



Gulf Power®

Mitchell P. Goldstein

Vice President, Finance

June 15, 2020

Mr. Andrew Maurey, Director
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. Maurey:

Attached is Gulf Power Company's Jurisdictional Rate of Return Report for the month of April 2020.

Sincerely,

Mitchell P. Goldstein
Vice President, Finance

md

Attachment

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

April 2020

Earnings Surveillance
Report
(Rate of Return)



Gulf Power®

GULF POWER COMPANY
Earnings Surveillance Report Summary
April 2020

	(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	233,249,536	(78,689,909)	154,559,628	0	154,559,628
Average Rate Base	4,816,632,116	(2,060,103,489)	2,756,528,628	0	2,756,528,628
Average Rate of Return	4.84%		5.61%		5.61%
II. Year End Rate of Return					
(Jurisdictional)					
	(a)	(b)			
Net Operating Income	233,246,530	(79,056,600)	154,189,931	0	154,189,931
Year End Rate Base	5,208,707,063	(2,241,035,864)	2,967,671,199	0	2,967,671,199
Year End Rate of Return	4.48%		5.20%		5.20%

(a) Includes AFUDC Earnings
(b) Includes Reversal of AFUDC Earnings

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

Low	5.17%
Midpoint	5.59%
High	6.01%

IV. Financial Integrity Indicators

A. Tie With AFUDC	4.28	x (System per Books Basis)
B. Tie Without AFUDC	4.02	x (System per Books Basis)
C. AFUDC To Net Income	8.02%	(System per Books Basis)
D. Internally Generated Funds	-209.38%	(System per Books Basis)
E. LTD To Total Investor Funds	40.51%	(FPSC Adjusted Basis)
F. STD To Total Investor Funds	6.17%	(FPSC Adjusted Basis)
G. Return on Common Equity	10.29%	(FPSC Adjusted Basis)
H. Return on Common Equity	10.29%	(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

Mitchell P. Goldstein
Vice President - Finance



June 15, 2020

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
April 2020

	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	5,800,659,619	1,852,015,859	3,948,643,760	14,109,788	507,405,536	0	4,470,159,084	449,111,808	4,919,270,892
JURISDICTIONAL PER BOOKS	5,611,973,521	1,803,882,121	3,808,091,400	13,715,857	496,477,340	0	4,318,284,597	498,347,519	4,816,632,116
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,580,938,649)	(392,011,211)	(1,188,927,438)		(74,322,429)		(1,263,249,867)	(32,899,754)	(1,296,149,621)
INT BEARING CWIP					(284,762,934)		(284,762,934)	0	(284,762,934)
ENERGY CONSERVATION CLAUSE	(17,371,715)	5,949,769	(23,321,484)				(23,321,484)	(781,404)	(24,102,888)
LOANS TO EMPLOYEES / RETIREES								(9,711)	(9,711)
INTEREST AND DIVIDENDS RECEIVABLE								(37,666)	(37,666)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.				(12,053,751)			(12,053,751)	(53,220,600)	(65,274,351)
INTERCOMPANY RECEIVABLES AND PAYABLES								13,437,352	13,437,352
MICHAEL STORM RECOVERY								(188,523,705)	(188,523,705)
FUEL RELATED DEFERRED DEBITS								(1,504,720)	(1,504,720)
LEASES	(194,780,029)	(45,761,276)	(149,018,753)				(149,018,753)	(64,156,492)	(213,175,245)
TOTAL FPSC ADJUSTMENTS	(1,793,090,393)	(431,822,718)	(1,361,267,675)	(12,053,751)	(359,085,363)	0	(1,732,406,789)	(327,696,700)	(2,060,103,489)
FPSC ADJUSTED	3,818,883,128	1,372,059,403	2,446,823,725	1,662,106	137,391,977	0	2,585,877,808	170,650,820	2,756,528,628
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	3,818,883,128	1,372,059,403	2,446,823,725	1,662,106	137,391,977	0	2,585,877,808	170,650,820	2,756,528,628

