

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

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August 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 June, 2015.

Sincerely,

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

Susan D. Ritenour
Corporate Secretary

SDR/wrw
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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ACCOUNTING & FINANCE

June 2015

Earnings Surveillance
Report
(Rate of Return)

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GULF POWER COMPANY
Earnings Surveillance Report Summary
June, 2015

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. Average Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	183,048,374	(71,466,006)	111,582,368	0	111,582,368
Average Rate Base	3,329,877,754	(1,368,268,888)	1,961,608,866	0	1,961,608,866
Average Rate of Return	5.50%		5.69%		5.69%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	183,055,881	(71,482,173)	111,573,708	0	111,573,708
Year End Rate Base	3,422,767,604	(1,446,798,201)	1,975,969,403	0	1,975,969,403
Year End Rate of Return	5.35%		5.65%		5.65%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

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

Low	5.28%
Midpoint	5.65%
High	6.01%

IV. Financial Integrity Indicators

A. Tie With AFUDC	4.91 x (System per Books Basis)
B. Tie Without AFUDC	4.57 x (System per Books Basis)
C. AFUDC To Net Income	13.12% (System per Books Basis)
D. Internally Generated Funds	49.34% (System per Books Basis)
E. LTD To Total Investor Funds	46.65% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	1.61% (FPSC Adjusted Basis)
G. Return on Common Equity	10.37% (FPSC Adjusted Basis)
H. Return on Common Equity	10.37% (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
8/12/15

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
June, 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	4,506,200,558	1,535,192,560	2,971,007,998	15,219,908	432,582,127	0	3,418,810,033	248,680,756	3,667,490,789
JURISDICTIONAL PER BOOKS	4,019,768,041	1,387,701,443	2,632,066,598	14,774,652	419,484,700	0	3,066,325,951	263,551,804	3,329,877,754
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,018,424,025)	(173,200,600)	(845,223,425)		(17,017,269)		(862,240,694)	(6,580,950)	(868,821,644)
INT BEARING CWIP					(366,067,249)		(366,067,249)	0	(366,067,249)
ENERGY CONSERVATION CLAUSE	(12,308,059)	6,879,255	(19,187,314)		(5,769)		(19,193,083)	(1,199,176)	(20,392,260)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(40,893,201)		(40,893,201)				(40,893,201)	0	(40,893,201)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(260,070)	(260,070)
LOANS TO EMPLOYEES / RETIREES								(39,476)	(39,476)
INTEREST AND DIVIDENDS RECEIVABLE								(41,902)	(41,902)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,617,096)			(12,617,096)	(4,408,934)	(17,026,030)
FUEL RELATED DEFERRED DEBITS								(50,807,575)	(50,807,575)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(3,919,482)	(3,919,482)
TOTAL FPSC ADJUSTMENTS	(1,071,625,285)	(166,321,345)	(905,303,940)	(12,617,096)	(383,090,287)	0	(1,301,011,324)	(67,257,565)	(1,368,268,888)
FPSC ADJUSTED	2,948,142,756	1,221,380,098	1,726,762,658	2,157,556	36,394,413	0	1,765,314,627	196,294,239	1,961,608,866
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
PRO FORMA ADJUSTED	2,948,142,756	1,221,380,098	1,726,762,658	2,157,556	36,394,413	0	1,765,314,627	196,294,239	1,961,608,866

