

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ENVIRONMENTAL COST RECOVERY CLAUSE

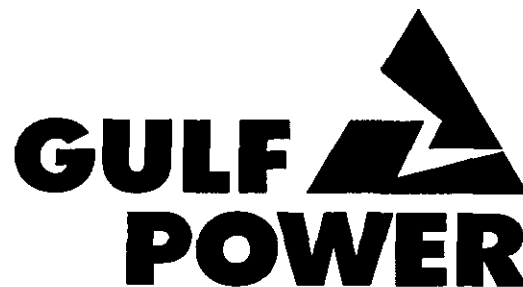
DOCKET NO. 080007-EI

PREPARED DIRECT TESTIMONY AND EXHIBIT OF
SUSAN D. RITENOUR

PROJECTION FILING
FOR THE PERIOD

JANUARY 2009 – DECEMBER 2009

AUGUST 29, 2008



A SOUTHERN COMPANY

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FPSC-COMMISSION CLERK

1 GULF POWER COMPANY

2 Before the Florida Public Service Commission
3 Direct Testimony and Exhibit of
4 Susan D. Ritenour
5 Docket No. 080007-EI
6 Date of Filing: August 29, 2008

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

8 A. My name is Susan D. Ritenour. My business address is One Energy
9 Place, Pensacola, Florida 32520-0780. I hold the position of Secretary
10 and Treasurer and Regulatory Manager for Gulf Power Company.

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

13 A. I graduated from Wake Forest University in Winston-Salem, North
14 Carolina in 1981 with a Bachelor of Science Degree in Business and
15 from the University of West Florida in 1982 with a Bachelor of Arts
16 Degree in Accounting. I am also a Certified Public Accountant licensed
17 in the State of Florida. I joined Gulf Power Company in 1983 as a
18 Financial Analyst. Prior to assuming my current position, I have held
19 various positions with Gulf including Computer Modeling Analyst, Senior
20 Financial Analyst, Supervisor of Rate Services, and Assistant Secretary
21 & Assistant Treasurer.

22 My responsibilities include supervision of: tariff administration,
23 cost of service activities, calculation of cost recovery factors, the
24 regulatory filing function of the Regulatory Matters Department, and
25 various treasury and corporate secretary activities.

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

3 A. Yes, I have.
4

5 Q. What is the purpose of your testimony?

6 A. The purpose of my testimony is to present both the calculation of the
7 revenue requirements and the development of the environmental cost
8 recovery factors for the period of January 2009 through December 2009.
9

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

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

14 Counsel: We ask that Ms. Ritenour's exhibit consisting of 7
15 schedules be marked as Exhibit No. _____ (SDR-3).
16

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

19 A. As discussed in the testimony of J. O. Vick, Gulf is requesting recovery
20 for certain environmental compliance operating expenses and capital
21 costs that are consistent with both the decision of the Commission in
22 Order No. PSC-94-0044-FOF-EI in Docket No. 930613-EI and with past
23 proceedings in this ongoing recovery docket. The costs we have
24 identified for recovery through the ECRC are not currently being
25 recovered through base rates or any other cost recovery mechanism.

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

3 A. Mr. Vick has provided me with projected recoverable O&M expenses for
4 January 2009 through December 2009. Schedule 2P of my exhibit
5 shows the calculation of the recoverable O&M expenses broken down
6 between demand-related and energy-related expenses. Also,
7 Schedule 2P provides the appropriate jurisdictional factors and amounts
8 related to these expenses. All O&M expenses associated with
9 compliance with the Clean Air Act Amendments of 1990 (CAAA) were
10 considered to be energy-related, consistent with Commission Order No.
11 PSC-94-0044-FOF-EI. O&M expenses associated with Gulf's Clean Air
12 Interstate Rule (CAIR), Clean Air Mercury Rule (CAMR), and Clean Air
13 Visibility Rule (CAVR) Compliance Program were considered to be
14 energy-related pursuant to FPSC Order No. PSC-06-0972-FOF-EI
15 issued November 22, 2006. The remaining expenses were broken down
16 between demand and energy consistent with Gulf's last approved cost-
17 of-service methodology in Docket No. 010949-EI.

18
19 Q. Please describe Schedules 3P and 4P of your exhibit.

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

1 clearings, retirements, salvage, and cost of removal related to each
2 capital project and the monthly costs for emission allowances. From that
3 information, I calculated plant-in-service and construction work in
4 progress (non interest bearing). Depreciation, amortization and
5 dismantlement expense and the associated accumulated depreciation
6 balances were calculated based on Gulf's approved depreciation rates,
7 amortization periods, and dismantlement accruals. The capital projects
8 identified for recovery through the ECRC are those environmental
9 projects which were not included in the approved June 2002 through
10 May 2003 test year on which present base rates were set.

11

12 Q. How was the amount of property taxes to be recovered through the
13 ECRC derived?

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

23

24

25

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

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

7
8 Q. How was the breakdown between demand-related and energy-related
9 investment costs determined?

10 A. The investment costs associated with compliance with the CAAA were
11 considered to be energy-related consistent with Commission Order No.
12 PSC-94-0044-FOF-EI, dated January 12, 1994, in Docket No. 930613-
13 EI. The investment costs associated with Gulf's CAIR, CAMR, and
14 CAVR Compliance Program were considered to be energy-related
15 pursuant to FPSC Order No. PSC-06-0972-FOF-EI issued November 22,
16 2006. The remaining investment costs of environmental compliance
17 were allocated 12/13th based on demand and 1/13th based on energy,
18 consistent with Gulf's last cost-of-service study. The calculation of this
19 breakdown is shown on Schedule 4P and summarized on Schedule 3P.

20
21 Q. What is the total amount of projected recoverable costs related to the
22 period January 2009 through December 2009?

23 A. The total projected jurisdictional recoverable costs for the period January
24 2009 through December 2009 is \$84,761,585 as shown on line 1c of
25 Schedule 1P. This includes costs related to O&M activities of

1 \$41,015,461 and costs related to capital projects of \$43,746,124 as
2 shown on lines 1a and 1b of Schedule 1P.

3

4 Q. What is the total recoverable revenue requirement to be recovered in the
5 projection period January 2009 through December 2009 and how was it
6 allocated to each rate class?

7 A. The total recoverable revenue requirement including revenue taxes is
8 \$86,163,397 for the period January 2009 through December 2009 as
9 shown on line 5 of Schedule 1P. This amount includes the
10 recoverable costs related to the projection period and the total true-up
11 cost of \$1,339,819 to be collected. Schedule 1P also summarizes the
12 energy and demand components of the requested revenue requirement.
13 I allocated these amounts by rate class using the appropriate energy and
14 demand allocators as shown on Schedules 6P and 7P.

15

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

18 A. The demand allocation factors used in the ECRC were calculated using
19 the 2006 load data filed with the Commission in accordance with FPSC
20 Rule 25-6.0437. The energy allocation factors were calculated based on
21 projected KWH sales for the period adjusted for losses. The calculation
22 of the allocation factors for the period is shown in columns 1 through 9
23 on Schedule 6P.

24

25

- 1 Q. How were these factors applied to allocate the requested recovery
2 amount properly to the rate classes?
- 3 A. As I described earlier in my testimony, Schedule 1P summarizes the
4 energy and demand portions of the total requested revenue requirement.
5 The energy-related recoverable revenue requirement of \$80,165,625 for
6 the period January 2009 through December 2009 was allocated using
7 the energy allocator, as shown in column 3 on Schedule 7P. The
8 demand-related recoverable revenue requirement of \$5,997,772 for the
9 period January 2009 through December 2009 was allocated using the
10 demand allocator, as shown in column 4 on Schedule 7P. The
11 energy-related and demand-related recoverable revenue requirements
12 are added together to derive the total amount assigned to each rate
13 class, as shown in column 5.
14
- 15 Q. What is the monthly amount related to environmental costs recovered
16 through this factor that will be included on a residential customer's bill for
17 1,000 kwh?
- 18 A. The environmental costs recovered through the clause from the
19 residential customer who uses 1,000 kwh will be \$7.35 monthly for the
20 period January 2009 through December 2009.
21
- 22 Q. When does Gulf propose to collect its environmental cost recovery
23 charges?
- 24 A. The factors will be effective beginning with Cycle 1 billings in January
25 2009 and will continue through the last billing cycle of December 2009.

1 Q. Ms. Ritenour, does this conclude your testimony?

2 A. Yes.

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AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 080007-EI

Before me the undersigned authority, personally appeared Susan D. Ritenour, Secretary and Treasurer and Regulatory Manager of Gulf Power Company, and who on behalf of said corporation, being first duly sworn, deposes and says that, pursuant to Rule 1.340(a), Florida Rules of Civil Procedure, the foregoing is true and correct to the best of her knowledge, information and belief. She is personally known to me.

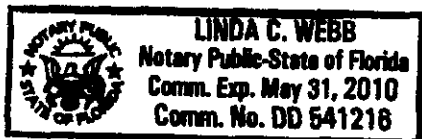


Susan D. Ritenour
Secretary and Treasurer and Regulatory Manager

Sworn to and subscribed before me this 28th day of August, 2008.



Notary Public, State of Florida at Large



Schedule 1P

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

For the Projected Period
January 2009 - December 2009

Line No.	Energy (\$)	Demand (\$)	Total (\$)
1			
a			
b			
c			
2			
3			
4			
5			

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 2009 - December 2009

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	Energy	
1 Description of O & M Activities																
.1 Sulfur	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.2 Air Emission Fees	0	840,000	0	0	0	0	0	0	124,374	0	0	0	964,374	0	964,374	0
.3 Title V	12,934	8,968	10,615	9,817	9,817	12,027	13,893	9,810	11,250	9,815	9,205	11,202	129,352	0	129,352	0
.4 Asbestos Fees	1,500	0	0	0	0	0	0	0	0	0	0	1,000	2,500	2,500	0	0
.5 Emission Monitoring	56,960	50,400	57,806	48,102	58,291	59,181	60,734	48,117	60,570	49,248	46,469	60,330	656,209	0	656,209	0
.6 General Water Quality	49,150	45,965	51,294	44,332	31,738	38,388	36,985	58,244	61,363	51,121	50,821	36,677	556,074	556,074	0	0
.7 Groundwater Contamination Investigation	115,380	100,723	105,089	273,280	273,280	109,185	121,162	105,752	108,204	107,319	106,488	105,311	1,631,176	1,631,176	0	0
.8 State NPDES Administration	23,000	0	0	0	0	0	0	0	0	0	7,500	11,500	42,000	42,000	0	0
.9 Lead and Copper Rule	4,100	0	4,300	0	0	4,000	0	0	4,000	0	4,000	0	20,400	20,400	0	0
.10 Env Auditing/Assessment	0	0	3,000	0	0	1,500	1,500	0	650	0	0	650	7,300	7,300	0	0
.11 General Solid & Hazardous Waste	39,271	32,072	34,007	32,691	32,691	35,691	41,653	32,691	35,421	33,421	33,421	34,439	417,471	417,471	0	0
.12 Above Ground Storage Tanks	2,053	1,976	20,486	2,936	5,446	1,979	26,944	1,923	1,970	1,933	20,414	2,040	90,100	90,100	0	0
.13 Low Nox	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.14 Ash Pond Diversion Curtains	0	0	230,000	340,000	230,000	0	0	0	0	0	0	0	800,000	0	800,000	0
.15 Mercury Emissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.16 Sodium Injection	25,800	26,650	25,800	24,950	25,800	26,650	27,500	24,950	27,500	25,800	24,100	27,500	313,000	0	313,000	0
.17 Gulf Coast Ozone Study	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.18 SPCC Substation Project	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.19 FDEP NOx Reduction Agreement	258,754	315,475	227,872	345,454	814,829	350,486	376,619	323,058	325,935	261,959	242,443	325,779	4,168,665	0	4,168,665	0
.20 CAIR/CAMR/CAVR Compliance Program	561,679	547,059	526,558	432,926	454,146	481,366	509,533	443,965	507,688	508,248	422,816	576,542	5,972,528	0	5,972,528	0
.21 Mercury Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.22 Annual NOx Allowances	0	0	0	0	0	645,556	2,394,454	3,249,899	3,255,805	2,651,941	2,659,092	3,779,038	18,635,785	0	18,635,785	0
.23 Seasonal NOx Allowances	0	0	0	0	413,885	431,894	461,802	462,602	384,807	0	0	0	2,154,990	0	2,154,990	0
.24 SO ₂ Allowances	<u>281,286</u>	<u>305,436</u>	<u>273,252</u>	<u>347,607</u>	<u>354,206</u>	<u>361,944</u>	<u>906,735</u>	<u>909,355</u>	<u>761,194</u>	<u>540,093</u>	<u>453,704</u>	<u>417,961</u>	<u>5,912,773</u>	<u>0</u>	<u>5,912,773</u>	<u>0</u>
2 Total of O & M Activities	1,431,867	2,274,724	1,570,079	1,902,096	2,704,130	2,559,848	4,979,513	5,670,366	5,670,732	4,240,899	4,080,474	5,389,970	42,474,697	2,767,020	39,707,676	0
3 Recoverable Costs Allocated to Energy	1,197,413	2,093,988	1,351,904	1,548,857	2,360,975	2,369,105	4,751,269	5,471,756	5,459,123	4,047,105	3,857,830	5,198,352	39,707,676	0	39,707,676	0
4 Recoverable Costs Allocated to Demand	234,454	180,736	218,175	353,239	343,155	190,743	228,244	198,610	211,608	193,794	222,644	191,617	2,767,020	2,767,020	0	0
5 Retail Energy Jurisdictional Factor	0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	0.9630706	0.9630706	0.9630706	0.9630706
6 Retail Demand Jurisdictional Factor	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160
7 Jurisdictional Energy Recoverable Costs (A)	1,153,309	2,020,984	1,304,179	1,497,161	2,283,393	2,291,082	4,595,420	5,292,102	5,275,720	3,907,520	3,716,701	5,009,885	38,347,456	0	38,347,456	0
8 Jurisdictional Demand Recoverable Costs (B)	<u>226,064</u>	<u>174,269</u>	<u>210,368</u>	<u>340,599</u>	<u>330,876</u>	<u>183,918</u>	<u>220,076</u>	<u>191,503</u>	<u>204,036</u>	<u>186,859</u>	<u>214,677</u>	<u>184,760</u>	<u>2,668,005</u>	<u>2,668,005</u>	<u>0</u>	<u>0</u>
9 Total Jurisdictional Recoverable Costs for O & M Activities (Lines 7 + 8)	<u>1,379,373</u>	<u>2,195,253</u>	<u>1,514,547</u>	<u>1,837,760</u>	<u>2,614,269</u>	<u>2,475,000</u>	<u>4,815,496</u>	<u>5,483,605</u>	<u>5,479,756</u>	<u>4,094,379</u>	<u>3,931,378</u>	<u>5,194,645</u>	<u>41,015,461</u>	<u>2,668,005</u>	<u>41,015,461</u>	<u>0</u>