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
April 2020

SCHEDULE 2
PAGE 2 OF 3

	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME	
SYSTEM PER BOOKS	1,480,706,919	527,066,424	295,572,782	267,246,822	116,561,496	30,365,499	(9,665,744)	24,679,846	(1,528)	1,251,825,597	228,881,322	(a)
JURISDICTIONAL PER BOOKS	1,365,263,196	434,779,889	291,586,808	262,933,630	115,710,841	36,169,574	(17,987,167)	24,235,165	(1,485)	1,147,427,255	217,835,941	(a)
LESS FPSC ADJUSTMENTS:												
RETAIL FUEL REVENUES & EXPENSES	(346,687,680)	(351,862,328)				1,268,927				(350,593,401)	3,905,721	
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(77,465,943)	(82,917,561)				1,336,846				(81,580,715)	4,114,772	
ENERGY CONSERVATION COST REVENUES & EXPENSES	(8,221,232)		(4,782,016)	(1,374,338)	(234,037)	(448,959)				(6,839,351)	(1,381,882)	
ENVIRONMENTAL COST RECOVERY CLAUSE	(177,499,524)		(25,338,636)	(58,108,127)	(7,009,874)	(21,344,657)				(111,801,294)	(65,698,230)	
FRANCHISE FEE REVENUE & EXPENSE	(44,488,665)				(43,331,034)	(283,874)				(43,614,908)	(873,757)	
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,095,543)				(31,413,066)	(167,357)				(31,580,423)	(515,120)	
ECONOMIC DEVELOPMENT EXPENSE			(84,320)			20,677				(63,643)	63,643	(b)
GRT, FPSC FEES ON CLAUSES & FEES					(1,438,633)	352,782				(1,085,851)	1,085,851	
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						8,391			(34,218)	(25,827)	25,827	
MICHAEL STORM RECOVERY	(59,766,510)			(61,601,340)		449,937				(61,151,403)	1,384,893	
INTEREST SYNCHRONIZATION						5,388,032				5,388,032	(5,388,032)	
TOTAL FPSC ADJUSTMENTS	(746,225,097)	(434,779,889)	(30,204,972)	(121,083,805)	(83,426,644)	(13,419,255)	0	0	(34,218)	(682,948,783)	(63,276,314)	
FPSC ADJUSTED	619,038,100	0	261,381,836	141,849,825	32,284,197	22,750,319	(17,987,167)	24,235,165	(35,703)	464,478,472	154,559,628	
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS												
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0	
PRO FORMA ADJUSTED	619,038,100	0	261,381,836	141,849,825	32,284,197	22,750,319	(17,987,167)	24,235,165	(35,703)	464,478,472	154,559,628	
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	15,737,119											AND THE JURISDICTIONAL NOI BY 15,413,595
(b) SYSTEM ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:	1,686,401											ON A JURISDICTIONAL BASIS 1,686,401
CURRENT MONTH SYSTEM PER BOOKS	100,331,006	28,601,175	22,140,596	23,019,115	8,944,615	(27,722,800)	5,934,606	24,939,556	0	85,856,863	14,474,142	
CURRENT MONTH JURISDICTIONAL PER BOOKS	97,231,179	25,917,296	21,134,088	22,636,846	8,873,998	(26,832,047)	5,810,919	24,490,195	0	82,031,295	15,199,884	

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
April 2020

SCHEDULE 2
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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	(1,624,914,514)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(437,703,867)	(110,936,045)
ACCUMULATED DEPRECIATION	402,915,512	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(180,832,696)	(45,832,047)
CWIP	(76,389,804)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(77,502,165)	(19,642,924)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,371,715)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(8,175,239)	(2,072,014)
ACCUMULATED DEPRECIATION	(5,949,769)	FUEL EXPENSE	(441,760,197)	111,964,122
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(85,306,226)	21,620,863
FAS 143 NET PLANT	(58,916,533)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(6,156,354)	1,560,328
INTEREST BEARING CWIP	(290,739,966)	CONSERVATION EXPENSES - OTHER TAXES	(234,037)	59,317
PHFU - NORTH ESCAMBIA	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(92,810,419)	23,522,801
LEASES	(151,770,612)	FRANCHISE FEE REVENUES	(44,488,665)	(11,275,652)
WORKING CAPITAL:		FRANCHISE FEE	(43,331,034)	10,982,251
ECRC WORKING CAPITAL	(33,814,903)	GROSS RECEIPTS TAX REVENUES/MICHAEL STORM REVENUES	(91,862,053)	(23,282,437)
CONSERVATION/AEM INVENTORY	(781,384)	GROSS RECEIPTS TAX EXPENSE	(31,413,066)	7,961,641
TEMPORARY CASH INVESTMENT	(53,688,462)	ECONOMIC DEVELOPMENT EXPENSE	(84,320)	21,371
LOANS TO EMPLOYEES AND RETIREES	(9,882)	MICHAEL STORM RECOVERY	(61,601,340)	15,612,860
INTERCOMPANY PAYABLES	13,674,126	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,438,634)	364,622
INTEREST & DIVIDENDS RECEIVABLE	(38,330)	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REF\N. ESC REV	(87,212)	(22,104)
NORTH ESCAMBIA SITE	(469,892)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(35,200)	8,921
MICHAEL STORM RECOVERY	(188,523,705)	INTEREST SYNCHRONIZATION	5,375,134	5,375,134
FUEL RELATED DEFERRED DEBITS	(1,504,720)			
UNREALIZED LOSS ON FWD CONTRACT LEASES	(38,963)			
FAS 143 WORKING CAPITAL	(65,341,240)			
FAS 158 REGULATORY ASSETS	65,943,834			
FAS 158 REGULATORY LIABILITIES	(3,685,095)			
FAS 133 REGULATORY ASSETS	1,450,159			
FAS 133 REGULATORY LIABILITIES	(2,621,591)			
	2,621,590			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
April 2020