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

SCHEDULE 2
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	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	1,541,146,024	659,464,539	353,173,550	134,939,030	115,016,314	1,862,204	85,790,347	(986,922)	0	1,349,259,062	191,886,962 (a)
JURISDICTIONAL PER BOOKS	1,341,322,399	537,309,773	332,541,475	123,764,626	113,020,346	7,066,237	65,792,515	(644,006)	0	1,178,850,967	162,471,432 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(450,991,502)	(450,643,068)				(134,408)				(450,777,476)	(214,025)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(86,207,028)	(86,483,499)				106,649				(86,376,850)	169,822
ENERGY CONSERVATION COST REVENUES & EXPENSES	(18,140,602)		(15,716,005)	(349,045)	(359,356)	(662,023)				(17,086,429)	(1,054,173)
ENVIRONMENTAL COST RECOVERY CLAUSE	(142,588,760)		(27,487,181)	(39,712,144)	(2,854,063)	(27,980,520)				(98,033,908)	(44,554,852)
FRANCHISE FEE REVENUE & EXPENSE	(43,001,171)				(41,895,083)	(426,674)				(42,321,757)	(679,414)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,281,915)				(31,881,972)	(154,278)				(32,036,250)	(245,665)
MARKETING SUPPORT ACTIVITIES			(207,019)			79,857				(127,162)	127,162
WHOLESALE EXPENSES		(183,206)				70,672				(112,534)	112,534
INSTITUTIONAL ADVERTISING EXPENSE			(325,704)			125,640				(200,064)	200,064
ECONOMIC DEVELOPMENT EXPENSE			(62,268)			24,019				(38,249)	38,249
MGMT FINANCIAL PLANNING SERVICES			(34,308)			13,234				(21,074)	21,074
DIRECTORS' & OFFICERS' INSURANCE			(48,116)			18,561				(29,555)	29,555
INDUSTRY ASSOCIATION DUES			(1,142)			441				(701)	701
TALLAHASSEE LIAISON EXPENSES			(429,013)		(20,806)	173,518				(276,301)	276,301
DEPRECIATION CREDIT ADJUSTMENT						0				0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,516,656)	585,050				(931,606)	931,606
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						(1,357)			3,519	2,162	(2,162)
INTEREST SYNCHRONIZATION						6,045,841				6,045,841	(6,045,841)
TOTAL FPSC ADJUSTMENTS	(773,210,978)	(537,309,773)	(44,310,755)	(40,061,189)	(78,527,937)	(22,115,778)	0	0	3,519	(722,321,914)	(50,889,064)
FPSC ADJUSTED	568,111,421	0	288,230,720	83,703,437	34,492,409	(15,049,541)	65,792,515	(644,006)	3,519	456,529,053	111,582,368
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	568,111,421	0	288,230,720	83,703,437	34,492,409	(15,049,541)	65,792,515	(644,006)	3,519	456,529,053	111,582,368
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				21,066,355	AND THE JURISDICTIONAL NOI BY	20,576,942					
CURRENT MONTH SYSTEM PER BOOKS	142,508,584	59,082,040	29,943,894	13,544,055	10,423,873	7,228,352	2,439,732	(58,495)	0	122,603,451	19,905,133
CURRENT MONTH JURISDICTIONAL PER BOOKS	126,624,681	49,820,512	27,470,995	12,596,940	10,264,217	6,671,606	1,997,225	(30,373)	0	108,791,122	17,833,559

