



**Rhonda J. Alexander**  
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June 15, 2018

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:

Attached is Gulf Power Company's Jurisdictional Rate of Return Report for the month of April, 2018.

Sincerely,

A handwritten signature in blue ink that reads "Rhonda J. Alexander".

Rhonda J. Alexander  
Regulatory, Forecasting and Pricing Manager

md

Attachment

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

GOV 2-1-5-3

**April 2018**

Earnings Surveillance  
Report  
(Rate of Return)



**Gulf Power**

**GULF POWER COMPANY**  
Earnings Surveillance Report Summary  
April, 2018

	(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	197,479,470	(55,477,418)	142,002,052	0	142,002,052
Average Rate Base	3,752,449,369	(1,344,294,576)	2,408,154,793	0	2,408,154,793
Average Rate of Return	5.26%		5.90%		5.90%
<b>II. Year End Rate of Return (Jurisdictional)</b>					
	(a)	(b)			
Net Operating Income	197,446,958	(54,755,060)	142,691,898	0	142,691,898
Year End Rate Base	3,840,800,439	(1,341,851,439)	2,498,948,999	0	2,498,948,999
Year End Rate of Return	5.14%		5.71%		5.71%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

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

Low	5.16%
Midpoint	5.57%
High	5.98%

**IV. Financial Integrity Indicators**

A. Tie With AFUDC	5.65	x (System per Books Basis)
B. Tie Without AFUDC	5.65	x (System per Books Basis)
C. AFUDC To Net Income	0.07%	(System per Books Basis)
D. Internally Generated Funds	89.63%	(System per Books Basis)
E. LTD To Total Investor Funds	43.94%	(FPSC Adjusted Basis)
F. STD To Total Investor Funds	0.67%	(FPSC Adjusted Basis)
G. Return on Common Equity	11.05%	(FPSC Adjusted Basis)
H. Return on Common Equity	11.05%	(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

Robin B. Boren  
Chief Financial Officer & Treasurer

Signature



Date

06-15-2018

GULF POWER COMPANY  
 AVERAGE RATE OF RETURN  
 RATE BASE  
 April, 2018

	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>	5,171,807,764	1,690,614,659	3,481,193,105	14,407,795	80,265,842	0	3,575,866,742	252,703,714	3,826,570,456
<b>JURISDICTIONAL PER BOOKS</b>	5,003,431,508	1,655,532,315	3,347,899,193	14,005,544	78,089,581	0	3,439,994,318	312,455,051	3,752,449,369
<b>FPSC ADJUSTMENTS:</b>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,545,686,725)	(307,324,322)	(1,238,362,403)		(18,836,918)		(1,257,199,321)	(26,877,850)	(1,284,077,171)
INT BEARING CWIP					(2,200,428)		(2,200,428)	0	(2,200,428)
ENERGY CONSERVATION CLAUSE	(15,961,812)	7,740,414	(23,702,226)				(23,702,226)	(662,698)	(24,364,924)
LOANS TO EMPLOYEES / RETIREES								(29,614)	(29,614)
INTEREST AND DIVIDENDS RECEIVABLE								(420,266)	(420,266)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,342,214)			(12,342,214)	(3,317,534)	(15,659,748)
FUEL RELATED DEFERRED DEBITS								0	0
FLAME RESISTANT CLOTHING								(14,503,045)	(14,503,045)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								0	0
SALE OF RAILCARS								(3,039,380)	(3,039,380)
								0	0
<b>TOTAL FPSC ADJUSTMENTS</b>	(1,561,648,537)	(299,563,908)	(1,262,064,629)	(12,342,214)	(21,037,346)	0	(1,295,444,189)	(48,850,387)	(1,344,294,576)
<b>FPSC ADJUSTED</b>	3,441,782,971	1,355,948,407	2,085,834,564	1,663,330	57,052,235	0	2,144,550,129	263,604,664	2,408,154,793
<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>	3,441,782,971	1,355,948,407	2,085,834,564	1,663,330	57,052,235	0	2,144,550,129	263,604,664	2,408,154,793

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
INCOME STATEMENT  
April, 2018

