

**Susan D. Ritenour**  
Corporate Secretary, Treasurer &  
Corporate Planning Manager

One Energy Place  
Pensacola, Florida 32520-0786

Tel 850.444.6231  
Fax 850.444.6026  
SDRITENO@southernco.com



May 12, 2015

Mr. Bart Fletcher  
Division of Accounting and Finance  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

RE: Monthly Rate of Return Report

Dear Mr. Fletcher:

Enclosed is Gulf Power Company's Jurisdictional Rate of Return Report for the month of March 2015.

Sincerely,

A handwritten signature in cursive script that reads "Susan D. Ritenour".

wb

enclosure

cc/enc.: Office of the Public Counsel  
c/o Florida Legislature  
111 W. Madison, Rm. 801  
Tallahassee FL 32399-1400

GOV 2-1-5-3

**March 2015**

Earnings Surveillance  
Report  
(Rate of Return)



GULF POWER COMPANY  
Earnings Surveillance Report Summary  
March, 2015

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<b>I. Average Rate of Return (Jurisdictional)</b>					
	(a)	(b)			
Net Operating Income	180,040,574	(70,077,924)	109,962,650	0	109,962,650
Average Rate Base	3,259,593,781	(1,330,140,126)	1,929,453,655	0	1,929,453,655
Average Rate of Return	5.52%		5.70%		5.70%
<b>II. Year End Rate of Return (Jurisdictional)</b>					
	(a)	(b)			
Net Operating Income	180,047,891	(70,071,155)	109,976,736	0	109,976,736
Year End Rate Base	3,370,509,217	(1,426,303,267)	1,944,205,950	0	1,944,205,950
Year End Rate of Return	5.34%		5.66%		5.66%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

**III. Required Rates of Return  
Average Capital Structure  
(FPSC Adjusted Basis)**

Low	5.34%
Midpoint	5.71%
High	6.08%

**IV. Financial Integrity Indicators**

A. Tie With AFUDC	4.98 x (System per Books Basis)
B. Tie Without AFUDC	4.65 x (System per Books Basis)
C. AFUDC To Net Income	12.39% (System per Books Basis)
D. Internally Generated Funds	26.90% (System per Books Basis)
E. LTD To Total Investor Funds	46.55% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	1.01% (FPSC Adjusted Basis)
G. Return on Common Equity	10.22% (FPSC Adjusted Basis)
H. Return on Common Equity	10.22% (Proforma Basis)

I am aware that Section 837.06, Florida Statutes, provides:

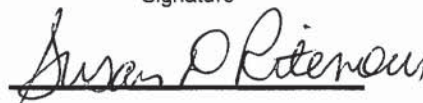
Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Name and Title

Signature

Date

Susan D. Ritenour  
Corporate Planning Manager, Corporate Treasurer & Secretary



5/14/15

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
RATE BASE  
March, 2015

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
<b>SYSTEM PER BOOKS</b>	4,444,736,143	1,515,608,730	2,929,127,413	15,386,042	415,547,344	0	3,360,060,799	235,575,626	3,595,636,425
<b>JURISDICTIONAL PER BOOKS</b>	3,966,500,992	1,370,060,729	2,596,440,263	14,935,926	402,219,028	0	3,013,595,217	245,998,563	3,259,593,781
<b>FPSC ADJUSTMENTS:</b>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,017,493,050)	(163,851,299)	(853,641,751)		(14,826,052)		(868,467,803)	(6,837,761)	(875,305,564)
INT BEARING CWIP					(351,752,272)		(351,752,272)	0	(351,752,272)
ENERGY CONSERVATION CLAUSE	(12,039,969)	6,661,094	(18,701,063)		(5,769)		(18,706,832)	(1,161,427)	(19,868,259)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(6,081,362)		(6,081,362)				(6,081,362)	0	(6,081,362)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(20,708)	(20,708)
LOANS TO EMPLOYEES / RETIREES								(36,788)	(36,788)
INTEREST AND DIVIDENDS RECEIVABLE								(32,640)	(32,640)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,598,361)			(12,598,361)	(4,446,429)	(17,044,790)
FUEL RELATED DEFERRED DEBITS								(55,695,039)	(55,695,039)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(4,302,703)	(4,302,703)
<b>TOTAL FPSC ADJUSTMENTS</b>	(1,035,614,381)	(157,190,205)	(878,424,176)	(12,598,361)	(366,584,093)	0	(1,257,606,630)	(72,533,495)	(1,330,140,126)
<b>FPSC ADJUSTED</b>	2,930,886,611	1,212,870,524	1,718,016,087	2,337,565	35,634,935	0	1,755,988,587	173,465,068	1,929,453,655
<b>PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS</b>	0	0	0	0	0	0	0	0	0
<b>TOTAL PRO FORMA ADJUST</b>	0	0	0	0	0	0	0	0	0
<b>PRO FORMA ADJUSTED</b>	2,930,886,611	1,212,870,524	1,718,016,087	2,337,565	35,634,935	0	1,755,988,587	173,465,068	1,929,453,655

