

**November 2014**

Earnings Surveillance  
Report  
(Rate of Return)



GULF POWER COMPANY  
Earnings Surveillance Report Summary  
November, 2014

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
<b>I. Average Rate of Return</b>					
<b>(Jurisdictional)</b>					
	(a)	(b)			
Net Operating Income	177,641,355	(68,058,391)	109,582,965	0	109,582,965
Average Rate Base	3,172,358,337	(1,271,488,946)	1,900,869,391	0	1,900,869,391
Average Rate of Return	5.60%		5.76%		5.76%
<b>II. Year End Rate of Return</b>					
<b>(Jurisdictional)</b>					
	(a)	(b)			
Net Operating Income	177,635,450	(68,544,487)	109,090,964	0	109,090,964
Year End Rate Base	3,281,466,833	(1,359,230,352)	1,922,236,481	0	1,922,236,481
Year End Rate of Return	5.41%		5.68%		5.68%
(a) Includes AFUDC Earnings					
(b) Includes Reversal of AFUDC Earnings					
<b>III. Required Rates of Return</b>					
<b>Average Capital Structure</b>					
<b>(FPSC Adjusted Basis)</b>					
Low	5.39%				
Midpoint	5.76%				
High	6.14%				
<b>IV. Financial Integrity Indicators</b>					
A. Tie With AFUDC	5.15 x (System per Books Basis)				
B. Tie Without AFUDC	4.87 x (System per Books Basis)				
C. AFUDC To Net Income	10.24% (System per Books Basis)				
D. Internally Generated Funds	60.29% (System per Books Basis)				
E. LTD To Total Investor Funds	46.14% (FPSC Adjusted Basis)				
F. STD To Total Investor Funds	0.89% (FPSC Adjusted Basis)				
G. Return on Common Equity	10.25% (FPSC Adjusted Basis)				
H. Return on Common Equity	10.25% (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	_____	_____

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
RATE BASE  
November, 2014

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT 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>	4,397,609,334	1,483,104,272	2,914,505,062	16,142,878	356,438,371	0	3,287,086,311	220,368,874	3,507,455,185
<b>JURISDICTIONAL PER BOOKS</b>	3,922,198,572	1,340,357,297	2,581,841,275	15,670,621	343,586,546	0	2,941,098,441	231,259,896	3,172,358,337
EPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,016,029,934)	(151,309,786)	(864,720,148)		(11,707,677)		(876,427,825)	(7,219,350)	(883,647,175)
INT BEARING CWIP					(292,101,261)		(292,101,261)	0	(292,101,261)
ENERGY CONSERVATION CLAUSE	(11,693,985)	6,324,744	(18,018,729)		(4,594)		(18,023,323)	(1,382,937)	(19,406,260)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SI	(108,605)		(108,605)				(108,605)	0	(108,605)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(948)	(948)
LOANS TO EMPLOYEES / RETIREES								(32,357)	(32,357)
INTEREST AND DIVIDENDS RECEIVABLE								(18,754)	(18,754)
FUNDED PROP RES. N. ESCAMBIA & OTHER INV.				(12,573,381)			(12,573,381)	(4,496,294)	(17,069,675)
FUEL RELATED DEFERRED DEBITS								(54,319,163)	(54,319,163)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(4,784,748)	(4,784,748)
<b>TOTAL FPSC ADJUSTMENTS</b>	(1,027,832,524)	(144,985,042)	(882,847,482)	(12,573,381)	(303,813,532)	0	(1,199,234,394)	(72,254,551)	(1,271,488,946)
<b>FPSC ADJUSTED</b>	2,894,366,048	1,195,372,255	1,698,993,793	3,097,240	39,773,014	0	1,741,864,047	159,005,344	1,900,869,391
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUST	0	0	0	0	0	0	0	0	0
<b>PRO FORMA ADJUSTED</b>	2,894,366,048	1,195,372,255	1,698,993,793	3,097,240	39,773,014	0	1,741,864,047	159,005,344	1,900,869,391

