



Gulf Power®

Mitchell P. Goldstein

Vice President, Finance

October 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 August 2020.

Sincerely,

Mitchell P. Goldstein
Vice President, Finance

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Attachment

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

August 2020

Earnings Surveillance
Report
(Rate of Return)



Gulf Power®

GULF POWER COMPANY
Earnings Surveillance Report Summary
August 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	258,800,676	(93,015,902)	165,784,775	0	165,784,775
Average Rate Base	5,094,493,554	(2,243,741,489)	2,850,752,065	0	2,850,752,065
Average Rate of Return	5.08%		5.82%		5.82%
II. Year End Rate of Return (Jurisdictional)					
	(a)	(b)			
Net Operating Income	258,695,520	(95,080,576)	163,614,945	0	163,614,945
Year End Rate Base	5,528,173,909	(2,555,780,944)	2,972,392,965	0	2,972,392,965
Year End Rate of Return	4.68%		5.50%		5.50%

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

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

Low	5.13%
Midpoint	5.56%
High	5.99%

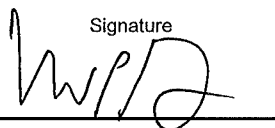
IV. Financial Integrity Indicators

A. Tie With AFUDC	5.93	x (System per Books Basis)
B. Tie Without AFUDC	5.48	x (System per Books Basis)
C. AFUDC To Net Income	11.75%	(System per Books Basis)
D. Internally Generated Funds	-6.29%	(System per Books Basis)
E. LTD To Total Investor Funds	39.17%	(FPSC Adjusted Basis)
F. STD To Total Investor Funds	7.18%	(FPSC Adjusted Basis)
G. Return on Common Equity	10.83%	(FPSC Adjusted Basis)
H. Return on Common Equity	10.83%	(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
Mitchell P. Goldstein
Vice President - Finance

Signature


Date
10/15/2020

GULF POWER COMPANY
 AVERAGE RATE OF RETURN
 RATE BASE
 August 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	5,933,169,061	1,892,892,990	4,040,276,071	14,109,788	685,879,152	0	4,740,265,011	460,436,770	5,200,701,781
JURISDICTIONAL PER BOOKS	5,740,962,506	1,845,892,228	3,895,070,278	13,715,957	671,311,843	0	4,580,097,978	514,395,576	5,094,493,554
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,589,679,705)	(409,421,788)	(1,180,257,917)		(79,068,673)		(1,259,326,590)	(39,091,201)	(1,298,417,791)
INT BEARING CWIP					(464,952,737)		(464,952,737)	0	(464,952,737)
ENERGY CONSERVATION CLAUSE	(17,511,466)	5,757,138	(23,268,604)				(23,268,604)	(717,795)	(23,986,399)
LOANS TO EMPLOYEES / RETIREES							(8,123)	(8,123)	(8,123)
INTEREST AND DIVIDENDS RECEIVABLE				(12,053,751)			(12,053,751)	(21,215)	(21,215)
FUNDED PROP RES, N. ESCAMBIA & OTHER INV.							(43,257,789)	(43,257,789)	(55,311,540)
INTERCOMPANY RECEIVABLES							(2,666,506)	(2,666,506)	(2,666,506)
MICHAEL STORM RECOVERY	(202,211,712)	(64,336,920)	(137,874,792)				(199,348,568)	(199,348,568)	(1,688,839)
LEASE RELATED DEFERRED DEBITS							(137,874,792)	(59,464,977)	(197,339,769)
LEASES									
TOTAL FPSC ADJUSTMENTS	(1,809,402,883)	(468,001,570)	(1,341,401,313)	(12,053,751)	(544,021,410)	0	(1,897,476,474)	(346,265,015)	(2,243,741,489)
FPSC ADJUSTED	3,931,559,623	1,377,890,658	2,553,668,965	1,662,106	127,290,433	0	2,682,621,504	168,130,561	2,850,752,065
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	3,931,559,623	1,377,890,658	2,553,668,965	1,662,106	127,290,433	0	2,682,621,504	168,130,561	2,850,752,065