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
March, 2015

	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,540,184,507	672,187,189	343,288,408	134,033,386	112,333,221	9,797,685	77,991,423	(1,129,413)	0	1,348,501,900	191,682,607 (a)
JURISDICTIONAL PER BOOKS	1,323,969,966	533,862,934	324,298,699	123,296,828	110,414,892	13,372,307	58,748,368	(783,782)	0	1,163,210,247	160,759,719 (a)
LESS FPSC ADJUSTMENTS:	(457,073,496)	(456,732,202)				(131,654)				(456,863,856)	(208,640)
RETAIL FUEL REVENUES & EXPENSES	(76,603,132)	(76,944,434)				131,657				(76,812,777)	209,644
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(16,985,010)		(14,587,567)	(341,288)	(374,048)	(645,011)				(15,957,925)	(1,027,085)
ENERGY CONSERVATION COST REVENUES & EXPENSES	(142,691,324)		(27,396,766)	(39,593,313)	(2,536,774)	(28,223,195)				(97,750,048)	(44,941,276)
ENVIRONMENTAL COST RECOVERY CLAUSE	(42,010,641)				(40,929,988)	(416,862)				(41,346,850)	(663,791)
FRANCHISE FEE REVENUE & EXPENSE	(31,534,813)				(31,128,445)	(156,756)				(31,285,201)	(249,612)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT			(208,404)			80,392				(128,012)	128,012
MARKETING SUPPORT ACTIVITIES		(186,299)				71,865				(114,434)	114,434
WHOLESALE EXPENSES			(452,065)			174,384				(277,681)	277,681
INSTITUTIONAL ADVERTISING EXPENSE			(60,859)			23,476				(37,383)	37,383
ECONOMIC DEVELOPMENT EXPENSE			(28,486)			10,982				(17,504)	17,504
MGMT FINANCIAL PLANNING SERVICES			(48,067)			18,542				(29,525)	29,525
DIRECTORS' & OFFICERS' INSURANCE			(922)			356				(566)	566
INDUSTRY ASSOCIATION DUES			(448,486)		(21,614)	181,341				(288,759)	288,759
TALLHASSEE LIAISON EXPENSES						570,325				(908,159)	908,159
DEPRECIATION CREDIT ADJUSTMENT					(1,478,484)	141,381			(366,510)	225,129	908,159
GRT, FPSC FEES ON CLAUSES & FEES						5,942,459				5,942,459	(5,942,459)
(GAIN)/LOSS ON DISPOSITION OF PROPERTY											
INTEREST SYNCRONIZATION											
TOTAL FPSC ADJUSTMENTS	(766,898,417)	(533,862,934)	(43,241,631)	(39,934,611)	(76,469,353)	(22,226,308)	0	0	(366,510)	(716,101,348)	(50,797,069)
FPSC ADJUSTED	557,071,549	0	281,057,088	83,362,217	33,945,539	(8,854,001)	58,748,368	(783,782)	(366,510)	447,108,899	109,962,650
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	557,071,549	0	281,057,088	83,362,217	33,945,539	(8,854,001)	58,748,368	(783,782)	(366,510)	447,108,899	109,962,650
PRO FORMA ADJUSTED	103,307,255	35,427,611	34,358,549	8,902,346	9,016,831	(2,609,177)	6,960,618	(58,495)	0	91,998,284	11,308,971
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY			19,739,440		AND THE JURISDICTIONAL NOI BY	19,280,855					
CURRENT MONTH SYSTEM PER BOOKS	94,941,666	33,398,807	30,266,785	7,958,684	8,849,270	(931,433)	5,089,931	(30,371)	0	84,595,673	10,345,993
CURRENT MONTH JURISDICTIONAL PER BOOKS											

