expected. In addition, restoration efforts allowed less opportunity during this time for installations. As a result, an annual net total of 1,478 units were installed.

Program Fiscal Expenditures: This program projected expenses of \$5,480,367 for 2004 with actual expenses of \$5,923,030. The program is over budget \$442,663 due to the fact that there are expenses associated with the program that have not been offset by planned installations and subsequent revenues from the program.

Program Progress Summary: As of December, 2004, there are 5,722 participating customers.

Program Description and Progress

Program Title: GoodCents Buildings

Program Description: This program is designed to educate commercial and industrial customers on the most cost-effective methods of designing new and improving existing buildings. The program stresses efficient heating and cooling equipment, improved thermal envelope, operation and maintenance, lighting, cooking and water heating. Field representatives work with architects, engineers, consultants, contractors, equipment suppliers and building owners and occupants to encourage them to make the most efficient use of all energy sources and available technologies.

Program Accomplishments: The goal during the current period was 155 installations compared to actual installations of 152.

Program Fiscal Expenditures: Forecasted expenses were \$531,509 compared to actual expenses of \$408,781 for a deviation of \$122,728 under budget. The expenses are under budget due to the maturity and greater understanding of the program allowing for greater success with less cost. Education and adoption of GoodCents standards for many of the decision makers for commercial building construction has evolved such that less time is required to promote the program; however, continuously working with the decision makers and staying abreast of new technology is required to maintain a high level of success within this program.

Program Progress Summary: A total of 8,567 commercial/industrial buildings have qualified for the GoodCents designation since the program was developed in 1977.

Program Description and Progress

Program Title: Energy Audits and Technical Assistance
Audits (E.A./T.A.A)

Program Description: This program is designed to provide professional advice to our existing commercial and industrial customers on how to reduce and make the most efficient use of energy. This program covers from the smallest commercial customer, requiring only a walk-through survey, to the very large energy intensive customers using computer programs that simulate various design options. The program is designed to include semi-annual and annual follow-ups with the customer to verify any conservation measures installed and to reinforce the need to continue with more conservation efforts.

Program Accomplishments: During the period ending December, 2004, our goal was 125 audits with actual results of 121 audits.

Program Fiscal Expenditures: Forecasted expenses were \$608,208 compared to actual expenses of \$475,714 for a deviation of \$132,494 under due to increased efficiencies in personnel and material resource use.

Program Progress Summary: A total of 11,692 E.A./T.A.A.'s have been completed since the program started in 1981. These audits have ranged from the basic walk-through type for some commercial customers to sophisticated technical assistance audits for other commercial and industrial customers.

Program Description and Progress

Program Title: Commercial Mail-In Audit Program

Program Description: The Commercial Mail-In Audit Program is a direct mail energy auditing program. This program supplements Gulf Power's existing Commercial/Industrial Energy Audit program and assists in the evaluation of the specific energy requirements of a given business type. Businesses complete an audit questionnaire on their own or may request the assistance of a Gulf Power Marketing representative. This questionnaire asks customers about their energy consuming equipment or appliances, square footage, hours of operation and other details regarding their business operations. The audit results package is returned to the customer and includes targeted, timely information about energy conservation opportunities specific to each business type and geographic area.

Program Accomplishments: In 2004, 13 mail-in audits were completed. Although the annual projection for 2004 was to complete 600 mail-in audits, solicitations were suspended in 2004 based on lack of response from customers and their feedback that they had received the survey multiple times in recent years.

Program Fiscal Expenditures: This program incurred actual expenses of \$38,664 compared to a budget of \$41,162 for a deviation of \$2,498 under budget.

Program Progress Summary: Since 1997, 6,392 mail-in audits have been completed.

Program Description and Progress

Program Title: Green Pricing

Program Description: The Green Pricing Program is designed to encompass a variety of voluntary renewable and green energy programs under development by Gulf Power Company. The voluntary pricing options for customers will include, but not be limited to EarthCents Solar (Photovoltaic Rate Rider) and the Solar for Schools program. Additionally, this program will include expenses necessary to prepare and implement a green energy pilot program utilizing landfill gas, wind, solar or other renewable energy sources.