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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	1,499,273,859	575,593,595	329,391,549	170,954,545	119,684,321	28,295,664	55,573,086	(370,687)	0	1,278,222,073	221,051,486 (a)
JURISDICTIONAL PER BOOKS	1,351,730,114	482,335,316	322,665,661	169,689,786	118,755,080	28,844,789	52,436,571	(354,068)	0	1,154,373,135	197,366,980 (a)
LESS FPSC ADJUSTMENTS:	(360,706,244)	(378,349,888)				6,153,224				(372,196,664)	11,490,419
RETAIL FUEL REVENUES & EXPENSES	(77,024,934)	(83,965,428)				2,427,474				(81,557,954)	4,533,020
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(11,473,841)		(8,456,040)	(720,565)	(337,721)	(683,381)				(10,197,707)	(1,276,134)
ENERGY CONSERVATION COST REVENUES & EXPENSES	(194,495,787)		(35,660,845)	(52,610,164)	(7,070,288)	(34,580,115)				(129,821,622)	(64,574,276)
ENVIRONMENTAL COST RECOVERY CLAUSE	(44,134,253)				(43,734,066)	(139,565)				(43,873,631)	(260,622)
FRANCHISE FEE REVENUE & EXPENSE	(32,400,320)				(31,962,215)	(152,790)				(32,115,005)	(285,315)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT						37,044				(69,176)	69,176
MARKETING SUPPORT ACTIVITIES			(106,220)			81,413				(152,028)	152,028
WHOLESALE EXPENSES			(233,441)			44,107				(82,366)	82,366
INSTITUTIONAL ADVERTISING EXPENSE			(126,473)			22,459				(41,939)	41,939
ECONOMIC DEVELOPMENT EXPENSE			(64,398)			16,858				(31,480)	31,480
MGMT FINANCIAL PLANNING SERVICES			(48,338)			12,366				(23,091)	23,091
DIRECTORS' & OFFICERS' INSURANCE			(35,457)			453				(647)	647
INDUSTRY ASSOCIATION DUES			(1,300)			170,680				(318,743)	318,743
TALLAHASSEE LIAISON EXPENSES			(467,539)		(21,894)	509,228				(950,922)	950,922
GRT, FPSC FEES ON CLAUSES & FEES					(1,460,150)	14,945			(42,852)	(27,907)	27,907
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						6,680,519				6,680,519	(6,680,519)
INTEREST SYNCHRONIZATION						(19,385,071)		0	(42,852)	(664,880,462)	(55,354,928)
TOTAL FPSC ADJUSTMENTS	(720,235,389)	(462,335,316)	(45,200,151)	(53,330,729)	(84,586,343)	(19,385,071)	0	0	(42,852)	(664,880,462)	(55,354,928)
FPSC ADJUSTED	631,494,725	0	277,465,510	116,359,057	34,168,737	9,459,718	52,436,571	(354,068)	(42,852)	489,492,673	142,002,052
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	631,494,725	0	277,465,510	116,359,057	34,168,737	9,459,718	52,436,571	(354,068)	(42,852)	489,492,673	142,002,052
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY			125,061			122,490					
CURRENT MONTH SYSTEM PER BOOKS	94,025,049	34,743,342	24,994,235	15,843,701	8,666,002	83,767	(4,844,104)	(27,018)	0	79,459,925	14,565,124
CURRENT MONTH JURISDICTIONAL PER BOOKS	88,383,247	31,948,275	23,585,425	15,500,925	8,592,842	5,061,892	(3,768,003)	(26,531)	0	80,895,826	7,487,422

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY  
AVERAGE RATE OF RETURN  
SYSTEM ADJUSTMENTS  
April, 2018