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
August 2020

	OPERATING REVENUES	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	1,443,199,169	492,140,136	266,754,881	277,511,190	113,645,620	22,802,763	6,129,243	24,401,706	(14,663)	1,203,370,876	239,828,294 (a)
JURISDICTIONAL PER BOOKS	1,337,844,978	405,530,962	281,815,163	273,198,795	112,854,548	21,974,791	5,538,943	23,962,036	(14,263)	1,104,840,965	233,003,992 (a)
LESS FPSC ADJUSTMENTS:	(320,529,225)	(323,009,895)				614,874				(322,395,021)	1,865,795
RETAIL FUEL REVENUES & EXPENSES	(79,795,051)	(82,521,067)			(274,411)	675,692				(81,845,375)	2,050,345
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(7,804,212)		(4,459,287)	(1,384,771)	(6,896,677)	(417,839)				(6,536,308)	(1,267,904)
ENERGY CONSERVATION COST REVENUES & EXPENSES	(176,805,188)		(23,239,271)	(58,692,269)	(42,632,081)	(227,136)				(110,634,725)	(66,170,463)
ENVIRONMENTAL COST RECOVERY CLAUSE	(43,548,446)		(75,714)		(30,850,583)	(100,544)				(42,859,217)	(889,228)
FRANCHISE FEE REVENUE & EXPENSE	(31,256,222)					18,767				(30,951,127)	(305,095)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT					(1,399,108)	346,791				(66,947)	56,947 (b)
ECONOMIC DEVELOPMENT EXPENSE						8,481				(1,052,317)	1,052,317
GRT, FPSC FEES ON CLAUSES & FEES	(67,960,848)			(68,522,579)		139,234			(34,218)	(68,383,345)	422,487
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						4,260,163				4,260,163	(4,260,163)
MICHAEL STORM RECOVERY											
INTEREST SYNCHRONIZATION											
TOTAL FPSC ADJUSTMENTS	(727,699,172)	(405,530,962)	(27,774,272)	(128,599,619)	(82,052,859)	(16,488,024)	0	0	(34,218)	(660,479,954)	(67,219,218)
FPSC ADJUSTED	610,145,806	0	234,040,891	144,599,176	30,781,689	5,486,767	5,538,943	23,962,036	(48,471)	444,361,031	165,784,775
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	610,145,806	0	234,040,891	144,599,176	30,781,689	5,486,767	5,538,943	23,962,036	(48,471)	444,361,031	165,784,775
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	26,338,143						25,796,684				
(b) SYSTEM ECONOMIC DEVELOPMENT COSTS RELATED TO THE PERIOD ARE:	1,514,273						1,514,273				
CURRENT MONTH SYSTEM PER BOOKS	141,878,728	46,438,641	19,685,992	25,457,784	10,450,968	8,490,613	191,731	(93,146)	0	110,622,584	31,266,144
CURRENT MONTH JURISDICTIONAL PER BOOKS	133,936,347	39,613,181	18,686,385	25,075,508	10,400,435	8,591,051	187,474	(91,467)	0	102,465,587	31,470,781

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
August 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	(1,632,632,542)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(405,881,398)	(102,870,641)
ACCUMULATED DEPRECIATION CWIP	420,484,285	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(178,331,915)	(45,198,224)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,511,466)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(79,831,531)	(20,233,301)
ACCUMULATED DEPRECIATION CWIP	(5,757,138)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(7,777,878)	(1,971,303)
FAS 143 NET PLANT	(62,981,251)	FUEL EXPENSE	(407,256,842)	103,219,246
INTEREST BEARING CWIP	(474,711,863)	PURCHASED POWER CAPACITY COST EXPENSE	(84,883,293)	21,513,671
PHFU - NORTH ESCAMBIA LEASES	(140,420,861)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(5,844,058)	1,481,177
		CONSERVATION EXPENSES - OTHER TAXES	(274,411)	69,549
		ENVIRONMENTAL COST RECOVERY EXPENSE	(90,932,026)	23,046,722
		FRANCHISE FEE REVENUES	(43,548,446)	(11,037,354)
		FRANCHISE FEE	(42,632,081)	10,805,101
		GROSS RECEIPTS TAX REVENUES/MICHAEL STORM REVENUES	(99,217,070)	(25,146,566)
		GROSS RECEIPTS TAX EXPENSE	(30,850,583)	7,819,080
		ECONOMIC DEVELOPMENT EXPENSE	(75,714)	19,190
		MICHAEL STORM RECOVERY	(68,522,579)	17,367,048
		GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,399,108)	354,604
		COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REFN. ESC REV	(107,045)	(27,131)
		GAIN\LOSS ON DISPOSITION OF PROPERTY	(35,200)	8,921
		INTEREST SYNCHRONIZATION	4,273,138	4,273,138
WORKING CAPITAL:				
ECRC WORKING CAPITAL	(40,147,438)			
CONSERVATION/AEM INVENTORY	(718,290)			
TEMPORARY CASH INVESTMENT	(43,857,692)			
LOANS TO EMPLOYEES AND RETIREES	(8,266)			
INTERCOMPANY RECEIVABLES	(2,713,494)			
INTEREST & DIVIDENDS RECEIVABLE	(21,589)			
NORTH ESCAMBIA SITE	(156,631)			
MICHAEL STORM RECOVERY	(199,348,568)			
CLAUSE RELATED DEFERRED DEBITS	(1,688,839)			
UNREALIZED LOSS ON FWD CONTRACT LEASES	(60,563,089)			
FAS 143 WORKING CAPITAL	67,178,508			
FAS 158 REGULATORY ASSETS	(3,541,076)			
FAS 158 REGULATORY LIABILITIES	985,016			
FAS 133 REGULATORY ASSETS	(1,072,257)			
FAS 133 REGULATORY LIABILITIES	1,072,257			