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
November, 2014

	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	1,585,717,073	714,470,135	329,176,906	146,385,750	110,269,114	48,114,752	45,038,152	(1,278,612)	0	1,390,176,197	195,540,876 (a)
JURISDICTIONAL PER BOOKS	1,331,074,658	542,165,012	310,640,617	135,775,973	108,509,940	40,309,086	33,166,284	(930,351)	0	1,169,636,562	161,438,096 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(485,434,715)	(485,101,094)				(128,694)				(485,229,788)	(204,926)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(56,533,101)	(56,869,880)				129,913				(56,739,967)	206,866
ENERGY CONSERVATION COST REVENUES & EXPENSES	(18,598,324)		(16,251,014)	(331,767)	(384,247)	(629,273)				(17,596,301)	(1,002,023)
ENVIRONMENTAL COST RECOVERY CLAUSE	(143,016,053)		(27,717,810)	(39,468,175)	(2,225,055)	(28,393,134)				(97,804,174)	(45,211,879)
FRANCHISE FEE REVENUE & EXPENSE	(41,616,625)				(40,546,077)	(412,964)				(40,959,041)	(657,584)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(31,261,202)				(30,864,944)	(152,857)				(31,017,801)	(243,401)
MARKETING SUPPORT ACTIVITIES			(197,472)			76,175				(121,297)	121,297
WHOLESALE EXPENSES		(194,038)				74,850				(119,188)	119,188
INSTITUTIONAL ADVERTISING EXPENSE			(403,594)			155,686				(247,908)	247,908
ECONOMIC DEVELOPMENT EXPENSE			(60,237)			23,237				(37,000)	37,000
MGMT FINANCIAL PLANNING SERVICES			(28,679)			11,063				(17,616)	17,616
DIRECTORS' & OFFICERS' INSURANCE			(48,001)			18,517				(29,484)	29,484
INDUSTRY ASSOCIATION DUES			(215)			83				(132)	132
TALLAHASSEE LIAISON EXPENSES			(375,482)		(17,020)	151,408				(241,094)	241,094
TRANSMISSION DEFERRED RETURN PURSUANT TO STIP. & SETT.				7,998		(3,085)				4,913	(4,913)
DEPRECIATION CREDIT ADJUSTMENT (1)				1,430,000		(551,623)				878,377	(878,377)
GRT, FPSC FEES ON CLAUSES & FEES					(1,464,906)	565,087				(899,819)	899,819
(GAIN)/LOSS ON DISPOSITION OF PROPERTY						191,111			(495,428)	(304,317)	304,317
INTEREST SYNCHRONIZATION						5,876,748				5,876,748	(5,876,748)
TOTAL FPSC ADJUSTMENTS	(776,460,019)	(542,165,012)	(45,082,504)	(38,361,944)	(75,502,248)	(22,997,751)	0	0	(495,428)	(724,604,888)	(51,855,132)
FPSC ADJUSTED	554,614,639	0	265,558,113	97,414,029	33,007,692	17,311,335	33,166,284	(930,351)	(495,428)	445,031,674	109,582,965
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	554,614,639	0	265,558,113	97,414,029	33,007,692	17,311,335	33,166,284	(930,351)	(495,428)	445,031,674	109,582,965
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				16,588,646	AND THE JURISDICTIONAL NOI BY		16,203,259				
CURRENT MONTH SYSTEM PER BOOKS	122,809,254	55,266,004	27,445,138	10,479,611	9,752,967	2,105,465	4,125,322	(105,992)	0	109,068,516	13,740,738
CURRENT MONTH JURISDICTIONAL PER BOOKS	99,012,388	38,194,471	24,870,257	9,555,362	9,457,777	2,744,641	2,527,760	(76,986)	3,519	87,273,281	11,739,107

TOTALS MAY NOT ADD DUE TO ROUNDING.

Note:

(1) Reflects an adjustment to the depreciation credit provided for in Order No. PSC-13-0670-S-EI, issued December 19, 2013.

