



C. Shane Boyett
Regulatory and Cost Recovery
Manager

One Energy Place
Pensacola, FL 32520-0780
850 444 6209 tel
850 444 6026 fax
csboyett@southernco.com

November 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 September, 2018.

Sincerely,

A handwritten signature in blue ink that reads "C. Shane Boyett".

C. Shane Boyett
Regulatory and Cost Recovery 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

September 2018

Earnings Surveillance
Report
(Rate of Return)



Gulf Power

GULF POWER COMPANY
Earnings Surveillance Report Summary
September 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	171,037,019	(27,213,003)	143,824,016	0	143,824,016
Average Rate Base	3,756,177,799	(1,338,945,737)	2,417,232,062	0	2,417,232,062
Average Rate of Return	4.55%		5.95%		5.95%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	171,072,502	(26,856,438)	144,216,064	0	144,216,064
Year End Rate Base	3,823,368,591	(1,336,249,297)	2,487,119,294	0	2,487,119,294
Year End Rate of Return	4.47%		5.80%		5.80%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

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

Low	5.18%
Midpoint	5.59%
High	6.01%

IV. Financial Integrity Indicators

A. Tie With AFUDC	4.35 x (System per Books Basis)
B. Tie Without AFUDC	4.35 x (System per Books Basis)
C. AFUDC To Net Income	0.07% (System per Books Basis)
D. Internally Generated Funds	72.46% (System per Books Basis)
E. LTD To Total Investor Funds	44.15% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	0.95% (FPSC Adjusted Basis)
G. Return on Common Equity	11.11% (FPSC Adjusted Basis)
H. Return on Common Equity	11.11% (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
11/15/18

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
September 2018

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	5,227,147,222	1,712,774,327	3,514,372,895	14,160,214	104,031,986	0	3,632,565,095	186,456,371	3,819,021,466
JURISDICTIONAL PER BOOKS	5,077,901,896	1,683,623,597	3,394,278,299	13,764,875	101,680,078	0	3,508,723,252	246,454,547	3,756,177,799
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,557,151,108)	(324,424,502)	(1,232,726,606)		(27,452,231)		(1,260,178,837)	(26,541,709)	(1,286,720,546)
INT BEARING CWIP					(2,263,730)		(2,263,730)	0	(2,263,730)
ENERGY CONSERVATION CLAUSE	(16,464,901)	7,420,342	(23,885,243)				(23,885,243)	(864,983)	(24,750,226)
LOANS TO EMPLOYEES / RETIREES							(26,053)	(26,053)	(26,053)
INTEREST AND DIVIDENDS RECEIVABLE							(368,211)	(368,211)	(368,211)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,101,734)			(12,101,734)	(1,860,736)	(13,962,470)
DEPRECIATION CREDIT ADJUSTMENT							0	0	0
FUEL RELATED DEFERRED DEBITS								(9,982,563)	(9,982,563)
FLAME RESISTANT CLOTHING								0	0
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(871,938)	(871,938)
SALE OF RAILCARS								0	0
TOTAL FPSC ADJUSTMENTS	(1,573,616,009)	(317,004,160)	(1,256,611,849)	(12,101,734)	(29,715,961)	0	(1,298,429,544)	(40,516,193)	(1,338,945,737)
FPSC ADJUSTED	3,504,285,887	1,366,619,437	2,137,666,450	1,663,141	71,964,117	0	2,211,293,708	205,938,354	2,417,232,062
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	3,504,285,887	1,366,619,437	2,137,666,450	1,663,141	71,964,117	0	2,211,293,708	205,938,354	2,417,232,062