	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	6,078,323,941	1,927,018,637	4,151,305,304	14,109,788	713,823,311	0	4,879,238,403	449,111,808	5,328,350,211
JURISDICTIONAL PER BOOKS	5,887,198,067	1,881,518,533	4,005,679,534	13,715,857	698,705,152	0	4,718,100,543	490,606,520	5,208,707,063
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,585,802,650)	(416,437,610)	(1,169,365,040)		(86,901,886)		(1,256,266,926)	(32,899,754)	(1,289,166,680)
INT BEARING CWIP					(496,301,599)		(496,301,599)	0	(496,301,599)
ENERGY CONSERVATION CLAUSE	(17,588,697)	5,763,269	(23,351,966)				(23,351,966)	(781,404)	(24,133,370)
LOANS TO EMPLOYEES AND RETIREES								(9,711)	(9,711)
INTEREST AND DIVIDENDS RECEIVABLE								(37,666)	(37,666)
INTERCOMPANY RECEIVABLES AND PAYABLES								13,437,352	13,437,352
FUNDED PROP RES, N. ESCAMBIA SITE, & OTHER IN LEASES	(206,699,327)	(73,593,405)	(133,105,922)	(12,053,751)			(12,053,751)	(53,220,600)	(65,274,351)
FUEL RELATED DEFERRED DEBITS							(133,105,922)	(56,415,492)	(189,521,414)
MICHAEL STORM RECOVERY							(1,504,720)	(1,504,720)	(1,504,720)
								(188,523,705)	(188,523,705)
TOTAL FPSC ADJUSTMENTS	(1,810,090,674)	(484,267,746)	(1,325,822,928)	(12,053,751)	(583,203,485)	0	(1,921,080,164)	(319,955,700)	(2,241,035,864)
FPSC ADJUSTED	4,077,107,393	1,397,250,787	2,679,856,606	1,662,106	115,501,667	0	2,797,020,379	170,650,820	2,967,671,199
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	4,077,107,393	1,397,250,787	2,679,856,606	1,662,106	115,501,667	0	2,797,020,379	170,650,820	2,967,671,199

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
April 2020

SCHEDULE 3
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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	1,480,706,919	527,066,424	295,572,782	267,246,822	116,561,496	30,365,499	(9,665,744)	24,679,846	(1,528)	1,251,825,597	228,881,322 (a)
JURISDICTIONAL PER BOOKS	1,365,263,196	434,779,889	291,586,808	262,933,630	115,710,841	36,086,052	(17,900,639)	24,235,165	(1,485)	1,147,430,261	217,832,935 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(346,687,680)	(351,862,328)				1,268,927				(350,593,401)	3,905,721
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(77,465,943)	(82,917,561)				1,336,846				(81,580,715)	4,114,772
ENERGY CONSERVATION COST REVENUES & EXPENSES	(8,221,232)		(4,782,016)	(1,374,338)	(234,037)	(448,959)				(6,839,351)	(1,381,882)
ENVIRONMENTAL COST RECOVERY CLAUSE	(177,499,524)		(25,338,636)	(58,108,127)	(7,009,874)	(21,344,657)				(111,801,294)	(65,698,230)
FRANCHISE FEE REVENUE & EXPENSE	(44,488,665)				(43,331,034)	(283,874)				(43,614,908)	(873,757)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(32,095,543)				(31,413,066)	(167,357)				(31,580,423)	(515,120)
ECONOMIC DEVELOPMENT EXPENSE			(84,320)			20,677				(63,643)	63,643
GRT, FPSC FEES ON CLAUSES & FEES					(1,438,633)	352,782				(1,085,851)	1,085,851
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						8,391			(34,218)	(25,827)	25,827
MICHAEL STORM RECOVERY	(59,766,510)			(61,601,340)		449,937				(61,151,403)	1,384,893
INTEREST SYNCHRONIZATION						5,754,723				5,754,723	(5,754,723)
TOTAL FPSC ADJUSTMENTS	(746,225,097)	(434,779,889)	(30,204,972)	(121,083,805)	(83,426,644)	(13,052,564)	0	0	(34,218)	(682,582,092)	(63,643,005)
FPSC ADJUSTED	619,038,100	0	261,381,836	141,849,825	32,284,197	23,033,488	(17,900,639)	24,235,165	(35,703)	464,848,169	154,189,931
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	619,038,100	0	261,381,836	141,849,825	32,284,197	23,033,488	(17,900,639)	24,235,165	(35,703)	464,848,169	154,189,931

