

**Exhibit A**

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**CONFIDENTIAL DOCUMENTS**

*ML 8.12.02*  
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DOCUMENT NUMBER-DATE  
09030 JUL 26 8  
FPSC-RECORDS/REPORTING

Southern Company Services, Inc.  
 270 Peachtree Street NW  
 Atlanta, Georgia 30303-1205

**CONFIDENTIAL**



**1988 AGREEMENT**  
**INVOICE MONTH: MARCH 1999**

**FLORIDA POWER & LIGHT COMPANY**  
**MIAMI, FLORIDA**

Southern Company Services, Inc., acting solely as agent for Alabama Power Company, Georgia Power Company, Gulf Power Company, Mississippi Power Company, and Savannah Electric and Power Company, and in accordance with rate schedules on file with the Federal Energy Regulatory Commission, submits this invoice for UNIT POWER SALES ELECTRIC CAPACITY to be delivered during MARCH 1999 as follows:

SEND REMITTANCE TO: Southern Company Services, Inc.  
 Attention: Treasury Department

**INVOICE NO. 88-UPS0399FPL**

**WE CHARGE YOUR ACCOUNT WITH:**

	Monthly Capacity Rate (\$/KW-MO) <b>(B)</b>	Monthly Capacity Purchased (KW) <b>(C)</b>	Monthly Charges (\$/MO)
<b>BUDGET CHARGES FOR MARCH 1999:</b>			
1 Miller Unit 1 (Ala)	4.628167	181,000	837,698
2 Miller Unit 2 (Ala)	7.343750	180,000	1,321,875
3 Miller Unit 3 (Ala)	9.977000	182,000	1,815,814
4 Miller Unit 4 (Ala)	10.135500	187,000	1,895,339
5 Scherer Unit 3 (GaPC)	8.466000	63,000	533,358
6 Scherer Unit 3 (Gulf)	8.174500	128,000	1,046,336
7 Total		921,000	7,450,420
Coordination and Scheduling Service Charges			73,680
Total Production Charges			7,524,100
Transmission Charge:			
For Miller Sales	2.045757	730,000	1,493,403
For Scherer Sales	1.122288	191,000	214,357
10 Total Transmission Charges		921,000	1,707,760
Total Budgeted Capacity Charges			9,231,860
<b>ADJUSTMENTS FOR MARCH 1999:</b>			
JANUARY 1999 Actual Capacity Charge True-Up			14,024
JANUARY 1999 Administrative Cost			7,195
Interest Charges			83,065
Previous Months Adjustment			311,754
Transmission True-up			-71,366
Variable O&M True-up			0
Other Charges			0
TOTAL CAPACITY CHARGES DUE SOUTHERN FOR MARCH 1999			9,576,532

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**UNIT POWER SALES AGREEMENT  
DETERMINATION OF MONTHLY CAPACITY CHARGES  
ALABAMA POWER COMPANY - MILLER PLANT**

MARCH, 1999

	UNIT 1	UNIT 2	UNIT 3	UNIT 4	REFERENCES
2. (1) NET DEPENDABLE CAPACITY (KW)	613,675	613,216	674,100	693,100	EXH K, LINE 1
(2) TOTAL NET INVESTMENT - SPECIFIC (\$)	45-1/2-11; 81,218,626	179,432,238	314,127,848	340,345,266	EXH B, LINE 7
(3) TOTAL NET INVESTMENT - COMMON (\$)	43-1/2-11/2 35,491,256	35,492,256	55,113,603	55,125,940	EXH C, LINE 7
(4) TOTAL NET INVESTMENT (\$)	116,709,882	214,924,494	369,241,451	395,471,206	LINE 2 + LINE 3
(5) RETURN ON INVESTMENT (A) (%)	43-1/2-1/4 P9 8.635	9.563 P10	10.043 P11	9.925 P12	EXH M,N,O,P LINE 4
(6) ASSOCIATED INCOME TAX (%)	43-1/2-1/4 P9 2.932	3.208 P10	3.500 P11	3.570 P12	EXH M,N,O,P LINE 11
(7) RETURN ON INVESTMENT (\$)	Line 4 x Line 5 10,077,898	20,553,229	37,082,919	39,250,517	LINE 4 * LINE 5
(8) ASSOCIATED INCOME TAX (\$)	Line 4 x Line 6 3,421,934	6,894,778	12,923,451	14,118,322	LINE 4 * LINE 6
(9) RETURN ON INV & ASSOC INCOME TAX (\$)	13,499,832	27,448,007	50,006,370	53,368,839	LINE 7 + LINE 8
(10) TOTAL FIXED EXPENSE (\$)	43-1/2-1/3 19,559,772	24,970,368	28,277,904	28,401,240	EXH D, LINE 7
(11) TOTAL FIXED CHARGES (\$)	33,059,604	52,418,375	78,284,274	81,770,079	LINE 9 + LINE 10
(12) TOTAL FIXED CHARGES (\$/KW-MO)	53.872	85.481	116.132	117.977	LINE 11 / LINE 1
(13) FIXED CHARGES ASSOC W/ LOSSES (\$/KW-MO)	1.666	2.644	3.592	3.649	LINE 12 * ((100% / (100% - 3%)) - 1)
(14) TOTAL FIXED CHARGES ASSOC W/ LOSSES (\$/KW-MO)	55.538	88.125	119.724	121.626	LINE 12 + LINE 13
(15) MONTHLY CAPACITY CHARGES (\$/KW-MO)	4.628167 $\frac{43-1}{2}$	7.343750 $\frac{43-1}{2}$	9.977000 $\frac{43-1}{2}$	10.135500 $\frac{43-1}{2}$	LINE 14 / 12.0

NOTES:

(A) THE MONTHLY CAPACITY CHARGES ARE CALCULATED USING A

12.50 (%) RETURN ON COMMON EQUITY.

WORK PAPERS: EXHIBIT A  
ALABAMA POWER COMPANY  
MILLER PLANT  
MARCH, 1999

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF TOTAL NET INVESTMENT - SPECIFIC**  
**ALABAMA POWER COMPANY - MILLER PLANT**

MARCH, 1999

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
(1) GROSS INVESTMENT (\$):					
PRODUCTION - UNIT (SPECIFIC)	210,201,000	364,541,000	479,465,000	471,828,000	EXH K, LINE 2
TRANSMISSION - GSU (SPECIFIC)	1,845,000	4,115,000	4,514,000	5,347,000	EXH L, LINE 1
TOTAL	212,046,000	368,656,000	483,979,000	477,175,000	
(2) ACCUMULATED DEPRECIATION (\$):					
PRODUCTION - UNIT (SPECIFIC)	( 115,397,000 )	( 144,462,000 )	( 131,166,000 )	( 97,346,000 )	EXH K, LINE 5
TRANSMISSION - GSU (SPECIFIC)	( 1,050,000 )	( 1,878,000 )	( 1,406,000 )	( 1,363,000 )	EXH L, LINE 4
TOTAL	( 116,447,000 )	( 146,340,000 )	( 132,572,000 )	( 98,709,000 )	
(3) NET INVESTMENT (\$):					
PRODUCTION - UNIT (SPECIFIC)	94,804,000	220,079,000	348,299,000	374,482,000	LINE 1 + LINE 2
TRANSMISSION - GSU (SPECIFIC)	795,000	2,237,000	3,108,000	3,984,000	LINE 1 + LINE 2
TOTAL	95,599,000	222,316,000	351,407,000	378,466,000	
(4) GENERAL PLANT (\$):					
PRODUCTION - UNIT (SPECIFIC)	2,359,830	2,166,111	2,342,227	1,972,392	EXH H, LINE 9
TRANSMISSION - GSU (SPECIFIC)	35,220	52,837	52,837	70,441	EXH I, LINE 9
TOTAL	2,395,050	2,218,948	2,395,064	2,042,833	
(5) WORKING CAPITAL (\$):					
PRODUCTION - UNIT (SPECIFIC)	10,271,498	10,964,320	17,292,594	17,293,300	EXH G, LINE 8
TRANSMISSION - GSU (SPECIFIC)	6,542	7,753	8,656	10,233	EXH G, LINE 15
TOTAL	10,278,040	10,972,073	17,301,250	17,303,533	
(6) ACCUMULATED DEFERRED INCOME TAX (\$):					
PRODUCTION - UNIT (SPECIFIC)	( 26,525,928 )	( 55,148,978 )	( 56,445,661 )	( 56,823,028 )	EXH H, LINES 15+17
TRANSMISSION - GSU (SPECIFIC)	( 527,536 )	( 925,805 )	( 529,805 )	( 644,072 )	EXH I, LINES 15+17
TOTAL	( 27,053,464 )	( 56,074,783 )	( 56,975,466 )	( 57,467,100 )	
(7) TOTAL NET INVESTMENT - SPECIFIC (\$)	81,218,626	179,432,238	314,127,848	340,345,266	LINES 3+4+5+6
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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF TOTAL NET INVESTMENT - COMMON**  
**ALABAMA POWER COMPANY - MILLER PLANT**

MARCH, 1999

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
(1) GROSS INVESTMENT (\$):					
PRODUCTION - UNIT (COMMON)	64,962,000	64,962,000	89,946,000	89,946,000	EXH K, LINE 3
TRANSMISSION - GSU (COMMON)	6,673,000	6,673,000	6,674,000	6,674,000	EXH L, LINE 2
TOTAL	71,635,000	71,635,000	96,620,000	96,620,000	
(2) ACCUMULATED DEPRECIATION (\$):					
PRODUCTION - UNIT (COMMON)	(31,480,000)	(31,480,000)	(34,014,000)	(34,014,000)	EXH K, LINE 6
TRANSMISSION - GSU (COMMON)	(2,883,000)	(2,883,000)	(3,139,000)	(3,139,000)	EXH L, LINE 5
TOTAL	(34,363,000)	(34,363,000)	(37,153,000)	(37,153,000)	
(3) NET INVESTMENT (\$):					
PRODUCTION - UNIT (COMMON)	33,482,000	33,482,000	55,932,000	55,932,000	LINE 1 + LINE 2
TRANSMISSION - GSU (COMMON)	3,790,000	3,790,000	3,535,000	3,535,000	LINE 1 + LINE 2
TOTAL	37,272,000	37,272,000	59,467,000	59,467,000	
(4) GENERAL PLANT (\$):					
PRODUCTION - UNIT (COMMON)	8,065,683	8,065,683	8,065,683	8,065,683	EXH H, LINE 10
TRANSMISSION - GSU (COMMON)	70,441	70,441	88,057	105,661	EXH I, LINE 10
TOTAL	8,136,124	8,136,124	8,153,740	8,171,344	
(5) WORKING CAPITAL (\$):					
PRODUCTION - UNIT (COMMON)	0	0	0	0	INCL IN UNIT (EXH B, LINE 5)
TRANSMISSION - GSU (COMMON)	0	0	0	0	INCL IN UNIT (EXH B, LINE 5)
TOTAL	0	0	0	0	
(6) ACCUMULATED DEFERRED INCOME TAX (\$):					
PRODUCTION - UNIT (COMMON)	(9,160,796)	(9,159,796)	(11,747,796)	(11,748,796)	EXH H, LINES 16 + 18
TRANSMISSION - GSU (COMMON)	(756,072)	(756,072)	(759,341)	(763,608)	EXH I, LINES 16 + 18
TOTAL	(9,916,868)	(9,915,868)	(12,507,137)	(12,512,404)	
(7) TOTAL NET INVESTMENT - COMMON (\$)	35,491,256	35,492,256	55,113,603	55,125,940	LINES 3+4+5+6

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**UNIT POWER SALES AGREEMENT  
DETERMINATION OF TOTAL FIXED EXPENSE  
ALABAMA POWER COMPANY - MILLER PLANT**

MARCH, 1999

	UNIT 1	UNIT 2	UNIT 3	UNIT 4	REFERENCES
1) OPERATION & MAINTENANCE EXPENSE - FIXED (\$):					
PRODUCTION - UNIT	7,008,000	7,368,000	6,096,000	6,012,000	EXH K, LINE 14 * 12.0
TRANSMISSION - GSU	12,000	12,000	12,000	12,000	EXH L, LINE 8 * 12.0
TOTAL	7,020,000	7,380,000	6,108,000	6,024,000	
2) ADMINISTRATIVE & GENERAL EXPENSE (\$):					
PRODUCTION - UNIT	2,835,096	2,807,976	2,890,452	2,792,868	EXH H, LINE 23 * 12.0
TRANSMISSION - GSU	27,888	32,532	37,176	46,464	EXH I, LINE 23 * 12.0
TOTAL	2,862,984	2,840,508	2,927,628	2,839,332	
3) DEPRECIATION EXPENSE (\$):					
PRODUCTION - UNIT	7,984,056	11,859,492	15,290,916	15,062,928	EXH H, LINE 26 * 12.0
TRANSMISSION - GSU	282,852	343,992	357,132	395,424	EXH I, LINE 26 * 12.0
TOTAL	8,266,908	12,203,484	15,648,048	15,458,352	
4) AMORTIZATION OF INCOME TAX CREDITS (\$):					
PRODUCTION - UNIT	(488,340)	(596,184)	(800,328)	(692,028)	EXH H, LINE 29 * 12.0
TRANSMISSION - GSU	(36,084)	(36,096)	(24,108)	(24,144)	EXH I, LINE 29 * 12.0
TOTAL	(524,424)	(632,280)	(824,436)	(716,172)	
5) REAL & PERSONAL PROPERTY TAX (\$):					
PRODUCTION - UNIT	1,219,188	2,453,724	3,667,056	4,060,248	EXH H, LINE 32 * 12.0
TRANSMISSION - GSU	48,804	72,936	85,068	97,332	EXH I, LINE 32 * 12.0
TOTAL	1,267,992	2,526,660	3,752,124	4,157,580	
6) PAYROLL TAX (\$):					
PRODUCTION - UNIT	652,920	638,376	652,692	623,832	EXH H, LINE 8 * 12.0
TRANSMISSION - GSU	13,392	13,620	13,848	14,316	EXH I, LINE 8 * 12.0
TOTAL	666,312	651,996	666,540	638,148	
7) TOTAL FIXED EXPENSE (\$)	19,559,772	24,970,368	28,277,904	28,401,240	LINES 1+2+3+4+5+6
	$\frac{43-1}{2-1}$	$\frac{43-1}{2-1}$	$\frac{43-1}{2-1}$	$\frac{43-1}{2-1}$	

NOTES:  
ALL EXPENSES ARE ANNUALIZED.