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

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	6,125,097,179	1,992,452,559	4,132,644,620	14,109,788	1,042,327,485	0	5,189,081,893	460,436,770	5,649,518,663
JURISDICTIONAL PER BOOKS	5,932,042,385	1,943,274,665	3,988,767,720	13,715,857	1,020,443,213	0	5,022,926,790	505,247,119	5,528,173,909
<u>FPSC ADJUSTMENTS:</u>									
ENVIRONMENTAL RECOVERY CLAUSE	(1,609,388,789)	(436,631,787)	(1,172,757,002)		(89,395,828)		(1,262,152,830)	(39,091,201)	(1,301,244,031)
INT BEARING CWIP					(801,137,815)		(801,137,815)	0	(801,137,815)
ENERGY CONSERVATION CLAUSE	(17,705,243)	5,311,495	(23,016,738)				(23,016,738)	(717,795)	(23,734,533)
LOANS TO EMPLOYEES AND RETIREES								(8,123)	(8,123)
INTEREST AND DIVIDENDS RECEIVABLE								(21,215)	(21,215)
INTERCOMPANY RECEIVABLES				(12,053,751)				(2,666,508)	(2,666,508)
FUNDED PROF RES, N. ESCAMBIA SITE, & OTHER IN								(43,257,789)	(55,311,540)
LEASES	(212,798,299)	(92,495,047)	(120,303,252)				(120,303,252)	(50,316,520)	(170,619,772)
CLAUSE RELATED DEFERRED DEBITS								(1,688,839)	(1,688,839)
MICHAEL STORM RECOVERY								(199,348,568)	(199,348,568)
TOTAL FPSC ADJUSTMENTS	(1,839,892,331)	(523,815,339)	(1,316,076,992)	(12,053,751)	(890,533,643)	0	(2,218,664,386)	(337,116,558)	(2,555,780,944)
FPSC ADJUSTED	4,092,150,054	1,419,459,326	2,672,690,728	1,662,106	129,909,570	0	2,804,262,404	168,130,561	2,972,392,965
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	4,092,150,054	1,419,459,326	2,672,690,728	1,662,106	129,909,570	0	2,804,262,404	168,130,561	2,972,392,965