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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	(1,590,324,091)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(471,970,490)	(164,599,812)
ACCUMULATED DEPRECIATION	316,199,437	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(200,402,678)	(69,890,478)
CWIP	(19,380,903)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(77,061,594)	(26,875,248)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(15,961,812)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(11,473,841)	(4,001,505)
ACCUMULATED DEPRECIATION	(7,740,414)	FUEL EXPENSE	(489,139,946)	170,587,663
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(86,415,850)	30,137,547
FAS 143 NET PLANT	(45,765,060)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(9,176,605)	3,200,343
INTEREST BEARING CWIP	(2,246,614)	CONSERVATION EXPENSES - OTHER TAXES	(337,721)	117,780
PHFU - NORTH ESCAMBIA	(12,696,693)	ENVIRONMENTAL COST RECOVERY EXPENSE	(98,036,685)	34,190,315
WORKING CAPITAL:		FRANCHISE FEE REVENUES	(44,134,253)	(15,391,830)
ECRC WORKING CAPITAL	(27,654,047)	FRANCHISE FEE	(43,734,066)	15,252,265
CONSERVATION/AEM INVENTORY	(662,698)	GROSS RECEIPTS TAX REVENUES	(32,400,320)	(11,299,619)
FUNDED PROPERTY INSURANCE RESERVE	0	GROSS RECEIPTS TAX EXPENSE	(31,962,215)	11,146,829
LOANS TO EMPLOYEES AND RETIREES	(30,136)	MARKETING SUPPORT ACTIVITIES	(106,220)	37,044
INTEREST & DIVIDENDS RECEIVABLE	(427,671)	WHOLESALE EXPENSES	(240,238)	83,783
NORTH ESCAMBIA SITE	(3,375,806)	INSTITUTIONAL ADVERTISING EXPENSE	(126,888)	44,950
UNAMORTIZED RATE CASE EXPENSE	(3,092,766)	ECONOMIC DEVELOPMENT EXPENSE	(64,398)	22,459
FUEL RELATED DEFERRED DEBITS	(14,503,045)	MGMT FINANCIAL PLANNING SERVICES	(49,351)	17,211
UNREALIZED LOSS ON FWD CONTRACT	(6,456)	DIRECTORS' & OFFICERS' INSURANCE	(36,200)	12,625
ACCUM. PROV. FOR RATE REFUNDS	0	INDUSTRY ASSOCIATION DUES	(1,325)	462
FAS 143 WORKING CAPITAL	56,140,852	TALLAHASSEE LIAISON EXPENSE	(499,678)	174,263
FAS 158 REGULATORY ASSETS	(165,378,385)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,460,150)	509,228
FAS 158 REGULATORY LIABILITIES	165,378,385	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFV. ESC REV	(4,641)	(1,618)
PPA REGULATORY ASSETS	(122,766,114)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(44,083)	15,374
PPA REGULATORY LIABILITIES	122,766,114	INTEREST SYNCHRONIZATION	6,662,141	6,662,141
FAS 133 REGULATORY ASSETS	(23,101,426)			
FAS 133 REGULATORY LIABILITIES	23,101,426			

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
RATE BASE  
April, 2018

	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	5,245,666,400	1,719,465,866	3,526,220,534	14,111,047	109,889,457	0	3,650,221,038	252,703,714	3,902,924,752
JURISDICTIONAL PER BOOKS	5,096,116,111	1,689,812,999	3,406,303,202	13,717,080	107,408,122	0	3,527,428,404	313,372,034	3,840,800,439
<u>FPSC ADJUSTMENTS:</u>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,558,760,921)	(332,693,486)	(1,226,067,435)		(28,672,327)		(1,254,739,762)	(26,877,850)	(1,281,617,612)
INT BEARING CWIP					(2,279,337)		(2,279,337)	0	(2,279,337)
ENERGY CONSERVATION CLAUSE	(16,593,610)	7,334,592	(23,928,202)		(23,928,202)		(23,928,202)	(662,698)	(24,590,900)
LOANS TO EMPLOYEES AND RETIREES								(29,614)	(29,614)
INTEREST AND DIVIDENDS RECEIVABLE								(420,266)	(420,266)
FUNDED PROP RES. N. ESCAMBIA SITE, & OTHER INV.				(12,053,751)			(12,053,751)	(3,317,534)	(15,371,285)
FUEL RELATED DEFERRED DEBITS								(14,503,045)	(14,503,045)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(3,039,380)	(3,039,380)
<b>TOTAL FPSC ADJUSTMENTS</b>	<b>(1,575,354,531)</b>	<b>(325,358,894)</b>	<b>(1,249,995,637)</b>	<b>(12,053,751)</b>	<b>(30,951,664)</b>	<b>0</b>	<b>(1,293,001,052)</b>	<b>(48,850,387)</b>	<b>(1,341,851,439)</b>
FPSC ADJUSTED	3,520,761,580	1,364,454,015	2,156,307,565	1,663,329	76,456,458	0	2,234,427,352	264,521,647	2,498,948,999
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	3,520,761,580	1,364,454,015	2,156,307,565	1,663,329	76,456,458	0	2,234,427,352	264,521,647	2,498,948,999

