

**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

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FLORIDA PUBLIC SERVICE  
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DIVISION OF  
ACCOUNTING & FINANCE

**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**

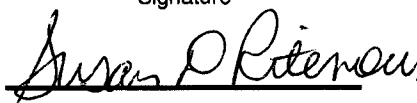
A. Tie With AFUDC	4.98 x (System per Books Basis)
B. Tie Without AFUDC	4.65 x (System per Books Basis)
C. AFUDC To Net Income	12.39% (System per Books Basis)
D. Internally Generated Funds	26.90% (System per Books Basis)
E. LTD To Total Investor Funds	46.55% (FPSC Adjusted Basis)
F. STD To Total Investor 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  
Susan D. Ritenour  
Corporate Planning Manager, Corporate Treasurer & Secretary

Signature



Date

5/14/15

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

SCHEDULE 2  
PAGE 1 OF 3

	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>	<b>(1,035,614,381)</b>	<b>(157,190,205)</b>	<b>(878,424,176)</b>	<b>(12,598,361)</b>	<b>(366,584,093)</b>	<b>0</b>	<b>(1,257,606,630)</b>	<b>(72,533,495)</b>	<b>(1,330,140,126)</b>
<b>FPSC ADJUSTED</b>	<b>2,930,886,611</b>	<b>1,212,870,524</b>	<b>1,718,016,087</b>	<b>2,337,565</b>	<b>35,634,935</b>	<b>0</b>	<b>1,755,988,587</b>	<b>173,465,068</b>	<b>1,929,453,655</b>
<b>PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL PRO FORMA ADJUST</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PRO FORMA ADJUSTED</b>	<b>2,930,886,611</b>	<b>1,212,870,524</b>	<b>1,718,016,087</b>	<b>2,337,565</b>	<b>35,634,935</b>	<b>0</b>	<b>1,755,988,587</b>	<b>173,465,068</b>	<b>1,929,453,655</b>

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

SCHEDULE 2  
PAGE 2 OF 3

	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:											
RETAIL FUEL REVENUES & EXPENSES	(457,073,496)	(456,732,202)				(131,654)				(456,863,856)	(209,640)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(76,603,132)	(76,944,434)				131,657				(76,812,777)	209,644
ENERGY CONSERVATION COST REVENUES & EXPENSES	(16,985,010)		(14,597,567)	(341,298)	(374,048)	(645,011)				(15,957,925)	(1,027,085)
ENVIRONMENTAL COST RECOVERY CLAUSE	(142,691,324)		(27,396,766)	(39,593,313)	(2,536,774)	(28,223,195)				(97,750,048)	(44,941,276)
FRANCHISE FEE REVENUE & EXPENSE	(42,010,641)				(40,929,988)	(416,862)				(41,346,850)	(663,791)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(31,534,813)				(31,128,445)	(156,756)				(31,285,201)	(249,612)
MARKETING SUPPORT ACTIVITIES			(208,404)			80,392				(128,012)	128,012
WHOLESALE EXPENSES		(186,299)				71,865				(114,434)	114,434
INSTITUTIONAL ADVERTISING EXPENSE			(452,065)			174,384				(277,681)	277,681
ECONOMIC DEVELOPMENT EXPENSE			(60,859)			23,476				(37,383)	37,383
MGMT FINANCIAL PLANNING SERVICES			(28,496)			10,992				(17,504)	17,504
DIRECTORS' & OFFICERS' INSURANCE			(48,067)			18,542				(29,525)	29,525
INDUSTRY ASSOCIATION DUES			(922)			356				(566)	566
TALLAHASSEE LIAISON EXPENSES			(448,486)		(21,614)	181,341				(288,759)	288,759
DEPRECIATION CREDIT ADJUSTMENT						0				0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,478,484)	570,325				(908,159)	908,159
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						141,381			(366,510)	(225,129)	225,129
INTEREST SYNCHRONIZATION						5,942,459				5,942,459	(5,942,459)
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	281,057,068	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											
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	(8,854,001)	58,748,368	(783,782)	(366,510)	447,108,899	109,962,650
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				19,739,440	AND THE JURISDICTIONAL NOI BY	19,290,855					
CURRENT MONTH SYSTEM PER BOOKS	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
CURRENT MONTH JURISDICTIONAL PER BOOKS	94,941,666	33,398,807	30,266,785	7,958,684	8,849,270	(931,433)	5,083,931	(30,371)	0	84,595,673	10,345,993