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

	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	1,443,199,169	492,140,136	266,754,881	277,511,190	113,645,620	22,802,763	6,129,243	24,401,706	(14,663)	1,203,370,876	239,828,294 (a)
JURISDICTIONAL PER BOOKS	1,337,844,978	405,530,962	261,815,163	273,198,795	112,834,548	21,993,856	5,625,034	23,962,036	(14,253)	1,104,946,141	232,898,836 (a)
LESS FPSC ADJUSTMENTS:											
RETAIL FUEL REVENUES & EXPENSES	(320,529,225)	(323,009,895)				614,874				(322,395,021)	1,865,795
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(79,795,031)	(82,521,067)				675,692				(81,845,375)	2,050,345
ENERGY CONSERVATION COST REVENUES & EXPENSES	(7,804,212)		(4,459,287)	(1,394,771)	(274,411)	(417,839)				(6,536,308)	(1,267,904)
ENVIRONMENTAL COST RECOVERY CLAUSE	(176,805,188)		(23,239,271)	(58,692,269)	(6,899,677)	(21,806,508)				(110,634,725)	(66,170,463)
FRANCHISE FEE REVENUE & EXPENSE	(43,548,446)				(42,632,081)	(227,136)				(42,859,217)	(689,229)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT	(31,256,222)		(75,714)		(30,850,583)	(100,544)				(30,951,127)	(305,095)
ECONOMIC DEVELOPMENT EXPENSE						18,767				(56,947)	56,947
GRT, FPSC FEES ON CLAUSES & FEES					(1,399,108)	346,791			(34,218)	(1,052,317)	1,052,317
(GAIN) / LOSS ON DISPOSITION OF PROPERTY					(68,522,579)	8,481				(25,737)	25,737
MICHAEL STORM RECOVERY	(67,960,848)					139,234				(66,383,345)	422,497
INTEREST SYNCHRONIZATION						6,324,837				6,324,837	(6,324,837)
TOTAL FPSC ADJUSTMENTS	(727,699,172)	(405,530,962)	(27,774,272)	(128,599,619)	(82,052,859)	(14,423,350)	0	0	(34,218)	(658,415,280)	(69,283,892)
FPSC ADJUSTED	610,145,806	0	234,040,891	144,599,176	30,781,689	7,570,506	5,625,034	23,962,036	(48,471)	446,530,861	163,614,945
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	610,145,806	0	234,040,891	144,599,176	30,781,689	7,570,506	5,625,034	23,962,036	(48,471)	446,530,861	163,614,945

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 26,338,143 AND THE JURISDICTIONAL NOI BY 25,796,684

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
August 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	(1,868,280,568)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(405,881,398)	(102,870,641)
ACCUMULATED DEPRECIATION	448,070,956	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(178,331,915)	(45,198,224)
CWIP	(91,737,880)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(79,831,531)	(20,233,301)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(17,705,243)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(7,777,878)	(1,971,303)
ACCUMULATED DEPRECIATION	(5,311,495)	FUEL EXPENSE	(407,256,842)	103,219,246
CWIP	0	PURCHASED POWER CAPACITY COST EXPENSE	(84,883,293)	21,513,671
FAS 143 NET PLANT	(60,925,571)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(5,844,058)	1,481,177
INTEREST BEARING CWIP	(817,953,299)	CONSERVATION EXPENSES - OTHER TAXES	(274,411)	69,549
PHFU - NORTH ESCAMBIA	(12,399,945)	ENVIRONMENTAL COST RECOVERY EXPENSE	(90,932,026)	23,046,722
LEASES	(122,524,836)	FRANCHISE FEE REVENUES	(43,548,446)	(11,037,354)
		FRANCHISE FEE	(42,632,081)	10,805,101
		GROSS RECEIPTS TAX REVENUES/MICHAEL STORM REVENUES	(99,217,070)	(25,146,566)
		GROSS RECEIPTS TAX EXPENSE	(30,850,583)	7,819,080
WORKING CAPITAL:		ECONOMIC DEVELOPMENT EXPENSE	(75,714)	19,190
ECRC WORKING CAPITAL	(40,147,438)	MICHAEL STORM RECOVERY	(68,522,579)	17,367,048
CONSERVATION/AEM INVENTORY	(718,290)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,399,108)	354,604
TEMPORARY CASH INVESTMENT	(43,857,692)	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFW. ESC REV	(107,045)	(27,131)
LOANS TO EMPLOYEES AND RETIREES	(8,266)	GAIN/LOSS ON DISPOSITION OF PROPERTY	(35,200)	8,921
INTERCOMPANY RECEIVABLES	(2,713,494)	INTEREST SYNCHRONIZATION	6,455,517	6,455,517
INTEREST & DIVIDENDS RECEIVABLE	(21,589)			
NORTH ESCAMBIA SITE	(156,631)			
MICHAEL STORM RECOVERY	(199,348,568)			
CLAUSE RELATED DEFERRED DEBITS	(1,688,839)			
UNREALIZED LOSS ON FWD CONTRACT	(38,963)			
LEASES	(60,563,089)			
FAS 143 WORKING CAPITAL	67,178,508			
FAS 158 REGULATORY ASSETS	(3,541,076)			
FAS 158 REGULATORY LIABILITIES	985,016			
FAS 133 REGULATORY ASSETS	(1,072,257)			
FAS 133 REGULATORY LIABILITIES	1,072,257			