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**UNIT POWER SALES AGREEMENT**  
**ALLOCATION AND ASSIGNMENT OF INVESTMENT AND EXPENSE**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**PRODUCTION - UNIT**  
**MARCH, 1999**

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
<b>INVESTMENT (SPECIFIC) (\$):</b> =====					
(1) GROSS INVESTMENT	210,201,000	364,541,000	479,465,000	471,828,000	EXH K, LINE 2
(2) ACCUMULATED DEPRECIATION	( 115,397,000 )	( 144,462,000 )	( 131,166,000 )	( 97,346,000 )	EXH K, LINE 5
(3) NET INVESTMENT	94,804,000	220,079,000	348,299,000	374,482,000	LINES 1+2
(4) GENERAL PLANT	2,359,830	2,166,111	2,342,227	1,972,392	EXH H, LINE 9
(5) WORKING CAPITAL	10,271,498	10,964,320	17,292,594	17,293,300	EXH G, LINE 8
(6) ACCUMULATED DEFERRED INCOME TAX	( 26,525,928 )	( 55,148,978 )	( 56,445,661 )	( 56,823,028 )	EXH H, LINES 15 + 17
(7) TOTAL NET INVESTMENT (SPECIFIC)	80,909,400	178,060,453	311,488,160	336,924,664	LINES 3+4+5+6
<b>INVESTMENT (COMMON) (\$):</b> =====					
(8) GROSS INVESTMENT	64,962,000	64,962,000	89,946,000	89,946,000	EXH K, LINE 3
(9) ACCUMULATED DEPRECIATION	( 31,480,000 )	( 31,480,000 )	( 34,014,000 )	( 34,014,000 )	EXH K, LINE 6
(10) NET INVESTMENT	33,482,000	33,482,000	55,932,000	55,932,000	LINE 8 + LINE 9
(11) GENERAL PLANT	8,065,683	8,065,683	8,065,683	8,065,683	EXH H, LINE 10
(12) WORKING CAPITAL	0	0	0	0	INCL IN UNIT (LINE 5)
(13) ACCUMULATED DEFERRED INCOME TAX	( 9,160,796 )	( 9,159,796 )	( 11,747,796 )	( 11,748,796 )	EXH H, LINES 16 + 18
(14) TOTAL NET INVESTMENT (COMMON)	32,386,887	32,387,887	52,249,887	52,248,887	LINES 10+11+12+13
<b>EXPENSE (\$):</b> =====					
(15) OPERATION & MAINTENANCE EXPENSE - FIXED	584,000	614,000	508,000	501,000	EXH K, LINE 14
(16) ADMINISTRATIVE & GENERAL EXPENSE (INSURANCE)	7,382	9,375	12,381	12,368	EXH H, LINES 20 + 21
(17) ADMINISTRATIVE & GENERAL EXPENSE (OTHER)	228,876	224,623	228,490	220,371	EXH H, LINE 22
(18) DEPRECIATION EXPENSE	665,338	988,291	1,274,243	1,255,244	EXH H, LINE 26
(19) AMORTIZATION OF INCOME TAX CREDITS	( 40,695 )	( 49,682 )	( 66,694 )	( 57,669 )	EXH H, LINE 29
(20) REAL & PERSONAL PROPERTY TAX	101,599	204,477	305,588	338,354	EXH H, LINE 32
(21) PAYROLL TAX	54,410	53,198	54,391	51,986	EXH H, LINE 8
(22) TOTAL EXPENSE	1,600,910	2,044,282	2,316,399	2,321,654	SUM LINES 15 TO 21

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**UNIT POWER SALES AGREEMENT**  
**ALLOCATION AND ASSIGNMENT OF INVESTMENT AND EXPENSE**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**TRANSMISSION - GENERATOR STEP-UP SUBSTATIONS**  
**MARCH, 1999**

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
<b>INVESTMENT (SPECIFIC) (\$):</b> =====					
(1) GROSS INVESTMENT	1,845,000	4,115,000	4,514,000	5,347,000	EXH L, LINE 1
(2) ACCUMULATED DEPRECIATION	( 1,050,000 )	( 1,878,000 )	( 1,406,000 )	( 1,363,000 )	EXH L, LINE 4
(3) NET INVESTMENT	795,000	2,237,000	3,108,000	3,984,000	LINES 1+2
(4) GENERAL PLANT	35,220	52,837	52,837	70,441	EXH I, LINE 9
(5) WORKING CAPITAL	6,542	7,753	8,656	10,233	EXH G, LINE 15
(6) ACCUMULATED DEFERRED INCOME TAX	( 527,536 )	( 925,805 )	( 529,805 )	( 644,072 )	EXH I, LINES 15 + 17
(7) TOTAL NET INVESTMENT (SPECIFIC)	309,226	1,371,785	2,639,688	3,420,602	LINES 3+4+5+6
<b>INVESTMENT (COMMON) (\$):</b> =====					
(8) GROSS INVESTMENT	6,673,000	6,673,000	6,674,000	6,674,000	EXH L, LINE 2
(9) ACCUMULATED DEPRECIATION	( 2,883,000 )	( 2,883,000 )	( 3,139,000 )	( 3,139,000 )	EXH L, LINE 5
(10) NET INVESTMENT	3,790,000	3,790,000	3,535,000	3,535,000	LINE 8 + LINE 9
(11) GENERAL PLANT	70,441	70,441	88,057	105,661	EXH I, LINE 10
(12) WORKING CAPITAL	0	0	0	0	INCL IN UNIT (LINE 5)
(13) ACCUMULATED DEFERRED INCOME TAX	( 756,072 )	( 756,072 )	( 759,341 )	( 763,608 )	EXH I, LINES 16 + 18
(14) TOTAL NET INVESTMENT (COMMON)	3,104,369	3,104,369	2,863,716	2,877,053	LINES 10+11+12+13
<b>EXPENSE (\$):</b> =====					
(15) OPERATION & MAINTENANCE EXPENSE - FIXED	1,000	1,000	1,000	1,000	EXH L, LINE 8
(16) ADMINISTRATIVE & GENERAL EXPENSE (INSURANCE)	4	5	5	6	EXH I, LINES 20 + 21
(17) ADMINISTRATIVE & GENERAL EXPENSE (OTHER)	2,320	2,706	3,093	3,866	EXH I, LINE 22
(18) DEPRECIATION EXPENSE	23,571	28,666	29,761	32,952	EXH I, LINE 26
(19) AMORTIZATION OF INVESTMENT TAX CREDITS	( 3,007 )	( 3,008 )	( 2,009 )	( 2,012 )	EXH I, LINE 29
(20) REAL & PERSONAL PROPERTY TAX	4,067	6,078	7,089	8,111	EXH I, LINE 32
(21) PAYROLL TAX	1,116	1,135	1,154	1,193	EXH I, LINE 8
(22) TOTAL EXPENSE	29,071	36,582	40,093	45,116	SUM LINES 15 TO 21

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**UNIT POWER SALES AGREEMENT  
DETERMINATION OF WORKING CAPITAL  
1. ALABAMA POWER COMPANY - MILLER PLANT**

MARCH, 1999

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
<b>PRODUCTION - UNIT</b> =====					
(1) OPERATION & MAINTENANCE EXPENSE - FIXED (\$)	7,008,000	7,368,000	6,096,000	6,012,000	EXH K, LINE 14 * 12.0
(2) OPERATION & MAINTENANCE EXPENSE - VARIABLE (\$)	14,076,000	19,116,000	69,264,000	69,396,000	EXH K, LINE 13 * 12.0
(3) ADMINISTRATIVE & GENERAL EXPENSE (\$)	2,835,096	2,807,976	2,890,452	2,792,868	EXH H, LINE 23 * 12.0
(4) BASIS FOR COMPUTING WORKING CAPITAL (\$)	23,919,096	29,291,976	78,250,452	78,200,868	LINES 1+2+3
(5) CASH WORKING CAPITAL (1/8 OF BASIS) (\$)	2,989,887	3,661,497	9,781,307	9,775,109	LINE 4 * 1/8
(6) PREPAID EXPENSE (\$)	99,303	120,515	153,287	160,114	EXH H, LINE 14
(7) MATERIALS AND SUPPLIES (\$)	7,182,308	7,182,308	7,358,000	7,358,077	EXH K, LINE 10
(8) WORKING CAPITAL (\$)	10,271,498	10,964,320	17,292,594	17,293,300	LINES 5+6+7
<b>TRANSMISSION - GSU</b> =====					
(9) OPERATION & MAINTENANCE EXPENSE - FIXED (\$)	12,000	12,000	12,000	12,000	EXH L, LINE 8 * 12.0
(10) ADMINISTRATIVE & GENERAL EXPENSE (\$)	27,888	32,532	37,176	46,464	EXH I, LINE 23 * 12.0
(11) BASIS FOR COMPUTING WORKING CAPITAL (\$)	39,888	44,532	49,176	58,464	LINE 9 + LINE 10
(12) CASH WORKING CAPITAL (1/8 OF BASIS) (\$)	4,986	5,567	6,147	7,308	LINE 11 * 1/8
(13) PREPAID EXPENSE (\$)	1,556	2,186	2,509	2,925	EXH I, LINE 14
(14) MATERIALS AND SUPPLIES (\$)	0	0	0	0	EXH L, LINE 7
(15) WORKING CAPITAL (\$)	6,542	7,753	8,656	10,233	LINES 12+13+14

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**UNIT POWER SALES AGREEMENT**  
**ALLOCATION OF INVESTMENT AND EXPENSE**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**PRODUCTION - UNIT**  
**MARCH, 1999**