GULF POWER COMPANY  
YEAR END RATE OF RETURN  
INCOME STATEMENT  
April, 2018

	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	1,489,273,559	575,593,595	329,391,549	170,054,545	119,684,321	28,295,664	55,573,088	(370,687)	0	1,278,222,073	221,051,486 (a)
JURISDICTIONAL PER BOOKS	1,351,730,114	462,335,316	322,665,661	169,689,786	118,755,080	28,846,453	52,467,419	(354,068)	0	1,154,405,647	197,324,468 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(380,706,244)	(378,349,888)				6,153,224				(372,196,664)	11,490,419
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(77,024,934)	(83,985,428)				2,427,474				(81,557,954)	4,533,020
ENERGY CONSERVATION COST REVENUES & EXPENSES	(11,473,841)		(8,456,040)	(750,565)	(337,721)	(683,381)				(10,197,707)	(1,276,134)
ENVIRONMENTAL COST RECOVERY CLAUSE	(194,485,797)		(35,660,945)	(52,610,164)	(7,070,298)	(34,580,115)				(129,821,522)	(64,574,275)
FRANCHISE FEE REVENUE & EXPENSE	(44,134,253)				(43,734,066)	(139,565)				(43,873,631)	(260,622)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,400,320)				(31,962,215)	(152,790)				(32,115,005)	(285,315)
MARKETING SUPPORT ACTIVITIES			(106,220)			37,044				(69,176)	69,176
WHOLESALE EXPENSES			(233,441)			81,413				(152,028)	152,028
INSTITUTIONAL ADVERTISING EXPENSE			(126,473)			44,107				(82,366)	82,366
ECONOMIC DEVELOPMENT EXPENSE			(64,398)			22,459				(41,939)	41,939
MGMT FINANCIAL PLANNING SERVICES			(48,338)			16,858				(31,480)	31,480
DIRECTORS' & OFFICERS' INSURANCE			(35,457)			12,366				(23,091)	23,091
INDUSTRY ASSOCIATION DUES			(1,300)			453				(847)	847
TALLAHASSEE LIAISON EXPENSES			(467,538)		(21,894)	170,690				(318,743)	318,743
GRT, FPSC FEES ON CLAUSES & FEES					(1,460,150)	509,228				(950,922)	950,922
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						14,945			(42,852)	(27,907)	27,907
INTEREST SYNCRONIZATION						5,958,161				5,958,161	(5,958,161)
TOTAL FPSC ADJUSTMENTS	(720,235,389)	(462,335,316)	(45,200,151)	(53,330,729)	(84,586,343)	(20,107,429)	0	0	(42,852)	(665,602,820)	(54,632,570)
FPSC ADJUSTED	631,494,725	0	277,465,510	116,359,057	34,168,737	8,739,024	52,467,419	(354,068)	(42,852)	488,802,827	142,691,898
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	631,494,725	0	277,465,510	116,359,057	34,168,737	8,739,024	52,467,419	(354,068)	(42,852)	488,802,827	142,691,898
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				125,061	AND THE JURISDICTIONAL NOI BY	122,490					



