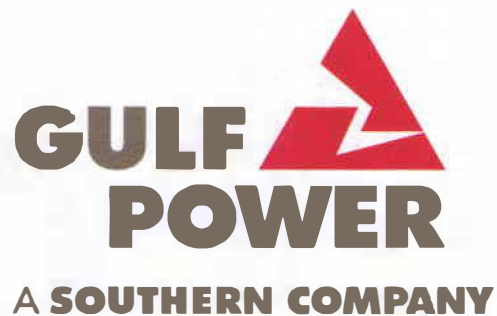


**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

DOCKET NO. 130140-EI



MINIMUM FILING REQUIREMENTS

SECTION D – COST OF CAPITAL SCHEDULES

GULF POWER COMPANY

**Docket No. 130140-EI
Minimum Filing Requirements**

Index

D. Cost of Capital Schedules

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 130140-EI

(1) Line No.	(2) Class of Capital	(3) Company Total Per Books (\$000's)	(4) Specific Adjustments (\$000's)	(5) Pro Rata Adjustments (\$000's)	(6) System Adjusted (\$000's)	(7) Jurisdictional Factor %	(8) Jurisdictional Capital Structure (\$000's)	(9) Ratio %	(10) Cost Rate %	(11) Weighted Cost Rate %
1	Long-Term Debt	1,281,856	(103,347)	(480,295)	698,214	0.9811104	685,025	36.36	4.96	1.80
2	Short-Term Debt	51,663	(4,154)	(19,362)	28,147	0.9811104	27,615	1.47	0.82	0.01
3	Preference Stock	147,998	(11,941)	(55,449)	80,608	0.9811104	79,085	4.20	6.00	0.25
4	Common Equity	1,332,898	(102,440)	(501,467)	728,991	0.9811104	715,221	37.96	11.50	4.37
5	Customer Deposits	35,350	-	(14,407)	20,943	1.0000000	20,943	1.11	2.30	0.03
6	Deferred Income Taxes	707,553	(53,944)	(266,376)	387,233	0.9811104	379,918	20.17	0.00	0.00
7	FASB 109 Deferred Taxes	(47,899)	3,652	18,033	(26,214)	0.9811104	(25,718)	-1.37	0.00	0.00
8	Investment Credit - Zero Cost	3,492	(375)	(1,270)	1,847	0.9811104	1,812	0.10	8.18	0.01
9	Total	3,512,911	(272,549)	(1,320,593)	1,919,769		1,883,901	100.00		6.47

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 130140-EI

(1) Line No.	(2) Class of Capital	(3) Company Total Per Books (\$000's)	(4) Specific Adjustments (\$000's)	(5) Pro Rata Adjustments (\$000's)	(6) System Adjusted (\$000's)	(7) Jurisdictional Factor %	(8) Jurisdictional Capital Structure (\$000's)	(9) Ratio %	(10) Cost Rate %	(11) Weighted Cost Rate %
1	Long-Term Debt	1,222,230	(105,055)	(415,112)	702,063	0.9808969	688,651	36.77	4.85	1.78
2	Short-Term Debt	77,666	(8,447)	(26,375)	42,844	0.9808969	42,026	2.24	0.46	0.01
3	Preference Stock	132,613	(11,376)	(45,049)	76,188	0.9808969	74,733	3.99	6.08	0.24
4	Common Equity	1,211,019	(99,775)	(412,908)	698,336	0.9808969	684,996	36.58	11.50	4.21
5	Customer Deposits	34,935	-	(12,981)	21,954	1.0000000	21,954	1.17	2.30	0.03
6	Deferred Income Taxes	671,313	(51,647)	(230,252)	389,414	0.9808969	381,975	20.40	0.00	0.00
7	FASB 109 Deferred Taxes	(42,181)	3,245	14,468	(24,468)	0.9808969	(24,000)	-1.28	0.00	0.00
8	Investment Credit - Zero Cost	4,756	(706)	(1,505)	2,545	0.9808969	2,496	0.13	8.06	0.01
9	Total	3,312,351	(273,761)	(1,129,714)	1,908,876		1,872,831	100.00		6.28

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

Witness: S. D. Ritenour

DOCKET NO.: 130140-EI

(1) Line No.	(2) Class of Capital	(3) Company Total Per Books (\$000's)	(4) Specific Adjustments (\$000's)	(5) Pro Rata Adjustments (\$000's)	(6) System Adjusted (\$000's)	(7) Jurisdictional Factor %	(8) Jurisdictional Capital Structure (\$000's)	(9) Ratio %	(10) Cost Rate %	(11) Weighted Cost Rate %
1	Long-Term Debt	1,222,347	(109,377)	(428,140)	684,830	0.9811631	671,930	39.19	4.96	1.94
2	Short-Term Debt	72,767	(8,821)	(25,469)	38,477	0.9811631	37,752	2.20	0.38	0.01
3	Preference Stock	97,998	(8,772)	(34,324)	54,902	0.9811631	53,868	3.14	6.33	0.20
4	Common Equity	1,160,164	(99,619)	(407,972)	652,573	0.9811631	640,281	37.34	11.50	4.29
5	Customer Deposits	35,821	-	(13,780)	22,041	1.0000000	22,041	1.29	4.75	0.06
6	Deferred Income Taxes	554,770	(45,092)	(196,062)	313,616	0.9811631	307,709	17.95	0.00	0.00
7	FASB 109 Deferred Taxes	(39,782)	3,234	14,059	(22,489)	0.9811631	(22,066)	-1.29	0.00	0.00
8	Investment Credit - Zero Cost	6,084	(1,036)	(1,942)	3,106	0.9811631	3,047	0.18	8.08	0.01
9	Total	3,110,169	(269,483)	(1,093,630)	1,747,056		1,714,562	100.00		6.51

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: (1) List and describe the basis for the specific adjustments appearing on Schedule D-1a.

Type of Data Shown:

 Projected Test Year Ended 12/31/14

COMPANY: GULF POWER COMPANY

(2) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.