	<u>TOTAL PRODUCTION</u> (1) (C)	<u>UNIT 1</u> (2)	<u>UNIT 2</u> (3)	<u>UNIT 3</u> (4)	<u>UNIT 4</u> (5)	<u>REFERENCES</u>
SALARIES AND WAGES (\$):						SECTION 2.2.17
(1) PROD-UNIT (SPECIFIC) (AS GIVEN)	0	134,000	123,000	133,000	112,000	
(2) PROD-UNIT (COMMON) (AS GIVEN)	0	458,000	458,000	458,000	458,000	
(3) TOTAL (AS GIVEN)	12,648,000	592,000	581,000	591,000	570,000	
(4) PROD-UNIT (SPECIFIC) (W/ A&G ALLOC) (B)	0	169,850	155,907	168,583	141,964	
(5) PROD-UNIT (COMMON) (W/ A&G ALLOC) (B)	0	580,532	580,532	580,532	580,532	
(6) TOTAL (W/ A&G ALLOC) (B)	16,031,816	750,382	736,439	749,115	722,496	
PAYROLL TAX (\$):						SECTION 2.2.14
(7) PRODUCTION - UNIT (AS GIVEN)	915,000	43,000	42,000	43,000	41,000	
(8) PRODUCTION - UNIT (W/ A&G ALLOC) (A)	1,158,772	54,410	53,198	54,391	51,986	
GENERAL PLANT (\$):						SECTION 2.2.5
(9) PRODUCTION - UNIT (SPECIFIC) (A)	0	2,359,830	2,166,111	2,342,227	1,972,392	
(10) PRODUCTION - UNIT (COMMON) (A)	0	8,065,683	8,065,683	8,065,683	8,065,683	
(11) TOTAL (A)	222,739,761	10,425,513	10,231,794	10,407,910	10,038,075	
PREPAID EXPENSE (D) (\$):						SECTION 2.2.6
(12) PRODUCTION - UNIT	1,485,308	90,077	111,461	144,077	151,231	
(13) GENERAL - UNIT (A)	197,107	9,226	9,054	9,210	8,883	
(14) TOTAL	1,682,415	99,303	120,515	153,287	160,114	
ACCUMULATED DEFERRED INCOME TAX (\$):						SECTION 2.2.7
(15) PRODUCTION - UNIT (SPECIFIC)	368,287,000	26,088,000	54,747,000	56,011,000	56,457,000	
(16) PRODUCTION - UNIT (COMMON)	0	7,664,000	7,663,000	10,251,000	10,252,000	
(17) GENERAL - UNIT (SPECIFIC) (A)	41,335,133	437,928	401,978	434,661	366,028	
(18) GENERAL - UNIT (COMMON) (A)	0	1,496,796	1,496,796	1,496,796	1,496,796	
(19) TOTAL	409,622,133	35,686,724	64,308,774	68,193,457	68,571,824	
ADMINISTRATIVE & GENERAL EXPENSE (\$):						SECTION 2.2.10
(20) PRODUCTION - UNIT (INCL INSURANCE)	105,000	7,000	9,000	12,000	12,000	
(21) GENERAL - UNIT (INCL INSURANCE) (A)	8,163	382	375	381	368	
(22) OTHER (EXCL INSURANCE) (A)	4,889,912	228,876	224,623	228,490	220,371	
(23) TOTAL	5,003,075	236,258	233,998	240,871	232,739	
DEPRECIATION EXPENSE (\$):						SECTION 2.2.11
(24) PRODUCTION - UNIT	7,547,000	609,000	933,000	1,218,000	1,201,000	
(25) GENERAL - UNIT (A)	1,203,648	56,338	55,291	56,243	54,244	
(26) TOTAL	8,750,648	665,338	988,291	1,274,243	1,255,244	
AMORTIZATION OF INCOME TAX CREDITS (\$):						SECTION 2.2.12
(27) PRODUCTION - UNIT	318,000	40,000	49,000	66,000	57,000	
(28) GENERAL - UNIT (A)	14,842	695	682	694	669	
(29) TOTAL	332,842	40,695	49,682	66,694	57,669	
REAL & PERSONAL PROPERTY TAX (\$):						SECTION 2.2.13
(30) PRODUCTION - UNIT	1,391,000	95,000	198,000	299,000	332,000	
(31) GENERAL - UNIT (A)	140,994	6,599	6,477	6,588	6,354	
(32) TOTAL	1,531,994	101,599	204,477	305,588	338,354	

NOTES (A) ALLOCATED TO UNIT USING PRODUCTION FACTORS SHOWN ON EXHIBIT J.  
 (B) TOTAL PRODUCTION ALLOCATED TO UNIT BASED ON LINE 3.  
 (C) TOTAL ALABAMA POWER COMPANY FOSSIL STEAM AND COMBUSTION TURBINE PRODUCTION FACILITIES.  
 (D) PREPAID EXPENSES ARE 13 MONTH AVERAGES.

**UNIT POWER SALES AGREEMENT**  
**ALLOCATION OF INVESTMENT AND EXPENSE**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**TRANSMISSION - GENERATOR STEP-UP SUBSTATIONS**  
**MARCH, 1999**

	<u>TOTAL</u> <u>TRANSMISSION</u> (1) (C)	<u>UNIT 1</u> (2)	<u>UNIT 2</u> (3)	<u>UNIT 3</u> (4)	<u>UNIT 4</u> (5)	<u>REFERENCES</u>
SALARIES AND WAGES (\$):						SECTION 2.2.17
(1) TRAN-GSU (SPECIFIC) (AS GIVEN)	0	2,000	3,000	3,000	4,000	
(2) TRAN-GSU (COMMON) (AS GIVEN)	0	4,000	4,000	5,000	6,000	
(3) TOTAL (AS GIVEN)	2,493,000	6,000	7,000	8,000	10,000	
(4) TRAN-GSU (SPECIFIC) (W/ A&G ALLOC) (B)	0	2,535	3,803	3,803	5,070	
(5) TRAN-GSU (COMMON) (W/ A&G ALLOC) (B)	0	5,070	5,070	6,338	7,605	
(6) TOTAL (W/ A&G ALLOC) (B)	3,159,971	7,605	8,873	10,141	12,675	
PAYROLL TAX (\$):						SECTION 2.2.14
(7) TRANSMISSION - GSU (AS GIVEN)	180,000	1,000	1,000	1,000	1,000	
(8) TRANSMISSION - GSU (W/ A&G ALLOC) (A)	228,049	1,116	1,135	1,154	1,193	
GENERAL PLANT (\$):						SECTION 2.2.5
(9) TRANSMISSION - GSU (SPECIFIC) (A)	0	35,220	52,837	52,837	70,441	
(10) TRANSMISSION - GSU (COMMON) (A)	0	70,441	70,441	88,057	105,661	
(11) TOTAL (A)	43,903,395	105,661	123,278	140,894	176,102	
PREPAID EXPENSE (D) (\$):						SECTION 2.2.6
(12) TRANSMISSION - GSU	216,000	1,462	2,077	2,384	2,769	
(13) GENERAL - GSU (A)	38,851	94	109	125	156	
(14) TOTAL	254,851	1,556	2,186	2,509	2,925	
ACCUMULATED DEFERRED INCOME TAX (\$):						SECTION 2.2.7
(15) TRANSMISSION - GSU (SPECIFIC)	137,450,000	521,000	916,000	520,000	631,000	
(16) TRANSMISSION - GSU (COMMON)	0	743,000	743,000	743,000	744,000	
(17) GENERAL - GSU (SPECIFIC) (A)	8,147,412	6,536	9,805	9,805	13,072	
(18) GENERAL - GSU (COMMON) (A)	0	13,072	13,072	16,341	19,608	
(19) TOTAL	145,597,412	1,283,608	1,681,877	1,289,146	1,407,680	
ADMINISTRATIVE & GENERAL EXPENSE (\$):						SECTION 2.2.10
(20) TRANSMISSION - GSU (INCL INSURANCE)	9,000	0	0	0	0	
(21) GENERAL - GSU (INCL INSURANCE) (A)	1,609	4	5	5	6	
(22) OTHER (EXCL INSURANCE) (A)	963,832	2,320	2,706	3,093	3,866	
(23) TOTAL	974,441	2,324	2,711	3,098	3,872	
DEPRECIATION EXPENSE (\$):						SECTION 2.2.11
(24) TRANSMISSION - GSU	3,554,000	23,000	28,000	29,000	32,000	
(25) GENERAL - GSU (A)	237,246	571	666	761	952	
(26) TOTAL	3,791,246	23,571	28,666	29,761	32,952	
AMORTIZATION OF INCOME TAX CREDITS (\$):						SECTION 2.2.12
(27) TRANSMISSION - GSU	70,000	3,000	3,000	2,000	2,000	
(28) GENERAL - GSU (A)	2,925	7	8	9	12	
(29) TOTAL	72,925	3,007	3,008	2,009	2,012	
REAL & PERSONAL PROPERTY TAX (\$):						SECTION 2.2.13
(30) TRANSMISSION - GSU	729,000	4,000	6,000	7,000	8,000	
(31) GENERAL - GSU (A)	27,791	67	78	89	111	
(32) TOTAL	756,791	4,067	6,078	7,089	8,111	

NOTES: (A) ALLOCATED TO UNIT USING TRANSMISSION FACTORS SHOWN ON EXHIBIT J.

(B) TOTAL TRANSMISSION ALLOCATED TO UNIT BASED ON LINE 3.

(C) TOTAL ALABAMA POWER COMPANY TRANSMISSION FACILITIES.

(D) PREPAID EXPENSES ARE 13 MONTH AVERAGES.

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WORK PAPERS: EXHIBIT I  
ALABAMA POWER COMPANY  
MILLER PLANT  
MARCH, 1999

**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF ALLOCATION FACTORS**  
**ALABAMA POWER COMPANY - MILLER PLANT**

MARCH, 1999

EXHIBIT H  
PRODUCTION

EXHIBIT I  
TRANSMISSION

UNIT 1 ALLOCATORS: .....			
	LINE 4, COL 2	169,850	
(A) UNIT	=	=	0.01059456
	LINE 6, COL 1	16,031,816	
	LINE 5, COL 2	580,532	
(B) COMMON	=	=	0.03621124
	LINE 6, COL 1	16,031,816	
	LINE 6, COL 2	750,382	
(C) TOTAL	=	=	0.04680580
	LINE 6, COL 1	16,031,816	
UNIT 2 ALLOCATORS: .....			
	LINE 4, COL 3	155,907	
(A) UNIT	=	=	0.00972485
	LINE 6, COL 1	16,031,816	
	LINE 5, COL 3	580,532	
(B) COMMON	=	=	0.03621124
	LINE 6, COL 1	16,031,816	
	LINE 6, COL 3	736,439	
(C) TOTAL	=	=	0.04593609
	LINE 6, COL 1	16,031,816	
UNIT 3 ALLOCATORS: .....			
	LINE 4, COL 4	168,583	
(A) UNIT	=	=	0.01051553
	LINE 6, COL 1	16,031,816	
	LINE 5, COL 4	580,532	
(B) COMMON	=	=	0.03621124
	LINE 6, COL 1	16,031,816	
	LINE 6, COL 4	749,115	
(C) TOTAL	=	=	0.04672677
	LINE 6, COL 1	16,031,816	
UNIT 4 ALLOCATORS: .....			
	LINE 4, COL 5	141,964	
(A) UNIT	=	=	0.00885514
	LINE 6, COL 1	16,031,816	
	LINE 5, COL 5	580,532	
(B) COMMON	=	=	0.03621124
	LINE 6, COL 1	16,031,816	
	LINE 6, COL 5	722,496	
(C) TOTAL	=	=	0.04506639
	LINE 6, COL 1	16,031,816	

UNIT 1 ALLOCATORS: .....			
	LINE 4, COL 2	2,535	
(A) UNIT	=	=	0.00080222
	LINE 6, COL 1	3,159,971	
	LINE 5, COL 2	5,070	
(B) COMMON	=	=	0.00160445
	LINE 6, COL 1	3,159,971	
	LINE 6, COL 2	7,605	
(C) TOTAL	=	=	0.00240667
	LINE 6, COL 1	3,159,971	
UNIT 2 ALLOCATORS: .....			
	LINE 4, COL 3	3,803	
(A) UNIT	=	=	0.00120349
	LINE 6, COL 1	3,159,971	
	LINE 5, COL 3	5,070	
(B) COMMON	=	=	0.00160445
	LINE 6, COL 1	3,159,971	
	LINE 6, COL 3	8,873	
(C) TOTAL	=	=	0.00280794
	LINE 6, COL 1	3,159,971	
UNIT 3 ALLOCATORS: .....			
	LINE 4, COL 4	3,803	
(A) UNIT	=	=	0.00120349
	LINE 6, COL 1	3,159,971	
	LINE 5, COL 4	6,338	
(B) COMMON	=	=	0.00200571
	LINE 6, COL 1	3,159,971	
	LINE 6, COL 4	10,141	
(C) TOTAL	=	=	0.00320921
	LINE 6, COL 1	3,159,971	
UNIT 4 ALLOCATORS: .....			
	LINE 4, COL 5	5,070	
(A) UNIT	=	=	0.00160445
	LINE 6, COL 1	3,159,971	
	LINE 5, COL 5	7,605	
(B) COMMON	=	=	0.00240667
	LINE 6, COL 1	3,159,971	
	LINE 6, COL 5	12,675	
(C) TOTAL	=	=	0.00401111
	LINE 6, COL 1	3,159,971	

*J.P. F/1/1/1*

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**UNIT POWER SALES AGREEMENT**  
**ITEMS OF DIRECT ASSIGNMENT**  
**1. ALABAMA POWER COMPANY - MILLER PLANT**  
**PRODUCTION - UNIT**  
**MARCH, 1999**

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCE - MANUAL</u>
2. (1) NET DEPENDABLE CAPACITY (KW)	613,675	613,216	674,100	693,100	SECTION 2.2.1
GROSS INVESTMENT (\$):					SECTION 2.2.2
(2) PRODUCTION - UNIT (SPECIFIC)	210,201,000	364,541,000	479,465,000	471,828,000	
(3) PRODUCTION - UNIT (COMMON)	64,962,000	64,962,000	89,946,000	89,946,000	
(4) TOTAL	275,163,000	429,503,000	569,411,000	561,774,000	
ACCUMULATED DEPRECIATION (\$):					SECTION 2.2.3
(5) PRODUCTION - UNIT (SPECIFIC)	115,397,000	144,462,000	131,166,000	97,346,000	
(6) PRODUCTION - UNIT (COMMON)	31,480,000	31,480,000	34,014,000	34,014,000	
(7) TOTAL	146,877,000	175,942,000	165,180,000	131,360,000	
MATERIALS AND SUPPLIES (A) (\$):					SECTION 2.2.6
(8) PRODUCTION - UNIT	1,978,462	1,978,462	2,154,154	2,154,231	
(9) FUEL STOCK	5,203,846	5,203,846	5,203,846	5,203,846	
(10) TOTAL	7,182,308	7,182,308	7,358,000	7,358,077	
OPERATION & MAINTENANCE EXPENSE - VARIABLE (\$):					SECTION 2.2.6
(11) PRODUCTION - UNIT	1,173,000	1,593,000	213,000	220,000	
(12) FUEL BURN	0	0	5,559,000	5,563,000	
(13) TOTAL	1,173,000	1,593,000	5,772,000	5,783,000	
OPERATION & MAINTENANCE EXPENSE - FIXED (\$):					SECTION 2.2.6
(14) PRODUCTION - UNIT	584,000	614,000	508,000	501,000	

NOTES:

(A) MATERIAL & SUPPLIES ARE 13 MONTH AVERAGES.