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
March, 2015

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<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,048,074,304)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(596,474,578)	(230,090,068)
ACCUMULATED DEPRECIATION	168,775,930	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(146,943,985)	(56,683,642)
CWIP	(15,271,657)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(76,995,663)	(29,701,077)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(12,039,969)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,985,010)	(6,551,968)
ACCUMULATED DEPRECIATION	(6,661,094)	FUEL EXPENSE	(593,040,836)	228,765,503
CWIP	(5,769)	PURCHASED POWER CAPACITY COST EXPENSE	(79,265,783)	30,576,768
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(6,081,362)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(14,938,865)	5,762,667
FAS 143 NET PLANT	(15,165,010)	CONSERVATION EXPENSES - OTHER TAXES	(374,048)	144,289
INTEREST BEARING CWIP	(360,118,529)	ENVIRONMENTAL COST RECOVERY EXPENSE	(71,548,489)	27,599,830
PHFU - NORTH ESCAMBIA	(12,978,031)	FRANCHISE FEE REVENUES	(42,010,641)	(16,205,605)
WORKING CAPITAL:		FRANCHISE FEE	(40,929,988)	15,788,743
ECRC WORKING CAPITAL	(7,043,274)	GROSS RECEIPTS TAX REVENUES	(31,534,813)	(12,164,554)
CONSERVATION/AEM INVENTORY	(1,161,427)	GROSS RECEIPTS TAX EXPENSE	(31,128,445)	12,007,798
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(20,708)	MARKETING SUPPORT ACTIVITIES	(208,404)	80,392
FUNDED PROPERTY INSURANCE RESERVE	0	WHOLESALE EXPENSE	(191,977)	74,055
LOANS TO EMPLOYEES AND RETIREES	(38,394)	INSTITUTIONAL ADVERTISING EXPENSE	(460,971)	177,820
INTEREST & DIVIDENDS RECEIVABLE	(34,065)	ECONOMIC DEVELOPMENT EXPENSE	(60,859)	23,476
NORTH ESCAMBIA SITE	(4,640,710)	MGMT FINANCIAL PLANNING SERVICES	(29,125)	11,235
UNAMORTIZED RATE CASE EXPENSE	(4,490,704)	DIRECTORS' & OFFICERS' INSURANCE	(49,128)	18,951
FUEL RELATED DEFERRED DEBITS	(55,695,039)	INDUSTRY ASSOCIATION DUES	(940)	363
UNREALIZED LOSS ON FWD CONTRACT	1,574	TALLAHASSEE LIAISON EXPENSE	(480,485)	185,347
ACCUM. PROV. FOR RATE REFUNDS	0	DEPRECIATION CREDIT ADJUSTMENT	0	0
FAS 143 WORKING CAPITAL	26,366,728	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,478,484)	570,325
FAS 158 REGULATORY ASSETS	(96,187,065)	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REFVN. ESC REV	(98,555)	(38,018)
FAS 158 REGULATORY LIABILITIES	96,187,065	GAIN/LOSS ON DISPOSITION OF PROPERTY	(385,256)	148,613
PPA REGULATORY ASSETS	(189,612,084)	INTEREST SYNCHRONIZATION	6,372,297	6,372,297
PPA REGULATORY LIABILITIES	189,612,084			
FAS 133 REGULATORY ASSETS	(44,129,526)			
FAS 133 REGULATORY LIABILITIES	44,129,526			

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
RATE BASE  
March, 2015

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	4,550,545,315	1,562,813,548	2,987,731,767	14,849,321	472,292,000	0	3,474,873,088	235,575,826	3,710,448,714
JURISDICTIONAL PER BOOKS	4,067,875,788	1,413,307,430	2,654,568,358	14,414,907	456,912,956	0	3,125,896,221	244,612,996	3,370,509,217
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,019,509,239)	(182,550,062)	(836,959,177)		(17,853,252)		(854,812,429)	(6,837,761)	(861,650,190)
INT BEARING CWIP					(403,151,131)		(403,151,131)	0	(403,151,131)
ENERGY CONSERVATION CLAUSE	(12,635,566)	7,060,529	(19,696,095)				(19,696,095)	(1,161,427)	(20,857,522)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(63,277,670)		(63,277,670)				(63,277,670)	0	(63,277,670)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(191,824)	(191,824)
LOANS TO EMPLOYEES AND RETIREES								(36,788)	(36,788)
INTEREST AND DIVIDENDS RECEIVABLE								(32,640)	(32,640)
FUNDED PROP RES. N. ESCAMBIA SITE, & OTHER INV.				(12,661,331)			(12,661,331)	(4,446,429)	(17,107,760)
FUEL RELATED DEFERRED DEBITS								(55,695,039)	(55,695,039)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(4,302,703)	(4,302,703)
TOTAL FPSC ADJUSTMENTS	(1,095,422,475)	(175,489,533)	(919,932,942)	(12,661,331)	(421,004,383)	0	(1,353,598,656)	(72,704,611)	(1,426,303,267)
FPSC ADJUSTED	2,972,453,313	1,237,817,897	1,734,635,416	1,753,576	35,908,573	0	1,772,297,565	171,908,385	1,944,205,950
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	2,972,453,313	1,237,817,897	1,734,635,416	1,753,576	35,908,573	0	1,772,297,565	171,908,385	1,944,205,950