 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

DOCKET NO.: 130140-EI

(\$000's)

Witness: S. D. Ritenour

(1) Line No.	(2) Class of Capital	(3) Description	(4) Historic Base Year	(5) Prior Year	(6) Test Year
1		<u>Specific Adjustments:</u>			
2	Long-Term Debt	UPS Portion of Long-Term Debt	(109,377)	(105,055)	(103,347)
3		Subtotal Long-Term Debt	(109,377)	(105,055)	(103,347)
4	Short-Term Debt	Clause Under-Recovery Balance	(2,263)	(1,762)	-
5		UPS Portion of Short-Term Debt	(6,558)	(6,685)	(4,154)
6		Subtotal Short Term Debt	(8,821)	(8,447)	(4,154)
7	Preference Stock	UPS Portion of Preference Stock	(8,772)	(11,376)	(11,941)
8		Subtotal Preference Stock	(8,772)	(11,376)	(11,941)
9	Common Equity	Common Dividends Declared	17,815	17,754	18,548
10		Non-Utility Property, Net	(13,218)	(13,050)	(13,029)
11		UPS Portion of Common Equity	(104,216)	(104,479)	(107,959)
12		Subtotal Common Equity	(99,619)	(99,775)	(102,440)
13	Deferred Taxes	UPS Portion of Deferred Taxes	(45,092)	(51,647)	(53,944)
14		Subtotal Deferred Taxes	(45,092)	(51,647)	(53,944)
15	Deferred Taxes (FASB-109)	UPS Portion of Deferred Taxes (FASB-109)	3,234	3,245	3,652
16		Subtotal Deferred Taxes (FASB-109)	3,234	3,245	3,652
17	Investment Credit - Zero Cost	UPS Portion of Investment Tax Credits	(1,036)	(706)	(375)
18		Subtotal Investment Tax Credits - Wtd Cost	(1,036)	(706)	(375)
19		Total Specific Adjustments	(269,483)	(273,761)	(272,549)

Supporting Schedules:

Recap Schedules: D-1a

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: (1) List and describe the basis for the specific adjustments appearing on Schedule D-1a.

Type of Data Shown:

 Projected Test Year Ended 12/31/14

COMPANY: GULF POWER COMPANY

(2) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.

 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

DOCKET NO.: 130140-EI

(\$000's)

Witness: S. D. Ritenour

(1) Line No.	(2) Class of Capital	(3) Description	(4) Historic Base Year	(5) Prior Year	(6) Test Year
1		<u>Pro Rata Adjustments:</u>			
2		Energy Conservation Cost Recovery Clause Plant (net)	(13,426)	(16,009)	(18,350)
3		Environmental Cost Recovery Clause Plant (net)	(897,404)	(927,689)	(956,635)
4		Interest Bearing CWIP	(156,245)	(160,600)	(312,857)
5		ARO Plant (net)	(15,016)	(19,516)	(19,516)
6		Accumulated Depreciation: 2013 Depreciation Study	-	-	43
7		PHFU - North Escambia	(10,016)	(13,021)	(13,021)
8		ARO Deferred Debit	(5,307)	(5,382)	(5,382)
9		ARO Deferred Credit	14,146	14,326	14,326
10		ARO Liability	11,293	16,055	16,055
11		Loans To Employees & Retirees	(41)	(38)	(38)
12		AEM Inventory (ECCR)	(2,332)	(2,787)	(2,466)
13		Environmental Allowances	(8,373)	(7,653)	(6,783)
14		Interest & Dividends Receivable	(18)	(6)	(25)
15		Accrued Interest on Tax Assessments	131	14	-
16		Deferred North Escambia Site Costs	(8,431)	(5,149)	(5,149)
17		Unamortized 2011 Rate Case Expenses	(2,620)	(1,948)	(1,246)

Supporting Schedules:

Recap Schedules: D-1a

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: (1) List and describe the basis for the specific adjustments appearing on Schedule D-1a.

Type of Data Shown:

 Projected Test Year Ended 12/31/14

COMPANY: GULF POWER COMPANY

(2) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.

 Prior Year Ended 12/31/13

DOCKET NO.: 130140-EI

(\$000's)

 Historical Year Ended 12/31/12

Witness: S. D. Ritenour

(1) Line No.	(2) Class of Capital	(3) Description	(4) Historic Base Year	(5) Prior Year	(6) Test Year
1		<u>Pro Rata Adjustments Continued:</u>			
2		Increase in Property Insurance Accrual	-	-	(2,750)
3		Environmental Allowance & Deferred Gain (ECRC)	666	412	204
4		Accumulated Depreciation : Perdido Unit 3	-	-	127
5		Plant in Service : Perdido Unit 3	-	-	(4,460)
6		Environmental Allowance in Deferred Debit	(1,320)	(839)	(624)
7		Plant in Service : Distribution New Business	-	-	(2,068)
8		Accumulated Depreciation : Distribution New Business	-	-	22
9		Accrued Provision for Rate Refund	782	116	-
10		Temporary Cash Investment	(99)	-	-
11		Total Pro Rata Adjustments	<u>(1,093,630)</u>	<u>(1,129,714)</u>	<u>(1,320,593)</u>
12		Total Specific and Pro Rata Adjustments	<u>(1,363,113)</u>	<u>(1,403,475)</u>	<u>(1,593,142)</u>

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For the subject Florida utility, all other regulated utility operations combined, all non-regulated operations combined, the parent company, and on a consolidated basis, provide the year-end capital structure for investor capital (i.e. common equity, preferred stock, long-term debt, and short-term debt) for the five years through the end of the projected test year.

