



Rhonda J. Alexander
Manager
Regulatory, Forecasting & Pricing

One Energy Place
Pensacola, FL 32520-0780
850 444 6743 tel
850 444 6026 fax
rjalexad@southernco.com

August 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 June, 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

June 2018

Earnings Surveillance
Report
(Rate of Return)



Gulf Power

GULF POWER COMPANY
Earnings Surveillance Report Summary
June 2018

	(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	186,061,305	(46,549,667)	139,511,637	0	139,511,637
Average Rate Base	3,750,269,463	(1,345,567,247)	2,404,702,215	0	2,404,702,215
Average Rate of Return	4.96%		5.80%		5.80%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	186,104,867	(46,920,051)	140,184,815	0	140,184,815
Year End Rate Base	3,822,062,098	(1,340,660,524)	2,481,401,574	0	2,481,401,574
Year End Rate of Return	4.87%		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	5.16%
Midpoint	5.57%
High	5.99%

IV. Financial Integrity Indicators

A. Tie With AFUDC	5.20 x (System per Books Basis)
B. Tie Without AFUDC	5.20 x (System per Books Basis)
C. AFUDC To Net Income	0.07% (System per Books Basis)
D. Internally Generated Funds	84.00% (System per Books Basis)
E. LTD To Total Investor Funds	44.36% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	0.78% (FPSC Adjusted Basis)
G. Return on Common Equity	10.80% (FPSC Adjusted Basis)
H. Return on Common Equity	10.80% (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
Robin B. Boren Chief Financial Officer & Treasurer		8/15/18

GULF POWER COMPANY
 AVERAGE RATE OF RETURN
 RATE BASE
 June 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	5,196,627,553	1,696,783,985	3,499,843,568	14,308,879	86,347,102	0	3,600,499,549	216,807,688	3,817,307,237
JURISDICTIONAL PER BOOKS	5,041,152,569	1,666,222,317	3,374,930,252	13,909,390	84,358,995	0	3,473,198,637	277,070,826	3,750,269,463
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,555,226,458)	(316,050,232)	(1,239,176,226)		(22,084,890)		(1,261,261,116)	(26,770,272)	(1,288,031,388)
INT BEARING CWIP					(2,225,933)		(2,225,933)	0	(2,225,933)
ENERGY CONSERVATION CLAUSE	(16,164,061)	7,625,658	(23,789,719)				(23,789,719)	(724,562)	(24,514,281)
LOANS TO EMPLOYEES / RETIREES							(27,802)	(476,808)	(27,802)
INTEREST AND DIVIDENDS RECEIVABLE								(476,808)	(476,808)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,246,060)			(12,246,060)	(2,734,584)	(14,980,644)
DEPRECIATION CREDIT ADJUSTMENT								0	0
FUEL RELATED DEFERRED DEBITS								(13,130,995)	(13,130,995)
FLAME RESISTANT CLOTHING								0	0
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(2,179,396)	(2,179,396)
SALE OF RAILCARS								0	0
TOTAL FPSC ADJUSTMENTS	(1,571,390,519)	(308,424,574)	(1,262,965,945)	(12,246,060)	(24,310,823)	0	(1,299,522,828)	(46,044,420)	(1,345,567,247)
FPSC ADJUSTED	3,469,762,050	1,357,797,743	2,111,964,307	1,663,330	60,048,172	0	2,173,675,809	231,026,406	2,404,702,215
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	3,469,762,050	1,357,797,743	2,111,964,307	1,663,330	60,048,172	0	2,173,675,809	231,026,406	2,404,702,215