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
June, 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	(1,049,025,810)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(574,118,356)	(221,466,156)
ACCUMULATED DEPRECIATION	178,404,962	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(146,866,680)	(56,653,822)
CWIP	(17,528,607)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(86,536,726)	(33,381,542)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(12,308,059)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,140,602)	(6,997,737)
ACCUMULATED DEPRECIATION	(6,879,255)	FUEL EXPENSE	(570,477,810)	220,061,815
CWIP	(5,769)	PURCHASED POWER CAPACITY COST EXPENSE	(89,092,612)	34,367,475
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(40,893,201)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(16,065,050)	6,197,093
FAS 143 NET PLANT	(20,681,201)	CONSERVATION EXPENSES - OTHER TAXES	(359,356)	138,622
INTEREST BEARING CWIP	(374,773,981)	ENVIRONMENTAL COST RECOVERY EXPENSE	(72,095,145)	27,810,702
PHFU - NORTH ESCAMBIA	(12,997,331)	FRANCHISE FEE REVENUES	(43,001,171)	(16,587,702)
WORKING CAPITAL:		FRANCHISE FEE	(41,895,083)	16,161,028
ECRC WORKING CAPITAL	(6,778,696)	GROSS RECEIPTS TAX REVENUES	(32,281,915)	(12,452,749)
CONSERVATION/AEM INVENTORY	(1,199,176)	GROSS RECEIPTS TAX EXPENSE	(31,881,972)	12,298,471
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(260,070)	MARKETING SUPPORT ACTIVITIES	(207,019)	79,857
FUNDED PROPERTY INSURANCE RESERVE	0	WHOLESALE EXPENSE	(188,790)	72,826
LOANS TO EMPLOYEES AND RETIREES	(41,199)	INSTITUTIONAL ADVERTISING EXPENSE	(332,121)	128,115
INTEREST & DIVIDENDS RECEIVABLE	(43,731)	ECONOMIC DEVELOPMENT EXPENSE	(62,268)	24,020
NORTH ESCAMBIA SITE	(4,601,576)	MGMT FINANCIAL PLANNING SERVICES	(35,065)	13,526
UNAMORTIZED RATE CASE EXPENSE	(4,090,738)	DIRECTORS' & OFFICERS' INSURANCE	(49,178)	18,970
FUEL RELATED DEFERRED DEBITS	(50,807,575)	INDUSTRY ASSOCIATION DUES	(1,165)	449
UNREALIZED LOSS ON FWD CONTRACT	2,112	TALLAHASSEE LIAISON EXPENSE	(459,756)	177,351
ACCUM. PROV. FOR RATE REFUNDS	0	DEPRECIATION CREDIT ADJUSTMENT	0	0
FAS 143 WORKING CAPITAL	32,034,583	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,516,656)	585,050
FAS 158 REGULATORY ASSETS	(112,697,366)	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFIN. ESC REV	(80,036)	(30,874)
FAS 158 REGULATORY LIABILITIES	112,697,366	GAIN/LOSS ON DISPOSITION OF PROPERTY	3,699	(1,427)
PPA REGULATORY ASSETS	(185,065,336)	INTEREST SYNCHRONIZATION	6,464,661	6,464,661
PPA REGULATORY LIABILITIES	185,065,336			
FAS 133 REGULATORY ASSETS	(56,892,950)			
FAS 133 REGULATORY LIABILITIES	56,892,950			

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

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	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	4,744,927,837	1,566,024,098	3,178,903,740	14,756,744	385,042,605	0	3,578,703,088	248,680,756	3,827,383,844
JURISDICTIONAL PER BOOKS	4,184,593,965	1,415,096,927	2,769,497,038	14,325,038	375,107,565	0	3,158,929,641	263,837,963	3,422,767,604
<u>FPSC ADJUSTMENTS:</u>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,019,606,475)	(192,025,966)	(827,580,509)		(19,583,759)		(847,164,268)	(6,580,950)	(853,745,218)
INT BEARING CWIP					(323,717,254)		(323,717,254)	0	(323,717,254)
ENERGY CONSERVATION CLAUSE	(12,752,609)	7,161,773	(19,914,382)				(19,914,382)	(1,199,176)	(21,113,558)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(174,651,870)		(174,651,870)				(174,651,870)	0	(174,651,870)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(1,691,602)	(1,691,602)
LOANS TO EMPLOYEES AND RETIREES								(39,476)	(39,476)
INTEREST AND DIVIDENDS RECEIVABLE								(41,902)	(41,902)
FUNDED PROP RES. N. ESCAMBIA SITE, & OTHER INV.				(12,661,331)			(12,661,331)	(4,408,934)	(17,070,265)
FUEL RELATED DEFERRED DEBITS								(50,807,575)	(50,807,575)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(3,919,482)	(3,919,482)
TOTAL FPSC ADJUSTMENTS	(1,207,010,954)	(184,864,193)	(1,022,146,761)	(12,661,331)	(343,301,013)	0	(1,378,109,105)	(68,689,097)	(1,446,798,201)
FPSC ADJUSTED	2,977,583,011	1,230,232,734	1,747,350,277	1,663,707	31,806,552	0	1,780,820,536	195,148,867	1,975,969,403
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	2,977,583,011	1,230,232,734	1,747,350,277	1,663,707	31,806,552	0	1,780,820,536	195,148,867	1,975,969,403