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
September 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 CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,478,584,674	586,801,358	344,130,251	184,746,036	119,164,096	47,789,393	(31,060,854)	(341,653)	(124)	1,251,207,114	227,377,560 (a)
JURISDICTIONAL PER BOOKS	1,315,985,863	457,861,431	337,884,264	184,482,113	118,278,837	76,420,776	(29,316,784)	(335,497)	(120)	1,145,075,020	170,910,843 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(322,165,429)	(374,774,119)				15,274,653				(359,499,466)	37,334,037
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(74,749,791)	(83,087,312)				2,420,755				(80,666,557)	5,916,765
ENERGY CONSERVATION COST REVENUES & EXPENSES	(11,358,998)		(8,083,541)	(1,064,513)	(335,204)	(535,901)				(10,049,159)	(1,309,839)
ENVIRONMENTAL COST RECOVERY CLAUSE	(190,243,199)		(38,304,654)	(55,437,493)	(7,238,204)	(26,497,560)				(125,478,332)	(64,784,867)
FRANCHISE FEE REVENUE & EXPENSE	(44,505,122)				(44,044,543)	(133,726)				(44,178,269)	(32,685)
GROSS RECEIPTS, TAX, REVENUE & ADJUSTMENT	(32,278,860)				(31,807,902)	(136,740)				(31,944,642)	(334,218)
MARKETING SUPPORT ACTIVITIES						36,557				(69,353)	89,353
WHOLESALE EXPENSES			(125,910)			42,452				(103,781)	103,781
INSTITUTIONAL ADVERTISING EXPENSE			(146,213)			57,850				(141,396)	141,396
ECONOMIC DEVELOPMENT EXPENSE			(199,246)			22,299				(54,503)	54,503
MGMT FINANCIAL PLANNING SERVICES			(76,802)			12,728				(31,109)	31,109
DIRECTORS' & OFFICERS' INSURANCE			(43,837)			10,368				(25,340)	25,340
INDUSTRY ASSOCIATION DUES			(35,706)			317				(775)	775
TALLAHASSEE LIASON EXPENSES			(1,092)		(21,901)	142,542				(348,400)	348,400
GRT, FPSC FEES ON CLAUSES & FEES			(468,041)		(1,468,785)	426,457				(1,042,338)	1,042,338
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						14,098			(48,555)	(34,457)	34,457
INTEREST SYNCHRONIZATION						5,473,285				5,473,285	(5,473,285)
TOTAL FPSC ADJUSTMENTS	(675,301,400)	(457,861,431)	(45,486,043)	(56,532,006)	(84,916,971)	(3,389,567)	0	0	(48,555)	(648,214,573)	(27,086,827)
FPSC ADJUSTED	640,684,463	0	292,198,221	127,950,107	33,361,866	73,051,209	(29,316,784)	(335,497)	(48,675)	496,860,447	143,824,016
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	640,684,463	0	292,198,221	127,950,107	33,361,866	73,051,209	(29,316,784)	(335,497)	(48,675)	496,860,447	143,824,016
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY				128,824	AND THE JURISDICTIONAL NOI BY	126,176					
CURRENT MONTH SYSTEM PER BOOKS	138,440,242	60,562,340	25,577,190	15,987,541	10,802,346	6,896,771	(7,794,665)	(27,018)	0	112,004,505	26,435,737
CURRENT MONTH JURISDICTIONAL PER BOOKS	116,727,258	41,821,842	24,160,374	15,646,254	10,729,124	11,991,024	(7,907,483)	(26,531)	0	97,344,605	19,382,653