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
June 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
	(a)										(a)
SYSTEM PER BOOKS	1,500,853,086	576,417,562	344,271,556	178,880,960	119,519,029	28,119,572	30,866,515	(359,073)	0	1,277,716,121	223,136,965
JURISDICTIONAL PER BOOKS	1,349,598,890	459,300,413	337,801,327	178,745,782	118,630,791	40,136,531	29,399,362	(352,604)	0	1,163,661,612	185,937,278
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(347,963,501)	(376,170,338)				9,190,840				(366,979,498)	19,015,997
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(74,825,656)	(83,130,075)				2,705,890				(80,424,185)	5,595,529
ENERGY CONSERVATION COST REVENUES & EXPENSES	(11,633,783)		(8,505,289)	(869,246)	(338,033)	(626,004)				(10,336,571)	(1,295,211)
ENVIRONMENTAL COST RECOVERY CLAUSE	(195,509,970)		(39,833,725)	(53,451,908)	(7,097,451)	(31,321,763)				(130,704,739)	(64,605,231)
FRANCHISE FEE REVENUE & EXPENSE	(44,400,732)				(43,983,706)	(135,883)				(44,119,589)	(381,143)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,482,677)				(32,018,871)	(151,126)				(32,169,997)	(312,680)
MARKETING SUPPORT ACTIVITIES			(104,570)			34,073				(70,497)	70,497
WHOLESALE EXPENSES			(216,530)			70,554				(145,976)	145,976
INSTITUTIONAL ADVERTISING EXPENSE			(204,325)			66,577				(137,748)	137,748
ECONOMIC DEVELOPMENT EXPENSE			(63,102)			20,561				(42,541)	42,541
MGMT FINANCIAL PLANNING SERVICES			(44,988)			14,659				(30,329)	30,329
DIRECTORS' & OFFICERS' INSURANCE			(35,368)			11,524				(23,844)	23,844
INDUSTRY ASSOCIATION DUES			(1,018)			332				(686)	686
TALLAHASSEE LIMSON EXPENSES			(464,389)			158,401				(327,734)	327,734
GRT, FPSC FEES ON CLAUSES & FEES					(21,746)	478,065				(989,123)	989,123
GRT, FPSC FEES ON DISPOSITION OF PROPERTY					(1,467,188)	15,821			(48,555)	(32,734)	32,734
INTEREST SYNCHRONIZATION						6,147,114				6,147,114	(6,147,114)
TOTAL FPSC ADJUSTMENTS	(706,816,318)	(459,300,413)	(48,473,305)	(54,321,046)	(84,926,994)	(13,320,365)	0	0	(48,555)	(660,390,678)	(46,325,640)
FPSC ADJUSTED	642,782,571	0	289,328,022	124,424,746	33,703,797	26,816,166	29,399,362	(352,604)	(48,555)	503,270,934	139,511,637
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	642,782,571	0	289,328,022	124,424,746	33,703,797	26,816,166	29,399,362	(352,604)	(48,555)	503,270,934	139,511,637
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				126,630			124,027				
CURRENT MONTH SYSTEM PER BOOKS	133,890,616	55,063,511	39,578,205	15,967,491	10,329,911	6,376,732	(8,940,710)	(27,018)	0	112,348,121	21,542,495
CURRENT MONTH JURISDICTIONAL PER BOOKS	120,213,307	44,034,303	32,009,100	15,626,431	10,257,043	11,611,811	(8,040,175)	(26,531)	0	105,471,982	14,741,325