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

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
 January 2009 - December 2009

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	3,702	3,676	3,652	3,627	3,603	3,577	3,553	3,528	3,504	3,478	3,454	3,429	42,783	0	42,783	
.2 Crist 5, 6 & 7 Precipitator Projects	164,874	164,389	163,904	163,418	162,933	162,447	161,961	161,475	160,990	160,505	160,019	159,534	1,946,449	0	1,946,449	
.3 Crist 7 Flue Gas Conditioning	14,045	14,044	14,041	14,040	14,037	14,036	14,033	14,032	14,030	14,028	14,026	14,024	168,416	0	168,416	
.4 Low NOx Burners, Crist 6 & 7	169,536	169,307	169,078	168,849	168,620	168,391	168,162	167,934	167,704	167,475	167,247	167,018	2,019,321	0	2,019,321	
.5 CEMs- Plants Crist, Scholz, Smith, and Daniel	72,640	72,516	72,391	72,268	72,143	72,019	71,895	71,771	71,646	72,509	74,887	76,386	873,071	0	873,071	
.6 Sub. Contam. Mobile Groundwater Treat. Sys.	8,589	8,571	8,554	8,536	8,519	8,502	8,485	8,467	8,450	8,432	8,416	8,398	101,919	94,079	7,840	
.7 Raw Water Well Flowmeters - Plants Crist & Smith	2,282	2,276	2,271	2,266	2,260	2,254	2,249	2,243	2,238	2,231	2,226	2,221	27,017	24,938	2,079	
.8 Crist Cooling Tower Cell	4,939	4,937	4,935	4,934	4,932	4,931	4,930	4,927	4,926	4,925	4,923	4,922	59,161	54,609	4,552	
.9 Crist 1-5 Dechlorination	2,315	2,307	2,300	2,292	2,284	2,276	2,269	2,261	2,253	2,246	2,238	2,230	27,271	25,173	2,098	
.10 Crist Diesel Fuel Oil Remediation	582	581	578	577	576	573	572	570	568	567	565	563	6,872	6,344	528	
.11 Crist Bulk Tanker Unload Sec Contain Struc	770	768	765	763	760	758	755	753	750	747	745	742	9,076	8,379	697	
.12 Crist IWW Sampling System	449	448	445	444	443	441	440	439	436	435	434	432	5,286	4,880	406	
.13 Sodium Injection System	4,100	4,091	4,082	4,073	4,063	4,054	4,045	4,036	4,027	4,017	4,008	3,999	48,595	0	48,595	
.14 Smith Stormwater Collection System	21,236	21,182	21,126	21,072	21,017	20,962	20,908	20,853	20,799	20,744	20,690	20,635	251,224	231,899	19,325	
.15 Smith Waste Water Treatment Facility	3,003	2,999	2,996	2,992	2,989	2,985	2,982	2,978	2,975	2,971	2,968	2,964	35,802	33,048	2,754	
.16 Daniel Ash Management Project	171,160	172,089	174,454	175,412	174,949	174,485	174,022	173,558	173,096	172,632	172,169	171,705	2,079,731	1,919,755	159,976	
.17 Smith Water Conservation	1,369	1,366	1,364	1,361	1,359	1,356	1,353	1,351	1,348	1,345	1,342	1,339	16,253	15,003	1,250	
.18 Underground Fuel Tank Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
.19 Crist FDEP Agreement for Ozone Attainment	1,505,458	1,501,786	1,504,541	1,507,280	1,503,577	1,499,875	1,496,172	1,492,469	1,488,766	1,485,063	1,481,361	1,477,658	17,944,006	0	17,944,006	
.20 SPPC Compliance	10,576	10,624	10,721	10,771	10,747	10,723	10,700	10,676	10,652	10,629	10,605	10,582	128,006	118,158	9,848	
.21 Crist Common FTIR Monitor	666	665	664	662	661	659	657	656	655	652	651	649	7,897	0	7,897	
.22 Precipitator Upgrades for CAM Compliance	337,148	336,484	335,821	335,157	334,494	333,831	333,167	332,504	331,841	331,177	330,514	329,850	4,001,988	0	4,001,988	
.23 Plant Groundwater Investigation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
.24 Crist Water Conservation	1,076	1,073	1,070	1,068	1,065	1,063	1,061	1,058	1,055	1,052	1,049	1,046	11,019	38,538	2,967	
.25 Plant NPDES Permit Compliance Projects	67,564	67,414	67,263	67,113	66,962	66,811	66,661	66,511	66,361	66,210	66,060	65,910	800,840	739,236	61,604	
.26 CAIR/CAMR/CAVR Compliance Program	816,272	844,550	860,947	873,262	871,468	869,675	867,881	866,088	864,294	862,501	860,707	3,955,676	13,413,321	0	13,413,321	
.27 General Water Quality	571	567	563	560	556	552	548	544	541	538	534	530	6,604	6,096	508	
.28 Mercury Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
.29 Annual Nox Allowances	0	0	0	0	7,548	30,988	45,198	38,549	28,591	21,453	17,131	7,490	196,948	0	196,948	
.30 Seasonal Nox Allowances	10,165	20,330	20,330	20,330	18,378	14,388	10,172	5,813	1,816	0	0	0	121,722	0	121,722	
.31 SO2 Allowances	55,934	53,166	50,437	47,508	44,197	42,479	41,156	40,589	40,109	39,571	39,083	38,672	926,401	0	936,401	
2 Total Investment Projects - Recoverable Costs	3,451,021	3,482,206	3,499,293	3,510,635	3,505,140	3,555,091	3,592,987	3,567,900	3,540,551	3,518,653	3,504,364	6,586,677	45,314,518	3,317,168	41,997,350	
3 Recoverable Costs Allocated to Energy	3,177,348	3,207,865	3,222,918	3,233,564	3,228,754	3,279,392	3,317,970	3,291,480	3,262,727	3,241,524	3,227,924	6,305,884	41,997,350	0	41,997,350	
4 Recoverable Costs Allocated to Demand	273,673	274,341	276,375	277,071	276,387	275,700	275,017	276,422	277,823	277,129	276,439	280,791	3,317,168	0	3,317,168	
5 Retail Energy Jurisdictional Factor	0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	0.9642160	0.9642160	0.9642160	
6 Retail Demand Jurisdictional Factor	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
7 Jurisdictional Energy Recoverable Costs (B)	3,060,318	3,096,026	3,109,143	3,125,639	3,122,657	3,171,391	3,209,135	3,183,411	3,153,113	3,129,723	3,109,839	6,077,263	40,547,658	0	40,547,658	
8 Jurisdictional Demand Recoverable Costs (C)	263,880	264,524	266,485	267,156	266,497	265,834	265,176	266,531	267,881	267,212	266,547	270,743	3,198,466	0	3,198,466	
9 Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	3,324,198	3,360,550	3,375,628	3,392,795	3,389,154	3,437,225	3,474,311	3,449,942	3,420,994	3,396,935	3,376,386	6,348,006	43,746,124	0	43,746,124	

Notes:

- (A) Each project's Total System Recoverable Expenses as shown on Schedule 4P, Line 9. Allowances recoverable costs shown on Schedule 4P, Line 6
 (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 2009 - December 2009

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	Month												End of Period Amount
			Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	
1	Investments (A)														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294
3	Less: Accumulated Depreciation (C)	(104,690)	(107,313)	(109,936)	(112,559)	(115,182)	(117,805)	(120,428)	(123,051)	(125,674)	(128,297)	(130,920)	(133,543)	(136,166)	
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)	115,604	112,981	110,358	107,735	105,112	102,489	99,866	97,243	94,620	91,997	89,374	86,751	84,128	
6	Average Net Investment		114,293	111,670	109,047	106,424	103,801	101,178	98,555	95,932	93,309	90,686	88,063	85,440	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		840	820	801	782	763	743	724	705	686	666	647	628	8,805
b	Debt Component (Line 6 x Debt Component x 1/12)		239	233	228	222	217	211	206	200	195	189	184	178	2,502
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	31,476
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)		3,702	3,676	3,652	3,627	3,603	3,577	3,553	3,528	3,504	3,478	3,454	3,429	42,783
a	Recoverable Costs Allocated to Energy		3,702	3,676	3,652	3,627	3,603	3,577	3,553	3,528	3,504	3,478	3,454	3,429	42,783
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		3,566	3,548	3,523	3,506	3,485	3,459	3,436	3,412	3,386	3,358	3,328	3,305	41,312
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)		3,566	3,548	3,523	3,506	3,485	3,459	3,436	3,412	3,386	3,358	3,328	3,305	41,312

Notes:

- (A) Description and reason for "Other" adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Applicable depreciation rate or rates.
- (F) PE 1244 7 year amortization; PE 1006 fully amortized
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009

Return on Capital Investments, Depreciation and Taxes
For Project: Crist 5, 6 & 7 Precipitator Projects
P.E.s 1038, 1119, 1216, 1243, 1249
(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)	15,031,878	15,031,878	15,031,878	15,031,878	15,031,878	15,031,878	15,031,878	15,031,878	15,031,878	15,031,878	15,031,878	15,031,878	15,031,878	
3	Less: Accumulated Depreciation (C)	(2,984,897)	(3,036,363)	(3,087,829)	(3,139,295)	(3,190,761)	(3,242,227)	(3,293,693)	(3,345,159)	(3,396,625)	(3,448,091)	(3,499,557)	(3,551,023)	(3,602,489)	
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)	<u>12,046,981</u>	<u>11,995,515</u>	<u>11,944,049</u>	<u>11,892,583</u>	<u>11,841,117</u>	<u>11,789,651</u>	<u>11,738,185</u>	<u>11,686,719</u>	<u>11,635,253</u>	<u>11,583,787</u>	<u>11,532,321</u>	<u>11,480,855</u>	<u>11,429,389</u>	
6	Average Net Investment		12,021,248	11,969,782	11,918,316	11,866,850	11,815,384	11,763,918	11,712,452	11,660,986	11,609,520	11,558,054	11,506,588	11,455,122	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		88,320	87,942	87,564	87,186	86,808	86,430	86,051	85,673	85,295	84,917	84,539	84,161	1,034,886
b	Debt Component (Line 6 x Debt Component x 1/12)		25,088	24,981	24,874	24,766	24,659	24,551	24,444	24,336	24,229	24,122	24,014	23,907	293,971
8	Investment Expenses														
a	Depreciation (E)		40,091	40,091	40,091	40,091	40,091	40,091	40,091	40,091	40,091	40,091	40,091	40,091	481,092
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	136,500
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)		164,874	164,389	163,904	163,418	162,933	162,447	161,961	161,475	160,990	160,505	160,019	159,534	1,946,449
a	Recoverable Costs Allocated to Energy		164,874	164,389	163,904	163,418	162,933	162,447	161,961	161,475	160,990	160,505	160,019	159,534	1,946,449
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		158,801	158,658	158,118	157,964	157,579	157,097	156,648	156,173	155,581	154,969	154,165	153,750	1,879,503
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)		<u>158,801</u>	<u>158,658</u>	<u>158,118</u>	<u>157,964</u>	<u>157,579</u>	<u>157,097</u>	<u>156,648</u>	<u>156,173</u>	<u>155,581</u>	<u>154,969</u>	<u>154,165</u>	<u>153,750</u>	<u>1,879,503</u>

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009

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	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	1,467,263	1,467,059	1,466,855	1,466,651	1,466,447	1,466,243	1,466,039	1,465,835	1,465,631	1,465,427	1,465,223	1,465,019	1,464,815	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	1,467,263	1,467,059	1,466,855	1,466,651	1,466,447	1,466,243	1,466,039	1,465,835	1,465,631	1,465,427	1,465,223	1,465,019	1,464,815	
6	Average Net Investment		1,467,161	1,466,957	1,466,753	1,466,549	1,466,345	1,466,141	1,465,937	1,465,733	1,465,529	1,465,325	1,465,121	1,464,917	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		10,779	10,778	10,776	10,775	10,773	10,772	10,770	10,769	10,767	10,766	10,764	10,763	129,252
b	Debt Component (Line 6 x Debt Component x 1/12)		3,062	3,062	3,061	3,061	3,060	3,060	3,059	3,059	3,059	3,058	3,058	3,057	36,716
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		204	204	204	204	204	204	204	204	204	204	204	204	2,448
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)		14,045	14,044	14,041	14,040	14,037	14,036	14,033	14,032	14,030	14,028	14,026	14,024	168,416
a	Recoverable Costs Allocated to Energy		14,045	14,044	14,041	14,040	14,037	14,036	14,033	14,032	14,030	14,028	14,026	14,024	168,416
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		13,528	13,554	13,545	13,571	13,576	13,574	13,573	13,571	13,559	13,544	13,513	13,516	162,624
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)		13,528	13,554	13,545	13,571	13,576	13,574	13,573	13,571	13,559	13,544	13,513	13,516	162,624

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
 For Project: Low NOx Burners, Crist 6 & 7
 P.E.s 1234, 1236, 1242 & 1284
 (in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923
3	Less: Accumulated Depreciation (C)	6,312,951	6,288,687	6,264,423	6,240,159	6,215,895	6,191,631	6,167,367	6,143,103	6,118,839	6,094,575	6,070,311	6,046,047	6,021,783	6,021,783
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)	15,410,874	15,386,610	15,362,346	15,338,082	15,313,818	15,289,554	15,265,290	15,241,026	15,216,762	15,192,498	15,168,234	15,143,970	15,119,706	15,119,706
6	Average Net Investment		15,398,742	15,374,478	15,350,214	15,325,950	15,301,686	15,277,422	15,253,158	15,228,894	15,204,630	15,180,366	15,156,102	15,131,838	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		113,135	112,956	112,778	112,600	112,421	112,243	112,065	111,887	111,708	111,530	111,352	111,174	1,345,849
b	Debt Component (Line 6 x Debt Component x 1/12)		32,137	32,087	32,036	31,985	31,935	31,884	31,833	31,783	31,732	31,681	31,631	31,580	382,304
8	Investment Expenses														
a	Depreciation (E)		24,264	24,264	24,264	24,264	24,264	24,264	24,264	24,264	24,264	24,264	24,264	24,264	291,168
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)		169,536	169,307	169,078	168,849	168,620	168,391	168,162	167,934	167,704	167,475	167,247	167,018	2,019,321
a	Recoverable Costs Allocated to Energy		169,536	169,307	169,078	168,849	168,620	168,391	168,162	167,934	167,704	167,475	167,247	167,018	2,019,321
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		163,292	163,404	163,109	163,213	163,079	162,845	162,646	162,420	162,070	161,699	161,129	160,963	1,949,869
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)		163,292	163,404	163,109	163,213	163,079	162,845	162,646	162,420	162,070	161,699	161,129	160,963	1,949,869