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
March, 2015

	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,540,184,507	672,187,189	343,288,408	134,033,386	112,333,221	9,797,885	77,991,423	(1,129,413)	0	1,348,501,900	191,682,607 (a)
JURISDICTIONAL PER BOOKS	1,323,969,966	533,862,934	324,298,699	123,296,828	110,414,892	13,374,770	58,738,588	(783,782)	0	1,163,202,930	180,767,036 (a)
LESS FPSC ADJUSTMENTS:	(457,073,496)	(456,732,202)				(131,654)				(456,863,856)	(209,640)
RETAIL FUEL REVENUES & EXPENSES	(76,603,132)	(76,944,434)				131,657				(76,812,777)	209,644
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(16,985,010)		(14,597,567)	(341,298)	(374,048)	(645,011)				(15,957,925)	(1,027,085)
ENERGY CONSERVATION COST REVENUES & EXPENSES	(142,691,324)		(27,396,766)	(39,593,313)	(2,536,774)	(28,223,195)				(97,750,048)	(44,941,278)
ENVIRONMENTAL COST RECOVERY CLAUSE	(42,010,641)				(40,929,986)	(416,862)				(41,346,850)	(663,791)
FRANCHISE FEE REVENUE & EXPENSE	(31,534,813)		(208,404)		(31,128,445)	(156,756)				(31,285,201)	(249,612)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT		(186,299)				80,392				(128,012)	128,012
MARKETING SUPPORT ACTIVITIES						71,865				(114,434)	114,434
WHOLESALE EXPENSES						174,384				(277,681)	277,681
INSTITUTIONAL ADVERTISING EXPENSE			(452,065)			23,476				(37,383)	37,383
ECONOMIC DEVELOPMENT EXPENSE			(60,859)			10,992				(17,504)	17,504
MGMT FINANCIAL PLANNING SERVICES			(28,496)			18,542				(29,525)	29,525
DIRECTORS' & OFFICERS' INSURANCE			(48,067)			356				(566)	566
INDUSTRY ASSOCIATION DUES			(922)			181,341				(288,759)	288,759
TALLAHASSEE LIAISON EXPENSES			(448,486)		(21,614)					(908,159)	908,159
DEPRECIATION CREDIT ADJUSTMENT					(1,478,484)				(366,510)	(225,129)	225,129
GRT, FPSC FEES ON CLAUSES & FEES						570,325				5,935,690	(5,935,690)
(GAIN)/LOSS ON DISPOSITION OF PROPERTY						141,381					
INTEREST SYNCHRONIZATION						5,935,690					
TOTAL FPSC ADJUSTMENTS	(766,898,417)	(533,862,934)	(43,241,631)	(39,934,611)	(76,469,353)	(22,233,077)	0	0	(366,510)	(716,108,117)	(50,790,300)
FPSC ADJUSTED	557,071,549	0	281,057,068	83,362,217	33,945,539	(8,858,307)	58,738,588	(783,782)	(366,510)	447,094,813	109,976,736
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	557,071,549	0	281,057,068	83,362,217	33,945,539	(8,858,307)	58,738,588	(783,782)	(366,510)	447,094,813	109,976,736
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				19,739,440	AND THE JURISDICTIONAL NOI BY		19,280,855				