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	(76,895,663)	(29,701,077)	
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(12,039,989)		ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,985,010)	(6,551,968)	
ACCUMULATED DEPRECIATION	(6,661,094)		FUEL EXPENSE	(593,040,836)	228,785,503	
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)	
			FRANCHISE FEE	(40,929,988)	15,788,743	
			GROSS RECEIPTS TAX REVENUES	(31,534,813)	(12,184,554)	
			GROSS RECEIPTS TAX EXPENSE	(31,128,445)	12,007,798	
			MARKETING SUPPORT ACTIVITIES	(208,404)	80,392	
WORKING CAPITAL:			WHOLESALE EXPENSE	(191,977)	74,055	
ECRC WORKING CAPITAL	(7,043,274)		INSTITUTIONAL ADVERTISING EXPENSE	(480,971)	177,820	
CONSERVATION/AEM INVENTORY	(1,161,427)		ECONOMIC DEVELOPMENT EXPENSE	(60,859)	23,478	
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(20,708)		MGMT FINANCIAL PLANNING SERVICES	(29,125)	11,235	
FUNDED PROPERTY INSURANCE RESERVE	0		DIRECTORS' & OFFICERS' INSURANCE	(49,128)	18,951	
LOANS TO EMPLOYEES AND RETIREES	(38,394)		INDUSTRY ASSOCIATION DUES	(940)	383	
INTEREST & DIVIDENDS RECEIVABLE	(34,085)		TALLAHASSEE LIAISON EXPENSE	(480,485)	185,347	
NORTH ESCAMBIA SITE	(4,640,710)		DEPRECIATION CREDIT ADJUSTMENT	0	0	
UNAMORTIZED RATE CASE EXPENSE	(4,490,704)		GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,478,464)	570,325	
FUEL RELATED DEFERRED DEBITS	(55,695,039)		COMP SALES/TRANS REYV/L SALE GAS/PROV RT REFN. ESC REV	(98,555)	(38,018)	
UNREALIZED LOSS ON FWD CONTRACT	1,574		GAIN/LOSS ON DISPOSITION OF PROPERTY	(385,256)	148,813	
ACCUM. PROV. FOR RATE REFUNDS	0		INTEREST SYNCHRONIZATION	8,372,297	6,372,297	
FAS 143 WORKING CAPITAL	26,366,728					
FAS 158 REGULATORY ASSETS	(98,187,065)					
FAS 158 REGULATORY LIABILITIES	96,187,065					
PPA REGULATORY ASSETS	(189,812,084)					
PPA REGULATORY LIABILITIES	189,812,084					
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	235,575,626	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
<b>FPSC ADJUSTMENTS:</b>									
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)
<b>TOTAL FPSC ADJUSTMENTS</b>	<b>(1,095,422,475)</b>	<b>(175,489,533)</b>	<b>(919,932,942)</b>	<b>(12,661,331)</b>	<b>(421,004,383)</b>	<b>0</b>	<b>(1,353,598,656)</b>	<b>(72,704,611)</b>	<b>(1,426,303,267)</b>
<b>FPSC ADJUSTED</b>	<b>2,972,453,313</b>	<b>1,237,817,897</b>	<b>1,734,635,416</b>	<b>1,753,576</b>	<b>35,908,573</b>	<b>0</b>	<b>1,772,297,565</b>	<b>171,908,385</b>	<b>1,944,205,950</b>
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
<b>TOTAL PRO FORMA ADJUSTMENTS</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>PRO FORMA ADJUSTED</b>	<b>2,972,453,313</b>	<b>1,237,817,897</b>	<b>1,734,635,416</b>	<b>1,753,576</b>	<b>35,908,573</b>	<b>0</b>	<b>1,772,297,565</b>	<b>171,908,385</b>	<b>1,944,205,950</b>