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/10 - 12/31/12

Witness: R. S. Teel, S. D. Ritenour

COMPANY: GULF POWER COMPANY

DOCKET NO.: 130140-EI

(1) Line No.	(2) Class of Capital	(3) 2010		(5) 2011		(7) 2012		(9) 2013		(11) 2014	
		(4) Amount (000's)	(6) Percent of Total	(4) Amount (000's)	(6) Percent of Total	(8) Amount (000's)	(8) Percent of Total	(10) Amount (000's)	(10) Percent of Total	(12) Amount (000's)	(12) Percent of Total
1	<u>Gulf Power Company</u>										
2	Common Stock Equity	1,075,036	43.17	1,124,948	43.72	1,180,742	44.52	1,234,206	44.98	1,349,633	45.00
3	Preference Stock	97,998	3.93	97,998	3.81	97,998	3.70	147,998	5.40	147,998	4.94
4	Long-Term Debt	1,224,398	49.16	1,235,447	48.02	1,245,870	46.99	1,241,457	45.26	1,377,011	45.92
5	Short-Term Debt	93,183	3.74	114,507	4.45	127,002	4.79	119,499	4.36	124,165	4.14
6	Total	2,490,615	100.00	2,572,900	100.00	2,651,612	100.00	2,743,160	100.00	2,998,807	100.00
7	<u>Other Regulated Utility Operations</u>										
8	Common Stock Equity	16,381,551	46.01	17,195,182	46.76	18,359,649	47.40				
9	Preferred (Preference) Stock	983,826	2.76	983,825	2.68	983,825	2.54				
10	Long-Term Debt	15,772,865	44.30	16,149,240	43.93	16,829,477	43.45				
11	Short-Term Debt	2,468,847	6.93	2,436,709	6.63	2,561,780	6.61				
12	Total	35,607,089	100.00	36,764,956	100.00	38,734,731	100.00				
13	<u>Non-Regulated Operations Combined (All other Subsidiaries)</u>										
14	Common Stock Equity	766,637	89.91	750,835	99.55	669,211	99.87				
15	Preference Stock	0	0.00	0	0.00	0	0.00				
16	Long-Term Debt	8,183	0.96	822	0.11	178	0.03				
17	Short-Term Debt	77,834	9.13	2,602	0.34	645	0.10				
18	Total	852,654	100.00	754,259	100.00	670,034	100.00				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For the subject Florida utility, all other regulated utility operations combined, all non-regulated operations combined, the parent company, and on a consolidated basis, provide the year-end capital structure for investor capital (i.e. common equity, preferred stock, long-term debt, and short-term debt) for the five years through the end of the projected test year.

Type of Data Shown:

- Projected Test Year Ended 12/31/14
 - Prior Year Ended 12/31/13
 - Historical Year Ended 12/31/10 - 12/31/12
- Witness: R. S. Teel, S. D. Ritenour

COMPANY: GULF POWER COMPANY

DOCKET NO.: 130140-EI

(1) Line No.	(2) Class of Capital	(3) 2010		(5) 2011		(7) 2012		(9) 2013		(11) 2014	
		(4) Amount (000's)	(6) Percent of Total	(8) Amount (000's)	(10) Percent of Total	(12) Amount (000's)	(13) Percent of Total	(14) Amount (000's)	(15) Percent of Total	(16) Amount (000's)	(17) Percent of Total
1	<u>Parent Company</u>										
2	Common Stock Equity	16,283,075	89.44	17,702,542	90.95	18,438,428	90.93				
3	Preference Stock	0	0.00	0	0.00	0	0.00				
4	Long-Term Debt	1,258,859	6.91	1,761,967	9.05	1,258,867	6.21				
5	Short-Term Debt	664,809	3.65	0	0.00	580,152	2.86				
6	Total	18,206,737	100.00	19,464,509	100.00	20,277,447	100.00				
7	<u>Eliminations</u>										
8	Common Stock Equity	(18,304,451)	95.73	(19,196,019)	97.57	(20,351,074)	99.18				
9	Preference Stock	0	0.00	0	0.00	0	0.00				
10	Long-Term Debt	0	0.00	0	0.00	0	0.00				
11	Short-Term Debt	(816,982)	4.27	(477,671)	2.43	(168,859)	0.82				
12	Total	(19,121,433)	100.00	(19,673,690)	100.00	(20,519,933)	100.00				
13	<u>Consolidated Basis</u>										
14	Common Stock Equity	16,201,848	42.60	17,577,488	44.07	18,296,956	43.75				
15	Preference Stock	1,081,824	2.84	1,081,823	2.71	1,081,823	2.59				
16	Long-Term Debt	18,264,299	48.02	19,147,476	48.01	19,334,392	46.24				
17	Short-Term Debt	2,487,691	6.54	2,076,147	5.21	3,100,720	7.42				
18	Total	38,035,662	100.00	39,882,934	100.00	41,813,891	100.00				



FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: (1) Provide the specified data on short-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Type of Data Shown:
 COMPANY: GULF POWER COMPANY (2) Provide a narrative description of the Company's policies regarding short-term financing. The following topics should be covered: ratio of short-term debt to total capital, plant expansion, working capital, timing of long-term financing, method of short-term financing (bank loans, commercial paper, etc.) and other uses of short-term financing. Witness: S. D. Ritenour, R. S. Teel
 DOCKET NO.: 130140-EI

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Maturity Date	Interest Rate	Interest Expense	13-Month Average Amount Outstanding During the Year (\$000's)	Weighted Avg. Cost of Short-Term Debt
1	2012				
2	Various Dates	Various	276	72,767	0.38%
3	2013				
4	Various Dates	Various	359	77,666	0.46%
5	2014				
6	Various Dates	Various	423	51,663	0.82%

7 In determining the appropriate level of short-term debt to include in its capital structure, Gulf attempts to achieve the most cost-effective balance between interest rates and
 8 liquidity. During the test year, Gulf's short-term debt as a percent of total capitalization (debt, preferred and common equity) is 1.8%. Most of the short-term borrowing is in the
 9 form of commercial paper. Gulf has bank lines of credit totaling \$275 million to support its commercial paper program, daily rate pollution control bonds and other borrowing
 10 needs. Short-term debt is used for the ongoing operating needs of the Company, rather than being related to a specific project. Gulf's policy reflects the inclusion of some
 11 short-term debt. The amount varies due to a number of factors including seasonality. The timing of long-term financing is dependent on several factors, including market conditions,
 12 projected levels of short-term debt and projected capital needs.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds).