Program Accomplishments:

Solar for Schools: The principle objective of the Solar for Schools program is to implement cost-effective solar education and demonstration projects at local educational facilities by means of voluntary contributions. The program also seeks to increase renewable energy and energy awareness among students, parents and contributors. Solar for Schools is a program that uses voluntary contributions to fund materials for energy education, permanent demonstration displays, rewards for science contests, and teacher education. Voluntary contributions are solicited from customers interested in renewable energy and/or helping to improve the quality of schools in the Gulf Power Company service area. Funds are collected through a "check-off" mechanism on the utility bill or through a direct contribution and accumulated in an interest bearing account. When contributions reach an adequate level, they are directed to an educational facility for implementation of various solar educational programs and for the installation of solar equipment. Contributions are not used for administrative costs, program research or for promotion costs.

Gulf Power continues to monitor a 4 kW PV solar system installed in 2000 at the Junior Museum of Bay County. This PV system operates computer equipment and other electrical items within the museum itself to demonstrate the capabilities of solar energy to the youth of Bay County and the surrounding areas.

In 2003, Gulf Power Company implemented a 4 kW PV solar system at Meigs Middle School in Shalimar and a 4 kW PV solar system at West Florida High School of Advanced Technology in Pensacola. Both schools received a data

acquisition system whose energy output and other data are relayed to the teachers via the internet. The real time data may also be viewed from Gulf Power's external web site. Gulf Power Company implemented an additional Solar for Schools project during the 2004 calendar year at Bay County High School in Panama City. Similar to the other schools involved in the program, Bay High School received a 4 kW photovoltaic solar array and a data acquisition system. The system was incorporated into Bay High School's science curriculum, and teachers and students alike are able to view and analyze the data through the internet. Working in tandem with the Florida Solar Energy Center, Gulf Power helped to promote training and education in science and engineering at Bay High School through the implementation of the solar facility. Moreover, the energy provided from the solar array has been donated to the school in order to reduce their reliance on energy provided from Gulf Power.

EarthCents Solar (Photovoltaic Optional Rate Rider): The PV Rate Rider is an optional rate rider for Gulf Power Company's customers. Customers may purchase photovoltaic energy in 100-watt blocks. Multiple blocks may be purchased. Power purchased or produced from photovoltaic facilities may not be specifically delivered to the customer, but will displace power that would have otherwise been produced from traditional generating facilities. The construction of the photovoltaic facility or the purchase of power from photovoltaic facilities will begin upon the attainment of sufficient commitments from all participants across the Southern Company electric system where the option is available and, as necessary, after obtaining PSC approval. Customer billing will begin the second month following the date in which power is purchased from photovoltaic generating facilities or in which a photovoltaic generating facility of the Southern Company begins commercial operation. As of December, 2004, 62 customers have signed up for 72 100-watt blocks of energy.

Program Fiscal Expenditures: There were expenses of \$116,564 projected for this period. Actual expenses were: Solar for Schools, \$5,384; Green Pricing, \$46,386; and EarthCents Solar, \$21,618 for a deviation of \$43,176 under budget.

Program Description and Progress

Program Title: Conservation Demonstration and Development

Program Description: A package of conservation programs was approved by the FPSC in Order No. 23561 for Gulf Power Company to explore and to pursue research, development, and demonstration projects designed to promote energy efficiency and conservation. This program serves as an umbrella program for the identification, development, demonstration and evaluation of new or emerging end-use technologies.

Program Accomplishments:

Aquatic Pool - The project involves the installation of an air source heat pump water heater/dehumidification system. The system capacity is 22.5 tons. The pool is 75 X 42 square feet, 116,550 gallons and heated by a 400,000 btuh natural gas pool heater. A final report was prepared and submitted in December, 2004.