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
November, 2014

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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		FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(659,959,916)	(254,579,538)
INVESTMENT	(1,046,721,415)	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(147,288,843)	(56,816,671)
ACCUMULATED DEPRECIATION	155,880,546	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(56,916,416)	(21,955,507)
CWIP	(12,061,383)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,598,324)	(7,174,303)
ENERGY CONSERVATION COST RECOVERY		FUEL EXPENSE	(655,874,724)	253,003,675
INVESTMENT	(11,693,985)	PURCHASED POWER CAPACITY COST EXPENSE	(58,596,297)	22,603,522
ACCUMULATED DEPRECIATION	(6,324,744)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(16,582,781)	6,396,808
CWIP	(4,594)	CONSERVATION EXPENSES - OTHER TAXES	(384,247)	148,223
TRANSMISSION PURSUANT TO STIP. & SETT.		ENVIRONMENTAL COST RECOVERY EXPENSE	(71,425,498)	27,552,386
INVESTMENT	(108,605)	FRANCHISE FEE REVENUES	(41,616,625)	(16,053,613)
FAS 143 NET PLANT	(15,214,681)	FRANCHISE FEE	(40,546,077)	15,640,649
INTEREST BEARING CWIP	(299,048,747)	GROSS RECEIPTS TAX REVENUES	(31,261,202)	(12,059,009)
PHFU - NORTH ESCAMBIA	(12,952,298)	GROSS RECEIPTS TAX EXPENSE	(30,864,944)	11,906,152
WORKING CAPITAL:		MARKETING SUPPORT ACTIVITIES	(197,472)	76,175
ECRC WORKING CAPITAL	(7,437,424)	WHOLESALE EXPENSE	(199,952)	77,132
CONSERVATION/AEM INVENTORY	(1,382,937)	INSTITUTIONAL ADVERTISING EXPENSE	(411,545)	158,754
CAPITALIZED DEF. EARNINGS ON TRANSMISSION		ECONOMIC DEVELOPMENT EXPENSE	(60,237)	23,236
PURSUANT TO STIP. & SETT.	(989)	MGMT FINANCIAL PLANNING SERVICES	(29,313)	11,307
FUNDED PROPERTY INSURANCE RESERVE	0	DIRECTORS' & OFFICERS' INSURANCE	(49,061)	18,925
LOANS TO EMPLOYEES AND RETIREES	(33,769)	INDUSTRY ASSOCIATION DUES	(219)	84
INTEREST & DIVIDENDS RECEIVABLE	(19,573)	TALLAHASSEE LIAISON EXPENSE	(401,172)	154,752
NORTH ESCAMBIA SITE	(4,692,753)	TRANSMISSION DEFERRED RETURN PURSUANT TO STIP. & SETT.	7,998	(3,085)
UNAMORTIZED RATE CASE EXPENSE	(4,993,811)	DEPRECIATION CREDIT ADJUSTMENT (1)	1,430,000	(551,623)
FUEL RELATED DEFERRED DEBITS	(54,319,163)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,464,906)	565,087
UNREALIZED LOSS ON FWD CONTRACT	1,944	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFIN. ESC REV	19,967	7,702
ACCUM. PROV. FOR RATE REFUNDS	0	GAIN/LOSS ON DISPOSITION OF PROPERTY	(516,545)	199,257
FAS 143 WORKING CAPITAL	26,465,493	INTEREST SYNCHRONIZATION	6,304,526	6,304,526
FAS 158 REGULATORY ASSETS	(83,913,731)			
FAS 158 REGULATORY LIABILITIES	83,913,731			
PPA REGULATORY ASSETS	(191,565,503)			
PPA REGULATORY LIABILITIES	191,565,503			
FAS 133 REGULATORY ASSETS	(26,868,449)			
FAS 133 REGULATORY LIABILITIES	26,868,449			

Note:

(1) Reflects an adjustment to the depreciation credit provided for in Order No. PSC-13-0670-S-EI, issued December 19, 2013.