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**UNIT POWER SALES AGREEMENT**  
**ITEMS OF DIRECT ASSIGNMENT**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**TRANSMISSION - GENERATOR STEP-UP SUBSTATIONS**  
**MARCH, 1999**

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCE - MANUAL</u>
GROSS INVESTMENT (\$):					SECTION 2.2.2
(1) TRANSMISSION - GSU (SPECIFIC)	1,845,000	4,115,000	4,514,000	5,347,000	
(2) TRANSMISSION - GSU (COMMON)	6,673,000	6,673,000	6,674,000	6,674,000	
(3) TOTAL	8,518,000	10,788,000	11,188,000	12,021,000	
ACCUMULATED DEPRECIATION (\$):					SECTION 2.2.3
(4) TRANSMISSION - GSU (SPECIFIC)	1,050,000	1,878,000	1,406,000	1,363,000	
(5) TRANSMISSION - GSU (COMMON)	2,883,000	2,883,000	3,139,000	3,139,000	
(6) TOTAL	3,933,000	4,761,000	4,545,000	4,502,000	
MATERIALS AND SUPPLIES (A) (\$):					SECTION 2.2.6
(7) TRANSMISSION - GSU	0	0	0	0	
OPERATION & MAINTENANCE EXPENSE - FIXED (\$):					SECTION 2.2.9
(8) TRANSMISSION - GSU	1,000	1,000	1,000	1,000	

NOTES:  
(A) MATERIAL & SUPPLIES ARE 13 MONTH AVERAGES.

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**UNIT POWER SALES AGREEMENT  
 DETERMINATION OF COST OF CAPITAL  
 ALABAMA POWER COMPANY - MILLER 1**

MARCH, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	55.4326	6.6278	3.6740
(2) PREFERRED STOCK (%)	11.9859	7.4094	0.8881
(3) COMMON EQUITY (%)	32.5815	12.50	4.0727
(4) TOTAL (%)	100.0000		8.635

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(5) INCOME TAX RATE (%) = 37.15

(6) EQUITY RETURN (%) = PREFERRED STOCK + COMMON EQUITY

(7) EQUITY RETURN (%) = 0.8881 + 4.0727

(8) EQUITY RETURN (%) = 4.9608

(9) ASSOCIATED INCOME TAX (%) =  $\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}} \cdot \text{EQUITY RETURN}$

(10) ASSOCIATED INCOME TAX (%) =  $\frac{37.15}{100 - 37.15} \cdot 4.9608$

(11) ASSOCIATED INCOME TAX (%) = 2.932

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF COST OF CAPITAL**  
**ALABAMA POWER COMPANY - MILLER 2**

MARCH, 1999

		<u>PERCENTAGE OF CAPITALIZATION</u>		<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)		52.6731		7.8519	4.1358
(2) PREFERRED STOCK (%)		10.0964		7.6623	0.7736
(3) COMMON EQUITY (%)		37.2305		12.50	4.6538
(4) TOTAL (%)		100.0000			9.563
					<u>43-1</u>
					2-1
(5) INCOME TAX RATE (%)	=	37.15			
(6) EQUITY RETURN (%)	=	PREFERRED STOCK + COMMON EQUITY			
(7) EQUITY RETURN (%)	=	0.7736	+	4.6538	
(8) EQUITY RETURN (%)	=	5.4274			
(9) ASSOCIATED INCOME TAX (%)	=	$\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}}$		*	EQUITY RETURN
(10) ASSOCIATED INCOME TAX (%)	=	$\frac{37.15}{100 - 37.15}$		*	5.4274
(11) ASSOCIATED INCOME TAX (%)	=	3.208			
					<u>43-1</u>
					2-1

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF COST OF CAPITAL**  
**ALABAMA POWER COMPANY - MILLER 3**

MARCH, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
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(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	48.7559	8.4541	4.1219
(2) PREFERRED STOCK (%)	9.8360	7.5704	0.7446
(3) COMMON EQUITY (%)	41.4081	12.50	5.1760
(4) TOTAL (%)	100.0000		10.043

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(5) INCOME TAX RATE (%)	= 37.15		
(6) EQUITY RETURN (%)	= PREFERRED STOCK + COMMON EQUITY		
(7) EQUITY RETURN (%)	= 0.7446 + 5.1760		
(8) EQUITY RETURN (%)	= 5.9206		
(9) ASSOCIATED INCOME TAX (%)	= $\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}}$ * EQUITY RETURN		
(10) ASSOCIATED INCOME TAX (%)	= $\frac{37.15}{100 - 37.15}$ * 5.9206		
(11) ASSOCIATED INCOME TAX (%)	= 3.500		

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF COST OF CAPITAL**  
**ALABAMA POWER COMPANY - MILLER 4**

MARCH, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	46.3331	8.3845	3.8848
(2) PREFERRED STOCK (%)	9.6011	5.5404	0.5319
(3) COMMON EQUITY (%)	44.0658	12.50	5.5082
(4) TOTAL (%)	100.0000		9.925 <u>43-1</u> 2-1
(5) INCOME TAX RATE (%)	= 37.15		
(6) EQUITY RETURN (%)	= PREFERRED STOCK + COMMON EQUITY		
(7) EQUITY RETURN (%)	= 0.5319 + 5.5082		
(8) EQUITY RETURN (%)	= 6.0401		
(9) ASSOCIATED INCOME TAX (%)	= $\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}} \cdot \text{EQUITY RETURN}$		
(10) ASSOCIATED INCOME TAX (%)	= $\frac{37.15}{100 - 37.15} \cdot 6.0401$		
(11) ASSOCIATED INCOME TAX (%)	= 3.570 <u>43-1</u> 2-1		

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**UNIT POWER SALES AGREEMENT  
DETERMINATION OF MONTHLY CAPACITY CHARGES  
/ GEORGIA POWER COMPANY - SCHERER PLANT**

MARCH, 1999

	<u>UNIT 3</u>	<u>REFERENCES</u>
2. (1) NET DEPENDABLE CAPACITY (KW)	642,225	EXH K, LINE 1
(2) TOTAL NET INVESTMENT - SPECIFIC (\$)	260,949,528	EXH B, LINE 7
(3) TOTAL NET INVESTMENT - COMMON (\$)	42,526,387	EXH C, LINE 7
(4) TOTAL NET INVESTMENT (\$)	303,475,915	LINE 2 + LINE 3
(5) RETURN ON INVESTMENT (A) (%)	9.362	EXH M LINE 4
(6) ASSOCIATED INCOME TAX (%)	3.561	EXH M LINE 11
(7) RETURN ON INVESTMENT (\$)	28,411,415	LINE 4 * LINE 5
(8) ASSOCIATED INCOME TAX (\$)	10,806,777	LINE 4 * LINE 6
(9) RETURN ON INV & ASSOC INCOME TAX (\$)	39,218,192	LINE 7 + LINE 8
(10) TOTAL FIXED EXPENSE (\$)	24,068,952	EXH D, LINE 7
(11) TOTAL FIXED CHARGES (\$)	63,287,144	LINE 9 + LINE 10
(12) TOTAL FIXED CHARGES (\$/KW-MO)	98.544	LINE 11 / LINE 1
(13) FIXED CHARGES ASSOC W/ LOSSES (\$/KW-MO)	3.048	LINE 12 * ((100% / (100% - 3%)) - 1)
(14) TOTAL FIXED CHARGES ASSOC W/ LOSSES (\$/KW-MO)	101.592	LINE 12 + LINE 13
(15) MONTHLY CAPACITY CHARGES (\$/KW-MO)	8.466000	LINE 14 / 12.0

NOTES:

(A) THE MONTHLY CAPACITY CHARGES ARE CALCULATED USING A

12.50 (%) RETURN ON COMMON EQUITY.

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF TOTAL NET INVESTMENT - SPECIFIC**  
**/ , GEORGIA POWER COMPANY - SCHERER PLANT**

MARCH, 1999

	<u>UNIT 3</u>	<u>REFERENCES</u>
(1) GROSS INVESTMENT (\$):		
PRODUCTION - UNIT (SPECIFIC)	439,000,000	EXH K, LINE 2
TRANSMISSION - GSU (SPECIFIC)	11,014,000	EXH L, LINE 1
TOTAL	450,014,000	
(2) ACCUMULATED DEPRECIATION (\$):		
PRODUCTION - UNIT (SPECIFIC)	( 140,600,000 )	EXH K, LINE 5
TRANSMISSION - GSU (SPECIFIC)	( 3,518,000 )	EXH L, LINE 4
TOTAL	( 144,118,000 )	
(3) NET INVESTMENT (\$):		
PRODUCTION - UNIT (SPECIFIC)	298,400,000	LINE 1 + LINE 2
TRANSMISSION - GSU (SPECIFIC)	7,496,000	LINE 1 + LINE 2
TOTAL	305,896,000	
(4) GENERAL PLANT (\$):		
PRODUCTION - UNIT (SPECIFIC)	6,292,961	EXH H, LINE 9
TRANSMISSION - GSU (SPECIFIC)	0	EXH I, LINE 9
TOTAL	6,292,961	
(5) WORKING CAPITAL (\$):		
PRODUCTION - UNIT (SPECIFIC)	21,209,472	EXH G, LINE 8
TRANSMISSION - GSU (SPECIFIC)	3,000	EXH G, LINE 15
TOTAL	21,212,472	
(6) ACCUMULATED DEFERRED INCOME TAX (\$):		
PRODUCTION - UNIT (SPECIFIC)	( 70,766,905 )	EXH H, LINES 15 + 17
TRANSMISSION - GSU (SPECIFIC)	( 1,685,000 )	EXH I, LINES 15 + 17
TOTAL	( 72,451,905 )	
(7) TOTAL NET INVESTMENT - SPECIFIC (\$)	260,949,528	LINES 3+4+5+6

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF TOTAL NET INVESTMENT - COMMON**  
**GEORGIA POWER COMPANY - SCHERER PLANT**

MARCH, 1999

UNIT 3

REFERENCES

(1) GROSS INVESTMENT (\$):		
PRODUCTION - UNIT (COMMON)	84,500,000	EXH K, LINE 3
TRANSMISSION - GSU (COMMON)	3,967,000	EXH L, LINE 2
TOTAL	88,467,000	
(2) ACCUMULATED DEPRECIATION (\$):		
PRODUCTION - UNIT (COMMON)	( 33,300,000 )	EXH K, LINE 6
TRANSMISSION - GSU (COMMON)	( 1,285,000 )	EXH L, LINE 5
TOTAL	( 34,585,000 )	
(3) NET INVESTMENT (\$):		
PRODUCTION - UNIT (COMMON)	51,200,000	LINE 1 + LINE 2
TRANSMISSION - GSU (COMMON)	2,682,000	LINE 1 + LINE 2
TOTAL	53,882,000	
(4) GENERAL PLANT (\$):		
PRODUCTION - UNIT (COMMON)	1,541,779	EXH H, LINE 10
TRANSMISSION - GSU (COMMON)	0	EXH I, LINE 10
TOTAL	1,541,779	
(5) WORKING CAPITAL (\$):		
PRODUCTION - UNIT (COMMON)	0	INCL IN UNIT (EXH B, LINE 5)
TRANSMISSION - GSU (COMMON)	0	INCL IN UNIT (EXH B, LINE 5)
TOTAL	0	
(8) ACCUMULATED DEFERRED INCOME TAX (\$):		
PRODUCTION - UNIT (COMMON)	( 12,810,392 )	EXH H, LINES 16 + 18
TRANSMISSION - GSU (COMMON)	( 87,000 )	EXH I, LINES 16 + 18
TOTAL	( 12,897,392 )	
(7) TOTAL NET INVESTMENT - COMMON (\$)	42,526,387	LINES 3+4+5+6