SCHEDULE 4

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
August 2020

AVERAGE	ADJUSTMENTS							RATIO (%)	LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	COST RATE (%)	WEIGHTED COST RATE (%)		COST RATE (%)	WEIGHTED COST RATE (%)	COST RATE (%)	WEIGHTED COST RATE (%)	COST RATE (%)	WEIGHTED COST RATE (%)	COST RATE (%)	WEIGHTED COST RATE (%)	
LONG TERM DEBT	1,764,225,442	1,729,186,896	(640,121,739)	(197,339,769)	891,725,388	31.28	3.37	1.05	3.37	1.05	3.37	1.05	3.37	1.05	3.37		
SHORT TERM DEBT	289,011,538	280,659,732	(117,280,891)	0	163,378,841	5.73	1.52	0.09	1.52	0.09	1.52	0.09	1.52	0.09	1.52		
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		
CUSTOMER DEPOSITS	34,987,558	34,336,493	(14,348,387)	0	19,988,106	0.70	2.32	0.02	2.32	0.02	2.32	0.02	2.32	0.02	2.32		
COMMON EQUITY	2,141,739,305	2,087,906,861	(876,664,364)	0	1,221,242,497	42.84	9.25	3.96	10.25	4.39	11.25	4.82	11.25	4.82			
DEFERRED INCOME TAXES	631,687,177	617,038,451	(257,845,394)	0	359,193,057	12.60	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
FASB 109 DEFERRED TAXES	333,143,559	325,418,013	(135,984,290)	0	189,433,723	6.65	6.77	0.01	7.34	0.01	7.92	0.02	7.92	0.02			
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00			
TAX CREDITS - WEIGHTED COST	10,183,255	9,947,108	(4,156,655)	0	5,790,453	0.20	6.77	0.01	7.34	0.01	7.92	0.02	7.92	0.02			
TOTAL	5,204,977,834	5,094,493,554	(2,046,401,720)	(197,339,769)	2,850,752,065	100.00 %	5.13 %	5.56 %	5.56 %	5.56 %	5.99 %	5.99 %	5.99 %				

YEAR-END	ADJUSTMENTS							RATIO (%)	LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	COST RATE (%)	WEIGHTED COST RATE (%)		COST RATE (%)	WEIGHTED COST RATE (%)	COST RATE (%)	WEIGHTED COST RATE (%)	COST RATE (%)	WEIGHTED COST RATE (%)	COST RATE (%)	WEIGHTED COST RATE (%)	
LONG TERM DEBT	1,713,503,463	1,674,194,335	(669,385,241)	(170,619,772)	834,189,322	28.06	2.84	0.80	2.84	0.80	2.84	0.80	2.84	0.80			
SHORT TERM DEBT	210,000,000	202,564,216	(90,180,760)	0	112,383,456	3.78	0.25	0.01	0.25	0.01	0.25	0.01	0.25	0.01			
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			
CUSTOMER DEPOSITS	36,861,771	36,551,769	(16,272,698)	0	20,279,071	0.68	2.28	0.02	2.28	0.02	2.28	0.02	2.28	0.02			
COMMON EQUITY	2,724,259,989	2,646,695,547	(1,178,298,024)	0	1,466,397,523	49.40	9.25	4.57	10.25	5.06	11.25	5.56	11.25	5.56			
DEFERRED INCOME TAXES	639,769,107	622,109,259	(276,960,495)	0	345,148,764	11.62	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
FASB 109 DEFERRED TAXES	330,697,916	321,574,533	(143,163,666)	0	178,410,867	6.00	6.93	0.03	7.56	0.03	8.20	0.04	8.20	0.04			
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00				
TAX CREDITS - WEIGHTED COST	25,178,891	24,484,250	(10,900,288)	0	13,583,962	0.46	6.93	0.03	7.56	0.03	8.20	0.04	8.20	0.04			
TOTAL	5,680,261,137	5,528,173,909	(2,385,161,172)	(170,619,772)	2,972,392,965	100.00 %	5.42 %	5.92 %	5.92 %	5.92 %	6.42 %	6.42 %	6.42 %				

GULF POWER COMPANY
Financial Integrity Indicators
August 2020

A. Times Interest Earned with AFUDC

Earnings Before Interest	257,356,644
AFUDC - Debt	8,150,210
Income Taxes	<u>82,265,718</u>
Total	347,772,573
Interest Charges (Before Deducting AFUDC - Debt)	<u>58,611,222</u>
T.I.E. With AFUDC	<u>5.93</u> x