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
September 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	(1,602,182,933)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(448,546,737)	(130,233,157)
ACCUMULATED DEPRECIATION	333,806,654	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(196,141,608)	(56,948,672)
CWIP	(28,246,133)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(74,801,489)	(21,718,214)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(16,464,901)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(11,358,998)	(3,298,025)
ACCUMULATED DEPRECIATION	(7,420,342)	FUEL EXPENSE	(501,268,531)	145,540,649
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(85,495,929)	24,823,288
FAS 143 NET PLANT	(44,344,071)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(9,178,054)	2,664,799
INTEREST BEARING CWIP	(2,311,245)	CONSERVATION EXPENSES - OTHER TAXES	(335,204)	97,325
PHFU - NORTH ESCAMBIA	(12,449,306)	ENVIRONMENTAL COST RECOVERY EXPENSE	(101,774,136)	29,549,579
WORKING CAPITAL:		FRANCHISE FEE REVENUES	(44,505,122)	(12,921,825)
ECRC WORKING CAPITAL	(27,309,279)	FRANCHISE FEE	(44,044,543)	12,788,099
CONSERVATION/AEM INVENTORY	(864,983)	GROSS RECEIPTS TAX REVENUES	(32,278,860)	(9,371,995)
FUNDED PROPERTY INSURANCE RESERVE	0	GROSS RECEIPTS TAX EXPENSE	(31,907,902)	9,235,255
LOANS TO EMPLOYEES AND RETIREES	(26,512)	MARKETING SUPPORT ACTIVITIES	(125,910)	36,557
INTEREST & DIVIDENDS RECEIVABLE	(374,699)	WHOLESALE EXPENSES	(150,470)	43,688
NORTH ESCAMBIA SITE	(1,893,420)	INSTITUTIONAL ADVERTISING EXPENSE	(203,051)	58,955
UNAMORTIZED RATE CASE EXPENSE	(887,253)	ECONOMIC DEVELOPMENT EXPENSE	(78,803)	22,299
FUEL RELATED DEFERRED DEBITS	(9,982,563)	MGMT FINANCIAL PLANNING SERVICES	(44,756)	12,995
UNREALIZED LOSS ON FWD CONTRACT	(17,429)	DIRECTORS' & OFFICERS' INSURANCE	(36,456)	10,585
ACCUM. PROV. FOR RATE REFUNDS	0	INDUSTRY ASSOCIATION DUES	(1,112)	323
FAS 143 WORKING CAPITAL	54,465,338	TALLAHASSEE LIAISON EXPENSE	(501,219)	145,526
FAS 158 REGULATORY ASSETS	(165,774,265)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,468,795)	426,457
FAS 158 REGULATORY LIABILITIES	165,774,265	COMP SALES/TRANS REV/QL SALE GAS/PROV RT REFVN. ESC REV	4,594	1,334
PPA REGULATORY ASSETS	(113,604,464)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(48,949)	14,502
PPA REGULATORY LIABILITIES	113,604,464	INTEREST SYNCHRONIZATION	5,448,697	5,448,697
FAS 133 REGULATORY ASSETS	(16,165,366)			
FAS 133 REGULATORY LIABILITIES	16,165,366			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
September 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	5,292,254,021	1,757,575,760	3,534,678,261	14,109,788	150,435,522	0	3,699,223,571	186,456,371	3,885,679,942
JURISDICTIONAL PER BOOKS	5,141,982,542	1,725,841,137	3,416,141,405	13,715,856	147,056,783	0	3,576,914,044	246,454,547	3,823,368,591
<u>FPSC ADJUSTMENTS:</u>									
ENVIRONMENTAL RECOVERY CLAUSE INT BEARING CWIP	(1,557,708,644)	(337,537,113)	(1,220,171,531)		(37,297,676)		(1,257,469,207)	(26,541,709)	(1,284,010,916)
ENERGY CONSERVATION CLAUSE	(16,981,845)	6,894,897	(23,876,742)		(2,333,404)		(2,333,404)	0	(2,333,404)
LOANS TO EMPLOYEES AND RETIREES INTEREST AND DIVIDENDS RECEIVABLE							(23,876,742)	(864,983)	(24,741,725)
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER INV.				(12,053,751)			(12,053,751)	(368,211)	(26,053)
FUEL RELATED DEFERRED DEBITS								(1,860,736)	(368,211)
ACCRUED PROVISION FOR REFUND								(9,982,563)	(13,914,487)
UNAMORTIZED RATE CASE EXPENSES								0	(9,982,563)
								(871,938)	(871,938)
TOTAL FPSC ADJUSTMENTS	(1,574,690,489)	(330,642,216)	(1,244,048,273)	(12,053,751)	(39,631,080)	0	(1,295,733,104)	(40,516,193)	(1,336,249,297)
FPSC ADJUSTED	3,567,292,053	1,395,198,921	2,172,093,132	1,662,105	107,425,703	0	2,281,180,940	205,938,354	2,487,119,294
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	3,567,292,053	1,395,198,921	2,172,093,132	1,662,105	107,425,703	0	2,281,180,940	205,938,354	2,487,119,294