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 130140-EI

(\$000's)

Thirteen Month Average Long-Term Debt for the Test Year Ended 12/31/14

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Description, Coupon Rate	Issue Date	Maturity Date	Principal Amount Sold- (Face Value)	13-Month Average Principal Amount Outstanding	Discount (Premium) on Principal Amt. Sold	Issuing Expense on Principal Amt Sold	Life (Years)	Annual Amortization (7 + 8) / 9	Interest Expense (Coupon Rate) (2) X (6)	Total Annual Cost (10) + (11)	Unamortized Discount (Premium) Assoc. with (6)	Unamort. Issuing Expense & Loss on Reacquired Debt Assoc. with (6)
<u>Senior Notes and Other Long Term Debt</u>													
1	5.75% Senior Note	5/18/2011	6/1/2051	125,000	125,000	3,938	103	40	101	7,188	7,289	3,631	181
2	3.10% Senior Note	5/18/2012	5/15/2022	100,000	100,000	837	83	10	92	3,100	3,192	660	70
3	4.75% Senior Note	6/1/2013	5/1/2043	55,000	55,000	0	0	30	0	2,613	2,613	0	0
4	4.90% Senior Note	9/22/2004	10/1/2014	75,000	57,692	488	228	10	71	2,827	2,898	15	5
5	5.10% Senior Note	9/17/2010	10/1/2040	125,000	125,000	1,094	182	30	43	6,375	6,418	1,026	91
6	5.25% Senior Note (a)	7/22/2003	7/15/2033	60,000	30,000	1,890	(330)	30	52	1,575	1,627	600	391
7	5.65% Senior Note	8/30/2005	9/1/2035	60,000	60,000	525	459	30	33	3,390	3,423	188	504
8	5.85% Senior Note	4/1/2014	3/1/2044	70,000	48,462	0	0	30	0	2,835	2,835	0	0
9	6.25% Senior Note	10/1/2014	9/1/2044	140,000	32,308	0	0	30	0	2,019	2,019	0	0
10	4.75% Senior Note	4/13/2010	4/15/2020	175,000	175,000	1,137	(1,327)	10	(19)	8,313	8,294	674	(785)
11	5.30% Senior Note	12/6/2006	12/1/2016	110,000	110,000	715	5,672	10	639	5,830	6,469	179	1,372
12	5.90% Senior Note	6/12/2007	6/15/2017	85,000	85,000	552	(2,787)	10	(223)	5,015	4,792	176	(829)
<u>Pollution Control Bonds</u>													
13	4.725% PCB (b)	11/20/2012	11/1/2042	13,000	13,000	33	174	30	7	614	621	0	676
14	5.25% PCB	9/26/2002	9/1/2037	42,000	42,000	147	1,899	35	58	2,205	2,263	0	1,355
15	5.625% PCB	10/9/2002	7/1/2022	37,000	37,000	81	1,204	20	64	2,081	2,145	0	514
16	6.0% PCB	4/15/2003	2/1/2026	29,075	29,075	102	1,598	23	74	1,745	1,819	0	863
17	VAR% PCB	7/1/1997	7/1/2022	3,930	3,930	9	45	25	2	34	38	3	14
18	VAR% PCB	3/31/2009	4/1/2039	65,400	65,400	245	1,073	30	44	573	617	0	1,091
19	1.55% PCB	4/15/2003	6/1/2023	32,550	32,550	114	1,388	20	75	505	580	0	671
20	1.35% PCB	3/31/2009	4/1/2039	65,000	65,000	244	406	30	21	878	899	0	519
21	4.275% PCB (c)	6/3/2010	6/1/2049	21,000	21,000	74	472	39	14	898	912	65	291
22	Unamortized Loss on Reacq. Debt								1,837	0	1,837	0	16,350
23	Total				1,312,417	12,225	10,542	522	2,985	60,613	63,598	7,217	23,344
24	Less: Unamortized Premium, Discount, and												
25	Issuance Expense (13) + (14)				30,561								
26													
27	Net				1,281,856								
28	Embedded Cost of Long-Term Debt												
29	(12) / Net				4.96%								

(a) \$30M redeemed in 6/2012

(b) Rate effective beginning 11/2013. Previous rate was .55%

(c) Rate effective beginning 6/3/2013. Previous rate was 2.125%

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds).

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

Witness: S. D. Ritenour

DOCKET NO.: 130140-EI

(\$000's)