B. Times Interest Earned without AFUDC

Earnings Before Interest	257,356,644
AFUDC - Other	(18,187,933)
Income Taxes	<u>82,265,718</u>
Total	321,434,429
Interest Charges (Before Deducting AFUDC - Debt)	<u>58,611,222</u>
T.I.E. Without AFUDC	<u>5.48</u> x

C. Percent AFUDC To Net Income Available
for Common Stockholders

AFUDC - Debt	8,150,210
X (1 - Income Tax Rate)	0.75213
Subtotal	6,130,050
AFUDC - Other	<u>18,187,933</u>
Total	<u>24,317,983</u>
Net Income Available for Common Stockholders	<u>206,895,632</u>
Percent AFUDC to Available Net Income	<u>11.75%</u>

D. Percent Internally Generated Funds

Net Income	206,895,632
Preference Dividends	0
Common Dividends	(420,000,000)
AFUDC (Debt & Other)	(26,338,143)
Depreciation & Amortization	280,024,220
Deferred Income Taxes	6,083,693
Investment Tax Credits	(24,401,706)
Other	<u>(94,381,824)</u>
Total	(72,118,128)
Construction Expenditures (Excluding AFUDC Other & Debt)	<u>1,146,802,139</u>
Percent Internally Generated Funds	<u>-6.29%</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	891,725,388
Short Term Debt	163,378,841
Preference Stock	0
Common Equity	<u>1,221,242,497</u>
Total	<u>2,276,346,726</u>
% Long Term Debt To Total	<u>39.17%</u>
% Short Term Debt To Total	<u>7.18%</u>

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.82%	5.82%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.05)	(1.05)
Short Term Debt	(0.09)	(0.09)
Preference Stock	0.00	0.00
Customer Deposits	(0.02)	(0.02)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	<u>(0.01)</u>	<u>(0.01)</u>
Subtotal	<u>(1.17)</u>	<u>(1.17)</u>
Total	4.64	4.64
Divided by Common Equity Ratio	<u>42.84</u>	<u>42.84</u>
Jurisdictional Return on Common Equity	<u>10.83%</u>	<u>10.83%</u>

GULF POWER COMPANY

Storm Accrual - Twelve Month to Date
August 2020

Supplemental 1

<u>Month</u>	<u>Year</u>	<u>\$</u>
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
May	2020	291,677
June	2020	291,667
July	2020	291,667
August	2020	291,667
12 - M-T-D		<u><u>4,083,377</u></u>

GULF POWER COMPANY
COVID-19 Regulatory Asset Report
August 2020

Supplemental 2

Order No: 2020-0262-PCO-EI

Line No.		April Activity	May Activity	June Activity	July Activity	August Activity	Cumulative Balance
1	Incremental Bad Debt Expense	\$ 1,673,598	\$ 2,001,364	\$ 1,639,872	\$ 862,052	\$ 2,224,584	\$ 8,401,470
2							
3	Safety Related Costs ⁽¹⁾ :						
4	Testing	\$ -	\$ 251,722	\$ 142,598	\$ 9,871	\$ 86,298	\$ 490,489
5	Personal Protective Equipment	\$ 4,015	\$ 112,494	\$ 103,343	\$ 51,351	\$ 83,246	\$ 354,448
6	Temperature Screening ⁽²⁾	\$ 233,744	\$ 81,346	\$ 166,173	\$ (41,838)	\$ 717	\$ 440,142
7	Facility Upgrades/Cleaning ⁽²⁾	\$ 105,600	\$ 145,957	\$ 85,241	\$ (55,843)	\$ 21,326	\$ 302,281
8	Other	\$ -	\$ -	\$ 534	\$ -	\$ -	\$ 534
9	Total Safety Related Costs	\$ 343,359	\$ 591,519	\$ 497,888	\$ (36,459)	\$ 191,586	\$ 1,587,894
10							
11	Total COVID-19 Costs	\$ 2,016,957	\$ 2,592,883	\$ 2,137,761	\$ 825,593	\$ 2,416,170	\$ 9,989,363
12							
13	Less Savings:						
14	Reduction in Travel and Meal Expenses	\$ -	\$ (45,903)	\$ (79,827)	\$ (81,948)	\$ (91,712)	\$ (299,390)
15							
16	Total Regulatory Asset	\$ 2,016,957	\$ 2,546,979	\$ 2,057,934	\$ 743,646	\$ 2,324,458	\$ 9,689,973

Notes

(1) Excludes capital costs.

(2) Credits in July 2020 are due to capitalization of prior period costs and prior period accrual actualizations.