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009

Return on Capital Investments, Depreciation and Taxes
For Project: CEMs- Plants Crist, Scholz, Smith, and Daniel

P.F.s 1001, 1154, 1164, 1217, 1240, 1245, 1283, 1286, 1289, 1290, 1311, 1316, 1323, 1324, 1357, 1364, 1440, 1441, 1442, 1444, 1445, 1454, 1459, 1460, 1558, 1570, 1658, 1829 & 1830
(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	209,081	209,081	21,668	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	400,032	65,000	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	59,100	
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)	4,816,670	4,816,670	4,816,670	4,816,670	4,816,670	4,816,670	4,816,670	4,816,670	4,816,670	4,816,670	4,816,670	5,216,702	5,222,602	
3	Less: Accumulated Depreciation (C)	1,321,489	1,308,327	1,295,165	1,282,003	1,268,841	1,255,679	1,242,517	1,229,355	1,216,193	1,203,031	1,189,869	1,176,174	1,221,037	
4	CWIP - Non Interest Bearing	25,202	25,202	25,202	25,202	25,202	25,202	25,202	25,202	25,202	25,202	25,202	234,283	43,332	(0)
5	Net Investment (Lines 2 + 3 + 4)	6,163,361	6,150,199	6,137,037	6,123,875	6,110,713	6,097,551	6,084,389	6,071,227	6,058,065	6,044,903	6,240,822	6,436,208	6,443,639	
6	Average Net Investment		6,156,780	6,143,618	6,130,456	6,117,294	6,104,132	6,090,970	6,077,808	6,064,646	6,051,484	6,142,862	6,338,515	6,439,923	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		45,234	45,137	45,040	44,944	44,847	44,750	44,654	44,557	44,460	45,132	46,569	47,314	542,638
b	Debt Component (Line 6 x Debt Component x 1/12)		12,849	12,822	12,794	12,767	12,739	12,712	12,684	12,657	12,629	12,820	13,228	13,440	154,141
8	Investment Expenses														
a	Depreciation (E)		13,030	13,030	13,030	13,030	13,030	13,030	13,030	13,030	13,030	13,030	13,563	14,105	157,968
b	Amortization (F)		132	132	132	132	132	132	132	132	132	132	132	132	1,584
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		1,395	1,395	1,395	1,395	1,395	1,395	1,395	1,395	1,395	1,395	1,395	1,395	16,740
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		72,640	72,516	72,391	72,268	72,143	72,019	71,895	71,771	71,646	72,509	74,887	76,386	873,071
a	Recoverable Costs Allocated to Energy		72,640	72,516	72,391	72,268	72,143	72,019	71,895	71,771	71,646	72,509	74,887	76,386	873,071
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		69,964	69,988	69,835	69,856	69,772	69,647	69,537	69,415	69,239	70,008	72,147	73,617	843,025
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)		69,964	69,988	69,835	69,856	69,772	69,647	69,537	69,415	69,239	70,008	72,147	73,617	843,025

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) **Beginning Balances:** Crist, \$2,232,602; Scholz \$987,947; Smith \$943,402; Daniel \$652,719. **Ending Balances:** Crist, \$2,638,534; Scholz \$987,947; Smith \$943,402; Daniel \$652,719.
- (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: 3.2%; Smith 2.5%; Scholz 4.2%; Daniel 3.1% annually
- (F) PE 1364 & 1658 have a 7 year amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009

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)	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	
3	Less: Accumulated Depreciation (C)	(201,333)	(203,169)	(205,005)	(206,841)	(208,677)	(210,513)	(212,349)	(214,185)	(216,021)	(217,857)	(219,693)	(221,529)	(223,365)	
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)	716,691	714,855	713,019	711,183	709,347	707,511	705,675	703,839	702,003	700,167	698,331	696,495	694,659	
6	Average Net Investment		715,773	713,937	712,101	710,265	708,429	706,593	704,757	702,921	701,085	699,249	697,413	695,577	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		5,259	5,245	5,232	5,218	5,205	5,191	5,178	5,164	5,151	5,137	5,124	5,110	62,214
b	Debt Component (Line 6 x Debt Component x 1/12)		1,494	1,490	1,486	1,482	1,478	1,475	1,471	1,467	1,463	1,459	1,456	1,452	17,673
8	Investment Expenses														
a	Depreciation (E)		1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	22,032
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		8,589	8,571	8,554	8,536	8,519	8,502	8,485	8,467	8,450	8,432	8,416	8,398	101,919
a	Recoverable Costs Allocated to Energy		661	659	658	657	655	654	653	651	650	649	647	646	7,840
b	Recoverable Costs Allocated to Demand		7,928	7,912	7,896	7,879	7,864	7,848	7,832	7,816	7,800	7,783	7,769	7,752	94,079
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		637	636	635	635	633	632	632	630	628	627	623	623	7,571
13	Retail Demand-Related Recoverable Costs (I)		7,644	7,629	7,613	7,597	7,583	7,567	7,552	7,536	7,521	7,504	7,491	7,475	90,712
14	Total Juris. Recoverable Costs (Lines 12 + 13)		8,281	8,265	8,248	8,232	8,216	8,199	8,184	8,166	8,149	8,131	8,114	8,098	98,283

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Part of PE 1007 depreciable at 2.4% annually, PEs 3400 and 3412 depreciable at 2.4% annually
- (F) The amortizable portion of PE 1007 is fully amortized
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Raw Water Well Flowmeters - Plants Crist & Smith
P.E. 1155 & 1606
(in Dollars)

Line	Description	Beginning of Period Amount	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)	(63,700)	(64,294)	(64,888)	(65,482)	(66,076)	(66,670)	(67,264)	(67,858)	(68,452)	(69,046)	(69,640)	(70,234)	(70,828)	
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)	179,243	178,649	178,055	177,461	176,867	176,273	175,679	175,085	174,491	173,897	173,303	172,709	172,115	
6	Average Net Investment		178,946	178,352	177,758	177,164	176,570	175,976	175,382	174,788	174,194	173,600	173,006	172,412	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,315	1,310	1,306	1,302	1,297	1,293	1,289	1,284	1,280	1,275	1,271	1,267	15,489
b	Debt Component (Line 6 x Debt Component x 1/12)		373	372	371	370	369	367	366	365	364	362	361	360	4,400
8	Investment Expenses														
a	Depreciation (E)		594	594	594	594	594	594	594	594	594	594	594	594	7,128
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)		2,282	2,276	2,271	2,266	2,260	2,254	2,249	2,243	2,238	2,231	2,226	2,221	27,017
a	Recoverable Costs Allocated to Energy		176	175	175	174	174	173	173	173	172	172	171	171	2,079
b	Recoverable Costs Allocated to Demand		2,106	2,101	2,096	2,092	2,086	2,081	2,076	2,070	2,066	2,059	2,055	2,050	24,938
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		170	169	169	168	168	167	167	167	166	166	165	165	2,007
13	Retail Demand-Related Recoverable Costs (I)		2,031	2,026	2,021	2,017	2,011	2,007	2,002	1,996	1,992	1,985	1,981	1,977	24,046
14	Total Juris. Recoverable Costs (Lines 12 + 13)		2,201	2,195	2,190	2,185	2,179	2,174	2,169	2,163	2,158	2,151	2,146	2,142	26,053

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning and Ending Balances: Crist, \$149,920 and Smith \$93,023.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Crist 3.2%; Smith 2.5% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Cooling Tower Cell
P.E. 1232
(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	506,372	506,210	506,048	505,886	505,724	505,562	505,400	505,238	505,076	504,914	504,752	504,590	504,428	
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)	506,372	506,210	506,048	505,886	505,724	505,562	505,400	505,238	505,076	504,914	504,752	504,590	504,428	
6	Average Net Investment		506,291	506,129	505,967	505,805	505,643	505,481	505,319	505,157	504,995	504,833	504,671	504,509	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		3,720	3,719	3,717	3,716	3,715	3,714	3,713	3,711	3,710	3,709	3,708	3,707	44,559
b	Debt Component (Line 6 x Debt Component x 1/12)		1,057	1,056	1,056	1,056	1,055	1,055	1,055	1,054	1,054	1,054	1,053	1,053	12,658
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		162	162	162	162	162	162	162	162	162	162	162	162	1,944
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)		4,939	4,937	4,935	4,934	4,932	4,931	4,930	4,927	4,926	4,925	4,923	4,922	59,161
a	Recoverable Costs Allocated to Energy		380	380	380	380	379	379	379	379	379	379	379	379	4,552
b	Recoverable Costs Allocated to Demand		4,559	4,557	4,555	4,554	4,553	4,552	4,551	4,548	4,547	4,546	4,544	4,543	54,609
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		366	367	367	367	367	367	367	367	366	366	365	365	4,397
13	Retail Demand-Related Recoverable Costs (I)		4,396	4,394	4,392	4,391	4,390	4,389	4,388	4,385	4,384	4,383	4,381	4,380	52,653
14	Total Juris. Recoverable Costs (Lines 12 + 13)		4,762	4,761	4,759	4,758	4,757	4,756	4,755	4,752	4,750	4,749	4,746	4,745	57,050

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
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)	(145,853)	(146,667)	(147,481)	(148,295)	(149,109)	(149,923)	(150,737)	(151,551)	(152,365)	(153,179)	(153,993)	(154,807)	(155,621)	
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)	159,470	158,656	157,842	157,028	156,214	155,400	154,586	153,772	152,958	152,144	151,330	150,516	149,702	
6	Average Net Investment		159,063	158,249	157,435	156,621	155,807	154,993	154,179	153,365	152,551	151,737	150,923	150,109	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,169	1,163	1,157	1,151	1,145	1,139	1,133	1,127	1,121	1,115	1,109	1,103	13,632
b	Debt Component (Line 6 x Debt Component x 1/12)		332	330	329	327	325	323	322	320	318	317	315	313	3,871
8	Investment Expenses														
a	Depreciation (E)		814	814	814	814	814	814	814	814	814	814	814	814	9,768
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)		2,315	2,307	2,300	2,292	2,284	2,276	2,269	2,261	2,253	2,246	2,238	2,230	27,271
a	Recoverable Costs Allocated to Energy		178	177	177	176	176	175	175	174	173	173	172	172	2,098
b	Recoverable Costs Allocated to Demand		2,137	2,130	2,123	2,116	2,108	2,101	2,094	2,087	2,080	2,073	2,066	2,058	25,173
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		171	171	171	170	170	169	169	168	167	167	166	166	2,025
13	Retail Demand-Related Recoverable Costs (I)		2,061	2,054	2,047	2,040	2,033	2,026	2,019	2,012	2,006	1,999	1,992	1,984	24,273
14	Total Juris. Recoverable Costs (Lines 12 + 13)		2,232	2,225	2,218	2,210	2,203	2,195	2,188	2,180	2,173	2,166	2,158	2,150	26,298

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Diesel Fuel Oil Remediation
P.E. 1270
(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													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)	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	
3	Less: Accumulated Depreciation (C)	(26,629)	(26,813)	(26,997)	(27,181)	(27,365)	(27,549)	(27,733)	(27,917)	(28,101)	(28,285)	(28,469)	(28,653)	(28,837)	
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)	42,294	42,110	41,926	41,742	41,558	41,374	41,190	41,006	40,822	40,638	40,454	40,270	40,086	
6	Average Net Investment		42,202	42,018	41,834	41,650	41,466	41,282	41,098	40,914	40,730	40,546	40,362	40,178	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		310	309	307	306	305	303	302	301	299	298	297	295	3,632
b	Debt Component (Line 6 x Debt Component x 1/12)		88	88	87	87	87	86	86	85	85	85	84	84	1,032
8	Investment Expenses														
a	Depreciation (E)		184	184	184	184	184	184	184	184	184	184	184	184	2,208
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)		582	581	578	577	576	573	572	570	568	567	565	563	6,872
a	Recoverable Costs Allocated to Energy		45	45	44	44	44	44	44	44	44	44	43	43	528
b	Recoverable Costs Allocated to Demand		537	536	534	533	532	529	528	526	524	523	522	520	6,344
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		43	43	42	43	43	43	43	43	43	42	41	41	510
13	Retail Demand-Related Recoverable Costs (I)		518	517	515	514	513	510	509	507	505	504	503	501	6,116
14	Total Juris. Recoverable Costs (Lines 12 + 13)		561	560	557	557	556	553	552	550	548	546	544	542	6,626

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
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	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495
3	Less: Accumulated Depreciation (C)	(48,426)	(48,697)	(48,968)	(49,239)	(49,510)	(49,781)	(50,052)	(50,323)	(50,594)	(50,865)	(51,136)	(51,407)	(51,678)	
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)	53,069	52,798	52,527	52,256	51,985	51,714	51,443	51,172	50,901	50,630	50,359	50,088	49,817	
6	Average Net Investment		52,934	52,663	52,392	52,121	51,850	51,579	51,308	51,037	50,766	50,495	50,224	49,953	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		389	387	385	383	381	379	377	375	373	371	369	367	4,536
b	Debt Component (Line 6 x Debt Component x 1/12)		110	110	109	109	108	108	107	107	106	105	105	104	1,288
8	Investment Expenses														
a	Depreciation (E)		271	271	271	271	271	271	271	271	271	271	271	271	3,252
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)		770	768	765	763	760	758	755	753	750	747	745	742	9,076
a	Recoverable Costs Allocated to Energy		59	59	59	59	58	58	58	58	58	57	57	57	697
b	Recoverable Costs Allocated to Demand		711	709	706	704	702	700	697	695	692	690	688	685	8,379
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		57	57	57	57	56	56	56	56	56	55	55	55	673
13	Retail Demand-Related Recoverable Costs (I)		686	684	681	679	677	675	672	670	667	665	663	660	8,079
14	Total Juris. Recoverable Costs (Lines 12 + 13)		743	741	738	736	733	731	728	726	723	720	718	715	8,752

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
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)	(28,738)	(28,897)	(29,056)	(29,215)	(29,374)	(29,533)	(29,692)	(29,851)	(30,010)	(30,169)	(30,328)	(30,487)	(30,646)	
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)	30,805	30,646	30,487	30,328	30,169	30,010	29,851	29,692	29,533	29,374	29,215	29,056	28,897	
6	Average Net Investment		30,726	30,567	30,408	30,249	30,090	29,931	29,772	29,613	29,454	29,295	29,136	28,977	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		226	225	223	222	221	220	219	218	216	215	214	213	2,632
b	Debt Component (Line 6 x Debt Component x 1/12)		64	64	63	63	63	62	62	62	61	61	61	60	746
8	Investment Expenses														
a	Depreciation (E)		159	159	159	159	159	159	159	159	159	159	159	159	1,908
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)		449	448	445	444	443	441	440	439	436	435	434	432	5,286
a	Recoverable Costs Allocated to Energy		35	34	34	34	34	34	34	34	34	33	33	33	406
b	Recoverable Costs Allocated to Demand		414	414	411	410	409	407	406	405	402	402	401	399	4,880
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		34	33	33	33	33	33	33	33	33	32	32	32	394
13	Retail Demand-Related Recoverable Costs (I)		399	399	396	395	394	392	391	391	388	388	387	385	4,705
14	Total Juris. Recoverable Costs (Lines 12 + 13)		433	432	429	428	427	425	424	424	421	420	419	417	5,099