Thirteen Month Average Long-Term Debt for the Prior Year Ended 12/31/13

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Description, Coupon Rate	Issue Date	Maturity Date	Principal Amount Sold- (Face Value)	13-Month Average Principal Outstanding	Discount (Premium) on Principal Amt. Sold	Issuing Expense on Principal Amt Sold	Life (Years)	Annual Amortization (7 + 8) / 9	Interest Expense (Coupon Rate) (2) X (6)	Total Annual Cost (10) + (11)	Unamortized Discount (Premium) Assoc. with (6)	Unamort. Issuing Expense & Loss on reacquired Debt Assoc. with (6)
<u>Senior Notes and Other Long Term Debt</u>													
1	5.75% Senior Note	5/18/2011	6/1/2051	125,000	125,000	3,938	103	40	101	7,188	7,289	3,729	186
2	3.10% Senior Note	5/18/2012	5/15/2022	100,000	100,000	837	83	10	92	3,100	3,192	743	79
3	4.75% Senior Note	6/1/2013	5/1/2043	55,000	29,615	0	0	30	0	1,407	1,407	0	0
4	4.90% Senior Note	9/22/2004	10/1/2014	75,000	75,000	488	228	10	71	3,675	3,746	66	23
5	5.10% Senior Note	9/17/2010	10/1/2040	125,000	125,000	1,094	182	30	43	6,375	6,418	1,065	94
6	5.25% Senior Note (a)	7/22/2003	7/15/2033	60,000	30,000	1,890	(330)	30	52	1,575	1,627	632	412
7	5.65% Senior Note	8/30/2005	9/1/2035	60,000	60,000	525	459	30	33	3,390	3,423	197	528
8	4.35% Senior Note	7/22/2003	7/15/2013	60,000	32,308	390	1,898	10	123	1,688	1,811	7	48
9	4.75% Senior Note	4/13/2010	4/15/2020	175,000	175,000	1,137	(1,327)	10	(19)	8,313	8,294	790	(921)
10	5.30% Senior Note	12/6/2006	12/1/2016	110,000	110,000	715	5,672	10	639	5,830	6,469	253	1,936
11	5.90% Senior Note	6/12/2007	6/15/2017	85,000	85,000	552	(2,787)	10	(223)	5,015	4,792	235	(1,111)
<u>Pollution Control Bonds</u>													
12	.55% PCB (b)	11/20/2012	11/1/2042	13,000	13,000	33	174	30	7	113	120	0	717
13	5.25% PCB	9/26/2002	9/1/2037	42,000	42,000	147	1,899	35	58	2,205	2,263	0	1,413
14	5.625% PCB	10/9/2002	7/1/2022	37,000	37,000	81	1,204	20	64	2,081	2,145	0	578
15	6.0% PCB	4/15/2003	2/1/2026	29,075	29,075	102	1,598	23	74	1,745	1,819	0	937
16	VAR% PCB	7/1/1997	7/1/2022	3,930	3,930	9	45	25	2	23	25	3	16
17	VAR% PCB	3/31/2009	4/1/2039	65,400	65,400	245	1,073	30	44	362	406	0	1,135
18	1.55% PCB	4/15/2003	6/1/2023	32,550	32,550	114	1,388	20	75	505	580	0	746
19	1.35% PCB	3/31/2009	4/1/2039	65,000	65,000	244	406	30	21	878	899	0	540
20	2.125% PCB (c)	6/3/2010	6/1/2049	21,000	21,000	74	433	39	13	691	704	67	302
21	Unamortized Loss on Reacq. Debt								1,874	0	1,874	0	18,203
22	Total				1,255,878	12,615	12,401	472	3,144	56,159	59,303	7,787	25,861
23	Less: Unamortized Premium, Discount, and												
24	Issuance Expense (13) + (14)					33,648							
25	Net					1,222,230							
26	Embedded Cost of Long-Term Debt												
27	(12) / Net					4.85%							

(a) \$30M redeemed in 6/2012

(b) Rate effective through 11/2013. Rate of 4.725% thereafter

(c) Rate effective through 6/3/2013. Rate of 4.275% thereafter

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the specified data on long-term debt issues on a 13-month average basis for the test year, prior year, and historical base year. Arrange by type of issue (i.e., first mortgage bonds).

Type of Data Shown:
 _ Projected Test Year Ended 12/31/14
 _ Prior Year Ended 12/31/13
 Historical Year Ended 12/31/12
 Witness: S. D. Ritenour

COMPANY: GULF POWER COMPANY

DOCKET NO.: 130140-EI

(\$000's)

Thirteen Month Average Long-Term Debt for the Historical Year Ended 12/31/12

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Description, Coupon Rate	Issue Date	Maturity Date	Principal Amount Sold- (Face Value)	13-Month Average Principal Amount Outstanding	Discount (Premium) on Principal Amt. Sold	Issuing Expense on Principal Amt. Sold	Life (Years)	Annual Amortization (7 + 8) / 9	Interest Expense (Coupon Rate) (2) X (6)	Total Annual Cost (10) + (11)	Unamortized Discount (Premium) Assoc. with (6)	Unamort. Issuing Expense & Loss on Reacquired Debt Assoc. with (6)
Senior Notes and Other Long Term Debt													
1	5.75% Senior Note	5/18/2011	6/1/2051	125,000	125,000	3,938	103	40	101	7,188	7,289	3,827	189
2	3.10% Senior Note	5/18/2012	5/15/2022	100,000	61,538	837	83	10	92	1,788	1,880	498	48
3	4.90% Senior Note	9/22/2004	10/1/2014	75,000	75,000	488	228	10	71	3,675	3,746	119	41
4	5.10% Senior Note	9/17/2010	10/1/2040	125,000	125,000	1,094	182	30	43	6,375	6,418	1,104	98
5	5.25% Senior Note (a)	7/22/2003	7/15/2033	60,000	43,847	1,890	1,239	30	104	2,379	2,483	974	635
6	5.60% Senior Note (b)	3/26/2003	4/1/2033	65,000	28,316	2,048	(1,062)	9	110	1,750	1,860	625	409
7	5.65% Senior Note	8/30/2005	9/1/2035	60,000	60,000	525	459	30	33	3,390	3,423	206	552
8	4.35% Senior Note	7/22/2003	7/15/2013	60,000	60,000	390	3,531	10	392	2,610	3,002	39	352
9	4.75% Senior Note	4/13/2010	4/15/2020	175,000	175,000	1,137	(1,327)	10	(19)	8,313	8,294	907	(1,057)
10	5.30% Senior Note	12/6/2006	12/1/2016	110,000	110,000	715	5,672	110	639	5,830	6,469	328	2,501
11	5.90% Senior Note	6/12/2007	6/15/2017	85,000	85,000	552	(2,787)	10	(223)	5,015	4,792	294	(1,393)
Pollution Control Bonds													
12	.55% PCB (c)	11/20/2012	11/1/2042	13,000	2,000	33	174	30	7	8	15	0	27
13	4.8% PCB (d)	9/26/2002	9/1/2028	13,000	12,000	390	631	30	34	624	658	0	550
14	5.25% PCB	9/26/2002	9/1/2037	42,000	42,000	147	1,899	35	58	2,205	2,263	0	1,472
15	5.625% PCB	10/9/2002	7/1/2022	37,000	37,000	81	1,204	20	64	2,081	2,145	0	643
16	6.0% PCB	4/15/2003	2/1/2026	29,075	29,075	102	1,598	23	74	1,745	1,819	0	1,012
17	VAR% PCB	7/1/1997	7/1/2022	3,930	3,930	9	45	25	2	9	11	4	18
18	VAR% PCB	3/31/2009	4/1/2039	65,400	65,400	245	1,073	30	44	117	161	0	1,079
19	1.55% PCB (e)	4/15/2003	6/1/2023	32,550	32,550	114	1,388	20	75	537	612	0	707
20	1.35% PCB (f)	3/31/2009	4/1/2039	65,000	65,000	244	406	30	21	1,010	1,031	0	561
21	2.125% PCB (g)	6/3/2010	6/1/2049	21,000	21,000	74	325	39	10	446	456	70	312
22	Unamortized Loss on Reacq. Debt								1,791	0	1,791	0	18,558
23	Total			1,258,656	15,053	15,064	481	3,523	57,095	60,618	8,995	27,314	
24	Less: Unamortized Premium, Discount, and												
25	Issuance Expense (13) + (14)			36,309									
26	Net			1,222,347									
27	Embedded Cost of Long-Term Debt												
28	(12) / Net			4.96%									