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
RATE BASE  
November, 2014

	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	4,459,372,606	1,535,570,297	2,923,802,309	15,560,289	456,721,335	0	3,396,083,932	220,368,874	3,616,452,806
JURISDICTIONAL PER BOOKS	3,980,452,850	1,388,627,359	2,591,825,491	15,105,075	442,871,080	0	3,049,801,646	231,665,187	3,281,466,833
<u>FPSC ADJUSTMENTS:</u>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,016,072,192)	(170,766,028)	(845,306,164)		(18,021,499)		(863,327,663)	(7,219,350)	(870,547,013)
INT BEARING CWIP					(390,952,905)		(390,952,905)	0	(390,952,905)
ENERGY CONSERVATION CLAUSE	(12,281,934)	6,898,463	(19,180,397)				(19,180,397)	(1,382,937)	(20,563,334)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(846,790)		(846,790)				(846,790)	0	(846,790)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(7,663)	(7,663)
LOANS TO EMPLOYEES AND RETIREES								(32,357)	(32,357)
INTEREST AND DIVIDENDS RECEIVABLE								(18,754)	(18,754)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,661,331)			(12,661,331)	(4,496,294)	(17,157,625)
FUEL RELATED DEFERRED DEBITS								(54,319,163)	(54,319,163)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(4,784,748)	(4,784,748)
<b>TOTAL FPSC ADJUSTMENTS</b>	<b>(1,029,200,916)</b>	<b>(163,867,565)</b>	<b>(865,333,351)</b>	<b>(12,661,331)</b>	<b>(408,974,404)</b>	<b>0</b>	<b>(1,286,969,086)</b>	<b>(72,261,266)</b>	<b>(1,359,230,352)</b>
FPSC ADJUSTED	2,951,251,934	1,224,759,794	1,726,492,140	2,443,744	33,896,676	0	1,762,832,560	159,403,921	1,922,236,481
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	2,951,251,934	1,224,759,794	1,726,492,140	2,443,744	33,896,676	0	1,762,832,560	159,403,921	1,922,236,481

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
November, 2014

	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	1,585,717,073	714,470,135	329,176,906	146,385,750	110,269,114	46,114,752	45,038,152	(1,278,612)	0	1,390,176,197	195,540,876 (a)
JURISDICTIONAL PER BOOKS	1,331,074,658	542,165,012	310,640,617	135,775,973	108,509,940	40,310,600	33,170,675	(930,351)	0	1,189,642,467	161,432,191 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(485,434,715)	(485,101,094)				(128,694)				(485,229,788)	(204,926)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(56,533,101)	(56,869,880)				129,913				(56,739,967)	206,866
ENERGY CONSERVATION COST REVENUES & EXPENSES	(18,598,324)	(16,251,014)	(331,767)	(39,468,175)	(384,247)	(629,273)				(17,596,301)	(1,002,023)
ENVIRONMENTAL COST RECOVERY CLAUSE	(143,016,053)	(27,717,810)			(2,225,055)	(28,393,134)				(97,804,174)	(45,211,879)
FRANCHISE FEE REVENUE & EXPENSE	(41,616,625)				(40,546,077)	(412,964)				(40,959,041)	(657,584)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(31,261,202)				(30,864,944)	(152,857)				(31,017,801)	(243,401)
MARKETING SUPPORT ACTIVITIES			(197,472)			76,175				(121,297)	121,297
WHOLESALE EXPENSES		(194,038)				74,850				(119,188)	119,188
INSTITUTIONAL ADVERTISING EXPENSE			(403,594)			155,686				(247,908)	247,908
ECONOMIC DEVELOPMENT EXPENSE			(60,237)			23,237				(37,000)	37,000
MGMT FINANCIAL PLANNING SERVICES			(28,679)			11,063				(17,616)	17,616
DIRECTORS' & OFFICERS' INSURANCE			(48,001)			18,517				(29,484)	29,484
INDUSTRY ASSOCIATION DUES			(215)			83				(132)	132
TALLAHASSEE LIAISON EXPENSES			(375,482)		(17,020)	151,408				(241,094)	241,094
TRANSMISSION DEFERRED RETURN PURSUANT TO STIP. & SETT.				7,998		(3,085)				4,913	(4,913)
DEPRECIATION CREDIT ADJUSTMENT (1)			1,430,000			(551,623)				878,377	(878,377)
GRT, FPSC FEES ON CLAUSES & FEES					(1,464,906)	565,087				(899,819)	899,819
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						191,111			(485,428)	(304,317)	304,317
INTEREST SYNCRONIZATION						6,362,844				6,362,844	(6,362,844)
TOTAL FPSC ADJUSTMENTS	(776,460,019)	(542,165,012)	(45,082,504)	(38,361,944)	(75,502,248)	(22,511,655)	0	0	(485,428)	(724,118,792)	(52,341,228)
FPSC ADJUSTED	554,614,639	0	265,558,113	97,414,029	33,007,692	17,798,945	33,170,675	(930,351)	(485,428)	445,523,675	109,090,964
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	554,614,639	0	265,558,113	97,414,029	33,007,692	17,798,945	33,170,675	(930,351)	(485,428)	445,523,675	109,090,964
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				16,588,646	AND THE JURISDICTIONAL NOI BY	16,203,259					

Note:

(1) Reflects an adjustment to the depreciation credit provided for in Order No. PSC-13-0670-S-EI, issued December 19, 2013.