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF TOTAL FIXED EXPENSE**  
**GEORGIA POWER COMPANY - SCHERER PLANT**

MARCH, 1999

	<u>UNIT 3</u>	<u>REFERENCES</u>
(1) OPERATION & MAINTENANCE EXPENSE - FIXED (\$):		
PRODUCTION - UNIT	5,556,000	EXH K, LINE 14 * 12.0
TRANSMISSION - GSU	24,000	EXH L, LINE 8 * 12.0
TOTAL	5,580,000	
(2) ADMINISTRATIVE & GENERAL EXPENSE (\$):		
PRODUCTION - UNIT	2,980,608	EXH H, LINE 23 * 12.0
TRANSMISSION - GSU	0	EXH I, LINE 23 * 12.0
TOTAL	2,980,608	
(3) DEPRECIATION EXPENSE (\$):		
PRODUCTION - UNIT	13,955,028	EXH H, LINE 26 * 12.0
TRANSMISSION - GSU	396,000	EXH I, LINE 26 * 12.0
TOTAL	14,351,028	
(4) AMORTIZATION OF INCOME TAX CREDITS (\$):		
PRODUCTION - UNIT	( 773,052 )	EXH H, LINE 29 * 12.0
TRANSMISSION - GSU	( 12,000 )	EXH I, LINE 29 * 12.0
TOTAL	( 785,052 )	
(5) REAL & PERSONAL PROPERTY TAX (\$):		
PRODUCTION - UNIT	1,563,384	EXH H, LINE 32 * 12.0
TRANSMISSION - GSU	60,000	EXH I, LINE 32 * 12.0
TOTAL	1,623,384	
(6) PAYROLL TAX (\$):		
PRODUCTION - UNIT	318,984	EXH H, LINE 8 * 12.0
TRANSMISSION - GSU	0	EXH I, LINE 8 * 12.0
TOTAL	318,984	
(7) TOTAL FIXED EXPENSE (\$)	24,068,952	LINES 1+2+3+4+5+6

NOTES:  
ALL EXPENSES ARE ANNUALIZED.

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**UNIT POWER SALES AGREEMENT**  
**ALLOCATION AND ASSIGNMENT OF INVESTMENT AND EXPENSE**  
**GEORGIA POWER COMPANY - SCHERER PLANT**  
**PRODUCTION - UNIT**  
**MARCH, 1999**

UNIT 3

REFERENCES

INVESTMENT (SPECIFIC) (\$):  
 =====

(1) GROSS INVESTMENT	439,000,000
(2) ACCUMULATED DEPRECIATION	( 140,600,000 )
(3) NET INVESTMENT	298,400,000
(4) GENERAL PLANT	6,292,961
(5) WORKING CAPITAL	21,209,472
(6) ACCUMULATED DEFERRED INCOME TAX	( 70,766,905 )
 (7) TOTAL NET INVESTMENT (SPECIFIC)	 255,135,528

EXH K, LINE 2  
 EXH K, LINE 5  
 LINES 1 + 2  
 EXH H, LINE 9  
 EXH G, LINE 8  
 EXH H, LINES 15 + 17  
  
 LINES 3+4+5+6

INVESTMENT (COMMON) (\$):  
 =====

(8) GROSS INVESTMENT	84,500,000
(9) ACCUMULATED DEPRECIATION	( 33,300,000 )
(10) NET INVESTMENT	51,200,000
(11) GENERAL PLANT	1,541,779
(12) WORKING CAPITAL	0
(13) ACCUMULATED DEFERRED INCOME TAX	( 12,810,392 )
 (14) TOTAL NET INVESTMENT (COMMON)	 39,931,387

EXH K, LINE 3  
 EXH K, LINE 6  
 LINE 8 + LINE 9  
 EXH H, LINE 10  
 INCL IN UNIT (LINE 5)  
 EXH H, LINES 16 + 18  
  
 LINES 10+11+12+13

EXPENSE (\$):  
 =====

(15) OPERATION & MAINTENANCE EXPENSE - FIXED	463,000
(16) ADMINISTRATIVE & GENERAL EXPENSE (INSURANCE)	15,435
(17) ADMINISTRATIVE & GENERAL EXPENSE (OTHER)	232,949
(18) DEPRECIATION EXPENSE	1,162,919
(19) AMORTIZATION OF INCOME TAX CREDITS	( 64,421 )
(20) REAL & PERSONAL PROPERTY TAX	130,282
(21) PAYROLL TAX	26,582
 (22) TOTAL EXPENSE	 1,966,746

EXH K, LINE 14  
 EXH H, LINES 20 + 21  
 EXH H, LINE 22  
 EXH H, LINE 26  
 EXH H, LINE 29  
 EXH H, LINE 32  
 EXH H, LINE 8  
  
 SUM LINES 15 TO 21

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**UNIT POWER SALES AGREEMENT**  
**ALLOCATION AND ASSIGNMENT OF INVESTMENT AND EXPENSE**  
**GEORGIA POWER COMPANY - SCHERER PLANT**  
**TRANSMISSION - GENERATOR STEP-UP SUBSTATIONS**  
**MARCH, 1999**

UNIT 3

REFERENCES

INVESTMENT (SPECIFIC) (\$):

=====

(1) GROSS INVESTMENT	11,014,000
(2) ACCUMULATED DEPRECIATION	( 3,518,000 )
(3) NET INVESTMENT	7,496,000
(4) GENERAL PLANT	0
(5) WORKING CAPITAL	3,000
(6) ACCUMULATED DEFERRED INCOME TAX	( 1,685,000 )
 (7) TOTAL NET INVESTMENT (SPECIFIC)	 5,814,000

EXH L, LINE 1  
EXH L, LINE 4  
LINES 1 + 2  
EXH I, LINE 9  
EXH G, LINE 15  
EXH I, LINES 15 + 17  
  
LINES 3+4+5+6

INVESTMENT (COMMON) (\$):

=====

(8) GROSS INVESTMENT	3,967,000
(9) ACCUMULATED DEPRECIATION	( 1,285,000 )
(10) NET INVESTMENT	2,682,000
(11) GENERAL PLANT	0
(12) WORKING CAPITAL	0
(13) ACCUMULATED DEFERRED INCOME TAX	( 87,000 )
 (14) TOTAL NET INVESTMENT (COMMON)	 2,595,000

EXH L, LINE 2  
EXH L, LINE 5  
LINE 8 + LINE 9  
EXH I, LINE 10  
INCL IN UNIT (LINE 5)  
EXH I, LINES 16 + 18  
  
LINES 10+11+12+13

EXPENSE (\$):

=====

(15) OPERATION & MAINTENANCE EXPENSE - FIXED	2,000
(16) ADMINISTRATIVE & GENERAL EXPENSE (INSURANCE)	0
(17) ADMINISTRATIVE & GENERAL EXPENSE (OTHER)	0
(18) DEPRECIATION EXPENSE	33,000
(19) AMORTIZATION OF INCOME TAX CREDITS	( 1,000 )
(20) REAL & PERSONAL PROPERTY TAX	5,000
(21) PAYROLL TAX	0
 (22) TOTAL EXPENSE	 39,000

EXH L, LINE 8  
EXH I, LINES 20 + 21  
EXH I, LINE 22  
EXH I, LINE 26  
EXH I, LINE 29  
EXH I, LINE 32  
EXH I, LINE 8  
  
SUM LINES 15 TO 21

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**UNIT POWER SALES AGREEMENT  
DETERMINATION OF WORKING CAPITAL  
GEORGIA POWER COMPANY - SCHERER PLANT**

MARCH, 1999

UNIT 3

REFERENCES

PRODUCTION - UNIT  
=====

(1) OPERATION & MAINTENANCE EXPENSE - FIXED (\$)	5,556,000	
(2) OPERATION & MAINTENANCE EXPENSE - VARIABLE (\$)	69,672,000	EXH K, LINE 14 * 12.0
(3) ADMINISTRATIVE & GENERAL EXPENSE (\$)	2,980,608	EXH K, LINE 13 * 12.0 EXH H, LINE 23 * 12.0
(4) BASIS FOR COMPUTING WORKING CAPITAL (\$)	78,208,608	LINES 1+2+3
(5) CASH WORKING CAPITAL (1/8 OF BASIS) (\$)	9,776,076	
(6) PREPAID EXPENSE (\$)	1,350,088	LINE 4 * 1/8
(7) MATERIAL & SUPPLIES (\$)	10,083,308	EXH H, LINE 14 EXH K, LINE 10
(8) WORKING CAPITAL (\$)	21,209,472	LINES 5+6+7

TRANSMISSION - GSU  
=====

(9) OPERATION AND MAINTENANCE EXPENSE - FIXED (\$)	24,000	
(10) ADMINISTRATIVE & GENERAL EXPENSE (\$)	0	EXH L, LINE 8 * 12.0 EXH I, LINE 23 * 12.0
(11) BASIS FOR COMPUTING WORKING CAPITAL (\$)	24,000	LINE 9 + LINE 10
(12) CASH WORKING CAPITAL (1/8 OF BASIS) (\$)	3,000	
(13) PREPAID EXPENSE (\$)	0	LINE 11 * 1/8
(14) MATERIALS & SUPPLIES (\$)	0	EXH I, LINE 14 EXH L, LINE 7
(15) WORKING CAPITAL (\$)	3,000	LINES 12+13+14

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**UNIT POWER SALES AGREEMENT**  
**ALLOCATION OF INVESTMENT AND EXPENSE**  
**GEORGIA POWER COMPANY - SCHERER PLANT**  
**PRODUCTION - UNIT**  
**MARCH, 1999**

	<u>TOTAL</u> <u>PRODUCTION</u> (1) (C)	<u>UNIT 3</u> (2)	<u>REFERENCE - MANUAL</u>
SALARIES AND WAGES (\$):			SECTION 2.2.17
(1) PROD-UNIT (SPECIFIC) (AS GIVEN)	0	200,000	
(2) PROD-UNIT (COMMON) (AS GIVEN)	0	49,000	
(3) TOTAL (AS GIVEN)	8,677,000	249,000	
(4) PROD-UNIT (SPECIFIC) (W/ A&G ALLOC) (B)	0	237,673	
(5) PROD-UNIT (COMMON) (W/ A&G ALLOC) (B)	0	58,230	
(6) TOTAL (W/ A&G ALLOC) (B)	10,311,451	295,903	
PAYROLL TAX (\$):			SECTION 2.2.14
(7) PRODUCTION - UNIT (AS GIVEN)	662,000	23,000	
(8) PRODUCTION - UNIT (W/ A&G ALLOC) (A)	786,809	26,582	
GENERAL PLANT (\$):			SECTION 2.2.5
(9) PRODUCTION - UNIT (SPECIFIC) (A)	0	6,292,961	
(10) PRODUCTION - UNIT (COMMON) (A)	0	1,541,779	
(11) TOTAL (A)	273,020,349	7,834,740	
PREPAID EXPENSE (D) (\$):			SECTION 2.2.6
(12) PRODUCTION - UNIT	2,321,846	134,231	
(13) GENERAL - UNIT (A)	42,369,476	1,215,857	
(14) TOTAL	44,691,322	1,350,088	
ACCUMULATED DEFERRED INCOME TAX (\$):			SECTION 2.2.7
(15) PRODUCTION - UNIT (SPECIFIC)	416,732,000	69,500,000	
(16) PRODUCTION - UNIT (COMMON)	0	12,500,000	
(17) GENERAL - UNIT (SPECIFIC) (A)	54,964,732	1,266,905	
(18) GENERAL - UNIT (COMMON) (A)	0	310,392	
(19) TOTAL	471,696,732	83,577,297	
ADMINISTRATIVE & GENERAL EXPENSE (\$):			SECTION 2.2.10
(20) PRODUCTION - UNIT (INCL INSURANCE)	185,000	15,000	
(21) GENERAL - UNIT (INCL INSURANCE) (A)	15,142	435	
(22) OTHER (EXCL INSURANCE) (A)	8,117,652	232,949	
(23) TOTAL	8,317,794	248,384	
DEPRECIATION EXPENSE (\$):			SECTION 2.2.11
(24) PRODUCTION - UNIT	8,379,000	1,130,000	
(25) GENERAL - UNIT (A)	1,147,144	32,919	
(26) TOTAL	9,526,144	1,162,919	
AMORTIZATION OF INCOME TAX CREDITS(\$):			SECTION 2.2.12
(27) PRODUCTION - UNIT	303,000	64,000	
(28) GENERAL - UNIT (A)	14,683	421	
(29) TOTAL	317,683	64,421	
REAL & PERSONAL PROPERTY TAX (\$):			SECTION 2.2.13
(30) PRODUCTION - UNIT	1,641,000	123,000	
(31) GENERAL - UNIT (A)	253,748	7,282	
(32) TOTAL	1,894,748	130,282	

NOTES. (A) ALLOCATED TO UNIT USING PRODUCTION FACTORS SHOWN ON EXHIBIT J.  
 (B) TOTAL PRODUCTION ALLOCATED TO UNIT BASED ON LINE 3.  
 (C) TOTAL GEORGIA POWER COMPANY FOSSIL STEAM AND COMBUSTION TURBINE PRODUCTION FACILITIES.  
 (D) PREPAID EXPENSES ARE 13-MONTH AVERAGES.