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 15,737,119 AND THE JURISDICTIONAL NOI BY 15,413,595

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
April 2020

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	(1,837,864,905)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(437,703,867)	(110,936,045)
ACCUMULATED DEPRECIATION	427,347,718	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(180,832,696)	(45,832,047)
CWIP	(89,178,599)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(77,502,165)	(19,642,924)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,588,697)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(8,175,239)	(2,072,014)
ACCUMULATED DEPRECIATION	(5,763,269)	FUEL EXPENSE	(441,760,197)	111,964,122
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(85,306,226)	21,620,863
FAS 143 NET PLANT	(62,404,722)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(6,156,354)	1,560,328
INTEREST BEARING CWIP	(506,718,723)	CONSERVATION EXPENSES - OTHER TAXES	(234,037)	59,317
PHFU - NORTH ESCAMBIA LEASES	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(92,810,419)	23,522,801
	(135,563,926)	FRANCHISE FEE REVENUES	(44,488,665)	(11,275,652)
		FRANCHISE FEE	(43,331,034)	10,982,251
		GROSS RECEIPTS TAX REVENUES/MICHAEL STORM REVENUES	(91,862,053)	(23,282,437)
		GROSS RECEIPTS TAX EXPENSE	(31,413,066)	7,961,641
WORKING CAPITAL:		ECONOMIC DEVELOPMENT EXPENSE	(84,320)	21,371
ECRC WORKING CAPITAL	(33,814,903)	MICHAEL STORM RECOVERY	(61,601,340)	15,612,860
CONSERVATION/AEM INVENTORY	(781,384)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,438,634)	364,622
TEMPORARY CASH INVESTMENT	(53,688,462)	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REFIN. ESC REV	(87,212)	(22,104)
LOANS TO EMPLOYEES AND RETIREES	(9,882)	GAIN\LOSS ON DISPOSITION OF PROPERTY	(35,200)	8,921
INTERCOMPANY PAYABLES	13,674,126	INTEREST SYNCHRONIZATION	5,506,654	5,506,654
INTEREST & DIVIDENDS RECEIVABLE	(38,330)			
NORTH ESCAMBIA SITE	(469,892)			
MICHAEL STORM RECOVERY	(188,523,705)			
FUEL RELATED DEFERRED DEBITS	(1,504,720)			
UNREALIZED LOSS ON FWD CONTRACT LEASES	(38,963)			
FAS 143 WORKING CAPITAL	(65,341,240)			
FAS 158 REGULATORY ASSETS	65,943,834			
FAS 158 REGULATORY LIABILITIES	(3,685,095)			
FAS 133 REGULATORY ASSETS	1,450,159			
FAS 133 REGULATORY LIABILITIES	(2,621,591)			
	2,621,590			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
April 2020

SCHEDULE 4

AVERAGE	ADJUSTMENTS		ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,718,496,599	1,681,655,640	(589,161,144)	(213,175,245)	879,319,251	31.90	3.67	1.17	3.67	1.17	3.67	1.17
SHORT TERM DEBT	230,396,154	223,573,141	(89,698,581)	0	133,874,560	4.86	1.96	0.10	1.96	0.10	1.96	0.10
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	34,332,603	33,540,483	(13,456,597)	0	20,083,886	0.73	2.48	0.02	2.48	0.02	2.48	0.02
COMMON EQUITY	1,970,456,498	1,933,023,219	(775,537,879)	0	1,157,485,340	41.99	9.25	3.88	10.25	4.30	11.25	4.72
DEFERRED INCOME TAXES	627,870,356	613,281,787	(246,051,497)	0	367,230,290	13.32						
FASB 109 DEFERRED TAXES	336,794,640	328,969,216	(131,983,975)	0	196,985,241	7.15						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	2,650,209	2,588,631	(1,038,571)	0	1,550,060	0.06	6.84	0.00	7.41	0.00	7.98	0.00
TOTAL	4,920,997,059	4,816,632,116	(1,846,928,244)	(213,175,245)	2,756,528,628	100.00 %		5.17 %		5.59 %		6.01 %