(a) \$30M redeemed in 6/2012
 (b) Redeemed 6/2012
 (c) Rate effective through 11/2013. Rate of 4.725% thereafter
 (d) Redeemed 12/2012
 (e) Rate effective beginning 6/2012. Previous rate was 1.75%
 (f) Rate effective beginning 4/2012. Previous rate was 2.0%
 (g) Rate effective through 6/3/2013. Rate of 4.275% thereafter

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Supply a statement of the company's policy on treatment of profit or loss from reacquired bonds. Detail any profit or loss on reacquired bonds for the test year and prior year.

Type of Data Shown:

Projected Test Year Ended 12/31/14

Prior Year Ended 12/31/13

Historical Year Ended 12/31/12

Witness: S. D. Ritenour

COMPANY: GULF POWER COMPANY

DOCKET NO.: 130140-EI

(1) (2)
Line
No.

- 1 Gulf Power Company treats profits or losses on reacquired bonds in accordance with the Code of Federal Regulations: Title 18;
- 2 Conservation of Power and Water Resources, Part 101; General Instructions, paragraph 17. The test year and prior year do not
- 3 include any projected reacquired bonds.

13

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the data as specified for preferred stock on a 13-month average basis for the test year, prior year and historical base year.

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

Witness: S. D. Ritenour

DOCKET NO.: 130140-EI

(\$000's)

Thirteen-Month Average Preference Stock for the Test Year Ended 12/31/14

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Call Provisions or Special Restrictions	(5) Principal Amount Sold	(6) 13-Month Avg. Principal Amount Outstanding	(7) (Discount) Premium on Principal Amount Sold	(8) (Discount) Premium Associated with (6)	(9) Issuing Expense on Principal Amount Sold	(10) Issuing Expense Associated with (6)	(11) Net Proceeds (6)+(8)-(10)	(12) Dollar Dividend on Face Value (2) x (6)	(13) Effective Cost Rate (12) / (11)
1	6.00%	11-15-05	Note 1	55,000	55,000	0	0	1,114	1,114	53,886	3,300	6.12%
2	6.45%	10-19-07	Note 2	45,000	45,000	0	0	888	888	44,112	2,903	6.58%
3	5.36%	04-01-13		50,000	50,000	0	0	0	0	50,000	2,680	5.36%
4	Total			150,000	150,000	0	0	2,002	2,002	147,998	8,883	6.00%
5	Weighted Average Cost of Preferred Stock											6.00%

6 Note 1: The Company shall have the right to redeem Preference Stock, without premium, from time to time, on or after November 15, 2010, upon
7 notice, at a redemption price equal to \$100.00 per share plus accrued and unpaid dividends.

8 Note 2: The Company shall have the right to redeem the Preference Stock, from time to time, per the calculation outlined in the prospectus
9 dated November 20, 2006.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the data as specified for preferred stock on a 13-month average basis for the test year, prior year and historical base year.

Type of Data Shown:

- Projected Test Year Ended 12/31/14
- Prior Year Ended 12/31/13
- Historical Year Ended 12/31/12

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 130140-EI

(\$000's)

Thirteen-Month Average Preference Stock for the Prior Year Ended 12/31/13

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Call Provisions or Special Restrictions	(5) Principal Amount Sold	(6) 13-Month Avg. Principal Amount Outstanding	(7) (Discount) Premium on Principal Amount Sold	(8) (Discount) Premium Associated with (6)	(9) Issuing Expense on Principal Amount Sold	(10) Issuing Expense Associated with (6)	(11) Net Proceeds (6)+(8)-(10)	(12) Dollar Dividend on Face Value (2) x (6)	(13) Effective Cost Rate (12) / (11)
1	6.00%	11-15-05	Note 1	55,000	55,000	0	0	1,114	1,114	53,886	3,300	6.12%
2	6.45%	10-19-07	Note 2	45,000	45,000	0	0	888	888	44,112	2,903	6.58%
3	5.36%	04-01-13		50,000	34,615	0	0	0	0	34,615	1,855	5.36%
4	Total			150,000	134,615	0	0	2,002	2,002	132,613	8,058	6.08%
5	Weighted Average Cost of Preferred Stock											6.08%

6 Note 1: The Company shall have the right to redeem Preference Stock, without premium, from time to time, on or after November 15, 2010, upon
7 notice, at a redemption price equal to \$100.00 per share plus accrued and unpaid dividends.

8 Note 2: The Company shall have the right to redeem the Preference Stock, from time to time, per the calculation outlined in the prospectus
9 dated November 20, 2006.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the data as specified for preferred stock on a 13-month average basis for the test year, prior year and historical base year.