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
June 2018

SCHEDULE 2
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	(1,600,182,724)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(462,933,535)	(150,841,026)
ACCUMULATED DEPRECIATION	325,186,161	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(201,440,611)	(65,636,870)
CWIP	(22,723,289)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(74,862,230)	(24,392,909)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(16,164,061)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(11,633,783)	(3,790,721)
ACCUMULATED DEPRECIATION	(7,625,658)	FUEL EXPENSE	(490,840,732)	159,934,232
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(85,539,932)	27,872,103
FAS 143 NET PLANT	(45,196,282)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(9,374,535)	3,054,573
INTEREST BEARING CWIP	(2,272,654)	CONSERVATION EXPENSES - OTHER TAXES	(338,033)	110,144
PHFU - NORTH ESCAMBIA	(12,597,777)	ENVIRONMENTAL COST RECOVERY EXPENSE	(102,186,518)	33,296,182
WORKING CAPITAL:		FRANCHISE FEE REVENUES	(44,400,732)	(14,467,416)
ECRC WORKING CAPITAL	(27,544,109)	FRANCHISE FEE	(43,983,706)	14,331,533
CONSERVATION/AEM INVENTORY	(724,562)	GROSS RECEIPTS TAX REVENUES	(32,482,677)	(10,584,069)
FUNDED PROPERTY INSURANCE RESERVE	(1)	GROSS RECEIPTS TAX EXPENSE	(32,018,871)	10,432,943
LOANS TO EMPLOYEES AND RETIREES	(28,292)	MARKETING SUPPORT ACTIVITIES	(104,570)	34,073
INTEREST & DIVIDENDS RECEIVABLE	(485,210)	WHOLESALE EXPENSES	(222,834)	72,608
NORTH ESCAMBIA SITE	(2,782,616)	INSTITUTIONAL ADVERTISING EXPENSE	(208,227)	67,848
UNAMORTIZED RATE CASE EXPENSE	(2,217,677)	ECONOMIC DEVELOPMENT EXPENSE	(63,103)	20,561
FUEL RELATED DEFERRED DEBITS	(13,130,995)	MGMT FINANCIAL PLANNING SERVICES	(45,931)	14,966
UNREALIZED LOSS ON FWD CONTRACT	(8,801)	DIRECTORS' & OFFICERS' INSURANCE	(36,109)	11,766
ACCUM. PROV. FOR RATE REFUNDS	0	INDUSTRY ASSOCIATION DUES	(1,038)	338
FAS 143 WORKING CAPITAL	55,466,686	TALLAHASSEE LIAISON EXPENSE	(496,310)	161,716
FAS 158 REGULATORY ASSETS	(165,586,267)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,467,188)	478,065
FAS 158 REGULATORY LIABILITIES	165,586,267	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFV. ESC REV	(8,468)	(2,759)
PPA REGULATORY ASSETS	(119,101,454)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(49,949)	16,275
PPA REGULATORY LIABILITIES	119,101,454	INTEREST SYNCHRONIZATION	6,120,686	6,120,686
FAS 133 REGULATORY ASSETS	(20,411,414)			
FAS 133 REGULATORY LIABILITIES	20,411,414			

GULF POWER COMPANY
 YEAR END RATE OF RETURN
 RATE BASE
 June 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	5,276,771,627	1,739,297,592	3,537,474,035	14,111,047	115,524,010	0	3,667,109,082	216,807,688	3,883,916,780
JURISDICTIONAL PER BOOKS	5,126,737,044	1,708,702,765	3,418,034,279	13,717,080	112,936,559	0	3,544,687,918	277,374,180	3,822,062,098
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,588,665,743)	(340,167,290)	(1,228,498,453)		(27,871,829)		(1,256,370,282)	(26,770,272)	(1,283,140,554)
INT BEARING CWIP					(2,301,107)		(2,301,107)	0	(2,301,107)
ENERGY CONSERVATION CLAUSE	(16,733,843)	7,157,121	(23,890,964)				(23,890,964)	(724,562)	(24,615,526)
LOANS TO EMPLOYEES AND RETIREES								(27,802)	(27,802)
INTEREST AND DIVIDENDS RECEIVABLE								(476,808)	(476,808)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,053,751)			(12,053,751)	(2,734,584)	(14,788,335)
FUEL RELATED DEFERRED DEBITS								(13,130,995)	(13,130,995)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(2,179,396)	(2,179,396)
TOTAL FPSC ADJUSTMENTS	(1,585,399,586)	(333,010,169)	(1,252,389,417)	(12,053,751)	(30,172,936)	0	(1,294,616,104)	(46,044,419)	(1,340,660,524)
FPSC ADJUSTED	3,541,337,458	1,375,692,596	2,165,644,862	1,663,329	82,763,623	0	2,250,071,814	231,329,760	2,481,401,574
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	3,541,337,458	1,375,692,596	2,165,644,862	1,663,329	82,763,623	0	2,250,071,814	231,329,760	2,481,401,574