WORK PAPERS: EXHIBIT H  
 GEORGIA POWER COMPANY  
 SCHERER PLANT  
 MARCH, 1999

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**UNIT POWER SALES AGREEMENT**  
**ALLOCATION OF INVESTMENT AND EXPENSE**  
**GEORGIA POWER COMPANY - SCHERER PLANT**  
**TRANSMISSION - GENERATOR STEP-UP SUBSTATIONS**  
MARCH, 1999

	<u>TOTAL</u> <u>TRANSMISSION</u> (1) (C)	<u>UNIT 3</u> (2)	<u>REFERENCE - MANUAL</u>
SALARIES AND WAGES (\$):			SECTION 2.2.17
(1) TRAN-GSU (SPECIFIC) (AS GIVEN)	0	0	
(2) TRAN-GSU (COMMON) (AS GIVEN)	0	0	
(3) TOTAL (AS GIVEN)	1,351,000	0	
(4) TRAN-GSU (SPECIFIC) (W/ A&G ALLOC) (B)	0	0	
(5) TRAN-GSU (COMMON) (W/ A&G ALLOC) (B)	0	0	
(6) TOTAL (W/ A&G ALLOC) (B)	1,605,482	0	
PAYROLL TAX (\$):			SECTION 2.2.14
(7) TRANSMISSION - GSU (AS GIVEN)	103,000	0	
(8) TRANSMISSION - GSU (W/ A&G ALLOC) (A)	122,433	0	
GENERAL PLANT (\$):			SECTION 2.2.5
(9) TRANSMISSION - GSU (SPECIFIC) (A)	0	0	
(10) TRANSMISSION - GSU (COMMON) (A)	0	0	
(11) TOTAL (A)	42,508,978	0	
PREPAID EXPENSE (D) (\$):			SECTION 2.2.6
(12) TRANSMISSION - GSU	1,608,077	0	
(13) GENERAL - GSU (A)	6,596,882	0	
(14) TOTAL	8,204,959	0	
ACCUMULATED DEFERRED INCOME TAX (\$):			SECTION 2.2.7
(15) TRANSMISSION - GSU (SPECIFIC)	261,866,000	1,685,000	
(16) TRANSMISSION - GSU (COMMON)	0	87,000	
(17) GENERAL - GSU (SPECIFIC) (A)	8,557,950	0	
(18) GENERAL - GSU (COMMON) (A)	0	0	
(19) TOTAL	270,423,950	1,772,000	
ADMINISTRATIVE & GENERAL EXPENSE (\$):			SECTION 2.2.10
(20) TRANSMISSION - GSU (INCL INSURANCE)	18,000	0	
(21) GENERAL - GSU (INCL INSURANCE) (A)	2,358	0	
(22) OTHER (EXCL INSURANCE) (A)	1,263,910	0	
(23) TOTAL	1,284,268	0	
DEPRECIATION EXPENSE (\$):			SECTION 2.2.11
(24) TRANSMISSION - GSU	4,029,000	33,000	
(25) GENERAL - GSU (A)	178,609	0	
(26) TOTAL	4,207,609	33,000	
AMORTIZATION OF INCOME TAX CREDITS (\$):			SECTION 2.2.12
(27) TRANSMISSION - GSU	118,000	1,000	
(28) GENERAL - GSU (A)	2,286	0	
(29) TOTAL	120,286	1,000	
REAL & PERSONAL PROPERTY TAX (\$):			SECTION 2.2.13
(30) TRANSMISSION - GSU	1,205,000	5,000	
(31) GENERAL - GSU (A)	39,508	0	
(32) TOTAL	1,244,508	5,000	
NOTES: (A) ALLOCATED TO UNIT USING TRANSMISSION FACTORS SHOWN ON EXHIBIT J.			
(B) TOTAL TRANSMISSION ALLOCATED TO UNIT BASED ON LINE 3.			
(C) TOTAL GEORGIA POWER COMPANY TRANSMISSION FACILITIES.			
(D) PREPAID EXPENSES ARE 13-MONTH AVERAGES.			

**UNIT POWER SALES AGREEMENT  
 DETERMINATION OF ALLOCATION FACTORS  
 GEORGIA POWER COMPANY - SCHERER PLANT**

MARCH, 1999

EXHIBIT H  
 PRODUCTION

EXHIBIT I  
 TRANSMISSION

UNIT 3 ALLOCATORS: .....				.....			
(A) UNIT	=	LINE 4, COL 2	=	237,673	=	0.02304942	
		LINE 6, COL 1		10,311,451			
		LINE 5, COL 2		58,230			
(B) COMMON	=		=		=	0.00564712	
		LINE 6, COL 1		10,311,451			
		LINE 6, COL 2		295,903			
(C) TOTAL	=		=		=	0.02869654	
		LINE 6, COL 1		10,311,451			
		LINE 4, COL 2		0			0.00000000
		LINE 6, COL 1		1,605,482			
		LINE 5, COL 2		0			
		LINE 6, COL 1		1,605,482			0.00000000
		LINE 6, COL 2		0			
		LINE 6, COL 1		1,605,482			0.00000000

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**UNIT POWER SALES AGREEMENT**  
**ITEMS OF DIRECT ASSIGNMENT**  
**GEORGIA POWER COMPANY - SCHERER PLANT**  
**PRODUCTION - UNIT**  
**MARCH, 1999**

**UNIT 3**

REFERENCE - MANUAL

(1) NET DEPENDABLE CAPACITY (KW)	642,225	SECTION 2.2.1
<b>GROSS INVESTMENT (\$):</b>		
(2) PRODUCTION - UNIT (SPECIFIC)	439,000,000	SECTION 2.2.2
(3) PRODUCTION - UNIT (COMMON)	84,500,000	
(4) TOTAL	523,500,000	
<b>ACCUMULATED DEPRECIATION (\$):</b>		
(5) PRODUCTION - UNIT (SPECIFIC)	140,600,000	SECTION 2.2.3
(6) PRODUCTION - UNIT (COMMON)	33,300,000	
(7) TOTAL	173,900,000	
<b>MATERIALS AND SUPPLIES (A) (\$):</b>		
(8) PRODUCTION - UNIT	3,000,000	SECTION 2.2.6
(9) FUEL STOCK	7,083,308	
(10) TOTAL	10,083,308	
<b>OPERATION &amp; MAINTENANCE EXPENSE - VARIABLE (\$):</b>		
(11) PRODUCTION - UNIT	114,000	SECTION 2.2.6
(12) FUEL BURN	5,692,000	
(13) TOTAL	5,806,000	
<b>OPERATION &amp; MAINTENANCE EXPENSE - FIXED (\$):</b>		
(14) PRODUCTION - UNIT	463,000	SECTION 2.2.9

NOTES:

(A) MATERIALS AND SUPPLIES ARE 13-MONTH AVERAGES.

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**UNIT POWER SALES AGREEMENT**  
**ITEMS OF DIRECT ASSIGNMENT**  
**GEORGIA POWER COMPANY - SCHERER PLANT**  
**TRANSMISSION - GENERATOR STEP-UP SUBSTATIONS**  
**MARCH, 1999**

UNIT 3

REFERENCE - MANUAL

GROSS INVESTMENT (\$):

(1) TRANSMISSION - GSU (SPECIFIC)	11,014,000
(2) TRANSMISSION - GSU (COMMON)	3,967,000
(3) TOTAL	14,981,000

SECTION 2.2.2

ACCUMULATED DEPRECIATION (\$):

(4) TRANSMISSION - GSU (SPECIFIC)	3,518,000
(5) TRANSMISSION - GSU (COMMON)	1,285,000
(6) TOTAL	4,803,000

SECTION 2.2.3

MATERIALS AND SUPPLIES (A) (\$):

(7) TRANSMISSION - GSU	0
------------------------	---

SECTION 2.2.6

OPERATION & MAINTENANCE EXPENSE - FIXED (\$):

(8) TRANSMISSION - GSU	2,000
------------------------	-------

SECTION 2.2.9

NOTES:

(A) MATERIALS AND SUPPLIES ARE 13-MONTH AVERAGES.

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UNIT POWER SALES AGREEMENT  
DETERMINATION OF COST OF CAPITAL  
GEORGIA POWER COMPANY - SCHERER 3

MARCH, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	50.8561	7.3091	3.7171
(2) PREFERRED STOCK (%)	9.6287	7.3308	0.7059
(3) COMMON EQUITY (%)	39.5152	12.50	4.9394
(4) TOTAL (%)	100.0000		9.362
(5) INCOME TAX RATE (%)	= 38.68		
(6) EQUITY RETURN (%)	= PREFERRED STOCK + COMMON EQUITY		
(7) EQUITY RETURN (%)	= 0.7059 + 4.9394		
(8) EQUITY RETURN (%)	= 5.6453		
(9) ASSOCIATED INCOME TAX (%)	= $\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}} \cdot \text{EQUITY RETURN}$		
(10) ASSOCIATED INCOME TAX (%)	= $\frac{38.68}{100 - 38.68} \cdot 5.6453$		
(11) ASSOCIATED INCOME TAX (%)	= 3.561		

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**1988 UNIT POWER SALES AGREEMENT**

True-up for January 1999  
Florida Power & Light

(A)	(B)	(C)	(D)	
<u>Production at 13.75% ROE</u>	<u>Monthly Capacity Rate (\$/kw-mo)</u>	<u>Mo. Capacity Purchased (kw)</u>	<u>Monthly Charges (\$/mo)</u>	<u>Notes</u>
1 Miller Unit 1 (Ala)	4.910417	181,000	114,682	(a)
2 Miller Unit 2 (Ala)	7.718500	180,000	179,268	(a)
3 Miller Unit 3 (Ala)	10.659333	182,000	250,322	(a)
4 Miller Unit 4 (Ala)	10.730417	187,000	258,915	(a)
5 Scherer Unit 3 (GaPC)	8.946000	63,000	72,722	(a)
6 Scherer Unit 3 (Gulf)	9.337333	128,000	154,217	(a)
7 Total at 13.75% ROE		921,000	1,030,126	(a)
<u>Production at 12.50% ROE</u>				
8 Miller Unit 1 (Ala)	4.799000	181,000	756,539	(b)
9 Miller Unit 2 (Ala)	7.490667	180,000	1,174,343	(b)
10 Miller Unit 3 (Ala)	10.263833	182,000	1,626,983	(b)
11 Miller Unit 4 (Ala)	10.299417	187,000	1,677,476	(b)
12 Scherer Unit 3 (GaPC)	8.613417	63,000	472,627	(b)
13 Scherer Unit 3 (Gulf)	9.053833	128,000	1,009,356	(b)
14 Total at 12.50% ROE		921,000	6,717,324	(b)
15 Coordination and Scheduling Charges	0.080000	921,000	73,680	
Total Actual Production Charges			7,821,130	
Total Budget Production Capacity Charges Previously Paid			7,807,106	
True-up For Actual Production Capacity Charges			14,024	

	<u>Monthly Capacity Rate (\$/kw-mo)</u>	<u>Mo. Capacity (kw)</u>	<u>Monthly Charges (\$/mo)</u>	
<u>Transmission at 13.75% ROE</u>				
16 For Miller Sales	2.143423	730,000	201,897	(a)
17 For Scherer Sales	1.178005	191,000	29,032	(a)
17a Total at 13.75% ROE			230,929	
<u>Transmission at 12.50% ROE</u>				
18 For Miller Sales	2.045757	730,000	1,300,705	(b), (c)
19 For Scherer Sales	1.122288	191,000	186,698	(b), (c)
19a Total at 12.50% ROE			1,487,403	
Total Revised Budget Transmission Charges			1,718,332	
Total Budget Transmission Charges Previously Paid			1,789,698	
True-up For Transmission Charges			-71,366	

Notes:  
 (a) The 13.75% ROE was in effect January 1-4 therefore the charges have been pro-rated.  
 (b) The 12.50% ROE was effective January 5 therefore the charges have been pro-rated.  
 (c) The only revision that was made to the budget transmission charges was the change in ROE.