Type of Data Shown:

- Projected Test Year Ended 12/31/14
 - Prior Year Ended 12/31/13
 - Historical Year Ended 12/31/12
- Witness: S. D. Ritenour

COMPANY: GULF POWER COMPANY

DOCKET NO.: 130140-EI

(\$000's)

Thirteen-Month Average Preference Stock for the Prior Year Ended 12/31/12

(1) Line No.	(2) Description, Coupon Rate	(3) Issue Date	(4) Call Provisions or Special Restrictions	(5) Principal Amount Sold	(6) 13-Month Avg. Principal Amount Outstanding	(7) (Discount) Premium on Principal Amount Sold	(8) (Discount) Premium Associated with (6)	(9) Issuing Expense on Principal Amount Sold	(10) Issuing Expense Associated with (6)	(11) Net Proceeds (6)+(8)-(10)	(12) Dollar Dividend on Face Value (2) x (6)	(13) Effective Cost Rate (12) / (11)
1	6.00%	11-15-05	Note 1	55,000	55,000	0	0	1,114	1,114	53,886	3,300	6.12%
2	6.45%	10-19-07	Note 2	45,000	45,000	0	0	888	888	44,112	2,903	6.58%
3	Total			100,000	100,000	0	0	2,002	2,002	97,998	6,203	6.33%
4	Weighted Average Cost of Preferred Stock											6.33%

5 Note 1: The Company shall have the right to redeem Preference Stock, without premium, from time to time, on or after November 15, 2010, upon
6 notice, at a redemption price equal to \$100.00 per share plus accrued and unpaid dividends.

7 Note 2: The Company shall have the right to redeem the Preference Stock, from time to time, per the calculation outlined in the prospectus
8 dated November 20, 2006.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide monthly balances, interest rates,
and interest payments on customer deposits for the test
year, the prior year and historical base year.

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

Witness: S. D. Ritenour

DOCKET NO.: 130140-EI

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Month and Year	Active Customer Deposits @ 2% & 3% (\$000's)	Inactive Customer Deposits (\$000's)	Total Deposits (3)+(4) (\$000's)	Total Interest Payments @ 2% & 3% (\$000's)	Actual Payments & Credits on Bills (\$000's)
1	December-13	35,075	0	35,075	67	0
2	January-14	35,136	0	35,136	67	0
3	February-14	35,191	0	35,191	67	0
4	March-14	35,239	0	35,239	68	0
5	April-14	35,286	0	35,286	68	0
6	May-14	35,334	0	35,334	68	0
7	June-14	35,396	0	35,396	68	808
8	July-14	35,441	0	35,441	68	0
9	August-14	35,476	0	35,476	68	0
10	September-14	35,477	0	35,477	68	0
11	October-14	35,482	0	35,482	68	0
12	November-14	35,498	0	35,498	68	0
13	December-14	35,519	0	35,519	68	0
14	13 Month Average	<u>35,350</u>	<u>0</u>	<u>35,350</u>		
15	12 Month Total				<u>814</u>	
16	Effective Interest Rate					
17	12 Month Interest					
18	Expense (6) divided by					
19	Total Deposits (5)		<u>2.30%</u>			

Column (4) Note: Gulf does not maintain deposits on inactive accounts.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide monthly balances, interest rates, and interest payments on customer deposits for the test year, the prior year and historical base year.

Type of Data Shown:

Projected Test Year Ended 12/31/14

Prior Year Ended 12/31/13

Historical Year Ended 12/31/12

Witness: S. D. Ritenour

DOCKET NO.: 130140-EI

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Month and Year	Active Customer Deposits @ 2% & 3% (\$000's)	Inactive Customer Deposits (\$000's)	Total Deposits (3)+(4) (\$000's)	Total Interest Payments @ 2% & 3% (\$000's)	Actual Payments & Credits on Bills (\$000's)
1	December-12	34,749	0	34,749	61	0
2	January-13	34,749	0	34,749	67	0
3	February-13	34,784	0	34,784	67	0
4	March-13	34,822	0	34,822	67	0
5	April-13	34,869	0	34,869	67	0
6	May-13	34,911	0	34,911	67	0
7	June-13	34,978	0	34,978	67	1,100
8	July-13	35,016	0	35,016	67	0
9	August-13	35,050	0	35,050	67	0
10	September-13	35,049	0	35,049	67	0
11	October-13	35,050	0	35,050	67	0
12	November-13	35,054	0	35,054	67	0
13	December-13	35,075	0	35,075	67	0
14	13 Month Average	<u>34,935</u>	<u>0</u>	<u>34,935</u>		
15	12 Month Total				<u>804</u>	
16	Effective Interest Rate					
17	12 Month Interest Expense (6) divided by					
18	Total Deposits (5)		<u>2.30%</u>			

Column (4) Note: Gulf does not maintain deposits on inactive accounts.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide monthly balances, interest rates,
and interest payments on customer deposits for the test
year, the prior year and historical base year.

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

Witness: S. D. Ritenour

DOCKET NO.: 130140-EI

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Month and Year	Active Customer Deposits*	Inactive Customer Deposits	Total Deposits (3)+(4)	Total Interest Payments*	Actual Payments & Credits on Bills
		(\$000's)	(\$000's)	(\$000's)	(\$000's)	(\$000's)
1	December-11	35,779	0	35,779	186	774
2	January-12	35,689	0	35,689	192	790
3	February-12	35,813	0	35,813	153	792
4	March-12	36,010	0	36,010	203	802
5	April-12	36,118	0	36,118	196	755
6	May-12	36,094	0	36,094	191	971
7	June-12	36,028	0	36,028	189	2,701
8	July-12	36,041	0	36,041	193	743
9	August-12	35,973	0	35,973	87	756
10	September-12	35,849	0	35,849	88	813
11	October-12	35,801	0	35,801	75	744
12	November-12	35,735	0	35,735	74	698
13	December-12	34,749	0	34,749	61	1,686
14	13 Month Average	<u>35,821</u>	<u>0</u>	<u>35,821</u>		
15	12 Month Total				<u>1,702</u>	
16	Effective Interest Rate					
17	12 Month Interest					
18	Expense (6) divided by					
19	Total Deposits (5)		<u>4.75%</u>			

* Note: Customer deposits accrued interest at 6% and 7% through July 2012. Pursuant to FPSC Order No. PSC-12-0266-NOR-PU the current rates are 2% and 3%.