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Sodium Injection System
P.E. 1214 & 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)	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	
3	Less: Accumulated Depreciation (C)	(59,989)	(60,970)	(61,951)	(62,932)	(63,913)	(64,894)	(65,875)	(66,856)	(67,837)	(68,818)	(69,799)	(70,780)	(71,761)	
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)	331,130	330,149	329,168	328,187	327,206	326,225	325,244	324,263	323,282	322,301	321,320	320,339	319,358	
6	Average Net Investment		330,640	329,659	328,678	327,697	326,716	325,735	324,754	323,773	322,792	321,811	320,830	319,849	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		2,429	2,422	2,415	2,408	2,400	2,393	2,386	2,379	2,372	2,364	2,357	2,350	28,675
b	Debt Component (Line 6 x Debt Component x 1/12)		690	688	686	684	682	680	678	676	674	672	670	668	8,148
8	Investment Expenses														
a	Depreciation (E)		981	981	981	981	981	981	981	981	981	981	981	981	11,772
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)		4,100	4,091	4,082	4,073	4,063	4,054	4,045	4,036	4,027	4,017	4,008	3,999	48,595
a	Recoverable Costs Allocated to Energy		4,100	4,091	4,082	4,073	4,063	4,054	4,045	4,036	4,027	4,017	4,008	3,999	48,595
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		3,949	3,948	3,938	3,937	3,929	3,920	3,912	3,903	3,892	3,878	3,861	3,854	46,921
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)		3,949	3,948	3,938	3,937	3,929	3,920	3,912	3,903	3,892	3,878	3,861	3,854	46,921

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning and Ending Balances: Crist, \$284,622 and Smith \$106,497.
- (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 3.2% annually; Smith 2.5% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Smith Stormwater Collection System
P.E. 1446
(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600
3	Less: Accumulated Depreciation (C)	(1,143,068)	(1,148,864)	(1,154,660)	(1,160,456)	(1,166,252)	(1,172,048)	(1,177,844)	(1,183,640)	(1,189,436)	(1,195,232)	(1,201,028)	(1,206,824)	(1,212,620)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	1,639,532	1,633,736	1,627,940	1,622,144	1,616,348	1,610,552	1,604,756	1,598,960	1,593,164	1,587,368	1,581,572	1,575,776	1,569,980	
6	Average Net Investment		1,636,634	1,630,838	1,625,042	1,619,246	1,613,450	1,607,654	1,601,858	1,596,062	1,590,266	1,584,470	1,578,674	1,572,878	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		12,024	11,982	11,939	11,897	11,854	11,811	11,769	11,726	11,684	11,641	11,599	11,556	141,482
b	Debt Component (Line 6 x Debt Component x 1/12)		3,416	3,404	3,391	3,379	3,367	3,355	3,343	3,331	3,319	3,307	3,295	3,283	40,190
8	Investment Expenses														
a	Depreciation (E)		5,796	5,796	5,796	5,796	5,796	5,796	5,796	5,796	5,796	5,796	5,796	5,796	69,552
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)		21,236	21,182	21,126	21,072	21,017	20,962	20,908	20,853	20,799	20,744	20,690	20,635	251,224
a	Recoverable Costs Allocated to Energy		1,634	1,629	1,625	1,621	1,617	1,612	1,608	1,604	1,600	1,596	1,592	1,587	19,325
b	Recoverable Costs Allocated to Demand		19,602	19,553	19,501	19,451	19,400	19,350	19,300	19,249	19,199	19,148	19,098	19,048	231,899
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		1,574	1,572	1,568	1,567	1,564	1,559	1,555	1,551	1,546	1,541	1,534	1,529	18,660
13	Retail Demand-Related Recoverable Costs (I)		18,901	18,853	18,803	18,755	18,706	18,658	18,609	18,560	18,512	18,463	18,415	18,366	223,601
14	Total Juris. Recoverable Costs (Lines 12 + 13)		20,475	20,425	20,371	20,322	20,270	20,217	20,164	20,111	20,058	20,004	19,949	19,895	242,261

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 2.5% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Smith Waste Water Treatment Facility
P.E. 1466 & 1643
(in Dollars)

Line	Description	Beginning of Period Amount	Month												End of Period Amount	
			January	February	March	April	May	June	July	August	September	October	November	December		
1	Investments (A)															
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962
3	Less: Accumulated Depreciation (C)	99,998	99,625	99,252	98,879	98,506	98,133	97,760	97,387	97,014	96,641	96,268	95,895	95,522	95,149	94,776
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	278,960	278,587	278,214	277,841	277,468	277,095	276,722	276,349	275,976	275,603	275,230	274,857	274,484	274,111	273,738
6	Average Net Investment		278,774	278,401	278,028	277,655	277,282	276,909	276,536	276,163	275,790	275,417	275,044	274,671	274,298	273,925
7	Return on Average Net Investment															
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		2,048	2,045	2,043	2,040	2,037	2,034	2,032	2,029	2,026	2,023	2,021	2,018	2,015	2,012
b	Debt Component (Line 6 x Debt Component x 1/12)		582	581	580	579	579	578	577	576	576	575	574	573	572	571
8	Investment Expenses															
a	Depreciation (E)		373	373	373	373	373	373	373	373	373	373	373	373	373	373
b	Amortization (F)		0	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	0
d	Property Taxes		0	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	0
9	Total System Recoverable Expenses (Lines 7 + 8)		3,003	2,999	2,996	2,992	2,989	2,985	2,982	2,978	2,975	2,971	2,968	2,964	2,960	2,957
a	Recoverable Costs Allocated to Energy		231	231	230	230	230	230	229	229	229	229	228	228	228	227
b	Recoverable Costs Allocated to Demand		2,772	2,768	2,766	2,762	2,759	2,755	2,753	2,749	2,746	2,742	2,740	2,736	2,736	2,730
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	0.9630706	0.9630706
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160
12	Retail Energy-Related Recoverable Costs (H)		222	223	222	222	222	222	221	221	221	221	220	220	220	219
13	Retail Demand-Related Recoverable Costs (I)		2,673	2,669	2,667	2,663	2,660	2,656	2,654	2,651	2,648	2,644	2,642	2,638	2,638	2,638
14	Total Juris. Recoverable Costs (Lines 12 + 13)		2,895	2,892	2,889	2,885	2,882	2,878	2,875	2,872	2,869	2,865	2,862	2,858	2,858	2,857

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Smith 2.5% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Daniel Ash Management Project
P.E. 1535, 1555, & 1819
(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	7,394	0	0	0	0	0	0	0	0	0	
c	Retirements		0	587,181	587,181	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	461,063	461,064	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)	16,193,793	16,193,793	15,606,612	15,026,825	15,026,825	15,026,825	15,026,825	15,026,825	15,026,825	15,026,825	15,026,825	15,026,825	15,026,825	
3	Less: Accumulated Depreciation (C)	(6,517,266)	(6,569,406)	(5,572,544)	(4,574,174)	(4,623,300)	(4,672,426)	(4,721,552)	(4,770,678)	(4,819,804)	(4,868,930)	(4,918,056)	(4,967,182)	(5,016,308)	
4	CWIP - Non Interest Bearing	7,394	7,394	7,394	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	9,683,921	9,631,781	10,041,462	10,452,651	10,403,525	10,354,399	10,305,273	10,256,147	10,207,021	10,157,895	10,108,769	10,059,643	10,010,517	
6	Average Net Investment		9,657,851	9,836,622	10,247,057	10,428,088	10,378,962	10,329,836	10,280,710	10,231,584	10,182,458	10,133,332	10,084,206	10,035,080	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		70,956	72,270	75,285	76,615	76,254	75,893	75,532	75,171	74,811	74,450	74,089	73,728	895,054
b	Debt Component (Line 6 x Debt Component x 1/12)		20,156	20,529	21,386	21,763	21,661	21,558	21,456	21,353	21,251	21,148	21,046	20,943	254,250
8	Investment Expenses														
a	Depreciation (E)		41,828	41,070	39,563	38,814	38,814	38,814	38,814	38,814	38,814	38,814	38,814	38,814	471,787
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	
c	Dismantlement		10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	123,744
d	Property Taxes		27,908	27,908	27,908	27,908	27,908	27,908	27,908	27,908	27,908	27,908	27,908	27,908	334,896
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	
9	Total System Recoverable Expenses (Lines 7 + 8)		171,160	172,089	174,454	175,412	174,949	174,485	174,022	173,558	173,096	172,632	172,169	171,705	2,079,731
a	Recoverable Costs Allocated to Energy		13,166	13,237	13,419	13,493	13,457	13,422	13,386	13,351	13,315	13,279	13,244	13,207	159,976
b	Recoverable Costs Allocated to Demand		157,994	158,852	161,035	161,919	161,493	161,064	160,636	160,209	159,780	159,353	158,924	158,496	1,919,755
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		12,681	12,776	12,945	13,043	13,015	12,980	12,947	12,913	12,868	12,821	12,760	12,728	154,477
13	Retail Demand-Related Recoverable Costs (I)		152,340	153,168	155,273	156,125	155,714	155,300	154,888	154,476	154,062	153,651	153,237	152,824	1,851,058
14	Total Juris. Recoverable Costs (Lines 12 + 13)		165,021	165,944	168,218	169,168	168,729	168,280	167,835	167,389	166,930	166,472	165,997	165,552	2,005,535

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.1% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Smith Water Conservation
P.E. 1620 & 1638
(in Dollars)

Line	Description	Beginning of Period Amount	Month												End of Period Amount
			January	February	March	April	May	June	July	August	September	October	November	December	
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)	134,135	134,135	134,135	134,135	134,135	134,135	134,135	134,135	134,135	134,135	134,135	134,135	134,135	
3	Less: Accumulated Depreciation (C)	(18,578)	(18,578)	(19,138)	(19,418)	(19,698)	(19,978)	(20,258)	(20,538)	(20,818)	(21,098)	(21,378)	(21,658)	(21,938)	
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)	115,557	115,277	114,997	114,717	114,437	114,157	113,877	113,597	113,317	113,037	112,757	112,477	112,197	
6	Average Net Investment		115,417	115,137	114,857	114,577	114,297	114,017	113,737	113,457	113,177	112,897	112,617	112,337	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		848	846	844	842	840	838	836	834	832	829	827	825	10,041
b	Debt Component (Line 6 x Debt Component x 1/12)		241	240	240	239	239	238	237	237	236	236	235	234	2,852
8	Investment Expenses														
a	Depreciation (E)		280	280	280	280	280	280	280	280	280	280	280	280	3,360
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)		1,369	1,366	1,364	1,361	1,359	1,356	1,353	1,351	1,348	1,345	1,342	1,339	16,253
a	Recoverable Costs Allocated to Energy		105	105	105	105	105	104	104	104	104	103	103	103	1,250
b	Recoverable Costs Allocated to Demand		1,264	1,261	1,259	1,256	1,254	1,252	1,249	1,247	1,244	1,242	1,239	1,236	15,003
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		101	101	101	101	102	101	101	101	101	99	99	99	1,207
13	Retail Demand-Related Recoverable Costs (I)		1,219	1,216	1,214	1,211	1,209	1,207	1,204	1,202	1,199	1,198	1,195	1,192	14,466
14	Total Juris. Recoverable Costs (Lines 12 + 13)		1,320	1,317	1,315	1,312	1,311	1,308	1,305	1,303	1,300	1,297	1,294	1,291	15,673

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 2.5% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
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)	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	
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 (Line 6 x Equity Component x 1/12) (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 6 x Debt Component 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	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		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
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
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Applicable depreciation rate or rates.
- (F) PE 4397 fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Crist FDEP Agreement for Ozone Attainment
P.E. 1031, 1199, 1250, and 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	720,000	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	2,217,055	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	1,000,000	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	300,000	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B) (J)	134,527,864	134,527,864	134,527,864	135,744,919	135,744,919	135,744,919	135,744,919	135,744,919	135,744,919	135,744,919	135,744,919	135,744,919	135,744,919	135,744,919
3	Less: Accumulated Depreciation (C)	(17,512,043)	(17,901,287)	(18,290,531)	(17,381,398)	(17,773,888)	(18,166,378)	(18,558,868)	(18,951,358)	(19,343,848)	(19,736,338)	(20,128,828)	(20,521,318)	(20,913,808)	
4	CWIP - Non Interest Bearing (I)	1,497,055	1,497,055	1,497,055	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	
5	Net Investment (Lines 2 + 3 + 4)	118,512,875	118,123,631	117,734,387	118,363,520	117,971,030	117,578,540	117,186,050	116,793,560	116,401,070	116,008,580	115,616,090	115,223,600	114,831,110	
6	Average Net Investment		118,318,253	117,929,009	118,048,954	118,167,275	117,774,785	117,382,295	116,989,805	116,597,315	116,204,825	115,812,335	115,419,845	115,027,355	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		869,284	866,424	867,306	868,175	865,291	862,408	859,524	856,640	853,757	850,873	847,990	845,106	10,312,778
b	Debt Component (Line 6 x Debt Component x 1/12)		246,930	246,118	246,368	246,615	245,796	244,977	244,158	243,339	242,519	241,700	240,881	240,062	2,929,463
8	Investment Expenses														
a	Depreciation (E)		358,272	358,272	359,895	361,518	361,518	361,518	361,518	361,518	361,518	361,518	361,518	361,518	4,330,101
b	Amortization (F)		2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,292	27,504
c	Dismantlement		28,680	28,680	28,680	28,680	28,680	28,680	28,680	28,680	28,680	28,680	28,680	28,680	344,160
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)	1,505,458	1,501,786	1,501,786	1,504,541	1,507,280	1,503,577	1,499,875	1,496,172	1,492,469	1,488,766	1,485,063	1,481,361	1,477,658	17,944,006
a	Recoverable Costs Allocated to Energy	1,505,458	1,501,786	1,501,786	1,504,541	1,507,280	1,503,577	1,499,875	1,496,172	1,492,469	1,488,766	1,485,063	1,481,361	1,477,658	17,944,006
b	Recoverable Costs Allocated to Demand	0	0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor	0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	0.9642160	
11	Demand Jurisdictional Factor	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)	1,450,008	1,449,428	1,451,428	1,456,972	1,454,169	1,450,479	1,447,095	1,443,467	1,438,750	1,433,843	1,427,169	1,424,085	1,424,085	17,326,893
13	Retail Demand-Related Recoverable Costs (I)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)	1,450,008	1,449,428	1,451,428	1,456,972	1,454,169	1,450,479	1,447,095	1,443,467	1,438,750	1,433,843	1,427,169	1,424,085	1,424,085	17,326,893