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
June, 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	1,541,146,024	659,464,539	353,173,550	134,939,030	115,016,314	1,862,204	85,790,347	(986,922)	0	1,349,259,062	191,886,962 (a)
JURISDICTIONAL PER BOOKS	1,341,322,399	537,309,773	332,541,475	123,764,626	113,020,346	7,069,780	65,781,465	(644,006)	0	1,178,843,460	162,478,939 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(450,991,502)	(450,643,068)					(134,408)			(450,777,476)	(214,025)
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(86,207,028)	(86,483,499)					106,649			(86,376,850)	169,822
ENERGY CONSERVATION COST REVENUES & EXPENSES	(18,140,602)		(15,716,005)	(349,045)	(359,356)		(662,023)			(17,086,429)	(1,054,173)
ENVIRONMENTAL COST RECOVERY CLAUSE	(142,588,760)		(27,487,181)	(39,712,144)	(2,854,063)		(27,980,520)			(98,033,908)	(44,554,852)
FRANCHISE FEE REVENUE & EXPENSE	(43,001,171)				(41,895,083)		(426,674)			(42,321,757)	(679,414)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,281,915)				(31,881,972)		(154,278)			(32,036,250)	(245,665)
MARKETING SUPPORT ACTIVITIES			(207,019)				79,857			(127,162)	127,162
WHOLESALE EXPENSES		(183,206)					70,672			(112,534)	112,534
INSTITUTIONAL ADVERTISING EXPENSE			(325,704)				125,640			(200,064)	200,064
ECONOMIC DEVELOPMENT EXPENSE			(62,268)				24,019			(38,249)	38,249
MGMT FINANCIAL PLANNING SERVICES			(34,308)				13,234			(21,074)	21,074
DIRECTORS' & OFFICERS' INSURANCE			(48,116)				18,561			(29,555)	29,555
INDUSTRY ASSOCIATION DUES			(1,142)				441			(701)	701
TALLAHASSEE LIAISON EXPENSES			(429,013)		(20,806)		173,518			(276,301)	276,301
DEPRECIATION CREDIT ADJUSTMENT							0			0	0
GRT, FPSC FEES ON CLAUSES & FEES					(1,516,656)		585,050			(931,606)	931,606
(GAIN) / LOSS ON DISPOSITION OF PROPERTY							(1,357)		3,519	2,162	(2,162)
INTEREST SYNCRONIZATION							6,062,008			6,062,008	(6,062,008)
TOTAL FPSC ADJUSTMENTS	(773,210,978)	(537,309,773)	(44,310,755)	(40,061,189)	(78,527,937)	(22,099,611)	0	0	3,519	(722,305,747)	(50,905,231)
FPSC ADJUSTED	568,111,421	0	288,230,720	83,703,437	34,492,409	(15,029,831)	65,781,465	(644,006)	3,519	456,537,713	111,573,708
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	568,111,421	0	288,230,720	83,703,437	34,492,409	(15,029,831)	65,781,465	(644,006)	3,519	456,537,713	111,573,708