YEAR-END	ADJUSTMENTS		ADJUSTMENTS		ADJUSTED RETAIL	RATIO (%)	LOW POINT		MIDPOINT		HIGH POINT	
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC			COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,682,539,573	1,638,162,922	(592,109,795)	(189,521,414)	856,531,713	28.86	3.41	0.99	3.41	0.99	3.41	0.99
SHORT TERM DEBT	370,000,000	174,272,179	(71,231,056)	0	103,041,123	3.47	2.42	0.08	2.42	0.08	2.42	0.08
PREFERENCE STOCK	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
CUSTOMER DEPOSITS	35,231,350	34,819,251	(14,231,830)	0	20,587,421	0.69	4.65	0.03	4.65	0.03	4.65	0.03
COMMON EQUITY	2,466,970,180	2,396,929,136	(979,707,686)	0	1,417,221,450	47.76	9.25	4.42	10.25	4.90	11.25	5.37
DEFERRED INCOME TAXES	639,947,642	619,681,583	(253,285,256)	0	366,396,327	12.35						
FASB 109 DEFERRED TAXES	330,568,228	320,099,692	(130,835,795)	0	189,263,897	6.38						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	25,551,471	24,742,300	(10,113,032)	0	14,629,268	0.49	7.05	0.03	7.67	0.04	8.30	0.04
TOTAL	5,550,808,445	5,208,707,063	(2,051,514,450)	(189,521,414)	2,967,671,199	100.00 %		5.55 %		6.03 %		6.52 %

GULF POWER COMPANY
Financial Integrity Indicators
April 2020

A. Times Interest Earned with AFUDC

Earnings Before Interest	238,073,843
AFUDC - Debt	4,875,555
Income Taxes	<u>20,688,064</u>
Total	263,637,462
Interest Charges (Before Deducting AFUDC - Debt)	<u>61,602,146</u>
T.I.E. With AFUDC	<u>4.28</u> x

B. Times Interest Earned without AFUDC

Earnings Before Interest	238,073,843
AFUDC - Other	(10,861,563)
Income Taxes	<u>20,688,064</u>
Total	247,900,344
Interest Charges (Before Deducting AFUDC - Debt)	<u>61,602,146</u>
T.I.E. Without AFUDC	<u>4.02</u> x

C. Percent AFUDC To Net Income Available
for Common Stockholders

AFUDC - Debt	4,875,555
X (1 - Income Tax Rate)	0.75478
Subtotal	3,679,972
AFUDC - Other	<u>10,861,563</u>
Total	<u>14,541,535</u>
Net Income Available for Common Stockholders	<u>181,347,252</u>
Percent AFUDC to Available Net Income	<u>8.02%</u>

D. Percent Internally Generated Funds

Net Income	181,347,252
Preference Dividends	0
Common Dividends	(420,000,000)
AFUDC (Debt & Other)	(15,737,119)
Depreciation & Amortization	294,011,286
Deferred Income Taxes	(9,712,754)
Investment Tax Credits	0
Other	<u>(910,302,822)</u>
Total	(880,394,157)
Construction Expenditures (Excluding AFUDC Other & Debt)	<u>420,481,524</u>
Percent Internally Generated Funds	<u>-209.38%</u>

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	879,319,251
Short Term Debt	133,874,560
Preference Stock	0
Common Equity	<u>1,157,485,340</u>
Total	<u>2,170,679,151</u>
% Long Term Debt To Total	<u>40.51%</u>
% Short Term Debt To Total	<u>6.17%</u>

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.61%	5.61%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.17)	(1.17)
Short Term Debt	(0.10)	(0.10)
Preference Stock	0.00	0.00
Customer Deposits	(0.02)	(0.02)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	<u>(0.00)</u>	<u>(0.00)</u>
Subtotal	<u>(1.29)</u>	<u>(1.29)</u>
Total	4.32	4.32
Divided by Common Equity Ratio	<u>41.99</u>	<u>41.99</u>
Jurisdictional Return on Common Equity	<u>10.29%</u>	<u>10.29%</u>

GULF POWER COMPANY
Storm Accrual - Twelve Month to Date
April 2020

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
May	2019	291,667
June	2019	291,667
July	2019	291,667
August	2019	291,667
September	2019	291,667
October	2019	875,001
November	2019	291,667
December	2019	291,667
January	2020	291,667
February	2020	291,677
March	2020	291,677
April	2020	291,677
12 - M-T-D		<u><u>4,083,368</u></u>