Eglin Geothermal - This project involves the installation of one geothermal system in a family housing unit at Eglin AFB. The system is monitored at various points to determine actual field efficiency. Monitoring equipment is installed on an identical type unit with a conventional A/C system with a gas furnace. The study will be for a one-year period to gather data in both cooling and heating operation of systems. Equipment failure has extended the research for an additional year and a half to obtain a full year of data. A report will be prepared once the research has been completed.

Groovin'Noovin' - Gulf Power Company monitored two pieces of cooking equipment at two different store locations. Energy usage was monitored and a final report was prepared and submitted in December, 2004.

Hampton Inn - The Hampton Inn was used to study geothermal heat pump water heaters for their laundry and pool heating requirements. The laundry room was cooled and the water heated with geothermal heat pump water heaters. The hotel pool was heated with a geothermal heat pump water heater. The project has been completed and a final report was prepared and submitted in December, 2004.

Mary Esther School - In 2003, Gulf contracted the fabrication and installation of a triple-function heat pump unit, along with the necessary hot water storage, pumping, piping and controls at Mary Esther School (Mary Esther, Fl - Okaloosa County School District), to provide a completely operational commercial triple-function heat pump application. Gulf also provided appropriate air source, triple function heat pump design for commercial applications demonstrating commercial viability and optimal functionality. Metering and monitoring equipment was installed and a final report was prepared and submitted in December, 2004.

Oak Ridge - This project is an application of a new product to overcome market barriers to heat pump water heaters such as ease of installation, cost and performance. This new product has a built-in refrigeration system and a plumber can install the system just like any other electric water heater. All parts are standard reliable components that are proven in the refrigeration market. This project has been completed and a final report was submitted in December, 2004.

Pine Forest High School - Gulf Power Company was monitoring several pieces of equipment at the culinary arts department of a local high school. Energy usage was monitored and a final report was submitted in December, 2004.

Sealed Semi-Conditioned Attic - In 2003, a semi-conditioned attic as well as the living space of a home was conditioned/de-humidified utilizing the enhanced de-humidification capabilities of a closed-loop geothermal heat pump with zone control. The attic was sealed using a vapor barrier and spray foam insulation combination that is expected to significantly reduce the infiltration of hot humid air into the attic space. This project was monitored in 2004 and a report will be prepared once the research is complete.

Springhill Suites - This project is monitoring various energy and water flows for the Springhill Suites Hotel. This hotel is the first hybrid geothermal commercial project in Gulf Power Company's service area. Monitoring the energy and water flows will enable Gulf to demonstrate and document the energy savings and conservation benefits of geothermal applications to building owners, architects, and energy managers. Although research was scheduled to conclude in 2005, damage from Hurricane Ivan prevented further data collection. However, there was sufficient data to prepare a final report which was submitted in December, 2004.

Triggers - Triggers was a research site designed to study the effectiveness of a heat pump water heater for commercial use. This project has been completed and a final report was submitted in December, 2004.

Warner Solar - This project is evaluating the electrical output of a 2.4 kW photovoltaic solar array installed at a local small business. This was the first small PV interconnection agreement with Gulf Power. The study should be completed in 2005 and a report will be prepared at its conclusion.

Water Furnace - This research project is designed to study the experimental refrigerant R410A. A comparative study is being done between this new refrigerant and present refrigerants that are to be phased out of production due to EPA mandates. A report will be prepared in 2005.

Program Fiscal Expenditures: Program expenses were forecasted at \$80,025 compared to actual expenses of \$28,002 for a deviation of \$52,023 under budget. Project expenses were as follows: Aquatic Pool, (\$29); Eglin Geothermal, \$11,698; Mary Esther School, \$1,354; Oak Ridge, \$0; Springhill Suites, \$4,439; Pine Forest High School, \$0; Triggers, \$0; Warner Solar, \$3,644; Water Furnace, \$0; Sealed, Semi-conditioned Attic, \$6,896.