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
June 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	1,500,853,086	576,417,562	344,271,556	178,880,960	119,519,029	28,119,572	30,866,515	(359,073)	0	1,277,716,121	223,136,965 (a)
JURISDICTIONAL PER BOOKS	1,349,598,890	459,300,413	337,801,327	178,745,792	118,630,791	40,118,598	29,373,733	(352,604)	0	1,163,618,050	185,980,840 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(347,963,501)	(376,170,338)				9,190,840				(366,979,498)	19,015,997
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(74,825,656)	(83,130,075)				2,705,890				(80,424,185)	5,598,529
ENERGY CONSERVATION COST REVENUES & EXPENSES	(11,633,783)		(8,505,289)	(869,246)	(338,033)	(626,004)				(10,338,571)	(1,295,211)
ENVIRONMENTAL COST RECOVERY CLAUSE	(195,509,970)		(38,833,725)	(53,451,800)	(7,097,451)	(31,321,763)				(130,704,739)	(64,805,231)
FRANCHISE FEE REVENUE & EXPENSE	(44,400,732)				(43,983,706)	(135,883)				(44,119,589)	(281,143)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,482,677)				(32,018,871)	(151,126)				(32,169,997)	(312,680)
MARKETING SUPPORT ACTIVITIES			(104,570)			34,073				(70,497)	70,497
WHOLESALE EXPENSES			(216,530)			70,564				(145,976)	145,976
INSTITUTIONAL ADVERTISING EXPENSE			(204,325)			66,577				(137,748)	137,748
ECONOMIC DEVELOPMENT EXPENSE			(63,102)			20,561				(42,541)	42,541
MGMT FINANCIAL PLANNING SERVICES			(44,988)			14,659				(30,329)	30,329
DIRECTORS' & OFFICERS' INSURANCE			(35,368)			11,524				(23,844)	23,844
INDUSTRY ASSOCIATION DUES			(1,018)			332				(686)	686
TALLAHASSEE LIAISON EXPENSES			(464,389)		(21,746)	158,401				(327,734)	327,734
GRT, FPSC FEES ON CLAUSES & FEES					(1,467,188)	478,065				(989,123)	989,123
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						15,821			(48,555)	(32,734)	32,734
INTEREST SYNCHRONIZATION						5,517,498				5,517,498	(5,517,498)
TOTAL FPSC ADJUSTMENTS	(706,816,318)	(459,300,413)	(48,473,305)	(54,321,046)	(84,926,994)	(13,949,981)	0	0	(48,555)	(661,020,294)	(45,796,024)
FPSC ADJUSTED	642,782,571	0	289,328,022	124,424,746	33,703,797	26,168,617	29,373,733	(352,604)	(48,555)	502,597,756	140,184,815
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	642,782,571	0	289,328,022	124,424,746	33,703,797	26,168,617	29,373,733	(352,604)	(48,555)	502,597,756	140,184,815
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				126,630			124,027				

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
June 2018

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	(1,613,802,611)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(462,933,535)	(150,841,026)
ACCUMULATED DEPRECIATION	349,955,281	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(201,440,611)	(65,636,870)
CWIP	(28,673,814)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(74,862,230)	(24,392,909)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(16,733,843)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(11,633,783)	(3,790,721)
ACCUMULATED DEPRECIATION	(7,157,121)	FUEL EXPENSE	(490,840,732)	159,934,232
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(85,539,932)	27,872,103
FAS 143 NET PLANT	(43,469,210)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(9,374,535)	3,054,573
INTEREST BEARING CWIP	(2,349,406)	CONSERVATION EXPENSES - OTHER TAXES	(338,033)	110,144
PHFU - NORTH ESCAMBIA	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(102,186,518)	33,296,182
WORKING CAPITAL:		FRANCHISE FEE REVENUES	(44,400,732)	(14,467,416)
ECRC WORKING CAPITAL	(27,544,109)	FRANCHISE FEE	(43,983,706)	14,331,533
CONSERVATION/AEM INVENTORY	(724,562)	GROSS RECEIPTS TAX REVENUES	(32,482,677)	(10,584,069)
FUNDED PROPERTY INSURANCE RESERVE	(1)	GROSS RECEIPTS TAX EXPENSE	(32,018,871)	10,432,943
LOANS TO EMPLOYEES AND RETIREES	(28,292)	MARKETING SUPPORT ACTIVITIES	(104,570)	34,073
INTEREST & DIVIDENDS RECEIVABLE	(485,210)	WHOLESALE EXPENSES	(222,634)	72,608
NORTH ESCAMBIA SITE	(2,782,616)	INSTITUTIONAL ADVERTISING EXPENSE	(208,227)	67,848
UNAMORTIZED RATE CASE EXPENSE	(2,217,677)	ECONOMIC DEVELOPMENT EXPENSE	(63,103)	20,561
FUEL RELATED DEFERRED DEBITS	(13,130,995)	MGMT FINANCIAL PLANNING SERVICES	(45,931)	14,966
UNREALIZED LOSS ON FWD CONTRACT	(8,801)	DIRECTORS' & OFFICERS' INSURANCE	(36,109)	11,766
ACCUM. PROV. FOR RATE REFUNDS	0	INDUSTRY ASSOCIATION DUES	(1,038)	338
FAS 143 WORKING CAPITAL	55,466,686	TALLAHASSEE LIAISON EXPENSE	(496,310)	161,716
FAS 158 REGULATORY ASSETS	(165,586,267)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,467,188)	478,065
FAS 158 REGULATORY LIABILITIES	165,586,267	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REPN. ESC REV	(8,468)	(2,759)
PPA REGULATORY ASSETS	(119,101,454)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(49,949)	16,275
PPA REGULATORY LIABILITIES	119,101,454	INTEREST SYNCHRONIZATION	5,598,431	5,598,431
FAS 133 REGULATORY ASSETS	(20,411,414)			
FAS 133 REGULATORY LIABILITIES	20,411,414			