GULF POWER COMPANY  
YEAR END RATE OF RETURN  
SYSTEM ADJUSTMENTS  
April, 2018

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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	(1,603,813,460)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(471,970,490)	(164,599,812)
ACCUMULATED DEPRECIATION	342,309,255	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(200,402,678)	(69,890,478)
CWIP	(29,501,037)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(77,061,594)	(26,875,248)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(18,593,610)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(11,473,841)	(4,001,505)
ACCUMULATED DEPRECIATION	(7,334,592)	FUEL EXPENSE	(489,139,946)	170,587,663
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(86,415,850)	30,137,547
FAS 143 NET PLANT	(44,036,465)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(9,176,605)	3,200,343
INTEREST BEARING CWIP	(2,327,179)	CONSERVATION EXPENSES - OTHER TAXES	(337,721)	117,780
PHFU - NORTH ESCAMBIA	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(98,036,685)	34,190,315
		FRANCHISE FEE REVENUES	(44,134,253)	(15,391,830)
		FRANCHISE FEE	(43,734,066)	15,252,265
		GROSS RECEIPTS TAX REVENUES	(32,400,320)	(11,299,619)
		GROSS RECEIPTS TAX EXPENSE	(31,962,215)	11,146,829
WORKING CAPITAL:		MARKETING SUPPORT ACTIVITIES	(106,220)	37,044
ECRC WORKING CAPITAL	(27,654,047)	WHOLESALE EXPENSES	(240,238)	83,783
CONSERVATION/AEM INVENTORY	(662,698)	INSTITUTIONAL ADVERTISING EXPENSE	(128,888)	44,950
FUNDED PROPERTY INSURANCE RESERVE	0	ECONOMIC DEVELOPMENT EXPENSE	(64,398)	22,459
LOANS TO EMPLOYEES AND RETIREES	(30,136)	MGMT FINANCIAL PLANNING SERVICES	(49,351)	17,211
INTEREST & DIVIDENDS RECEIVABLE	(427,671)	DIRECTORS' & OFFICERS' INSURANCE	(36,200)	12,625
NORTH ESCAMBIA SITE	(3,375,806)	INDUSTRY ASSOCIATION DUES	(1,325)	462
UNAMORTIZED RATE CASE EXPENSE	(3,092,766)	TALLAHASSEE LIAISON EXPENSE	(499,678)	174,263
FUEL RELATED DEFERRED DEBITS	(14,503,045)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,460,150)	509,228
UNREALIZED LOSS ON FWD CONTRACT	(6,456)	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFV. ESC REV	(4,641)	(1,618)
ACCUM. PROV. FOR RATE REFUNDS	0	GAIN/LOSS ON DISPOSITION OF PROPERTY	(44,083)	15,374
FAS 143 WORKING CAPITAL	56,140,852	INTEREST SYNCHRONIZATION	5,919,080	5,919,080
FAS 158 REGULATORY ASSETS	(165,378,385)			
FAS 158 REGULATORY LIABILITIES	165,378,385			
PPA REGULATORY ASSETS	(122,766,114)			
PPA REGULATORY LIABILITIES	122,766,114			
FAS 133 REGULATORY ASSETS	(23,101,426)			
FAS 133 REGULATORY LIABILITIES	23,101,426			

GULF POWER COMPANY  
CAPITAL STRUCTURE  
FPSC ADJUSTED BASIS  
April, 2018

SCHEDULE 4

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 (%)
LONG TERM DEBT	1,262,375,778	1,238,116,902	(443,548,646)	0	794,568,256	32.99	3.90	1.29	3.90	1.29	3.90	1.29
SHORT TERM DEBT	34,063,695	19,005,986	(6,808,791)	0	12,197,195	0.51	3.25	0.02	3.25	0.02	3.25	0.02
PREFERENCE STOCK	22,539,126	21,827,541	(7,819,598)	0	14,007,943	0.58	6.14	0.04	6.14	0.04	6.14	0.04
CUSTOMER DEPOSITS	35,014,831	34,971,514	(12,528,355)	0	22,443,159	0.93	2.29	0.02	2.29	0.02	2.29	0.02
COMMON EQUITY	1,547,780,013	1,538,939,100	(551,316,562)	0	987,622,538	41.01	9.25	3.79	10.25	4.20	11.25	4.61
DEFERRED INCOME TAXES	810,844,451	795,689,535	(285,051,448)	0	510,638,087	21.20	0	0	0	0	0	0
FASB 109 DEFERRED TAXES	104,692,864	102,736,122	(36,804,656)	0	65,931,466	2.74	0	0	0	0	0	0
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00	6.86	0.00	7.41	0.00	7.96	0.00
TAX CREDITS - WEIGHTED COST	1,246,210	1,162,669	(416,520)	0	746,149	0.03	0	0	0	0	0	0
TOTAL	3,818,556,988	3,752,449,369	(1,344,294,576)	0	2,408,154,793	100.00	5.16	5.16	5.16	5.57	5.57	5.98