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
SYSTEM ADJUSTMENTS  
November, 2014

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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	(1,046,840,053)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(659,959,916)	(254,579,538)
ACCUMULATED DEPRECIATION	175,937,024	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(147,288,843)	(56,816,671)
CWIP	(18,567,212)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(56,916,416)	(21,955,507)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(12,281,934)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,598,324)	(7,174,303)
ACCUMULATED DEPRECIATION	(6,898,463)	FUEL EXPENSE	(655,874,724)	253,003,675
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(58,596,297)	22,603,522
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(846,790)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(16,582,781)	6,396,808
FAS 143 NET PLANT	(15,126,907)	CONSERVATION EXPENSES - OTHER TAXES	(384,247)	148,223
INTEREST BEARING CWIP	(400,251,530)	ENVIRONMENTAL COST RECOVERY EXPENSE	(71,425,498)	27,552,386
PHFU - NORTH ESCAMBIA	(13,042,899)	FRANCHISE FEE REVENUES	(41,616,625)	(16,053,613)
		FRANCHISE FEE	(40,546,077)	15,640,649
WORKING CAPITAL:		GROSS RECEIPTS TAX REVENUES	(31,261,202)	(12,059,009)
ECRC WORKING CAPITAL	(7,437,424)	GROSS RECEIPTS TAX EXPENSE	(30,864,944)	11,906,152
CONSERVATION/AEM INVENTORY	(1,382,937)	MARKETING SUPPORT ACTIVITIES	(197,472)	76,175
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(989)	WHOLESALE EXPENSE	(199,952)	77,132
FUNDED PROPERTY INSURANCE RESERVE	0	INSTITUTIONAL ADVERTISING EXPENSE	(411,545)	158,754
LOANS TO EMPLOYEES AND RETIREES	(33,769)	ECONOMIC DEVELOPMENT EXPENSE	(60,237)	23,236
INTEREST & DIVIDENDS RECEIVABLE	(19,573)	MGMT FINANCIAL PLANNING SERVICES	(29,313)	11,307
NORTH ESCAMBIA SITE	(4,692,753)	DIRECTORS' & OFFICERS' INSURANCE	(49,061)	18,925
UNAMORTIZED RATE CASE EXPENSE	(4,993,811)	INDUSTRY ASSOCIATION DUES	(219)	84
FUEL RELATED DEFERRED DEBITS	(54,319,163)	TALLAHASSEE LIAISON EXPENSE	(401,172)	154,752
UNREALIZED LOSS ON FWD CONTRACT	1,944	TRANSMISSION DEFERRED RETURN PURSUANT TO STIP. & SETT.	7,998	(3,085)
ACCUM. PROV. FOR RATE REFUNDS	0	DEPRECIATION CREDIT ADJUSTMENT (1)	1,430,000	(551,623)
FAS 143 WORKING CAPITAL	26,465,493	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,464,906)	565,087
FAS 158 REGULATORY ASSETS	(83,913,731)	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REFN. ESC REV	19,967	7,702
FAS 158 REGULATORY LIABILITIES	83,913,731	GAIN\LOSS ON DISPOSITION OF PROPERTY	(516,545)	199,257
PPA REGULATORY ASSETS	(191,565,503)	INTEREST SYNCHRONIZATION	6,509,358	6,509,358
PPA REGULATORY LIABILITIES	191,565,503			
FAS 133 REGULATORY ASSETS	(26,868,449)			
FAS 133 REGULATORY LIABILITIES	26,868,449			

Note:

(1) Reflects an adjustment to the depreciation credit provided for in Order No. PSC-13-0670-S-EI, issued December 19, 2013.