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

SCHEDULE 3  
PAGE 2 OF 3

	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	13,374,770	58,738,588	(783,782)	0	1,163,202,930	160,767,036	(a)
LESS FPSC ADJUSTMENTS:												
RETAIL FUEL REVENUES & EXPENSES	(457,073,496)	(456,732,202)				(131,654)				(456,863,856)	(209,640)	
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(76,603,132)	(76,944,434)				131,657				(76,812,777)	209,644	
ENERGY CONSERVATION COST REVENUES & EXPENSES	(16,985,010)		(14,597,567)	(341,298)	(374,048)	(645,011)				(15,957,925)	(1,027,085)	
ENVIRONMENTAL COST RECOVERY CLAUSE	(142,691,324)		(27,396,766)	(39,593,313)	(2,536,774)	(28,223,195)				(97,750,048)	(44,941,276)	
FRANCHISE FEE REVENUE & EXPENSE	(42,010,641)				(40,929,988)	(416,862)				(41,346,850)	(663,791)	
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(31,534,813)				(31,128,445)	(156,756)				(31,285,201)	(249,612)	
MARKETING SUPPORT ACTIVITIES			(208,404)			80,392				(128,012)	128,012	
WHOLESALE EXPENSES		(186,299)				71,865				(114,434)	114,434	
INSTITUTIONAL ADVERTISING EXPENSE			(452,065)			174,384				(277,681)	277,681	
ECONOMIC DEVELOPMENT EXPENSE			(60,859)			23,476				(37,383)	37,383	
MGMT FINANCIAL PLANNING SERVICES			(28,496)			10,992				(17,504)	17,504	
DIRECTORS' & OFFICERS' INSURANCE			(48,067)			18,542				(29,525)	29,525	
INDUSTRY ASSOCIATION DUES			(922)			356				(566)	566	
TALLAHASSEE LIAISON EXPENSES			(448,486)		(21,614)	181,341				(288,759)	288,759	
DEPRECIATION CREDIT ADJUSTMENT						0				0	0	
GRT, FPSC FEES ON CLAUSES & FEES					(1,478,484)	570,325				(908,159)	908,159	
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						141,381			(366,510)	(225,129)	225,129	
INTEREST SYNCHRONIZATION						5,935,690				5,935,690	(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	(1,050,137,408)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(596,474,576)	(230,090,068)
ACCUMULATED DEPRECIATION	188,034,244	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(146,943,985)	(56,883,642)
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	(583,040,836)	226,765,503
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)
		FRANCHISE FEE	(40,929,988)	15,788,743
WORKING CAPITAL:		GROSS RECEIPTS TAX REVENUES	(31,534,813)	(12,164,554)
ECRC WORKING CAPITAL	(7,043,274)	GROSS RECEIPTS TAX EXPENSE	(31,128,445)	12,007,798
CONSERVATION/AEM INVENTORY	(1,161,427)	MARKETING SUPPORT ACTIVITIES	(208,404)	60,392
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(20,708)	WHOLESALE EXPENSE	(191,977)	74,055
FUNDED PROPERTY INSURANCE RESERVE	0	INSTITUTIONAL ADVERTISING EXPENSE	(460,971)	177,820
LOANS TO EMPLOYEES AND RETIREES	(96,394)	ECONOMIC DEVELOPMENT EXPENSE	(60,859)	23,476
INTEREST & DIVIDENDS RECEIVABLE	(34,065)	MGMT FINANCIAL PLANNING SERVICES	(29,125)	11,235
NORTH ESCAMBIA SITE	(4,640,710)	DIRECTORS' & OFFICERS' INSURANCE	(49,128)	18,851
UNAMORTIZED RATE CASE EXPENSE	(4,490,704)	INDUSTRY ASSOCIATION DUES	(940)	363
FUEL RELATED DEFERRED DEBITS	(55,895,039)	TALLAHASSEE LIAISON EXPENSE	(480,485)	185,347
UNREALIZED LOSS ON FWD CONTRACT	1,574	DEPRECIATION CREDIT ADJUSTMENT	0	0
ACCUM. PROV. FOR RATE REFUNDS	0	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,478,464)	570,325
FAS 143 WORKING CAPITAL	26,366,728	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REF/N. ESC REV	(98,555)	(38,018)
FAS 158 REGULATORY ASSETS	(96,187,065)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(385,266)	148,613
FAS 158 REGULATORY LIABILITIES	96,187,065	INTEREST SYNCHRONIZATION	6,395,581	6,395,581
PPA REGULATORY ASSETS	(189,612,084)			
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