GULF POWER COMPANY  
YEAR END RATE OF RETURN  
SYSTEM ADJUSTMENTS  
March, 2015

SCHEDULE 3  
PAGE 3 OF 3

<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,050,137,409)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(596,474,578)	(230,090,068)
ACCUMULATED DEPRECIATION	188,034,244	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(146,943,985)	(56,683,642)
CWIP	(18,389,601)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(76,995,663)	(29,701,077)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(12,635,566)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(16,985,010)	(6,551,968)
ACCUMULATED DEPRECIATION	(7,060,529)	FUEL EXPENSE	(593,040,836)	228,765,503
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(79,265,763)	30,576,768
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(63,277,670)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(14,938,865)	5,762,667
FAS 143 NET PLANT	(15,099,428)	CONSERVATION EXPENSES - OTHER TAXES	(374,048)	144,289
INTEREST BEARING CWIP	(412,739,884)	ENVIRONMENTAL COST RECOVERY EXPENSE	(71,548,489)	27,599,830
PHFU - NORTH ESCAMBIA	(13,042,899)	FRANCHISE FEE REVENUES	(42,010,641)	(16,205,605)
WORKING CAPITAL:		FRANCHISE FEE	(40,929,988)	15,788,743
ECRC WORKING CAPITAL	(7,043,274)	GROSS RECEIPTS TAX REVENUES	(31,534,813)	(12,164,554)
CONSERVATION/AEM INVENTORY	(1,161,427)	GROSS RECEIPTS TAX EXPENSE	(31,128,445)	12,007,798
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(20,708)	MARKETING SUPPORT ACTIVITIES	(208,404)	80,392
FUNDED PROPERTY INSURANCE RESERVE	0	WHOLESALE EXPENSE	(191,977)	74,055
LOANS TO EMPLOYEES AND RETIREES	(38,394)	INSTITUTIONAL ADVERTISING EXPENSE	(460,971)	177,820
INTEREST & DIVIDENDS RECEIVABLE	(34,065)	ECONOMIC DEVELOPMENT EXPENSE	(60,859)	23,476
NORTH ESCAMBIA SITE	(4,640,710)	MGMT FINANCIAL PLANNING SERVICES	(29,125)	11,235
UNAMORTIZED RATE CASE EXPENSE	(4,490,704)	DIRECTORS' & OFFICERS' INSURANCE	(49,128)	18,951
FUEL RELATED DEFERRED DEBITS	(55,695,039)	INDUSTRY ASSOCIATION DUES	(940)	363
UNREALIZED LOSS ON FWD CONTRACT	1,574	TALLAHASSEE LIAISON EXPENSE	(480,485)	185,347
ACCUM. PROV. FOR RATE REFUNDS	0	DEPRECIATION CREDIT ADJUSTMENT	0	0
FAS 143 WORKING CAPITAL	26,366,728	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,478,484)	570,325
FAS 158 REGULATORY ASSETS	(96,187,065)	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REF.W. ESC REV	(98,555)	(38,018)
FAS 158 REGULATORY LIABILITIES	96,187,065	GAIN/LOSS ON DISPOSITION OF PROPERTY	(385,256)	148,613
PPA REGULATORY ASSETS	(189,612,084)	INTEREST SYNCHRONIZATION	6,395,581	6,395,581
PPA REGULATORY LIABILITIES	189,612,084			
FAS 133 REGULATORY ASSETS	(44,129,526)			
FAS 133 REGULATORY LIABILITIES	44,129,526			

GULF POWER COMPANY  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS  
March, 2015

AVERAGE	ADJUSTMENTS										LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	
1,292,239,075	1,186,608,580	(484,218,523)	0	702,390,057	36.40	4.51	1.64	4.51	1.64	4.51	1.64	4.51	1.64	4.51	1.64	4.51	1.64	4.51	
88,675,285	25,834,882	(10,542,422)	0	15,292,460	0.79	0.25	0.00	0.25	0.00	0.25	0.00	0.25	0.00	0.25	0.00	0.25	0.00	0.00	
146,503,864	134,511,082	(54,889,842)	0	79,621,240	4.13	6.14	0.25	6.14	0.25	6.14	0.25	6.14	0.25	6.14	0.25	6.14	0.25	0.25	
35,023,512	35,628,756	(14,539,001)	0	21,089,755	1.09	2.39	0.03	2.39	0.03	2.39	0.03	2.39	0.03	2.39	0.03	2.39	0.03	0.03	
1,302,537,653	1,201,973,892	(490,488,635)	0	711,485,257	36.87	9.25	3.41	10.25	3.78	11.25	3.78	11.25	3.78	11.25	3.78	11.25	3.78	4.15	
769,859,084	717,796,389	(292,910,664)	0	424,885,725	22.02														
(48,891,641)	(45,585,281)	18,601,953	0	(26,983,328)	(1.40)														
0	0	0	0	0	0.00														
3,123,288	2,825,481	(1,152,992)	0	1,672,489	0.09	6.86	0.01	7.33	0.01	7.81	0.01	7.81	0.01	7.81	0.01	7.81	0.01	0.01	
3,589,070,120	3,259,593,781	(1,330,140,126)	0	1,929,453,655	100.00		5.34		5.71		5.71		5.71		5.71		5.71	6.08	
TOTAL																			