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY

21,066,355

AND THE JURISDICTIONAL NOI BY

20,576,942

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

SCHEDULE 3
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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	(1,050,112,526)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(574,118,356)	(221,466,156)
ACCUMULATED DEPRECIATION	197,771,274	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(146,866,680)	(56,653,822)
CWIP	(20,169,694)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(86,536,726)	(33,381,542)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(12,752,609)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,140,602)	(6,997,737)
ACCUMULATED DEPRECIATION	(7,161,773)	FUEL EXPENSE	(570,477,810)	220,061,815
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(89,092,612)	34,367,475
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(174,651,870)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(16,065,050)	6,197,093
FAS 143 NET PLANT	(87,252,385)	CONSERVATION EXPENSES - OTHER TAXES	(359,356)	138,622
INTEREST BEARING CWIP	(331,416,712)	ENVIRONMENTAL COST RECOVERY EXPENSE	(72,095,145)	27,810,702
PHFU - NORTH ESCAMBIA	(13,042,899)	FRANCHISE FEE REVENUES	(43,001,171)	(16,587,702)
WORKING CAPITAL:		FRANCHISE FEE	(41,895,083)	16,161,028
ECRC WORKING CAPITAL	(6,778,696)	GROSS RECEIPTS TAX REVENUES	(32,281,915)	(12,452,749)
CONSERVATION/AEM INVENTORY	(1,199,176)	GROSS RECEIPTS TAX EXPENSE	(31,881,972)	12,298,471
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(260,070)	MARKETING SUPPORT ACTIVITIES	(207,019)	79,857
FUNDED PROPERTY INSURANCE RESERVE	0	WHOLESALE EXPENSE	(188,790)	72,826
LOANS TO EMPLOYEES AND RETIREES	(41,199)	INSTITUTIONAL ADVERTISING EXPENSE	(332,121)	128,115
INTEREST & DIVIDENDS RECEIVABLE	(43,731)	ECONOMIC DEVELOPMENT EXPENSE	(62,268)	24,020
NORTH ESCAMBIA SITE	(4,601,576)	MGMT FINANCIAL PLANNING SERVICES	(35,065)	13,526
UNAMORTIZED RATE CASE EXPENSE	(4,090,738)	DIRECTORS' & OFFICERS' INSURANCE	(49,178)	18,970
FUEL RELATED DEFERRED DEBITS	(50,807,575)	INDUSTRY ASSOCIATION DUES	(1,165)	449
UNREALIZED LOSS ON FWD CONTRACT	2,112	TALLAHASSEE LIAISON EXPENSE	(459,756)	177,351
ACCUM. PROV. FOR RATE REFUNDS	0	DEPRECIATION CREDIT ADJUSTMENT	0	0
FAS 143 WORKING CAPITAL	32,034,583	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,516,656)	585,050
FAS 158 REGULATORY ASSETS	(112,697,366)	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFM. ESC REV	(80,036)	(30,874)
FAS 158 REGULATORY LIABILITIES	112,697,366	GAIN/LOSS ON DISPOSITION OF PROPERTY	3,699	(1,427)
PPA REGULATORY ASSETS	(185,065,336)	INTEREST SYNCHRONIZATION	6,523,812	6,523,812
PPA REGULATORY LIABILITIES	185,065,336			
FAS 133 REGULATORY ASSETS	(56,892,950)			
FAS 133 REGULATORY LIABILITIES	56,892,950			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
June, 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	1,321,907,445	1,213,550,618	(498,656,010)	0	714,894,608	36.44	4.48	1.63	4.48	1.63	4.48	1.63
SHORT TERM DEBT	100,755,778	41,867,797	(17,203,756)	0	24,664,041	1.26	0.28	0.00	0.28	0.00	0.28	0.00
PREFERENCE STOCK	146,503,864	134,485,249	(55,260,882)	0	79,224,367	4.04	6.14	0.25	6.14	0.25	6.14	0.25
CUSTOMER DEPOSITS	35,270,801	35,821,933	(14,719,470)	0	21,102,463	1.08	2.38	0.03	2.38	0.03	2.38	0.03
COMMON EQUITY	1,312,666,393	1,211,312,241	(497,736,246)	0	713,575,995	36.38	9.25	3.36	10.25	3.73	11.25	4.09
DEFERRED INCOME TAXES	792,454,757	738,476,867	(303,445,050)	0	435,031,817	22.18						
FASB 109 DEFERRED TAXES	(51,806,901)	(48,278,084)	19,837,785	0	(28,440,299)	(1.45)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	2,860,116	2,641,133	(1,085,259)	0	1,555,874	0.08	6.83	0.01	7.30	0.01	7.77	0.01
TOTAL	3,660,612,253	3,329,877,754	(1,368,268,888)	0	1,961,608,866	100.00 %		5.28 %		5.65 %		6.01 %