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
September 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	1,478,584,674	586,801,358	344,130,251	184,746,036	118,164,066	47,768,303	(31,060,854)	(341,653)	(124)	1,251,207,414	227,377,260 (a)
JURISDICTIONAL PER BOOKS	1,315,965,863	457,861,431	337,684,264	184,482,113	118,278,837	76,358,148	(29,289,639)	(335,497)	(120)	1,145,039,537	170,946,326 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(322,165,429)	(374,774,119)				15,274,653				(359,499,466)	37,334,037
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(74,749,791)	(83,087,312)				2,420,755				(60,666,577)	5,918,765
ENERGY CONSERVATION COST REVENUES & EXPENSES	(11,358,998)		(8,083,541)	(1,094,513)	(335,204)	(535,901)				(10,048,158)	(1,309,839)
ENVIRONMENTAL COST RECOVERY CLAUSE	(190,243,189)		(38,304,854)	(55,437,493)	(7,238,625)	(26,497,560)				(125,478,332)	(64,764,867)
FRANCHISE FEE REVENUE & EXPENSE	(44,505,122)				(44,044,543)	(133,726)				(44,178,269)	(326,853)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,278,860)				(31,807,902)	(136,740)				(31,944,642)	(334,218)
MARKETING SUPPORT ACTIVITIES			(125,910)			36,557				(89,353)	89,353
WHOLESALE EXPENSES			(146,213)			42,452				(103,761)	103,761
INSTITUTIONAL ADVERTISING EXPENSE			(199,246)			57,850				(141,396)	141,396
ECONOMIC DEVELOPMENT EXPENSE			(76,602)			22,299				(54,503)	54,503
MGMT FINANCIAL PLANNING SERVICES			(43,837)			12,728				(31,109)	31,109
DIRECTORS' & OFFICERS' INSURANCE			(35,706)			10,368				(25,340)	25,340
INDUSTRY ASSOCIATION DUES			(1,092)			317				(775)	775
TALLAHASSEE LIAISON EXPENSES			(469,041)		(21,901)	142,542				(348,400)	348,400
GRT, FPSC FEES ON CLAUSES & FEES					(1,468,795)	426,457				(1,042,338)	1,042,338
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						14,098			(48,555)	(34,457)	34,457
INTEREST SYNCHRONIZATION						5,116,720				5,116,720	(5,116,720)
TOTAL FPSC ADJUSTMENTS	(675,301,400)	(457,861,431)	(45,466,043)	(56,532,006)	(64,916,971)	(3,726,132)	0	0	(48,555)	(648,571,138)	(26,730,262)
FPSC ADJUSTED	640,684,463	0	292,196,221	127,950,107	33,361,866	72,632,016	(29,289,639)	(335,497)	(48,675)	498,468,399	144,216,064
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	640,684,463	0	292,196,221	127,950,107	33,361,866	72,632,016	(29,289,639)	(335,497)	(48,675)	498,468,399	144,216,064