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2-2  
P. 1

43-1  
2-2 P. 10

**UNIT POWER SALES AGREEMENT  
DETERMINATION OF MONTHLY CAPACITY CHARGES  
ALABAMA POWER COMPANY - MILLER PLANT**

JANUARY, 1999

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
2. (1) NET DEPENDABLE CAPACITY (KW)	613,675	613,216	674,100	693,100	EXH K, LINE 1
(2) TOTAL NET INVESTMENT - SPECIFIC (\$)	91,556,233	188,498,546	320,664,741	340,966,504	EXH B, LINE 7
(3) TOTAL NET INVESTMENT - COMMON (\$)	31,226,480	31,227,480	56,004,112	56,002,112	EXH C, LINE 7
(4) TOTAL NET INVESTMENT (\$)	122,782,713	219,726,026	376,668,853	396,968,616	LINE 2 + LINE 3
(5) RETURN ON INVESTMENT (A) (%)	9.552	10.163	10.580	10.520	EXH M,N,O,P LINE 4
(6) ASSOCIATED INCOME TAX (%)	3.180	3.487	3.800	3.904	EXH M,N,O,P LINE 11
(7) RETURN ON INVESTMENT (\$)	11,728,205	22,330,756	39,851,565	41,761,098	LINE 4 * LINE 5
(8) ASSOCIATED INCOME TAX (\$)	3,904,490	7,661,847	14,313,416	15,497,655	LINE 4 * LINE 6
(9) RETURN ON INV & ASSOC INCOME TAX (\$)	15,632,695	29,992,603	54,164,981	57,258,753	LINE 7 + LINE 8
(10) TOTAL FIXED EXPENSE (\$)	19,442,880	25,100,352	29,473,944	29,310,672	EXH D, LINE 7
(11) TOTAL FIXED CHARGES (\$)	35,075,575	55,092,955	83,638,925	86,569,425	LINE 9 + LINE 10
(12) TOTAL FIXED CHARGES (\$/KW-MO)	57.157	89.843	124.075	124.902	LINE 11 / LINE 1
(13) FIXED CHARGES ASSOC W/ LOSSES (\$/KW-MO)	1.768	2.779	3.837	3.863	LINE 12 * ((100% / (100% - 3%)) - 1)
(14) TOTAL FIXED CHARGES ASSOC W/ LOSSES (\$/KW-MO)	58.925	92.622	127.912	128.765	LINE 12 + LINE 13
(15) MONTHLY CAPACITY CHARGES (\$/KW-MO)	4.910417	7.718500	10.659333	10.730417	LINE 14 / 12.0
	$\frac{43-1}{2-2}$	$\frac{43-1}{2-2}$	$\frac{43-1}{2-2}$	$\frac{43-1}{2-2}$	

NOTES:

(A) THE MONTHLY CAPACITY CHARGES ARE CALCULATED USING A

13.75 (%) RETURN ON COMMON EQUITY.

**UNIT POWER SALES AGREEMENT  
DETERMINATION OF MONTHLY CAPACITY CHARGES  
ALABAMA POWER COMPANY - MILLER PLANT**

JANUARY, 1999

	UNIT 1	UNIT 2	UNIT 3	UNIT 4	REFERENCES
2. (1) NET DEPENDABLE CAPACITY (KW)	613,675	613,216	674,100	693,100	EXH K, LINE 1
(2) TOTAL NET INVESTMENT - SPECIFIC (\$)	91,556,233	188,498,546	320,664,741	340,966,504	EXH B, LINE 7
(3) TOTAL NET INVESTMENT - COMMON (\$)	31,226,480	31,227,480	56,004,112	56,002,112	EXH C, LINE 7
(4) TOTAL NET INVESTMENT (\$)	122,782,713	219,726,026	376,668,853	396,968,616	LINE 2 + LINE 3
(5) RETURN ON INVESTMENT (A) (%)	9.145	9.698	10.062	9.969	EXH M,N,O,P LINE 4
(6) ASSOCIATED INCOME TAX (%)	2.939	3.212	3.494	3.579	EXH M,N,O,P LINE 11
(7) RETURN ON INVESTMENT (\$)	11,228,479	21,309,030	37,900,420	39,573,801	LINE 4 * LINE 5
(8) ASSOCIATED INCOME TAX (\$)	3,608,584	7,057,600	13,160,810	14,207,507	LINE 4 * LINE 6
(9) RETURN ON INV & ASSOC INCOME TAX (\$)	14,837,063	28,366,630	51,061,230	53,781,308	LINE 7 + LINE 8
(10) TOTAL FIXED EXPENSE (\$)	19,442,880	25,100,352	29,473,944	29,310,672	EXH D, LINE 7
(11) TOTAL FIXED CHARGES (\$)	34,279,943	53,466,982	80,535,174	83,091,980	LINE 9 + LINE 10
(12) TOTAL FIXED CHARGES (\$/KW-MO)	55.860	87.191	119.471	119.885	LINE 11 / LINE 1
(13) FIXED CHARGES ASSOC W/ LOSSES (\$/KW-MO)	1.728	2.697	3.695	3.708	LINE 12 * ((100% / (100% - 3%)) - 1)
(14) TOTAL FIXED CHARGES ASSOC W/ LOSSES (\$/KW-MO)	57.588	89.888	123.166	123.593	LINE 12 + LINE 13
(15) MONTHLY CAPACITY CHARGES (\$/KW-MO)	4.799000	7.490667	10.263833	10.299417	LINE 14 / 12.0

43-1  
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2-2

NOTES:  
(A) THE MONTHLY CAPACITY CHARGES ARE CALCULATED USING A 12.50 (%) RETURN ON COMMON EQUITY.

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF TOTAL NET INVESTMENT - SPECIFIC**  
**ALABAMA POWER COMPANY - MILLER PLANT**

JANUARY, 1999

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
(1) GROSS INVESTMENT (\$):					
PRODUCTION - UNIT (SPECIFIC)	204,112,747	360,586,830	472,003,127	458,647,989	EXH K, LINE 2
TRANSMISSION - GSU (SPECIFIC)	1,844,604	4,115,475	4,513,985	5,347,256	EXH L, LINE 1
TOTAL	205,957,351	364,702,305	476,517,112	463,995,245	
(2) ACCUMULATED DEPRECIATION (\$):					
PRODUCTION - UNIT (SPECIFIC)	( 115,361,625 )	( 143,969,760 )	( 129,097,826 )	( 97,006,626 )	EXH K, LINE 5
TRANSMISSION - GSU (SPECIFIC)	( 1,044,068 )	( 1,857,105 )	( 1,385,657 )	( 1,336,693 )	EXH L, LINE 4
TOTAL	( 116,405,693 )	( 145,826,865 )	( 130,483,483 )	( 98,343,319 )	
(3) NET INVESTMENT (\$):					
PRODUCTION - UNIT (SPECIFIC)	88,751,122	216,617,070	342,905,301	361,641,363	LINE 1 + LINE 2
TRANSMISSION - GSU (SPECIFIC)	800,536	2,258,370	3,128,328	4,010,563	LINE 1 + LINE 2
TOTAL	89,551,658	218,875,440	346,033,629	365,651,926	
(4) GENERAL PLANT (\$):					
PRODUCTION - UNIT (SPECIFIC)	12,079,642	12,142,542	12,807,918	12,805,452	EXH H, LINE 9
TRANSMISSION - GSU (SPECIFIC)	139,698	178,162	194,559	208,651	EXH I, LINE 9
TOTAL	12,219,340	12,320,704	13,002,477	13,014,103	
(5) WORKING CAPITAL (\$):					
PRODUCTION - UNIT (SPECIFIC)	19,076,418	14,922,859	20,114,618	21,305,925	EXH G, LINE 8
TRANSMISSION - GSU (SPECIFIC)	17,966	22,867	25,042	26,889	EXH G, LINE 15
TOTAL	19,094,384	14,945,726	20,139,660	21,332,814	
(6) ACCUMULATED DEFERRED INCOME TAX (\$):					
PRODUCTION - UNIT (SPECIFIC)	( 28,760,343 )	( 56,697,863 )	( 57,958,300 )	( 58,365,809 )	EXH H, LINES 15+17
TRANSMISSION - GSU (SPECIFIC)	( 548,806 )	( 945,461 )	( 552,725 )	( 666,530 )	EXH I, LINES 15+17
TOTAL	( 29,309,149 )	( 57,643,324 )	( 58,511,025 )	( 59,032,339 )	
(7) TOTAL NET INVESTMENT - SPECIFIC (\$)	91,556,233	188,498,546	320,664,741	340,966,504	LINES 3+4+5+8

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF TOTAL NET INVESTMENT - COMMON**  
**ALABAMA POWER COMPANY - MILLER PLANT**

JANUARY, 1999

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
(1) GROSS INVESTMENT (\$):					
PRODUCTION - UNIT (COMMON)	67,570,762	67,570,762	96,959,697	96,959,697	EXH K, LINE 3
TRANSMISSION - GSU (COMMON)	6,403,628	6,403,628	6,972,592	6,972,592	EXH L, LINE 2
TOTAL	73,974,390	73,974,390	103,932,289	103,932,289	
(2) ACCUMULATED DEPRECIATION (\$):					
PRODUCTION - UNIT (COMMON)	(31,422,817)	(31,422,817)	(33,844,674)	(33,844,674)	EXH K, LINE 6
TRANSMISSION - GSU (COMMON)	(2,852,093)	(2,852,093)	(3,105,503)	(3,105,503)	EXH L, LINE 5
TOTAL	(34,274,910)	(34,274,910)	(36,950,177)	(36,950,177)	
(3) NET INVESTMENT (\$):					
PRODUCTION - UNIT (COMMON)	36,147,945	36,147,945	63,115,023	63,115,023	LINE 1 + LINE 2
TRANSMISSION - GSU (COMMON)	3,551,535	3,551,535	3,867,089	3,867,089	LINE 1 + LINE 2
TOTAL	39,699,480	39,699,480	66,982,112	66,982,112	
(4) GENERAL PLANT (\$):					
PRODUCTION - UNIT (COMMON)	0	0	0	0	EXH H, LINE 10
TRANSMISSION - GSU (COMMON)	0	0	0	0	EXH I, LINE 10
TOTAL	0	0	0	0	
(5) WORKING CAPITAL (\$):					
PRODUCTION - UNIT (COMMON)	0	0	0	0	INCL IN UNIT (EXH B, LINE 5)
TRANSMISSION - GSU (COMMON)	0	0	0	0	INCL IN UNIT (EXH B, LINE 5)
TOTAL	0	0	0	0	
(6) ACCUMULATED DEFERRED INCOME TAX (\$):					
PRODUCTION - UNIT (COMMON)	(7,724,000)	(7,723,000)	(10,229,000)	(10,230,000)	EXH H, LINES 16 + 18
TRANSMISSION - GSU (COMMON)	(749,000)	(749,000)	(749,000)	(750,000)	EXH I, LINES 16 + 18
TOTAL	(8,473,000)	(8,472,000)	(10,978,000)	(10,980,000)	
(7) TOTAL NET INVESTMENT - COMMON (\$)	31,226,480	31,227,480	56,004,112	56,002,112	LINES 3+4+5+6

$$\frac{43-1}{2-2}$$


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**UNIT POWER SALES AGREEMENT  
DETERMINATION OF TOTAL FIXED EXPENSE  
ALABAMA POWER COMPANY - MILLER PLANT**

JANUARY, 1999

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
(1) OPERATION & MAINTENANCE EXPENSE - FIXED (\$):					
PRODUCTION - UNIT	6,889,968	7,353,924	6,611,688	6,459,816	EXH K, LINE 14 * 12.0
TRANSMISSION - GSU	78,468	100,080	109,272	117,228	EXH L, LINE 8 * 12.0
TOTAL	6,968,436	7,454,004	6,720,960	6,577,044	
(2) ADMINISTRATIVE & GENERAL EXPENSE (\$):					
PRODUCTION - UNIT	3,662,052	3,696,096	3,924,672	3,930,096	EXH H, LINE 23 * 12.0
TRANSMISSION - GSU	44,196	56,292	61,464	65,904	EXH I, LINE 23 * 12.0
TOTAL	3,706,248	3,752,388	3,986,136	3,996,000	
(3) DEPRECIATION EXPENSE (\$):					
PRODUCTION - UNIT	7,489,044	11,482,116	15,103,140	14,762,460	EXH H, LINE 26 * 12.0
TRANSMISSION - GSU	259,032	330,336	360,732	386,904	EXH I, LINE 26 * 12.0
TOTAL	7,748,076	11,812,452	15,463,872	15,149,364	
(4) AMORTIZATION OF INCOME TAX CREDITS (\$):					
PRODUCTION - UNIT	( 490,476 )	( 598,524 )	( 803,100 )	( 695,100 )	EXH H, LINE 29 * 12.0
TRANSMISSION - GSU	( 36,120 )	( 36,156 )	( 24,168 )	( 24,180 )	EXH I, LINE 29 * 12.0
TOTAL	( 526,596 )	( 634,680 )	( 827,268 )	( 719,280 )	
(5) REAL & PERSONAL PROPERTY TAX (\$):					
PRODUCTION - UNIT	1,188,996	2,342,484	3,728,040	3,897,000	EXH H, LINE 32 * 12.0
TRANSMISSION - GSU	39,972	53,316	64,092	72,120	EXH I, LINE 32 * 12.0
TOTAL	1,228,968	2,395,800	3,792,132	3,969,120	
(6) PAYROLL TAX (\$):					
PRODUCTION - UNIT	314,112	315,756	333,048	333,000	EXH H, LINE 8 * 12.0
TRANSMISSION - GSU	3,636	4,632	5,064	5,424	EXH I, LINE 8 * 12.0
TOTAL	317,748	320,388	338,112	338,424	
(7) TOTAL FIXED EXPENSE (\$)	19,442,880	25,100,352	29,473,944	29,310,672	LINES 1+2+3+4+5+6

$$\frac{43-1}{2-2} = 1$$

NOTES:  
ALL EXPENSES ARE ANNUALIZED.