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 (%)
LONG TERM DEBT	1,268,635,441	1,277,621,690	(446,359,693)	0	831,261,997	33.26	3.92	1.30	3.92	1.30	3.92	1.30
SHORT TERM DEBT	49,979,839	35,728,090	(12,482,239)	0	23,245,851	0.93	3.77	0.04	3.77	0.04	3.77	0.04
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	34,974,724	35,742,985	(12,487,443)	0	23,255,542	0.93	2.21	0.02	2.21	0.02	2.21	0.02
COMMON EQUITY	1,543,247,660	1,590,373,766	(555,625,152)	0	1,034,748,614	41.41	9.25	3.83	10.25	4.24	11.25	4.66
DEFERRED INCOME TAXES	539,991,233	543,816,204	(189,991,791)	0	353,824,413	14.16	0	0	0	0	0	0
FASB 109 DEFERRED TAXES	353,935,066	356,442,128	(124,529,350)	0	231,912,778	9.28	0	0	0	0	0	0
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00	6.88	0.00	7.43	0.00	7.99	0.00
TAX CREDITS - WEIGHTED COST	1,068,011	1,075,575	(375,771)	0	699,804	0.03	0	0	0	0	0	0
TOTAL	3,791,631,974	3,840,800,439	(1,341,651,439)	0	2,498,948,999	100.00	5.19	5.19	5.19	5.61	5.61	6.02

GULF POWER COMPANY  
Financial Integrity Indicators  
April, 2018

## A. Times Interest Earned with AFUDC

Earnings Before Interest	214,669,207
AFUDC - Debt	38,631
Income Taxes	79,545,342
	<hr/>
Total	294,253,181
Interest Charges (Before Deducting AFUDC - Debt)	52,076,882
T.I.E. With AFUDC	<hr/> 5.65 x

## B. Times Interest Earned without AFUDC

Earnings Before Interest	214,669,207
AFUDC - Other	(86,430)
Income Taxes	79,545,342
	<hr/>
Total	294,128,119
Interest Charges (Before Deducting AFUDC - Debt)	52,076,882
T.I.E. Without AFUDC	<hr/> 5.65 x

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

AFUDC - Debt	38,631
X (1 - Income Tax Rate)	0.65835
	<hr/>
Subtotal	25,433
AFUDC - Other	86,430
	<hr/>
Total	111,863
	<hr/>
Net Income Available for Common Stockholders	161,430,622
Percent AFUDC to Available Net Income	<hr/> 0.07%

## D. Percent Internally Generated Funds

Net Income	162,630,957
Preference Dividends	(1,200,334)
Common Dividends	(139,468,000)
AFUDC (Debt & Other)	(125,061)
Depreciation & Amortization	179,928,379
Deferred Income Taxes	55,573,086
Investment Tax Credits	0
Other	(40,843,638)
	<hr/>
Total	216,495,388
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	241,537,443
	<hr/>
Percent Internally Generated Funds	<hr/> 89.63%

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	794,568,256
Short Term Debt	12,197,195
Preference Stock	14,007,943
Common Equity	987,622,538
	<hr/>
Total	1,808,395,932
	<hr/>
% Long Term Debt To Total	43.94%
	<hr/>
% Short Term Debt To Total	0.67%

G. FPSC Adjusted Average Jurisdictional Return  
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.90%	5.90%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.29)	(1.29)
Short Term Debt	(0.02)	(0.02)
Preference Stock	(0.04)	(0.04)
Customer Deposits	(0.02)	(0.02)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.00)	(0.00)
	<hr/>	<hr/>
Subtotal	(1.36)	(1.36)
	<hr/>	<hr/>
Total	4.53	4.53
Divided by Common Equity Ratio	41.01	41.01
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	11.05%	11.05%

GULF POWER COMPANY  
Storm Accrual - Twelve Month to Date  
April, 2018

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
May	2017	0
June	2017	0
July	2017	0
August	2017	0
September	2017	0
October	2017	0
November	2017	0
December	2017	2,624,999
January	2018	0
February	2018	0
March	2018	0
April	2018	0
<b>12 - M-T-D</b>		<b><u>2,624,999</u></b>