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	1,345,731,444	1,224,404,517	(517,553,763)	0	706,850,754	35.77	4.51	1.61	4.51	1.61	4.51	1.61
SHORT TERM DEBT	153,970,217	89,965,252	(38,028,163)	0	51,937,089	2.63	0.25	0.01	0.25	0.01	0.25	0.01
PREFERENCE STOCK	146,503,864	133,295,533	(56,343,801)	0	76,951,732	3.89	6.14	0.24	6.14	0.24	6.14	0.24
CUSTOMER DEPOSITS	35,616,972	35,788,683	(15,127,817)	0	20,660,866	1.05	2.86	0.03	2.86	0.03	2.86	0.03
COMMON EQUITY	1,340,786,426	1,208,524,057	(510,841,119)	0	697,682,938	35.31	9.25	3.27	10.25	3.62	11.25	3.97
DEFERRED INCOME TAXES	845,719,404	782,162,084	(330,618,618)	0	451,543,466	22.85						
FASB 109 DEFERRED TAXES	(58,093,445)	(53,727,618)	22,710,575	0	(31,017,043)	(1.57)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	2,432,420	2,355,096	(995,495)	0	1,359,601	0.07	6.83	0.00	7.30	0.01	7.77	0.01
TOTAL	3,812,667,301	3,422,767,604	(1,446,798,201)	0	1,975,969,403	100.00 %		5.16 %		5.51 %		5.87 %

GULF POWER COMPANY
Financial Integrity Indicators
June, 2015

A. Times Interest Earned with AFUDC

Earnings Before Interest	204,731,509
AFUDC - Debt	6,507,391
Income Taxes	87,496,512
	<hr/>
Total	298,735,413
Interest Charges (Before Deducting AFUDC - Debt)	60,795,644
	<hr/>
T.I.E. With AFUDC	4.91 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	204,731,509
AFUDC - Other	(14,558,964)
Income Taxes	87,496,512
	<hr/>
Total	277,669,058
Interest Charges (Before Deducting AFUDC - Debt)	60,795,644
	<hr/>
T.I.E. Without AFUDC	4.57 x

C. Percent AFUDC To Net Income Available
for Common Stockholders

AFUDC - Debt	6,507,391
X (1 - Income Tax Rate)	0.61425
	<hr/>
Subtotal	3,997,165
AFUDC - Other	14,558,964
	<hr/>
Total	18,556,129
	<hr/>
Net Income Available for Common Stockholders	141,440,756
Percent AFUDC to Available Net Income	13.12%

D. Percent Internally Generated Funds

Net Income	150,443,256
Preference Dividends	(9,002,500)
Common Dividends	(126,680,000)
AFUDC (Debt & Other)	(21,066,355)
Depreciation & Amortization	143,874,993
Deferred Income Taxes	85,761,495
Investment Tax Credits	0
Other	(60,642,103)
	<hr/>
Total	162,688,785
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	329,714,353
	<hr/>
Percent Internally Generated Funds	49.34%

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	714,894,608
Short Term Debt	24,664,041
Preference Stock	79,224,367
Common Equity	713,575,995
	<hr/>
Total	1,532,359,011
	<hr/>
% Long Term Debt To Total	46.65%
	<hr/>
% Short Term Debt To Total	1.61%

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.69%	5.69%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.63)	(1.63)
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	(1.92)	(1.92)
	<hr/>	<hr/>
Total	3.77	3.77
Divided by Common Equity Ratio	36.38	36.38
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	10.37%	10.37%

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
June, 2015

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
July	2014	291,667
August	2014	291,667
September	2014	291,667
October	2014	291,667
November	2014	291,667
December	2014	291,667
January	2015	291,663
February	2015	291,667
March	2015	291,667
April	2015	291,667
May	2015	291,667
June	2015	291,667
12 - M-T-D		<u><u>3,500,000</u></u>