Column (4) Note: Gulf does not maintain deposits on inactive accounts.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the most recent five year data for the company, or consolidated parent if the company is not publicly traded as indicated. To the extent the requested data is available from other sources, the Company can reference and attach the information to comply with the requirements of this MFR.

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/08 - 12/31/12

Witness: R. S. Teel, S. D. Ritenour

COMPANY: GULF POWER COMPANY

DOCKET NO.: 130140-EI

(1) Line No.	(2) Description	(3) 2008	(4) 2009	(5) 2010	(6) 2011	(7) 2012
1	Pre-tax Interest Coverage Ratio (X)	4.37	4.56	4.64	3.78	4.37
2	Earned Returns on Average Book Equity (%)	12.66	12.18	11.69	9.55	10.92
3	Book Value/Share (\$)	17.08	18.15	19.21	20.32	21.09
4	Dividends/Share (\$)	1.66	1.73	1.80	1.87	1.94
5	Earnings/Share (\$)	2.26	2.07	2.37	2.57	2.70
6	Market Value/Share (\$)	37.00	33.32	38.23	46.29	42.81
7	Market/Book Ratio (%)	216.60	183.60	199.00	227.80	203.00
8	Price/Earning Ratio (6) / (5)	16.40	16.10	16.10	18.00	15.90

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: 1.) If the test year is projected, provide a summary of financing plans and assumptions.

Type of Data Shown:
 Projected Test Year Ended 12/31/14
 Prior Year Ended 12/31/13
 Historical Year Ended 12/31/12
 Witness: R. S. Teel, S. D. Ritenour

COMPANY: GULF POWER COMPANY

2.) Provide the company's capital structure objectives, the basis for assumptions (such as those for issue cost and interest rates), and any other significant assumptions. Provide a statement of the Company's policy on the timing of the entrance into capital markets.

DOCKET NO.: 130140-EI

Financing Plans for the Year Ended 12/31/14										
(1) Line No.	(2) Type of Issue	(3) Date of Issue/ Retirement	(4) For Bonds			(6) For Stock		(9) Issue Costs (\$000's)	(10) Principal Amount (\$000's)	
			(5) Capitalization (\$000's)	(5) Interest Rate	(6) Life in Years	(7) No. of Shares	(8) Market Price			
1	Senior Unsecured Notes	4/1/2014	70,000	5.85%	30					
2		10/1/2014	140,000	6.25%	30					
3	Pollution Control Bonds		NONE PROJECTED FOR PERIOD							
4	Preference Stock		NONE PROJECTED FOR PERIOD							
5	Capital Contributions	1/1/2014	120,798						120,798	
6	Capital Structure Objectives:									
7	Gulf's objective is to maintain a balanced capital structure that will provide the utility with the financial flexibility and strength to attract the capital necessary to provide reliable									
8	electric service to its customers. Gulf's long-term financing plans, which include equity contributions from Southern Company, are designed to support a strong credit profile									
9	to meet the heavy capital requirements that are needed. Gulf focuses on maintaining its A credit rating. Gulf's current forecast supports a debt/preferred/equity ratio of 50%/5%/45%.									
10	Interest Rate Assumptions (Senior Note):		<u>1Q14</u>	<u>2Q14</u>	<u>3Q14</u>	<u>4Q14</u>				
11			5.50%	5.85%	6.00%	6.25%				
12	Interest rate assumptions are provided by Southern Company Services, Inc. based upon a market forecast by Moody's Analytics. The 30 year Treasury rates as forecasted by									
13	Moody's Analytics are used as the basis for the interest rate assumptions. A risk premium of 150 basis points is added to the 30 year Treasury rates to arrive									
14	at interest rates consistent with Gulf's "A" debt rating. Short-term rates are based on the Moody's Analytics forecast for 3 month LIBOR (London InterBank Offered Rate).									
15	The interest rates developed consider the effect of debt related costs over the life of the debt issue. All issues are assumed to be sold at face value.									
16	Company's Policy on the Timing of Entrance into Capital Markets:									
17	The Company continuously monitors capital market conditions for opportunities to minimize its overall cost of capital. Each year a financing plan is developed based on current year debt									
18	maturities, capital expenditure projections and forecasted internally generated funds. Gulf's participation in the commercial paper program through Southern Company Funding Corp.									
19	and its existing committed credit facilities provide sufficient liquidity and flexibility in determining the amount and timing of long-term debt issuances. With a goal of maintaining financial									
20	flexibility and liquidity, the timing of the Company's entrance into the capital markets is based on actual and projected short-term debt balances and capital market conditions.									

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide financial indicators for the test year under current and proposed rates, the prior year, and historical base year.

Type of Data Shown:

 Projected Test Year Ended 12/31/14 Prior Year Ended 12/31/13 Historical Year Ended 12/31/12

Witness: R. S. Teel, S. D. Ritenour

DOCKET NO.: 130140-EI

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Indicator	Historic Base 2012	Prior 2013	Test Year Current Rates	Test Year Proposed Rates
1	Interest Coverage Ratios:				
2	Including AFUDC in Income Before Interest Charges	4.37	4.35	3.80	4.94
3	Excluding AFUDC in Income Before Interest Charges	4.25	4.18	3.51	4.65
4	AFUDC as a percent of Income Available for Common	5.36%	7.27%	15.37%	10.79%
5	Percent of Construction Funds Generated Internally	80.51%	73.04%	41.64%	51.60%
6	Fixed Charges:				
7	Interest (Before Deducting AFUDC)	62,749	60,499	65,172	65,172
8	Lease Payments	0	0	0	0
9	Sinking Funds Payments	0	0	0	0
10	Tax of Sinking Fund Payments	0	0	0	0
11	Total Fixed Charges	<u>62,749</u>	<u>60,499</u>	<u>65,172</u>	<u>65,172</u>
12	Ratio of Earnings to Fixed Charges				
13	Including AFUDC	4.37	4.35	3.80	4.94
14	Excluding AFUDC	4.25	4.18	3.51	4.65

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