YEAR-END	ADJUSTMENTS										LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	
1,345,238,432	1,214,297,671	(513,856,104)	0	700,441,567	36.03	4.53	1.63	4.53	1.63	4.53	1.63	4.53	1.63	4.53	1.63	4.53	1.63	4.53	
150,463,167	81,331,213	(34,417,047)	0	46,914,166	2.41	0.27	0.01	0.27	0.01	0.27	0.01	0.27	0.01	0.27	0.01	0.27	0.01	0.01	
146,503,864	132,243,697	(55,961,757)	0	76,281,940	3.92	6.14	0.24	6.14	0.24	6.14	0.24	6.14	0.24	6.14	0.24	6.14	0.24	0.24	
35,437,301	35,314,826	(14,944,226)	0	20,370,600	1.05	2.22	0.02	2.22	0.02	2.22	0.02	2.22	0.02	2.22	0.02	2.22	0.02	0.02	
1,337,337,248	1,195,829,669	(506,040,973)	0	689,788,696	35.48	9.25	3.28	10.25	3.64	11.25	3.64	11.25	3.64	11.25	3.64	11.25	3.64	3.99	
830,694,857	760,523,727	(321,831,927)	0	438,691,800	22.57														
(56,205,780)	(51,457,919)	21,775,522	0	(29,682,397)	(1.53)														
0	0	0	0	0	0.00														
2,607,905	2,426,333	(1,026,755)	0	1,399,578	0.07	6.83	0.00	7.30	0.01	7.77	0.01	7.77	0.01	7.77	0.01	7.77	0.01	0.01	
3,792,076,993	3,370,509,217	(1,426,303,267)	0	1,944,205,950	100.00		5.19		5.54		5.54		5.54		5.54		5.54	5.90	
TOTAL																			

GULF POWER COMPANY  
Financial Integrity Indicators  
March, 2015

## A. Times Interest Earned with AFUDC

Earnings Before Interest	203,396,490
AFUDC - Debt	5,960,070
Income Taxes	87,293,668
	<hr/>
Total	296,650,228
Interest Charges (Before Deducting AFUDC - Debt)	59,566,218
	<hr/>
T.I.E. With AFUDC	4.98 x

## B. Times Interest Earned without AFUDC

Earnings Before Interest	203,396,490
AFUDC - Other	(13,779,371)
Income Taxes	87,293,668
	<hr/>
Total	276,910,787
Interest Charges (Before Deducting AFUDC - Debt)	59,566,218
	<hr/>
T.I.E. Without AFUDC	4.65 x

## C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	5,960,070
X (1 - Income Tax Rate)	0.61425
	<hr/>
Subtotal	3,660,973
AFUDC - Other	13,779,371
	<hr/>
Total	17,440,343
	<hr/>
Net Income Available for Common Stockholders	140,787,842
	<hr/>
Percent AFUDC to Available Net Income	12.39%

## D. Percent Internally Generated Funds

Net Income	149,790,342
Preference Dividends	(9,002,500)
Common Dividends	(124,940,000)
AFUDC (Debt & Other)	(19,739,440)
Depreciation & Amortization	142,159,893
Deferred Income Taxes	77,964,344
Investment Tax Credits	0
Other	(122,066,695)
	<hr/>
Total	94,165,944
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	350,034,538
	<hr/>
Percent Internally Generated Funds	26.90%

E. Long Term Debt as Percent of Total Investor Capital  
(See calculation in item F. below)F. Short Term Debt as Percent of Total Investor Capital  
Reconciled Average Retail Amounts

Long Term Debt	702,390,057
Short Term Debt	15,292,460
Preference Stock	79,621,240
Common Equity	711,485,257
	<hr/>
Total	1,508,789,014
	<hr/>
% Long Term Debt To Total	46.55%
	<hr/>
% Short Term Debt To Total	1.01%

G. FPSC Adjusted Average Jurisdictional Return  
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.70%	5.70%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.64)	(1.64)
Short Term Debt	(0.00)	(0.00)
Preference Stock	(0.25)	(0.25)
Customer Deposits	(0.03)	(0.03)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.01)	(0.01)
	<hr/>	<hr/>
Subtotal	(1.93)	(1.93)
	<hr/>	<hr/>
Total	3.77	3.77
Divided by Common Equity Ratio	36.87	36.87
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	10.22%	10.22%