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 126,176

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
September 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	(1,602,603,117)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(448,546,737)	(130,233,157)
ACCUMULATED DEPRECIATION	347,265,217	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(196,141,608)	(56,948,672)
CWIP	(38,372,627)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(74,801,489)	(21,716,214)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(16,981,845)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(11,358,998)	(3,298,025)
ACCUMULATED DEPRECIATION	(6,884,897)	FUEL EXPENSE	(501,268,531)	145,540,649
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(85,495,829)	24,823,288
FAS 143 NET PLANT	(42,620,811)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(9,178,054)	2,664,799
INTEREST BEARING CWIP	(2,382,381)	CONSERVATION EXPENSES - OTHER TAXES	(335,204)	97,325
PHFU - NORTH ESCAMBIA	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(101,774,136)	29,549,579
WORKING CAPITAL:		FRANCHISE FEE REVENUES	(44,505,122)	(12,921,825)
ECRC WORKING CAPITAL	(27,309,279)	FRANCHISE FEE	(44,044,543)	12,788,099
CONSERVATION/AEM INVENTORY	(984,983)	GROSS RECEIPTS TAX REVENUES	(32,278,860)	(9,371,995)
FUNDED PROPERTY INSURANCE RESERVE	0	GROSS RECEIPTS TAX EXPENSE	(31,807,902)	9,235,255
LOANS TO EMPLOYEES AND RETIREES	(26,512)	MARKETING SUPPORT ACTIVITIES	(125,910)	36,557
INTEREST & DIVIDENDS RECEIVABLE	(374,689)	WHOLESALE EXPENSES	(150,470)	43,688
NORTH ESCAMBIA SITE	(1,893,420)	INSTITUTIONAL ADVERTISING EXPENSE	(203,051)	58,955
UNAMORTIZED RATE CASE EXPENSE	(887,253)	ECONOMIC DEVELOPMENT EXPENSE	(76,803)	22,299
FUEL RELATED DEFERRED DEBITS	(9,982,563)	MGMT FINANCIAL PLANNING SERVICES	(44,756)	12,995
UNREALIZED LOSS ON FWD CONTRACT	(17,429)	DIRECTORS' & OFFICERS' INSURANCE	(36,456)	10,585
ACCUM. PROV. FOR RATE REFUNDS	0	INDUSTRY ASSOCIATION DUES	(1,112)	323
FAS 143 WORKING CAPITAL	54,465,338	TALLAHASSEE LIAISON EXPENSE	(501,219)	145,528
FAS 158 REGULATORY ASSETS	(165,774,285)	QRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,468,795)	426,457
FAS 158 REGULATORY LIABILITIES	165,774,265	COMP SALESTRANS REVIG/L SALE GAS/PROV RT REFW, ESC REV	4,594	1,334
PPA REGULATORY ASSETS	(113,604,464)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(49,949)	14,502
PPA REGULATORY LIABILITIES	113,604,464	INTEREST SYNCHRONIZATION	5,143,021	5,143,021
FAS 133 REGULATORY ASSETS	(16,165,366)			
FAS 133 REGULATORY LIABILITIES	16,165,366			

GULF POWER COMPANY
 CAPITAL STRUCTURE
 FPSC ADJUSTED BASIS
 September 2018

AVERAGE	ADJUSTMENTS										LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	
LONG TERM DEBT	1,270,020,391	1,248,653,174	(445,101,093)	0	803,552,081	33.24	3.91	1.30	3.91	1.30	3.91	1.30	3.91	1.30	3.91	1.30	3.91	1.30	
SHORT TERM DEBT	37,444,022	26,999,439	(9,624,354)	0	17,375,085	0.72	4.53	0.03	4.53	0.03	4.53	0.03	4.53	0.03	4.53	0.03	4.53	0.03	
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
CUSTOMER DEPOSITS	34,978,550	34,895,064	(12,438,867)	0	22,456,197	0.93	2.39	0.02	2.39	0.02	2.39	0.02	2.39	0.02	2.39	0.02	2.39	0.02	
COMMON EQUITY	1,558,721,431	1,552,460,593	(553,397,790)	0	999,062,803	41.33	9.25	3.82	10.25	4.24	10.25	4.24	10.25	4.24	10.25	4.24	10.25	4.65	
DEFERRED INCOME TAXES	647,294,832	636,404,542	(226,855,914)	0	409,548,628	16.94													
FASB 109 DEFERRED TAXES	260,061,090	255,685,742	(91,143,006)	0	164,542,736	6.81													
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00													
TAX CREDITS - WEIGHTED COST	1,097,714	1,079,245	(384,713)	0	694,532	0.03	6.87	0.00	7.43	0.00	7.43	0.00	7.43	0.00	7.43	0.00	7.43	0.00	
TOTAL	3,809,618,030	3,756,177,799	(1,338,945,737)	0	2,417,232,062	100.00		5.18		5.59		5.18		5.59		5.18		6.01	