GULF POWER COMPANY  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS  
November, 2014

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 (%)			
LONG TERM DEBT	1,250,889,324	1,145,769,705	(459,227,288)	0	686,542,417	36.12	4.57	1.65	4.57	1.65	4.57	1.65	4.57	1.65	4.57	1.65			
SHORT TERM DEBT	83,257,326	22,006,022	(8,820,067)	0	13,185,955	0.69	0.22	0.00	0.22	0.00	0.22	0.00	0.22	0.00	0.22	0.00			
PREFERENCE STOCK	146,503,864	134,176,880	(53,778,420)	0	80,398,460	4.23	6.14	0.26	6.14	0.26	6.14	0.26	6.14	0.26	6.14	0.26			
CUSTOMER DEPOSITS	34,799,563	35,403,949	(14,189,989)	0	21,213,960	1.12	2.41	0.03	2.41	0.03	2.41	0.03	2.41	0.03	2.41	0.03			
COMMON EQUITY	1,281,511,819	1,181,402,673	(473,509,068)	0	707,893,605	37.24	9.25	3.44	10.25	3.82	11.25	3.82	11.25	4.19	11.25	4.19			
DEFERRED INCOME TAXES	744,088,585	692,902,847	(277,717,148)	0	415,185,699	21.84													
FASB 109 DEFERRED TAXES	(45,554,735)	(42,421,031)	17,002,452	0	(25,418,579)	(1.34)													
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00													
TAX CREDITS - WEIGHTED COST	3,525,850	3,117,292	(1,249,418)	0	1,867,874	0.10	6.90	0.01	7.38	0.01	7.86	0.01	7.86	0.01	7.86	0.01			
TOTAL	3,499,021,596	3,172,358,337	(1,271,488,946)	0	1,900,869,391	100.00	5.39	5.39	5.76	5.76	6.14	5.76	6.14	6.14	6.14	6.14			

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 (%)			
LONG TERM DEBT	1,344,204,147	1,211,456,946	(501,802,741)	0	709,654,205	36.92	4.25	1.57	4.25	1.57	4.25	1.57	4.25	1.57	4.25	1.57			
SHORT TERM DEBT	20,996,733	(1,679,711)	695,760	0	(983,951)	(0.05)	0.06	(0.00)	0.06	(0.00)	0.06	(0.00)	0.06	(0.00)	0.06	(0.00)			
PREFERENCE STOCK	146,503,864	135,690,095	(56,204,772)	0	79,485,323	4.14	6.14	0.25	6.14	0.25	6.14	0.25	6.14	0.25	6.14	0.25			
CUSTOMER DEPOSITS	35,170,952	36,081,127	(14,945,317)	0	21,135,810	1.10	2.44	0.03	2.44	0.03	2.44	0.03	2.44	0.03	2.44	0.03			
COMMON EQUITY	1,302,012,666	1,222,748,588	(506,479,900)	0	716,268,688	37.26	9.25	3.45	10.25	3.82	11.25	3.82	11.25	4.19	11.25	4.19			
DEFERRED INCOME TAXES	766,609,919	720,557,321	(298,465,117)	0	422,092,204	21.95													
FASB 109 DEFERRED TAXES	(48,998,996)	(46,055,478)	19,076,836	0	(26,978,642)	(1.40)													
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00													
TAX CREDITS - WEIGHTED COST	2,889,382	2,667,945	(1,105,101)	0	1,562,844	0.08	6.73	0.01	7.20	0.01	7.68	0.01	7.68	0.01	7.68	0.01			
TOTAL	3,569,388,667	3,281,466,833	(1,359,230,352)	0	1,922,236,481	100.00	5.30	5.30	5.67	5.67	6.05	5.67	6.05	6.05	6.05	6.05			



GULF POWER COMPANY  
Storm Accrual - Twelve Month to Date  
November, 2014

**Supplemental 1**

<u>Month</u>	<u>Year</u>	<u>\$</u>
December	2013	291,667
January	2014	291,663
February	2014	291,667
March	2014	291,667
April	2014	291,667
May	2014	291,667
June	2014	291,667
July	2014	291,667
August	2014	291,667
September	2014	291,667
October	2014	291,667
<b>November</b>	<b>2014</b>	<b>291,667</b>
<b>12 - M-T-D</b>		<b><u><u>3,500,000</u></u></b>