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Crist: 3.2% annually
- (F) Portions of 1287 have 7-year amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009

Return on Capital Investments, Depreciation and Taxes
For Project: SPCC Compliance
P.E.'s 1272 & 1401
(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		5,000	10,000	10,000	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	25,000	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)	919,839	919,839	919,839	944,839	944,839	944,839	944,839	944,839	944,839	944,839	944,839	944,839	944,839	
3	Less: Accumulated Depreciation (C)	(60,064)	(62,517)	(64,970)	(67,449)	(69,954)	(72,459)	(74,964)	(77,469)	(79,974)	(82,479)	(84,984)	(87,489)	(89,994)	
4	CWIP - Non Interest Bearing	0	5,000	15,000	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	859,775	862,322	869,869	877,390	874,885	872,380	869,875	867,370	864,865	862,360	859,855	857,350	854,845	
6	Average Net Investment		861,049	866,096	873,630	876,138	873,633	871,128	868,623	866,118	863,613	861,108	858,603	856,098	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		6,326	6,363	6,419	6,437	6,419	6,400	6,382	6,363	6,345	6,327	6,308	6,290	76,379
b	Debt Component (Line 6 x Debt Component x 1/12)		1,797	1,808	1,823	1,829	1,823	1,818	1,813	1,808	1,802	1,797	1,792	1,787	21,697
8	Investment Expenses														
a	Depreciation (E)		2,453	2,453	2,479	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	29,930
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)		10,576	10,624	10,721	10,771	10,747	10,723	10,700	10,676	10,652	10,629	10,605	10,582	128,006
a	Recoverable Costs Allocated to Energy		814	817	825	829	827	825	823	821	819	818	816	814	9,848
b	Recoverable Costs Allocated to Demand		9,762	9,807	9,896	9,942	9,920	9,898	9,877	9,855	9,833	9,811	9,789	9,768	118,158
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		784	789	796	801	800	798	796	794	791	790	786	784	9,509
13	Retail Demand-Related Recoverable Costs (I)		9,413	9,456	9,542	9,586	9,565	9,544	9,524	9,502	9,481	9,460	9,439	9,418	113,930
14	Total Juris. Recoverable Costs (Lines 12 + 13)		10,197	10,245	10,338	10,387	10,365	10,342	10,320	10,296	10,272	10,250	10,225	10,202	123,439

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning Balances: Crist \$919,839; Smith \$0. Ending Balances: Crist \$919,839; Smith \$25,000.
- (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 3.2% annually; Smith 2.5% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Common FTIR Monitor
P.E. 1297
(in Dollars)

Line	Description	Beginning of Period Amount													End of Period Amount	
			January	February	March	April	May	June	July	August	September	October	November	December		
1	Investments (A)		0	0	0	0	0	0	0	0	0	0	0	0	0	
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	
3	Less: Accumulated Depreciation (C)	(9,913)	(10,081)	(10,249)	(10,417)	(10,585)	(10,753)	(10,921)	(11,089)	(11,257)	(11,425)	(11,593)	(11,761)	(11,929)		
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)	52,957	52,789	52,621	52,453	52,285	52,117	51,949	51,781	51,613	51,445	51,277	51,109	50,941		
6	Average Net Investment		52,873	52,705	52,537	52,369	52,201	52,033	51,865	51,697	51,529	51,361	51,193	51,025		
7	Return on Average Net Investment															
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		388	387	386	385	384	382	381	380	379	377	376	375	4,580	
b	Debt Component (Line 6 x Debt Component x 1/12)		110	110	110	109	109	109	108	108	108	107	107	106	1,301	
8	Investment Expenses															
a	Depreciation (E)		168	168	168	168	168	168	168	168	168	168	168	168	2,016	
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)		666	665	664	662	661	659	657	656	655	652	651	649	7,897	
a	Recoverable Costs Allocated to Energy		666	665	664	662	661	659	657	656	655	652	651	649	7,897	
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0	
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706		
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160		
12	Retail Energy-Related Recoverable Costs (H)		641	642	641	640	639	637	635	634	633	630	627	625	7,624	
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)		641	642	641	640	639	637	635	634	633	630	627	625	7,624	

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Precipitator Upgrades for CAM Compliance
P.E. 1175, 1191, 1305, 1461, & 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		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) (J)	29,766,045	29,766,045	29,766,045	29,766,045	29,766,045	29,766,045	29,766,045	29,766,045	29,766,045	29,766,045	29,766,045	29,766,045	29,766,045	
3	Less: Accumulated Depreciation (C) (J)	(1,446,464)	(1,516,776)	(1,587,088)	(1,657,400)	(1,727,712)	(1,798,024)	(1,868,336)	(1,938,648)	(2,008,960)	(2,079,272)	(2,149,584)	(2,219,896)	(2,290,208)	
4	CWIP - Non Interest Bearing (J)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	
5	Net Investment (Lines 2 + 3 + 4) (J)	28,319,581	28,249,269	28,178,957	28,108,645	28,038,333	27,968,021	27,897,709	27,827,397	27,757,085	27,686,773	27,616,461	27,546,149	27,475,837	
6	Average Net Investment		28,284,425	28,214,113	28,143,801	28,073,489	28,003,177	27,932,865	27,862,553	27,792,241	27,721,929	27,651,617	27,581,305	27,510,993	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		207,806	207,289	206,773	206,256	205,739	205,223	204,706	204,190	203,673	203,156	202,640	202,123	2,459,574
b	Debt Component (Line 6 x Debt Component x 1/12)		59,030	58,883	58,736	58,589	58,443	58,296	58,149	58,002	57,856	57,709	57,562	57,415	698,670
8	Investment Expenses														
a	Depreciation (E)		70,312	70,312	70,312	70,312	70,312	70,312	70,312	70,312	70,312	70,312	70,312	70,312	843,744
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)		337,148	336,484	335,821	335,157	334,494	333,831	333,167	332,504	331,841	331,177	330,514	329,850	4,001,988
a	Recoverable Costs Allocated to Energy		337,148	336,484	335,821	335,157	334,494	333,831	333,167	332,504	331,841	331,177	330,514	329,850	4,001,988
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		324,730	324,753	323,966	323,971	323,503	322,837	322,239	321,587	320,693	319,755	318,423	317,891	3,864,348
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)		324,730	324,753	323,966	323,971	323,503	322,837	322,239	321,587	320,693	319,755	318,423	317,891	3,864,348

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning Balances: Crist \$13,925,707; Smith \$15,715,201; Scholz \$125,137. Ending Balances: Crist, \$13,925,707; Smith \$15,715,201; Scholz \$125,137.
- (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 3.2%; Smith 2.5%; Scholz 4.2% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009

Return on Capital Investments, Depreciation and Taxes
For Project: Plant Groundwater Investigation
P.E. 1218 & 1361
(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	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	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)	0	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	0
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 6 x Debt Component 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	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		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
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
- (B) Beginning Balances: Crist \$0; Scholz \$0. Ending Balances: Crist, \$0; Scholz \$0.
- (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 3.2% annually; Scholz 4.2% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009

Return on Capital Investments, Depreciation and Taxes
For Project: Plant Crist Water Conservation Project
P.E.'s 1227 & 1298
(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	375,000	0	0	0	905,000	
b	Clearings to Plant (J)		0	0	0	0	0	0	0	375,000	0	0	0	905,000	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	93,735	93,735	93,735	93,735	93,735	93,735	93,735	93,735	468,735	468,735	468,735	468,735	1,373,735	
3	Less: Accumulated Depreciation (C)	(6,148)	(6,398)	(6,648)	(6,898)	(7,148)	(7,398)	(7,648)	(7,898)	(8,648)	(9,898)	(11,148)	(12,398)	(14,855)	
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)	87,587	87,337	87,087	86,837	86,587	86,337	86,087	85,837	460,087	458,837	457,587	456,337	1,358,880	
6	Average Net Investment		87,462	87,212	86,962	86,712	86,462	86,212	85,962	272,962	459,462	458,212	456,962	907,609	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		643	641	639	637	635	633	632	2,005	3,376	3,366	3,357	6,668	23,232
b	Debt Component (Line 6 x Debt Component x 1/12)		183	182	181	181	180	180	179	570	959	956	954	1,894	6,599
8	Investment Expenses														
a	Depreciation (E)		250	250	250	250	250	250	250	750	1,250	1,250	1,250	2,457	8,707
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)		1,076	1,073	1,070	1,068	1,065	1,063	1,061	3,325	5,585	5,572	5,561	11,039	38,538
a	Recoverable Costs Allocated to Energy		83	83	82	82	82	82	82	256	430	429	428	848	2,967
b	Recoverable Costs Allocated to Demand		993	990	988	986	983	981	979	3,069	5,155	5,143	5,133	10,171	35,571
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		80	80	79	79	79	79	79	248	416	414	412	817	2,862
13	Retail Demand-Related Recoverable Costs (I)		957	955	953	951	948	946	944	2,959	4,971	4,959	4,949	9,807	34,299
14	Total Juris. Recoverable Costs (Lines 12 + 13)		1,037	1,035	1,032	1,030	1,027	1,025	1,023	3,207	5,387	5,373	5,361	10,624	37,161

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11
- (J) Project # 1298 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 2009 - December 2009

Return on Capital Investments, Depreciation and Taxes
For Project: Plant NPDES Permit Compliance Projects
P.E. 1204 & 1299
(in Dollars)

Line	Description	Beginning of Period Amount	Month												End of Period Amount	
			January	February	March	April	May	June	July	August	September	October	November	December		
1	Investments (A)															
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707	5,977,707
3	Less: Accumulated Depreciation (C)	(497,845)	(513,787)	(529,729)	(545,671)	(561,613)	(577,555)	(593,497)	(609,439)	(625,381)	(641,323)	(657,265)	(673,207)	(689,149)		
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	5,479,862	5,463,920	5,447,978	5,432,036	5,416,094	5,400,152	5,384,210	5,368,268	5,352,326	5,336,384	5,320,442	5,304,500	5,288,558		
6	Average Net Investment		5,471,891	5,455,949	5,440,007	5,424,065	5,408,123	5,392,181	5,376,239	5,360,297	5,344,355	5,328,413	5,312,471	5,296,529		
7	Return on Average Net Investment															
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		40,202	40,085	39,968	39,851	39,733	39,616	39,499	39,382	39,265	39,148	39,031	38,914	474,694	
b	Debt Component (Line 6 x Debt Component x 1/12)		11,420	11,387	11,353	11,320	11,287	11,253	11,220	11,187	11,154	11,120	11,087	11,054	134,842	
8	Investment Expenses															
a	Depreciation (E)		15,942	15,942	15,942	15,942	15,942	15,942	15,942	15,942	15,942	15,942	15,942	15,942	191,304	
b	Amortization (F)		0	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	0
d	Property Taxes		0	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	0
9	Total System Recoverable Expenses (Lines 7 + 8)		67,564	67,414	67,263	67,113	66,962	66,811	66,661	66,511	66,361	66,210	66,060	65,910	800,840	
a	Recoverable Costs Allocated to Energy		5,197	5,186	5,174	5,163	5,151	5,139	5,128	5,116	5,105	5,093	5,082	5,070	61,604	
b	Recoverable Costs Allocated to Demand		62,367	62,228	62,089	61,950	61,811	61,672	61,533	61,395	61,256	61,117	60,978	60,840	739,236	
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706		
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160		
12	Retail Energy-Related Recoverable Costs (H)		5,006	5,005	4,991	4,991	4,982	4,970	4,960	4,948	4,933	4,917	4,896	4,886	59,485	
13	Retail Demand-Related Recoverable Costs (I)		60,135	60,001	59,867	59,733	59,599	59,465	59,331	59,198	59,064	58,930	58,796	58,663	712,782	
14	Total Juris. Recoverable Costs (Lines 12 + 13)		65,141	65,006	64,858	64,724	64,581	64,435	64,291	64,146	63,997	63,847	63,692	63,549	772,267	

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.2% annually
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009

Return on Capital Investments, Depreciation and Taxes

For Project: CAIR/CAMR/CAVR Compliance Program
P.E.s 1034, 1035, 1036, 1037, 1095, 1222, 1362, 1468, 1469, 1512, 1513, 1646, 1647, 1684, 1810, 1824, & 1826
(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		4,337,917	787,183	1,758,862	0	0	0	0	0	0	0	0	512,352,026	
b	Clearings to Plant (J)		4,104,484	299,381	5,185,558	0	0	0	0	0	0	0	0	512,352,026	
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) (K)	65,188,195	69,292,679	69,592,059	74,777,617	74,777,617	74,777,617	74,777,617	74,777,617	74,777,617	74,777,617	74,777,617	74,777,617	587,129,643	
3	Less: Accumulated Depreciation (C)	(1,901,501)	(2,073,972)	(2,252,201)	(2,436,527)	(2,626,637)	(2,816,747)	(3,006,857)	(3,196,967)	(3,387,077)	(3,577,187)	(3,767,297)	(3,957,407)	(4,830,738)	
4	CWIP - Non Interest Bearing	2,873,203	3,106,636	3,594,438	167,742	167,742	167,742	167,742	167,742	167,742	167,742	167,742	167,742	167,742	
5	Net Investment (Lines 2 + 3 + 4)	66,159,897	70,325,343	70,934,297	72,508,833	72,318,723	72,128,613	71,938,503	71,748,393	71,558,283	71,368,173	71,178,063	70,987,953	582,466,648	
6	Average Net Investment		68,242,620	70,629,820	71,721,565	72,413,778	72,223,668	72,033,558	71,843,448	71,653,338	71,463,228	71,273,118	71,083,008	326,727,300	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		501,379	518,917	526,938	532,024	530,627	529,231	527,834	526,437	525,040	523,644	522,247	2,400,465	8,164,783
b	Debt Component (Line 6 x Debt Component x 1/12)		142,422	147,404	149,683	151,128	150,731	150,334	149,937	149,541	149,144	148,747	148,350	681,880	2,319,301
8	Investment Expenses														
a	Depreciation (E)		172,013	177,771	183,868	189,652	189,652	189,652	189,652	189,652	189,652	189,652	189,652	872,873	2,923,741
b	Amortization (F)		458	458	458	458	458	458	458	458	458	458	458	458	5,496
c	Dismantlement		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	
9	Total System Recoverable Expenses (Lines 7 + 8)		816,272	844,550	860,947	873,262	871,468	869,675	867,881	866,088	864,294	862,501	860,707	3,955,676	13,413,321
a	Recoverable Costs Allocated to Energy		816,272	844,550	860,947	873,262	871,468	869,675	867,881	866,088	864,294	862,501	860,707	3,955,676	13,413,321
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		786,207	815,106	830,554	844,116	842,831	841,034	839,413	837,652	835,257	832,753	829,220	3,812,262	12,946,405
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	
14	Total Juris. Recoverable Costs (Lines 12 + 13)		786,207	815,106	830,554	844,116	842,831	841,034	839,413	837,652	835,257	832,753	829,220	3,812,262	12,946,405