YEAR-END	ADJUSTMENTS										LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	
LONG TERM DEBT	1,269,070,540	1,263,677,241	(441,649,239)	0	822,028,003	33.05	3.94	1.30	3.94	1.30	3.94	1.30	3.94	1.30	3.94	1.30	3.94	1.30	
SHORT TERM DEBT	49,975,989	39,823,362	(13,918,077)	0	25,905,285	1.04	4.35	0.05	4.35	0.05	4.35	0.05	4.35	0.05	4.35	0.05	4.35	0.05	
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
CUSTOMER DEPOSITS	35,193,703	35,564,662	(12,429,682)	0	23,134,980	0.93	2.26	0.02	2.26	0.02	2.26	0.02	2.26	0.02	2.26	0.02	2.26	0.02	
COMMON EQUITY	1,604,775,195	1,595,563,738	(557,642,004)	0	1,037,921,734	41.73	9.25	3.86	10.25	4.28	10.25	4.28	10.25	4.28	10.25	4.28	10.25	4.69	
DEFERRED INCOME TAXES	541,749,084	539,446,759	(188,534,099)	0	350,912,660	14.12													
FASB 109 DEFERRED TAXES	349,850,669	348,363,873	(121,751,531)	0	226,612,342	9.11													
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00													
TAX CREDITS - WEIGHTED COST	932,920	928,958	(324,688)	0	604,290	0.02	6.90	0.00	7.46	0.00	7.46	0.00	7.46	0.00	7.46	0.00	7.46	0.00	
TOTAL	3,851,548,000	3,823,368,591	(1,336,249,297)	0	2,487,119,294	100.00		5.23		5.65		5.23		5.65		5.23		6.06	

GULF POWER COMPANY
Financial Integrity Indicators
September 2018

A. Times Interest Earned with AFUDC

Earnings Before Interest	217,236,430
AFUDC - Debt	39,794
Income Taxes	10,948,246
	<hr/>
Total	228,224,470
Interest Charges (Before Deducting AFUDC - Debt)	52,437,468
	<hr/>
T.I.E. With AFUDC	4.35 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	217,236,430
AFUDC - Other	(89,030)
Income Taxes	10,948,246
	<hr/>
Total	228,095,646
Interest Charges (Before Deducting AFUDC - Debt)	52,437,468
	<hr/>
T.I.E. Without AFUDC	4.35 x

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

AFUDC - Debt	39,794
X (1 - Income Tax Rate)	0.71348
	<hr/>
Subtotal	28,392
AFUDC - Other	89,030
	<hr/>
Total	117,422
	<hr/>
Net Income Available for Common Stockholders	164,838,756
Percent AFUDC to Available Net Income	0.07%

D. Percent Internally Generated Funds

Net Income	164,838,756
Preference Dividends	0
Common Dividends	(146,419,000)
AFUDC (Debt & Other)	(128,824)
Depreciation & Amortization	195,040,367
Deferred Income Taxes	(31,060,854)
Investment Tax Credits	0
Other	26,895,519
	<hr/>
Total	209,165,965
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	288,669,689
	<hr/>
Percent Internally Generated Funds	72.46%

**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	803,552,081
Short Term Debt	17,375,085
Preference Stock	0
Common Equity	999,062,803
	<hr/>
Total	1,819,989,969
	<hr/>
% Long Term Debt To Total	44.15%
	<hr/>
% Short Term Debt To Total	0.95%

**G. FPSC Adjusted Average Jurisdictional Return
On Common Equity**

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.95%	5.95%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.30)	(1.30)
Short Term Debt	(0.03)	(0.03)
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	(1.36)	(1.36)
	<hr/>	<hr/>
Total	4.59	4.59
Divided by Common Equity Ratio	41.33	41.33
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	11.11%	11.11%

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

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
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
July	2018	0
September	2018	0
September	2018	0
12 - M-T-D		<u>12,524,999</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

GULF POWER COMPANY

DOCKET NO. 990315-EI

RTP QUARTERLY REPORT

Seventy Sixth Quarterly Report

Report Period: Third Quarter, 2018

<u>Rate Class</u>	<u>Third Quarter Total Revenue</u>	<u>Third Quarter Total KWH Sales</u>	<u>Third Quarter ¢/KWH</u>	<u>12-Month Rolling Average ¢/KWH</u>
RTP	\$32,612,141.14	370,551,435	8.801	8.291
PX/PXT	\$2,355,837.33	32,086,118	7.342	7.656
LP/LPT	\$20,788,925.05	243,750,275	8.529	9.095

**Notes to Quarterly
Real Time Pricing Report**

- 1. There were no changes made to the "M" multipliers during this period.**
- 2. 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.**