GULF POWER COMPANY
 CAPITAL STRUCTURE
 FPSC ADJUSTED BASIS
 June 2018

SCHEDULE 4

AVERAGE	ADJUSTMENTS			LOW POINT			MIDPOINT			HIGH POINT			
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,271,309,499	1,249,410,221	(448,278,581)	0	33.32	3.92	1.31	3.92	1.31	3.92	1.31	3.92	1.31
SHORT TERM DEBT	35,673,761	22,086,013	(7,924,288)	0	0.59	3.83	0.02	3.83	0.02	3.83	0.02	3.83	0.02
PREFERENCE STOCK	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	34,979,913	34,923,818	(12,530,392)	0	0.93	2.40	0.02	2.40	0.02	2.40	0.02	2.40	0.02
COMMON EQUITY	1,552,590,576	1,544,921,483	(554,305,702)	0	41.19	9.25	3.81	10.25	4.22	11.25	4.63	11.25	4.63
DEFERRED INCOME TAXES	746,287,629	733,570,467	(263,199,326)	0	19.56	4.38	0.00	4.38	0.00	4.38	0.00	4.38	0.00
FASB 109 DEFERRED TAXES	167,058,691	164,211,916	(58,917,946)	0	0.00	6.87	0.00	7.42	0.00	7.97	0.00	7.97	0.00
TAX CREDITS - ZERO COST	1,185,472	1,145,544	(411,012)	0	0.03	5.16	5.57	5.16	5.57	5.16	5.57	5.16	5.57
TAX CREDITS - WEIGHTED COST													
TOTAL	3,809,085,541	3,750,269,463	(1,345,567,247)	0	100.00	5.16	5.57	5.16	5.57	5.16	5.57	5.16	5.57

YEAR-END	ADJUSTMENTS			LOW POINT			MIDPOINT			HIGH POINT			
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,268,461,089	1,259,803,609	(441,899,928)	0	32.96	3.91	1.29	3.91	1.29	3.91	1.29	3.91	1.29
SHORT TERM DEBT	89,937,850	76,282,635	(26,757,576)	0	2.00	2.54	0.05	2.54	0.05	2.54	0.05	2.54	0.05
PREFERENCE STOCK	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	35,119,893	35,395,901	(12,415,781)	0	0.93	4.89	0.05	4.89	0.05	4.89	0.05	4.89	0.05
COMMON EQUITY	1,575,939,811	1,562,920,803	(548,224,013)	0	40.89	9.25	3.78	10.25	4.19	11.25	4.60	11.25	4.60
DEFERRED INCOME TAXES	540,443,899	536,755,274	(188,277,059)	0	14.04	6.87	0.00	6.87	0.00	7.98	0.00	7.98	0.00
FASB 109 DEFERRED TAXES	352,301,343	349,896,822	(122,732,924)	0	9.15	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TAX CREDITS - ZERO COST	0	0	0	0	0.00	6.87	0.00	7.42	0.00	7.98	0.00	7.98	0.00
TAX CREDITS - WEIGHTED COST	1,013,975	1,007,054	(353,243)	0	0.03	5.17	5.58	5.17	5.58	5.17	5.58	5.17	5.58
TOTAL	3,863,217,860	3,822,062,098	(1,340,660,524)	0	100.00	5.17	5.58	5.17	5.58	5.17	5.58	5.17	5.58