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable
- (B) Beginning Balances: Crist \$49,165,896; Smith \$11,346,149; Daniel \$4,020,088, Scholz \$656,162. Ending Balances: Crist \$566,700,055; Smith \$15,586,062, Daniel \$4,187,364, Scholz \$656,162.
- (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: 3.2%, Plant Smith Steam 2.5%, Smith CT 0.4%, Daniel 3.1%, Scholz 4.2%. Portion of PE 1222 is transmission 2.2%, 2.3%, 4.1%, 2.6%.
- (F) Portion of PE 1222 has a applicable 7 year amortization period beginning in 2008.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11
- (J) Project #1222 qualifies for AFUDC treatment. As portions of the project are moved to P-I-S, they are included in the ECRC.
- (K) Smith beginning balances differ from 2008 estimated/actual true-up due to updated projections.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009

Return on Capital Investments, Depreciation and Taxes
For Project: General Water Quality
P.E. 1280
(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	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654
3	Less: Accumulated Depreciation (C)	(4,728)	(5,122)	(5,516)	(5,910)	(6,304)	(6,698)	(7,092)	(7,486)	(7,880)	(8,274)	(8,668)	(9,062)	(9,456)	
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)	18,926	18,532	18,138	17,744	17,350	16,956	16,562	16,168	15,774	15,380	14,986	14,592	14,198	
6	Average Net Investment		18,729	18,335	17,941	17,547	17,153	16,759	16,365	15,971	15,577	15,183	14,789	14,395	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		138	135	132	129	126	123	120	117	114	112	109	106	1,461
b	Debt Component (Line 6 x Debt Component x 1/12)		39	38	37	37	36	35	34	33	33	32	31	30	415
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		394	394	394	394	394	394	394	394	394	394	394	394	4,728
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)		571	567	563	560	556	552	548	544	541	538	534	530	6,604
a	Recoverable Costs Allocated to Energy		44	44	43	43	43	42	42	42	42	41	41	41	508
b	Recoverable Costs Allocated to Demand		527	523	520	517	513	510	506	502	499	497	493	489	6,096
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		42	42	41	42	42	41	41	41	41	40	40	40	493
13	Retail Demand-Related Recoverable Costs (I)		508	504	501	498	495	492	488	484	481	479	475	472	5,877
14	Total Juris. Recoverable Costs (Lines 12 + 13)		550	546	542	540	537	533	529	525	522	519	515	512	6,370

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), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Applicable depreciation rate or rates.
- (F) 5 year amortization beginning 2008.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Mercury 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	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital Balance														
a	FERC 158.1 Allowance Inventory	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	FERC 158.2 Allowances Withheld	0	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	0
d	FERC 254 Regulatory Liabilities - Gains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Total Working Capital Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Average Net Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12)(A)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 4 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Total Return Component (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Expenses:														
a	Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Mercury Allowance Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Net Expenses (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 6 + 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		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (B)		0	0	0	0	0	0	0	0	0	0	0	0	0
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)		0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) 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)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Annual NOx 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	Purchases/Transfers		0	0	0	0	1,600,000	4,015,000	2,037,500	2,197,280	2,197,280	2,197,280	2,197,280	2,197,280	
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	0	0	0	0	0	1,600,000	4,969,444	4,612,490	3,559,871	2,501,346	2,046,685	1,584,873	3,115	
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	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Total Working Capital Balance	0	0	0	0	0	1,600,000	4,969,444	4,612,490	3,559,871	2,501,346	2,046,685	1,584,873	3,115	
4	Average Net Working Capital Balance		0	0	0	0	800,000	3,284,722	4,790,967	4,086,181	3,030,609	2,274,016	1,815,779	793,994	
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12)(A)		0	0	0	0	5,878	24,133	35,199	30,021	22,266	16,707	13,341	5,833	153,378
b	Debt Component (Line 4 x Debt Component x 1/12)		0	0	0	0	1,670	6,855	9,999	8,528	6,325	4,746	3,790	1,657	43,570
6	Total Return Component (D)		0	0	0	0	7,548	30,988	45,198	38,549	28,591	21,453	17,131	7,490	196,948
7	Expenses:														
a	Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Annual NOx Allowance Expense		0	0	0	0	0	645,556	2,394,454	3,249,899	3,255,805	2,651,941	2,659,092	3,779,038	18,635,785
8	Net Expenses (E)		0	0	0	0	0	645,556	2,394,454	3,249,899	3,255,805	2,651,941	2,659,092	3,779,038	18,635,785
9	Total System Recoverable Expenses (Lines 6 + 8)		0	0	0	0	7,548	676,544	2,439,652	3,288,448	3,284,396	2,673,394	2,676,223	3,786,528	18,832,733
a	Recoverable Costs Allocated to Energy		0	0	0	0	7,548	676,544	2,439,652	3,288,448	3,284,396	2,673,394	2,676,223	3,786,528	18,832,733
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (B)		0	0	0	0	7,300	654,263	2,359,627	3,180,479	3,174,054	2,581,188	2,578,320	3,649,246	18,184,477
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)		0	0	0	0	7,300	654,263	2,359,627	3,180,479	3,174,054	2,581,188	2,578,320	3,649,246	18,184,477

Notes:

- (A) 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)
Calculation of the Projected Period Amount
January 2009 - December 2009
Return on Capital Investments, Depreciation and Taxes
For Project: Seasonal NOx 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	Purchases/Transfers		2,154,990	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	0	2,154,990	2,154,990	2,154,990	2,154,990	1,741,105	1,309,211	847,409	384,807	0	0	0	0	
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	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Total Working Capital Balance	0	2,154,990	2,154,990	2,154,990	2,154,990	1,741,105	1,309,211	847,409	384,807	0	0	0	0	
4	Average Net Working Capital Balance		1,077,495	2,154,990	2,154,990	2,154,990	1,948,048	1,525,158	1,078,310	616,108	192,404	0	0	0	
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12)(A)		7,916	15,833	15,833	15,833	14,312	11,205	7,922	4,527	1,414	0	0	0	94,795
b	Debt Component (Line 4 x Debt Component x 1/12)		2,249	4,497	4,497	4,497	4,066	3,183	2,250	1,286	402	0	0	0	26,927
6	Total Return Component (D)		10,165	20,330	20,330	20,330	18,378	14,388	10,172	5,813	1,816	0	0	0	121,722
7	Expenses:														
a	Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Seasonal NOx Allowance Expense		0	0	0	0	413,885	431,894	461,802	462,602	384,807	0	0	0	2,154,990
8	Net Expenses (E)		0	0	0	0	413,885	431,894	461,802	462,602	384,807	0	0	0	2,154,990
9	Total System Recoverable Expenses (Lines 6 + 8)		10,165	20,330	20,330	20,330	432,263	446,282	471,974	468,415	386,623	0	0	0	2,276,712
a	Recoverable Costs Allocated to Energy		10,165	20,330	20,330	20,330	432,263	446,282	471,974	468,415	386,623	0	0	0	2,276,712
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (B)		9,791	19,621	19,612	19,651	418,059	431,584	456,492	453,036	373,634	0	0	0	2,201,480
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)		9,791	19,621	19,612	19,651	418,059	431,584	456,492	453,036	373,634	0	0	0	2,201,480

Notes:

- (A) 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)
Calculation of the Projected Period Amount
January 2009 - December 2009
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	Purchases/Transfers		0	0	0	0	0	8,832,000	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	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	0
a	FERC 158.1 Allowance Inventory	7,123,759	6,836,382	6,524,854	6,245,510	5,891,811	5,531,514	13,995,478	13,082,651	12,167,204	11,399,919	10,853,734	10,393,938	9,969,885	
b	FERC 158.2 Allowances Withheld	0	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	0
d	FERC 254 Regulatory Liabilities - Gains	(1,054,181)	(1,048,090)	(1,041,998)	(1,035,906)	(1,029,814)	(1,023,723)	(1,017,631)	(1,011,539)	(1,005,447)	(999,356)	(993,264)	(987,172)	(981,080)	
3	Total Working Capital Balance	6,069,579	5,788,293	5,482,857	5,209,605	4,861,998	4,507,792	12,977,848	12,071,113	11,161,758	10,400,564	9,860,471	9,406,767	8,988,806	
4	Average Net Working Capital Balance		5,928,936	5,635,575	5,346,231	5,035,801	4,684,895	8,742,820	12,524,480	11,616,435	10,781,161	10,130,517	9,633,619	9,197,786	
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12)(A)		43,560	41,405	39,279	36,998	34,420	64,233	92,017	85,346	79,209	74,429	70,778	67,576	729,250
b	Debt Component (Line 4 x Debt Component x 1/12)		12,374	11,761	11,158	10,510	9,777	18,246	26,139	24,243	22,500	21,142	20,105	19,196	207,151
6	Total Return Component (D)		55,934	53,166	50,437	47,508	44,197	82,479	118,156	109,589	101,709	95,571	90,883	86,772	936,401
7	Expenses:														
a	Gains		(6,091)	(6,092)	(6,092)	(6,092)	(6,091)	(6,092)	(6,092)	(6,092)	(6,091)	(6,092)	(6,092)	(6,092)	(73,101)
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	SO2 Allowance Expense		287,377	311,528	279,344	353,699	360,297	368,036	912,827	915,447	767,285	546,185	459,796	424,053	5,985,874
8	Net Expenses (E)		281,286	305,436	273,252	347,607	354,206	361,944	906,735	909,355	761,194	540,093	453,704	417,961	5,912,773
9	Total System Recoverable Expenses (Lines 6 + 8)		337,220	358,602	323,689	395,115	398,403	444,423	1,024,891	1,018,944	862,903	635,664	544,587	504,733	6,849,174
a	Recoverable Costs Allocated to Energy		337,220	358,602	323,689	395,115	398,403	444,423	1,024,891	1,018,944	862,903	635,664	544,587	504,733	6,849,174
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9624937	0.9644610	0.9640232	0.9659474	0.9664634	0.9663902	0.9665218	0.9664905	0.9657283	0.9648345	0.9627437	0.9630706	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (B)		324,799	346,100	312,262	381,927	385,311	429,787	991,273	985,489	833,913	613,740	524,665	486,434	6,615,700
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)		324,799	346,100	312,262	381,927	385,311	429,787	991,273	985,489	833,913	613,740	524,665	486,434	6,615,700

Notes:

- (A) 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 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist 5, 6 & 7 Precipitator Projects
PEs 1038, 1119, 1216, 1243, and 1249

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Crist precipitator projects are necessary to improve particulate removal capabilities as a result of burning low sulfur coal. The larger more efficient precipitators with increased collection areas improve particulate collection efficiency.

Accomplishments:

The precipitators have successfully reduced particulate emissions while burning low sulfur coal. The upgraded Crist Unit 7 precipitator was placed in service during 2004 as part of the FDEP agreement.

Project-to-Date: Plant-in-service of \$15,031,878 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist 7 Flue Gas Conditioning
PE 1228**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

This project included the injection of sulfur trioxide into the flue gas to enhance particulate removal and improve the collection characteristics of fly ash. Retirement of the Plant Crist Unit 7 flue gas conditioning system was completed during July 2005.

Accomplishments:

The system enhanced particulate removal in the precipitator.

Project-to-Date: \$0

Progress Summary: Retired

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Low NO_x Burners, Crist 6 & 7
PEs 1234, 1236, 1242, and 1284**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

Low NO_x burners are unique burners installed to decrease the NO_x emissions that are formed in the combustion process. This equipment was installed to meet the requirements of the 1990 Clean Air Act Amendments.

Accomplishments:

The Low NO_x burner system has proven effective in reducing NO_x emissions. The low NO_x burners on Crist Unit 7 were replaced during 2003-2004 time frame and the Crist Unit 6 burners were replaced during December 2005.

Project-to-Date: Plant-in-service of \$9,097,923 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: CEMs – Plant Crist, Scholz, Smith, and Daniel
PEs 1001, 1154, 1164, 1217, 1240, 1245, 1286, 1289, 1290, 1311, 1316, 1323,
1324, 1357, 1364, 1440, 1441, 1442, 1444, 1445, 1454, 1459, 1460, 1558, 1570,
1658, 1829, and 1830

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Continuous Emission Monitoring (CEM) line item includes dilution extraction emission monitors that measure the concentrations of sulfur dioxide (SO₂), carbon dioxide (CO₂) and nitrogen oxides (NO_x) in the flue gas. Opacity and flow monitors were also installed under this line item. All CEMs monitors were installed pursuant to the 1990 Clean Air Act Amendments (CAAA).

Accomplishments:

The systems at both Gulf and Mississippi Power continue to successfully exceed routine quality assurance/quality control (QA/QC) audits as required by the 1990 CAAA.

Project-to-Date: Plant-in-service of \$5,222,602 projected at December 2009.

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 Unit 6 & 7 and the Plant Scholz Units 1&2 flow monitors were replaced during 2005. The Plant Daniel Units 1&2 gas analyzers were replaced during 2005 and the flow monitors were replaced during 2007. During 2008, the opacity, flow, and gas monitors at Plant Smith and opacity and gas monitors at Plant Scholz are being replaced.

Projections:

During the 2009 recovery period, the CEMs project includes the replacement of opacity monitors at Plant Crist on Units 4 and 5 and the installation of CEMs equipment for the new Plant Crist scrubber stack. The existing Crist Units 4 and 5 opacity monitors are approaching the end of their useful lives and will be retired upon replacement. CEMs equipment will be installed in the scrubber stack to monitor SO₂, NO_x, CO₂ and flow pursuant to the CAAA. The 2009 scrubber CEMs expenditures include a new CEMs shelter as well as the monitoring equipment. The 2009 expenditures are expected to be approximately \$439,830.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Substation Contamination Mobile Groundwater Treatment System
PEs 1007, 3400, and 3412**

FPSC Approval: Order No. PSC-95-1051-FOF-EI

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: Plant-in-service of \$918,024 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Raw Water Flow Meters; Crist and Smith
PEs 1155 and 1606**

FPSC Approval: Order No. PSC-96-1171-FOF-EI

Description:

The Raw Water Flow Meters capital project was necessary for Gulf to comply with the Plant Crist and Plant Smith Consumptive Use and Individual Water Use permits issued by the Northwest Florida Water Management District (NFWFMD). These permits require the installation and monitoring of in-line totaling water flow meters on all existing and future water supply wells. Gulf incurred costs related to the installation and operation of new in-line totaling water flow meters at Plant Crist and Plant Smith for implementation of this new activity.