SCHEDULE 4

AVERAGE	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	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
SHORT TERM DEBT	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
PREFERENCE STOCK	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
CUSTOMER DEPOSITS	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
COMMON EQUITY	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	4.15
DEFERRED INCOME TAXES	769,859,084	717,796,389	(292,910,664)	0	424,885,725	22.02						
FASB 109 DEFERRED TAXES	(48,891,641)	(45,585,281)	18,601,953	0	(26,983,328)	(1.40)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	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
<b>TOTAL</b>	<b>3,589,070,120</b>	<b>3,259,593,781</b>	<b>(1,330,140,126)</b>	<b>0</b>	<b>1,929,453,655</b>	<b>100.00 %</b>		<b>5.34 %</b>		<b>5.71 %</b>		<b>6.08 %</b>

YEAR-END	SYSTEM PER BOOKS	RETAIL PER BOOKS	ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
			PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	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
SHORT TERM DEBT	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
PREFERENCE STOCK	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
CUSTOMER DEPOSITS	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
COMMON EQUITY	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	3.99
DEFERRED INCOME TAXES	830,694,857	760,523,727	(321,831,927)	0	438,691,800	22.57						
FASB 109 DEFERRED TAXES	(56,205,780)	(51,457,919)	21,775,522	0	(29,682,397)	(1.53)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	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
<b>TOTAL</b>	<b>3,792,076,993</b>	<b>3,370,509,217</b>	<b>(1,426,303,267)</b>	<b>0</b>	<b>1,944,205,950</b>	<b>100.00 %</b>		<b>5.19 %</b>		<b>5.54 %</b>		<b>5.90 %</b>

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
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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
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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
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
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Construction Expenditures (Excluding AFUDC Other & Debt)	350,034,538
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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
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Total	1,508,789,014
	<hr/>
% Long Term Debt To Total	46.55%
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% 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
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Jurisdictional Return on Common Equity	10.22%	10.22%

1 GULF POWER COMPANY

2 DOCKET NO. 990315-EI

3 RTP QUARTERLY REPORT

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7 Sixty-Second Quarterly Report

8 Report Period: First Quarter, 2015

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<u>Rate Class</u>	<u>First Quarter Total Revenue</u>	<u>First Quarter Total KWH Sales</u>	<u>First Quarter ¢/KWH</u>	<u>12-Month Rolling Average ¢/KWH</u>
RTP	\$28,200,004	357,177,330	7.895	8.171
PX/PXT	-	-	-	-
LP/LPT	\$18,876,519	193,628,386	9.749	9.267

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25 Notes to Quarterly  
26 Real Time Pricing Report

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28 1. Gulf Power's Real Time Pricing (RTP) multipliers ("M") changed effective January 1, 2015.  
29 The reason for this change was to reflect a change in the long-term system lambdas.

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<u>Multipliers Effective 1/1/2015</u>	
On-Peak	1.397
Intermediate	0.518
Off-Peak	0.420

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- 42 2. RTP prices vary by hour and by season due to the "M" multipliers. The prices for the LP/  
43 and PX/PXT rate classes do not have this variability in pricing. As a result, compariso  
44 RTP and the other rate classes are meaningful only on an annual basis or a 12-month roll  
45 average basis.  
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