GULF POWER COMPANY
Financial Integrity Indicators
June 2018

A. Times Interest Earned with AFUDC

Earnings Before Interest	216,830,470
AFUDC - Debt	39,116
Income Taxes	54,794,069
	<hr/>
Total	271,663,655
Interest Charges (Before Deducting AFUDC - Debt)	52,193,666
	<hr/>
T.I.E. With AFUDC	5.20 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	216,830,470
AFUDC - Other	(87,514)
Income Taxes	54,794,069
	<hr/>
Total	271,537,025
Interest Charges (Before Deducting AFUDC - Debt)	52,193,666
	<hr/>
T.I.E. Without AFUDC	5.20 x

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	39,116
X (1 - Income Tax Rate)	0.68040
	<hr/>
Subtotal	26,614
AFUDC - Other	87,514
	<hr/>
Total	114,128
	<hr/>
Net Income Available for Common Stockholders	164,675,920
	<hr/>
Percent AFUDC to Available Net Income	0.07%

D. Percent Internally Generated Funds

Net Income	164,675,920
Preference Dividends	0
Common Dividends	(139,468,000)
AFUDC (Debt & Other)	(126,630)
Depreciation & Amortization	189,033,557
Deferred Income Taxes	30,866,515
Investment Tax Credits	0
Other	(28,320,731)
	<hr/>
Total	216,660,631
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	257,917,684
	<hr/>
Percent Internally Generated Funds	84.00%

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	801,131,640
Short Term Debt	14,161,725
Preference Stock	0
Common Equity	990,615,781
	<hr/>
Total	1,805,909,146
	<hr/>
% Long Term Debt To Total	44.36%
	<hr/>
% Short Term Debt To Total	0.78%

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.80%	5.80%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.31)	(1.31)
Short Term Debt	(0.02)	(0.02)
Preference Stock	0.00	0.00
Customer Deposits	(0.02)	(0.02)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.00)	(0.00)
	<hr/>	<hr/>
Subtotal	(1.35)	(1.35)
	<hr/>	<hr/>
Total	4.45	4.45
Divided by Common Equity Ratio	41.19	41.19
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	10.80%	10.80%

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
June 2018

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
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
May	2018	4,200,000
June	2018	5,700,000
12 - M-T-D		<u><u>12,524,999</u></u>

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49
50
51
52
53
54
55
56
57

GULF POWER COMPANY

DOCKET NO. 990315-EI

RTP QUARTERLY REPORT

Seventy Fifth Quarterly Report

Report Period: Second Quarter, 2018

<u>Rate Class</u>	<u>Second Quarter Total Revenue</u>	<u>Second Quarter Total KWH Sales</u>	<u>Second Quarter ¢/KWH</u>	<u>12-Month Rolling Average ¢/KWH</u>
RTP	\$22,161,156.42	295,813,266	7.492	8.246
PX/PXT	\$2,397,787.33	31,298,724.00	7.661	7.737
LP/LPT	\$18,309,003.08	208,189,686	8.794	9.201

Notes to Quarterly
Real Time Pricing Report

1. Gulf Power's Real Time Pricing (RTP) multipliers ("M") changed effective April 1, 2018. The reason for this change was to reflect a rate decrease, FPSC Docket No. 20180039-EI, Order No. PSC-2018-0180-FOF-EI.

<u>Multipliers Effective 4/1/2018</u>	
On-Peak	1.958
Intermediate	0.701
Off-Peak	0.540

2. Gulf Power's Real Time Pricing (RTP) multipliers ("M") changed effective June 1, 2018. The reason for this change was to reflect a change in the long-term system lambdas.

<u>Multipliers Effective 6/1/2018</u>	
On-Peak	2.198
Intermediate	0.743
Off-Peak	0.592

3. RTP prices vary by hour and by season due to the "M" multipliers. The prices for the LP/LPT and PX/PXT rate classes do not have this variability in pricing. As a result, comparisons between RTP and the other rate classes are meaningful only on an annual basis or a 12-month rolling average basis.