Accomplishments:

The raw water flow meters have been installed at Plant Crist and Plant Smith.

Project-to-Date: Plant-in-service of \$242,943 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist Cooling Tower Cell
PE 1232**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Crist Cooling Tower cell is a pollution control device which allows condenser cooling water to be continually reinjected into the condenser. The cooling tower reduces water discharge temperatures to meet the National Pollution Discharge Elimination System (NPDES) industrial wastewater requirements.

Accomplishments:

Plant Crist has maintained compliance with the temperature discharge limits as required by the facility's NPDES Permit. The original cooling tower cell was retired during July 2007 when the new Crist Unit 7 cooling tower was placed-in-service.

Project-to-Date: \$0

Progress Summary: Retired

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist 1-5 Dechlorination
PE 1248**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

State and Federal Pollution Discharge Elimination System permits require significant reductions in chlorine discharge from the plant. The Crist Units 1-5 dechlorination system injects sodium bisulfite into the cooling water canal to chemically eliminate the residual chlorine present in the plant discharge effluent.

Accomplishments:

The system has been effective in maintaining chlorine discharge limits.

Project-to-Date: Plant-in-service of \$305,323 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist Diesel Fuel Oil Remediation
PE 1270

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

Monitoring wells were installed in the vicinity of the Crist diesel tank systems to determine if groundwater contamination was present. The project also included the installation of an impervious cap to reduce migration of contaminants to groundwater.

Accomplishments: Monitoring wells and an impervious cap were installed.

Project-to-Date: Plant-in-service of \$68,923 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist Bulk Tanker Unloading Secondary Containment
PE 1271**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

The Crist Bulk Tanker Unloading Secondary Containment project was necessary to address deficiencies identified during the August 1992 Plant Crist Environmental Audit and to minimize the potential risk of an uncontrolled discharge of pollutants into the waters of the United States. Secondary containment must be installed for tank unloading racks pursuant to the Federal Spill Prevention Control and Countermeasures (SPCC) regulation (40 CFR Part 112).

Accomplishments:

The Plant Crist unloading area secondary containment complies with current SPCC regulatory requirements.

Project-to-Date: Plant-in-service of \$101,495 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist IWW Sampling System
PE 1275**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

The 1993 revision to Plant Crist's National Pollutant Discharge Elimination System (NPDES) industrial wastewater 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, an access dock was constructed in the discharge canal. The Crist Industrial Wastewater (IWW) project also included a small building for monitoring and sampling equipment.

Accomplishments:

The dock is complete and samples are being collected at the required compliance point.

Project-to-Date: Plant-in-service of \$59,543 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Sodium Injection System
PEs 1214 and 1413

FPSC Approval: Order No. PSC-99-1954-FOF-EI

Description:

The Sodium Injection System line item includes silo storage systems and associated components that inject sodium carbonate directly onto the coal feeder belt to enhance precipitator performance when burning low sulfur coal. Sodium injection is used at Plant Smith on Units 1 and 2 and at Plant Crist on Units 4 and 5. The injection of sodium carbonate as an additive to low sulfur coal reduces opacity levels to maintain compliance with the Clean Air Act provisions.

Accomplishments:

The silo storage and injection system components at Plants Smith and Crist have been installed. These systems are fully operational.

Project-to-Date: Plant-in-service of \$391,119 projected at December 2009.

Progress Summary: In Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Smith Stormwater Collection System
PE 1446**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

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

Accomplishments:

No unpermitted discharges have occurred since system installation.

Project-to-Date: Plant-in-service of \$2,782,600 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Smith Waste Water Treatment Facility
PEs 1466 and 1643**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

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. In April 2004 a new waste water treatment facility with additional capacity was installed to replace the facility installed in the 1990's. The new treatment includes aeration and chlorination of the waste water prior to discharge in the Plant Smith ash pond.

Accomplishments: Plant Smith has maintained compliance with the NPDES industrial wastewater permit.

Project-to-Date: Plant-in-service of \$178,962 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Daniel Ash Management Project
PEs 1535, 1555, and 1819

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The original Daniel Ash Management project included the installation of a dry ash transport system, lining the bottom of the ash pond, closure and capping of the existing fly ash pond, and the expansion of the landfill area. During 2006 plant Daniel completed construction of a new on-site ash storage facility in preparation for the completion and closure of the existing landfill area.

Accomplishments: No reportable exceedances have occurred since system installation. Construction of the new on-site ash storage facility was completed in 2006.

Project-to-Date: Plant-in-service of \$15,026,825 projected at December 2009.

Progress Summary: In-Service

Projections: The Daniel Ash Management project is projected to have cost of removal expenses and retirements during 2009 for closure of the existing ash storage facility.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Smith Water Conservation
PEs 1620 and 1638**

FPSC Approval: Order No. PSC-01-1788-FOF-EI

Description:

This project is a water conservation and consumptive use efficiency program to reduce the demand for groundwater and the potential for saltwater intrusion. Plant Smith's individual water use permit issued by the Northwest Florida Water Management District includes a specific condition requesting a 25% reduction in the use of groundwater. Phase I of the Smith Water Conservation project consisted of adding pumps, piping, valves and controls to reclaim water from the ash pond. Phase II, the Smith Closed Loop Cooling System for the laboratory sampling system, was installed during 2005 to further reduce groundwater usage.

Accomplishments: Plant Smith estimated that the closed loop cooling project reduced water consumption by approximately 125,000 gallons per day.

Project-to-Date: Plant-in-service of \$134,135 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Underground Fuel Tank Replacement
PE 4397**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Underground Fuel Tank Replacement Program provided for the replacement of Gulf's underground storage tanks with new above ground tanks (ASTs). The installation of ASTs significantly reduced the risk of potential petroleum product discharges, groundwater contamination, and subsequent remediation activities.

Accomplishments:

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

Project-to-Date: \$0

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist FDEP Agreement for Ozone Attainment

PEs 1031, 1199, 1250, and 1287

FPSC Approval: Order No. PSC-02-1396-FOF-EI

Description:

The Florida Department of Environmental Protection (FDEP) and Gulf Power entered into an agreement on August 28, 2002 to support Escambia/Santa Rosa County area's effort to maintain compliance with the 8-hour ozone ambient air quality standards. This agreement included a requirement for Gulf to install Selective Catalytic Reduction (SCR) controls on Crist Unit 7, relocate the Crist Unit 7 precipitator, and install a NO_x reduction technology on Plant Crist Unit 6, and Units 4 and 5 if necessary, to meet the NO_x standard specified in the Agreement.

Accomplishments: The new Crist Unit 7 precipitator and SCR were placed in service during 2004 and 2005, respectively. The Crist Unit 6 Selective Non-Catalytic Reduction (SNCR)/low NO_x burners with Over-Fired Air (OFA) technologies were then placed in service during November 2005. The Crist Unit 4 and Unit 5 SNCRs were subsequently placed in service during April 2006.

Project-to-Date: Plant-in-service of \$135,744,919 projected at December 2009.

Progress Summary: In-Service

Projections: During 2009, Gulf will be replacing a layer of the Crist Unit 7 SCR catalyst. This new layer of catalyst is part of the on-going periodic catalyst maintenance and management activity. The projected 2009 expenditures for the Crist FDEP Agreement projects are \$720,000. Gulf has also projected cost of removal expenses and retirements during 2009 for this project.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: SPCC Compliance
PEs 1272 & 1401

FPSC Approval: Order No. PSC-03-1348-FOF-EI

Description:

The SPCC Compliance projects were required as the 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. The recent regulatory revision specifically included oil-containing electrical equipment within the scope of the regulation. Therefore, 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 2002 revisions also resulted in oil storage containers having a capacity greater than or equal to 55 gallons being classified as bulk storage containers that are subject to the secondary containment requirements in 40 CFR Part 112.8(c).

The 2006 SPCC project at Plant Crist was designed to route stormwater from the switchyard drains to the new oil skimming sump where any potential spill would be captured, preventing the oil from reaching surface water. During 2009, Plant Smith plans to install secondary containment for a small fuel tank and a padmount transformer.

Accomplishments: Construction on the Plant Crist switchyard sump was completed during 2006.

Project-to-Date: Plant-in-service of \$944,839 projected at December 2009.

Progress Summary: In-service

Projections: The projected 2009 expenditures for the Plant Smith SPCC Compliance project are \$25,000.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist Common FTIR Monitor
PE 1297**

FPSC Approval: Order No. PSC-03-1348-FOF-EI

Description:

The purchase of a Fourier Transform Infrared (FTIR) spectrometer, a device used to measure and analyze various low concentration stack gas emissions, was required at Plant Crist under Title V regulations. The purchase of this instrument enabled Gulf Power to measure ammonia slip emissions as required by the Crist Unit 7 Selective Catalytic Reduction (SCR) air construction permit.

Accomplishments: The FTIR is fully operational.

Project-to-Date: Plant-in-service of \$62,870 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Precipitator Upgrades for Compliance Assurance Monitoring
PEs 1175, 1191, 1305, 1461, and 1462**

FPSC Approval: Order No. PSC-04-1187-FOF-EI

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 requires 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 the results were included as part of the CAM plans in Gulf's Title V Air Permits effective January 2005. Several precipitator upgrades have been necessary to meet the more stringent surrogate opacity standards under CAM.

Accomplishments: The Plant Smith Unit 2 and Unit 1 precipitator upgrades were placed in service during April 2005 and May 2007, respectively. The Plant Scholz Unit 2 precipitator upgrade was completed during December of 2007. The Plant Crist Units 4 and 5 precipitator upgrades were placed in-service during March of 2008.

Project-to-Date: Plant-in-service of \$29,766,045 projected at December 2009.

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Plant Groundwater Investigation
PEs 1218 and 1361**

FPSC Approval: Order No. PSC-05-1251-FOF-EI

Description: The Florida Department of Environmental Protection (FDEP) lowered the arsenic groundwater standard from 0.05 mg/L to 0.01 mg/L effective January 1, 2005. Historical groundwater monitoring data from Plants Crist and Scholz indicated that these facilities may be unable to comply with the lower standard.

Accomplishments: The Plant Scholz project has been delayed until Gulf receives FDEP's formal response to the Plant Scholz groundwater study. The Plant Crist project has been canceled because Gulf has been released from any remedial action at this site.

Project-to-Date: \$0

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Plant Crist Water Conservation Project
PEs 1227 & 1298**

FPSC Approval: Order No. PSC-05-1251-FOF-EI

Description:

This project is part of the Plant Crist water conservation and consumptive use efficiency program to reduce the demand for groundwater and surface water withdrawals. Specific Condition six of the Northwest Florida Water Management District Individual Water Use Permit Number 19850074 issued January 27, 2005 requires Plant Crist to implement measures to increase water conservation and efficiency at the facility. The first Plant Crist Water Conservation project was placed in service during 2006. This project included installing automatic level controls on the fire water tanks to reduce groundwater usage. Gulf Power has entered into negotiations with the Emerald Coast Utilities Authority (ECUA) to begin utilizing reclaimed water from ECUA's proposed wastewater treatment to reduce the demand for groundwater and surface water withdrawals. The Northwest Florida Water Management District has agreed that this is a valid project to pursue for continued implementation of the water conservation effort. Gulf expects to place portions of this project in-service during 2009.

Accomplishments: Level controls were installed on the fire tank system during 2006.

Project-to-Date: Plant-in-service of \$1,373,735 projected at December 2009.

Progress Summary: See Accomplishments

Projections: Expenditures totaling \$1.3 million are projected to be incurred for portions of the Plant Crist Water Conservation project that will be placed-in-service during 2009.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Plant NPDES Permit Compliance Projects
PE 1204 and 1299**

FPSC Approval: Order No. PSC-05-1251-FOF-EI

Description: The water quality based copper effluent limitations included in Chapter 62 Part 302, Florida Administrative Code (F.A.C.) were amended in April 2002 with an effective date of May 2002. The more stringent hardness based standard is included by reference in the Plant Crist National Pollution Discharge Elimination System (NPDES) industrial wastewater permit.

Accomplishments: Plant Crist installed stainless steel condenser tubes on Unit 6 during June 2006 in an effort to meet the revised water quality standards during times of lower hardness in the river water. Plant Crist also plans to install a chemical treatment system during 2008 to reduce iron and copper concentrations in the ash pond discharge.

Project-to-Date: Plant-in-service of \$5,977,707 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: CAIR / CAMR/CAVR Compliance Program

PEs 1034, 1035, 1036, 1037, 1095, 1222, 1362, 1468, 1469, 1512, 1513, 1646, 1647, 1684, 1810, 1824, and 1826

FPSC Approval: Order No. PSC-06-0972-FOF-EI

Description: This line item includes the prudently incurred costs for compliance with the Clean Air Interstate Rule (CAIR), Clean Air Mercury Rule (CAMR), and Clean Air Visibility Rule (CAVR).

Accomplishments:

Immediately after passage of EPA's CAIR and CAMR in 2005, Gulf began extensive engineering, design, and other planning activities to determine the most cost effective strategy for compliance with the CAIR, CAMR, and CAVR requirements. On March 29, 2007, Gulf petitioned the Commission for approval of the Company's plan to achieve and maintain compliance with the CAIR, CAMR, and CAVR. On June 22, 2007, the Office of Public Counsel ("OPC"), the Florida Industrial Power Users' Group ("FIPUG") and Gulf filed a petition for approval of a stipulation regarding the substantive provisions of Gulf's CAIR/CAMR/CAVR Compliance Plan (the "Plan"). That stipulation identified 10 specific components of Gulf's Plan as being reasonable and prudent for implementation and set forth a process for review in connection with the three remaining components of the Plan. On August 14, 2007, the Commission voted to approve the stipulation with the provision that Gulf provide an annual status report regarding cost-effectiveness and prudence of the phases in its Plan into which the Company is moving. The approved plan includes a more detailed discussion of the planning process and evaluation utilized by Gulf to select the most reasonable and prudent strategy for compliance with these regulations on a plant and/or unit specific basis.

Project-to-Date: Plant-in-service of \$586,662,113 projected at December 2009.

Progress Summary: See Accomplishments

Projections:

For the purpose of the 2009 projection of ECRC revenue requirements, expenditures totaling approximately \$519 million are projected to be incurred for capital projects included in the CAIR/CAMR/CAVR Compliance Program. These capital projects include the Crist Units 4 through 7 scrubber project (\$517.5 million), Low NOx burners at Plant Daniel on Unit 2 (\$167,276), and Selective Non-Catalytic Reduction (SNCR) technologies at Plant Smith on Unit 1 (\$3.9 million) and Unit 2 (\$371,502).

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: General Water Quality
PE 1280

FPSC Approval: Order No. PSC-06-0972-FOF-EI

Description: Gulf Power purchased a boat during 2007 for surface water sampling required by the Plants Crist, Smith and Scholz National Pollutant Discharge Elimination System (NPDES) permits. The permits have new conditions which require Gulf to establish a biological evaluation plan and implementation schedule for each plant.

Accomplishments: The General Water Quality sampling boat was purchased during 2007. It is currently being used to conduct Gulf's surface water sampling for Plants Crist, Smith, and Scholz.

Project-to-Date: Plant-in-service of \$23,654 projected at December 2009.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Mercury Allowances

FPSC Approval: Stipulation approved by the Commission on August 14, 2007

Description:

Mercury Allowances were included as part of Gulf's March 2007 CAIR/CAMR/CAVR Compliance Program. The purchase of allowances in conjunction with the retrofit projects comprised the most reasonable, cost-effective means for Gulf to meet the CAIR, CAMR and CAVR requirements. On February 8, 2008, the U.S. Court of Appeals for the District of Columbia Circuit issued an opinion vacating EPA's CAMR. The vacatur became effective with the issuance of the court's mandate on March 14, 2008, nullifying CAMR mercury emission control obligations and monitoring requirements. In response to the CAMR vacatur, mercury allowances have been removed from Gulf's Compliance Plan.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary: N/A

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Annual NO_x Allowances

FPSC Approval: Stipulation approved by the Commission on August 14, 2007

Description:

Although the retrofit installations set forth in Gulf's CAIR/CAMR/CAVR Compliance Program significantly reduce emissions, they will not result in Gulf achieving CAIR / CAMR compliance levels without the purchase of some emission allowances. Thus, Gulf's CAIR/CAMR/CAVR Compliance Program calls for the purchase of allowances. The purchase of allowances in conjunction with the retrofit projects comprises the most reasonable, cost-effective means for Gulf to meet CAIR and CAVR requirements.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary:

Annual NO_x allowance expenses have been included in Gulf's 2009 projection filing because CAIR will remain in effect unless and until the court issues a mandate in the case.

Projections: The 2009 projection expenses for annual allowances are \$18.6 million. This projection will be updated if the CAIR is ultimately vacated.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Seasonal NO_x Allowances

FPSC Approval: Stipulation approved by the Commission on August 14, 2007

Description:

Although the retrofit installations set forth in Gulf's CAIR/CAMR/CAVR Compliance Program significantly reduce emissions, they will not result in Gulf achieving CAIR CAMR compliance levels without the purchase of some emission allowances. Thus, Gulf's CAIR/CAMR/CAVR Compliance Program calls for the purchase of allowances. The purchase of allowances in conjunction with the retrofit projects comprises the most reasonable, cost-effective means for Gulf to meet CAIR and CAVR requirements.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary:

Seasonal NO_x allowance expenses have been included in Gulf's 2009 projection filing because CAIR will remain in effect unless and until the court issues a mandate in the case.

Projections: The 2009 projection expenses for seasonal NO_x allowances are \$2.2 million. This projection will be updated if the CAIR is ultimately vacated.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Sulfur

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Crist Unit 7 sulfur trioxide (SO₃) flue gas system allowed for the injection of SO₃ into the flue gas stream. The addition of sulfur trioxide to the flue gas improved the collection efficiency of the precipitator when burning a low sulfur coal. Sulfur trioxide agglomerated the particles which in turn enhanced the collection efficiency of the precipitator.

Accomplishments:

The flue gas injection system was retired during 2005.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Air Emission Fees

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

Air Emission Fees are the annual fees required by the Florida Department of Environmental Protection (FDEP) and Mississippi Department of Environmental Quality (MDEQ) under Title IV of the 1990 Clean Air Act Amendments.

Accomplishments:

Fees have been paid by due dates.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$849,374

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Title V

FPSC Approval: Order No. PSC-95-0384-FOF-EI

Description:

Title V expenses are associated with the preparation of the Clean Air Act Amendments (CAAA) Title V permit applications and the subsequent implementation of Title V permits. Renewal of the Title V permits 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. During 2004, the Title V renewal applications were submitted for Plant Crist, Smith, and Scholz. The final permits were issued in December 2004 and February 2005.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$129,352

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Asbestos Fees

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

Asbestos Fees include both annual and individual project fees due to the Florida Department of Environmental Protection (FDEP) for asbestos abatement projects.

Accomplishments:

Fees are paid as required by FDEP.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$2,500

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Emission Monitoring

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Emission Monitoring program provides quality assurance/quality control testing for Continuous Emission Monitoring systems, including Relative Accuracy Test Audits and Linearity Tests, as required by the Clean Air Act Amendments (CAAA) of 1990. Other 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: \$656,209

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: General Water Quality

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The General Water Quality activities are undertaken pursuant to the Company's NPDES permit, soil contamination studies, dechlorination, surface and groundwater monitoring studies. This line item also includes expenses for Gulf's Cooling Water Intake program and the Impaired Waters Rule.

Accomplishments:

All activities are on-going in compliance with all applicable environmental laws, rules, and regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$556,074

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Groundwater Contamination Investigation

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Groundwater Contamination Investigation project includes sampling and testing to determine possible environmental impacts to soil and groundwater from past herbicide applications at various substation sites. Once possible environmental impacts to groundwater and soils have been identified cleanup operations are initiated.

Accomplishments:

The Florida Department of Environmental Protection has issued a No Further Action (NFA) letter for 46 sites.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$1,631,176

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: State NPDES Administration

FPSC Approval: Order No. PSC-95-1051-FOF-EI

Description:

The State NPDES Administration fees are required by the State of Florida's National Pollutant Discharge Elimination System (NPDES) program administration. Annual and five year permit renewal fees are required for the NPDES industrial wastewater permits at Plants Crist, Smith and Scholz.

Accomplishments:

Gulf has complied with NPDES program administration fee submittal schedule.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$42,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Lead & Copper Rule

FPSC Approval: Order No. PSC-95-1051-FOF-EI

Description:

The Lead and Copper Rule expenses include potable water treatment and sampling costs as required by the Florida Department of Environmental Protection (FDEP) regulations.

Accomplishments:

Gulf has complied with all sampling and analytical protocols.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$20,400

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Environmental Auditing/Assessment

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Environmental Auditing/Assessment program ensures continued compliance with environmental laws, rules, and regulations through auditing and/or assessment of company facilities and operations.

Accomplishments:

Audits and assessments completed to date have demonstrated compliance with environmental laws, rules, and regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$7,300

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: General Solid and Hazardous Waste

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The General Solid and Hazardous Waste program provides for the proper identification, handling, storage, transportation and disposal of solid and hazardous wastes. This line item also includes O&M expenses associated with Gulf's Spill Prevention Control and Countermeasures (SPCC) compliance plan.

Accomplishments:

Gulf has complied with all hazardous and solid waste regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$417,471

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Above Ground Storage Tanks

FPSC Approval: Order No. PSC-97-1047-FOF-EI

Description:

The Above Ground Storage Tank projects are required under the provisions of Chapter 62-762, F.A.C. which includes specific performance standards applicable to storage tank systems. These performance standards include installation of secondary containment and cathodic protection systems as well as periodic tank integrity testing.

Accomplishments:

Gulf has complied with all applicable storage tank requirements.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$90,100

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Low NO_x

FPSC Approval: Order No. PSC-98-0803-FOF-EI

Description:

The Low NO_x activity refers to the maintenance expenses associated with the Low NO_x 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 2009-December 2009

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

Title: Ash Pond Diversion Curtains

FPSC Approval: Order No. PSC-98-1764-FOF-EI

Description:

The installation of additional flow diversion curtains in the Plant Crist ash pond were required to effectively increase water retention time in the ash pond. Diversion curtains allow for the sedimentation/precipitation treatment process to be more effective in reducing levels of suspended particulate from the Plant Crist ash pond outfall. Plant Crist plans to replace the existing ash curtains and dredge the pond during 2009.

Accomplishments:

Ash pond diversion curtains have been installed at Plant Crist.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$800,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Mercury Emissions

FPSC Approval: Order No. PSC-99-0912-FOF-EI

Description: The Mercury Emissions program pertains to requirements for Gulf to periodically analyze coal shipments for mercury and chlorine content. The Environmental Protection Agency (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.

Accomplishments:

Coal shipments were analyzed as required during 1999. Sampling and analytical requirements are not expected during 2009.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Sodium Injection

FPSC Approval: Order No. PSC-99-1954-FOF-EI

Description:

This project refers to the sodium injection systems at Plant Smith and Plant Crist. The activity involves sodium injection to the coal supply to enhance precipitator efficiencies when burning low sulfur coal.

Accomplishments:

Sodium carbonate injection is used at Plant Smith and Plant Crist as necessary when low sulfur coal is burned.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$313,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: Gulf Coast Ozone Study (GCOS)

FPSC Approval: Order No. PSC-00-0476-FOF-EI

Description:

This project referred to Gulf's participation in the Gulf Coast Ozone Study (GCOS) which was 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. The goal of the project was to develop strategies for ozone ambient air attainment to supplement the Florida Department of Environmental Protection (FDEP) studies to the Environmental Protection Agency (EPA) for Escambia and Santa Rosa counties.

Accomplishments: The GCOS project was completed during 2006.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: SPCC Substation Project

FPSC Approval: Order No. PSC-03-1348-FOF-EI

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 was 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: 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.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.19**

Title: FDEP NO_x Reduction Agreement

FPSC Approval: Order No. PSC-02-1396-FOF-EI

Description: This line item includes the O&M expenses associated with the Crist Unit 7 Selective Catalytic Reduction (SCR) and Crist Units 4, 5, and 6 Selective Non-Catalytic Reduction (SNCR) projects that were included as part of the Florida Department of Environmental Protection (FDEP) and Gulf Power Agreement entered into on August 28, 2002. Anhydrous ammonia, urea, air monitoring, and general operation and maintenance expenses are included in this line item.

Accomplishments: The Crist Unit 7 SCR and the Crist Units 4, 5, and 6 SNCRs are fully operational.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$5,972,528

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2009-December 2009

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

Title: CAIR/CAMR/CAVR Compliance Plan

FPSC Approval: Order No. PSC-06-0972-FOF-EI

Description: This line item includes the O&M expenses associated with the stipulated portions of Gulf's CAIR, CAMR, and CAVR Compliance program and the Climate Registry. Immediately after the passage of the EPA's CAIR and CAMR in 2005, Gulf began extensive engineering, design, and other planning activities to determine the most cost effective strategy for compliance with the CAIR, CAMR, and CAVR requirements. On March 29, 2007, Gulf petitioned the Commission for approval of the Company's plan to achieve and maintain compliance with the CAIR, CAMR, and CAVR. On June 22, 2007, the Office of Public Counsel ("OPC"), the Florida Industrial Power Users' Group ("FIPUG") and Gulf filed a petition for approval of a stipulation regarding the substantive provisions of Gulf's CAIR/CAMR/CAVR Compliance Plan (the "Plan"). That stipulation identified 10 specific components of Gulf's Plan as being reasonable and prudent for implementation and set forth a process for review in connection with the three remaining components of the Plan. On August 14, 2007, the Commission voted to approve the stipulation with the provision that Gulf provide an annual status report regarding cost-effectiveness and prudence of the phases in its Plan into which the Company is moving. The approved plan includes a more detailed discussion of the planning process and evaluation utilized by Gulf to select the most reasonable and prudent strategy for compliance with these regulations on a plant and/or unit specific basis.

Gulf Power expects to begin incurring annual costs associated with joining the Climate Registry during 2009. Gulf also anticipates incurring expenses for monitoring and reporting greenhouse gas emissions.

Accomplishments: Gulf will begin incurring O&M expenses associated with the Crist Units 4 through 7 scrubber, Smith Units 1 and 2 SNCRs, and Scholz mercury monitoring system during 2009. Gulf also expects to begin incurring annual costs associated with joining the climate registry in 2009.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$6,013,528

Schedule 6P

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % By Rate Class
 January 2009 - December 2009

Rate Class	(1) Average 12 CP Load Factor at Meter (%)	(2) Jan - Dec. 2009 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	58.020395%	5,882,421,000	1,157,367.59	1.0048648	1.0053010	5,913,603,537	1,162,997.91	49.51975%	58.63493%
GS	63.781436%	344,451,000	61,649.43	1.0048589	1.0052978	346,275,815	61,948.98	2.89967%	3.12329%
GSD, GSDT, GSTOU	75.860452%	2,558,412,000	384,991.33	1.0047057	1.0051660	2,571,628,859	386,802.96	21.53448%	19.50147%
LP, LPT	86.886296%	1,946,852,000	255,786.46	0.9842260	0.9891199	1,925,670,036	251,751.67	16.12531%	12.69258%
PX, PXT, RTP, SBS	104.683592%	1,054,375,000	114,977.37	0.9744382	0.9805725	1,033,891,161	112,038.34	8.65767%	5.64864%
OS-I/II	321.885641%	117,699,000	4,174.14	1.0046893	1.0052949	118,322,199	4,193.71	0.99081%	0.21143%
OS-III	99.718369%	<u>32,349,000</u>	<u>3,703.24</u>	1.0051151	1.0052683	<u>32,519,423</u>	<u>3,722.18</u>	<u>0.27231%</u>	<u>0.18766%</u>
TOTAL		<u>11,936,559,000</u>	<u>1,982,649.56</u>			<u>11,941,911,030</u>	<u>1,983,455.75</u>	<u>100.00000%</u>	<u>100.00000%</u>

Notes:

- (1) Average 12 CP load factor based on actual 2006 load research data
- (2) Projected KWH sales for the period January 2008 - December 2008
- (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 Docket No. 010949-EI
- (5) Based on energy losses identified in Docket No. 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 2009 - December 2009

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	49.51975%	58.63493%	39,697,817	3,516,789	43,214,606	5,882,421,000	0.735
GS	2.89967%	3.12329%	2,324,539	187,328	2,511,867	344,451,000	0.729
GSD, GSDT, GSTOU	21.53448%	19.50147%	17,263,250	1,169,654	18,432,904	2,558,412,000	0.720
LP, LPT	16.12531%	12.69258%	12,926,956	761,272	13,688,228	1,946,852,000	0.703
PX, PXT, RTP, SBS	8.65767%	5.64864%	6,940,475	338,793	7,279,268	1,054,375,000	0.690
OS-I, OS-II	0.99081%	0.21143%	794,289	12,681	806,970	117,699,000	0.686
OS-III	<u>0.27231%</u>	<u>0.18766%</u>	<u>218,299</u>	<u>11,255</u>	<u>229,554</u>	<u>32,349,000</u>	0.710
TOTAL	<u>100.00000%</u>	<u>100.00000%</u>	<u>\$80,165,625</u>	<u>\$5,997,772</u>	<u>\$86,163,397</u>	<u>11,936,559,000</u>	<u>0.722</u>

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 2008 - December 2008
- (7) Col 5 / Col 6 x 100