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**UNIT POWER SALES AGREEMENT**  
**ALLOCATION AND ASSIGNMENT OF INVESTMENT AND EXPENSE**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**PRODUCTION - UNIT**  
**JANUARY, 1999**

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
<b>INVESTMENT (SPECIFIC) (\$):</b>					
=====					
(1) GROSS INVESTMENT	204,112,747	360,586,830	472,003,127	458,647,989	EXH K, LINE 2
(2) ACCUMULATED DEPRECIATION	( 115,361,625 )	( 143,969,760 )	( 129,097,826 )	( 97,006,626 )	EXH K, LINE 5
(3) NET INVESTMENT	88,751,122	216,617,070	342,905,301	361,641,363	LINES 1+2
(4) GENERAL PLANT	12,079,642	12,142,542	12,807,918	12,805,452	EXH H, LINE 9
(5) WORKING CAPITAL	19,076,418	14,922,859	20,114,618	21,305,925	EXH G, LINE 8
(6) ACCUMULATED DEFERRED INCOME TAX	( 28,760,343 )	( 56,697,863 )	( 57,958,300 )	( 58,365,809 )	EXH H, LINES 15 + 17
(7) TOTAL NET INVESTMENT (SPECIFIC)	91,146,839	186,984,608	317,869,537	337,386,931	LINES 3+4+5+6
<b>INVESTMENT (COMMON) (\$):</b>					
=====					
(8) GROSS INVESTMENT	67,570,762	67,570,762	96,959,697	96,959,697	EXH K, LINE 3
(9) ACCUMULATED DEPRECIATION	( 31,422,817 )	( 31,422,817 )	( 33,844,674 )	( 33,844,674 )	EXH K, LINE 6
(10) NET INVESTMENT	36,147,945	36,147,945	63,115,023	63,115,023	LINE 8 + LINE 9
(11) GENERAL PLANT	0	0	0	0	EXH H, LINE 10
(12) WORKING CAPITAL	0	0	0	0	INCL IN UNIT (LINE 5)
(13) ACCUMULATED DEFERRED INCOME TAX	( 7,724,000 )	( 7,723,000 )	( 10,229,000 )	( 10,230,000 )	EXH H, LINES 16 + 18
(14) TOTAL NET INVESTMENT (COMMON)	28,423,945	28,424,945	52,886,023	52,885,023	LINES 10+11+12+13
<b>EXPENSE (\$):</b>					
=====					
(15) OPERATION & MAINTENANCE EXPENSE - FIXED	574,164	612,827	550,974	538,318	EXH K, LINE 14
(16) ADMINISTRATIVE & GENERAL EXPENSE (INSURANCE)	7,069	8,354	10,982	11,494	EXH H, LINES 20 + 21
(17) ADMINISTRATIVE & GENERAL EXPENSE (OTHER)	298,102	299,654	316,074	316,014	EXH H, LINE 22
(18) DEPRECIATION EXPENSE	624,087	956,843	1,258,595	1,230,205	EXH H, LINE 26
(19) AMORTIZATION OF INCOME TAX CREDITS	( 40,873 )	( 49,877 )	( 66,925 )	( 57,925 )	EXH H, LINE 29
(20) REAL & PERSONAL PROPERTY TAX	99,083	195,207	310,670	324,750	EXH H, LINE 32
(21) PAYROLL TAX	26,176	26,313	27,754	27,750	EXH H, LINE 8
(22) TOTAL EXPENSE	1,587,808	2,049,321	2,408,124	2,390,606	SUM LINES 15 TO 21

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**UNIT POWER SALES AGREEMENT**  
**ALLOCATION AND ASSIGNMENT OF INVESTMENT AND EXPENSE**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**TRANSMISSION - GENERATOR STEP-UP SUBSTATIONS**  
**JANUARY, 1999**

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
<b>INVESTMENT (SPECIFIC) (\$):</b>					
=====					
(1) GROSS INVESTMENT	1,844,604	4,115,475	4,513,985	5,347,256	EXH L, LINE 1
(2) ACCUMULATED DEPRECIATION	( 1,044,068 )	( 1,857,105 )	( 1,385,657 )	( 1,336,693 )	EXH L, LINE 4
(3) NET INVESTMENT	800,536	2,258,370	3,128,328	4,010,563	LINES 1+2
(4) GENERAL PLANT	139,698	178,162	194,559	208,651	EXH I, LINE 9
(5) WORKING CAPITAL	17,966	22,867	25,042	26,889	EXH G, LINE 15
(6) ACCUMULATED DEFERRED INCOME TAX	( 548,806 )	( 945,461 )	( 552,725 )	( 666,530 )	EXH I, LINES 15 + 17
(7) TOTAL NET INVESTMENT (SPECIFIC)	409,394	1,513,938	2,795,204	3,579,573	LINES 3+4+5+6
<b>INVESTMENT (COMMON) (\$):</b>					
=====					
(8) GROSS INVESTMENT	6,403,628	6,403,628	6,972,592	6,972,592	EXH L, LINE 2
(9) ACCUMULATED DEPRECIATION	( 2,852,093 )	( 2,852,093 )	( 3,105,503 )	( 3,105,503 )	EXH L, LINE 5
(10) NET INVESTMENT	3,551,535	3,551,535	3,867,089	3,867,089	LINE 8 + LINE 9
(11) GENERAL PLANT	0	0	0	0	EXH I, LINE 10
(12) WORKING CAPITAL	0	0	0	0	INCL IN UNIT (LINE 5)
(13) ACCUMULATED DEFERRED INCOME TAX	( 749,000 )	( 749,000 )	( 749,000 )	( 750,000 )	EXH I, LINES 16 + 18
(14) TOTAL NET INVESTMENT (COMMON)	2,802,535	2,802,535	3,118,089	3,117,089	LINES 10+11+12+13
<b>EXPENSE (\$):</b>					
=====					
(15) OPERATION & MAINTENANCE EXPENSE - FIXED	6,539	8,340	9,106	9,769	EXH L, LINE 8
(16) ADMINISTRATIVE & GENERAL EXPENSE (INSURANCE)	236	294	321	343	EXH I, LINES 20 + 21
(17) ADMINISTRATIVE & GENERAL EXPENSE (OTHER)	3,447	4,397	4,801	5,149	EXH I, LINE 22
(18) DEPRECIATION EXPENSE	21,586	27,528	30,061	32,242	EXH I, LINE 26
(19) AMORTIZATION OF INVESTMENT TAX CREDITS	( 3,010 )	( 3,013 )	( 2,014 )	( 2,015 )	EXH I, LINE 29
(20) REAL & PERSONAL PROPERTY TAX	3,331	4,443	5,341	6,010	EXH I, LINE 32
(21) PAYROLL TAX	303	386	422	452	EXH I, LINE 8
(22) TOTAL EXPENSE	32,432	42,375	48,038	51,950	SUM LINES 15 TO 21

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**UNIT POWER SALES AGREEMENT  
DETERMINATION OF WORKING CAPITAL  
ALABAMA POWER COMPANY - MILLER PLANT**

JANUARY, 1999

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCES</u>
<b>PRODUCTION - UNIT</b> =====					
(1) OPERATION & MAINTENANCE EXPENSE - FIXED (\$)	6,889,968	7,353,924	6,611,688	6,459,816	EXH K, LINE 14 * 12.0
(2) OPERATION & MAINTENANCE EXPENSE - VARIABLE (\$)	75,879,900	41,940,276	77,575,536	87,079,320	EXH K, LINE 13 * 12.0
(3) ADMINISTRATIVE & GENERAL EXPENSE (\$)	3,662,052	3,696,096	3,924,672	3,930,096	EXH H, LINE 23 * 12.0
(4) BASIS FOR COMPUTING WORKING CAPITAL (\$)	86,431,920	52,990,296	88,111,896	97,469,232	LINES 1+2+3
(5) CASH WORKING CAPITAL (1/8 OF BASIS) (\$)	10,803,990	6,623,787	11,013,987	12,183,654	LINE 4 * 1/8
(6) PREPAID EXPENSE (\$)	84,939	107,184	140,142	143,601	EXH H, LINE 14
(7) MATERIALS AND SUPPLIES (\$)	8,187,489	8,191,888	8,960,489	8,978,670	EXH K, LINE 10
(8) WORKING CAPITAL (\$)	19,076,418	14,922,859	20,114,618	21,305,925	LINES 5+6+7
<b>TRANSMISSION - GSU</b> =====					
(9) OPERATION & MAINTENANCE EXPENSE - FIXED (\$)	78,468	100,080	109,272	117,228	EXH L, LINE 8 * 12.0
(10) ADMINISTRATIVE & GENERAL EXPENSE (\$)	44,196	56,292	61,464	65,904	EXH I, LINE 23 * 12.0
(11) BASIS FOR COMPUTING WORKING CAPITAL (\$)	122,664	156,372	170,736	183,132	LINE 9 + LINE 10
(12) CASH WORKING CAPITAL (1/8 OF BASIS) (\$)	15,333	19,547	21,342	22,892	LINE 11 * 1/8
(13) PREPAID EXPENSE (\$)	2,633	3,320	3,700	3,997	EXH I, LINE 14
(14) MATERIALS AND SUPPLIES (\$)	0	0	0	0	EXH L, LINE 7
(15) WORKING CAPITAL (\$)	17,966	22,867	25,042	26,889	LINES 12+13+14

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WORK PAPERS: EXHIBIT G  
ALABAMA POWER COMPANY  
MILLER PLANT  
JANUARY, 1999

**CONFIDENTIAL**



**UNIT POWER SALES AGREEMENT**  
**ALLOCATION OF INVESTMENT AND EXPENSE**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**PRODUCTION - UNIT**  
**JANUARY, 1999**

	TOTAL PRODUCTION (1) (C)	UNIT 1 (2)	UNIT 2 (3)	UNIT 3 (4)	UNIT 4 (5)	REFERENCES
SALARIES AND WAGES (\$):						SECTION 2.2.17
(1) PROD-UNIT (SPECIFIC) (AS GIVEN)	0	316,387	318,034	335,461	335,397	
(2) PROD-UNIT (COMMON) (AS GIVEN)	0	0	0	0	0	
(3) TOTAL (AS GIVEN)	4,979,011	316,387	318,034	335,461	335,397	
(4) PROD-UNIT (SPECIFIC) (W/ A&G ALLOC) (B)	0	377,180	379,144	399,920	399,843	
(5) PROD-UNIT (COMMON) (W/ A&G ALLOC) (B)	0	0	0	0	0	
(6) TOTAL (W/ A&G ALLOC) (B)	5,935,723	377,180	379,144	399,920	399,843	SECTION 2.2.14
PAYROLL TAX (\$):						SECTION 2.2.5
(7) PRODUCTION - UNIT (AS GIVEN)	345,543	21,957	22,072	23,281	23,277	
(8) PRODUCTION - UNIT (W/ A&G ALLOC) (A)	411,939	26,176	26,313	27,754	27,750	
GENERAL PLANT (\$):						SECTION 2.2.6
(9) PRODUCTION - UNIT (SPECIFIC) (A)	0	12,079,642	12,142,542	12,807,918	12,805,452	
(10) PRODUCTION - UNIT (COMMON) (A)	0	0	0	0	0	
(11) TOTAL (A)	190,098,659	12,079,642	12,142,542	12,807,918	12,805,452	
PREPAID EXPENSE (D) (\$):						SECTION 2.2.7
(12) PRODUCTION - UNIT	0	76,310	98,510	130,992	134,453	
(13) GENERAL - UNIT (A)	135,803	8,629	8,674	9,150	9,148	
(14) TOTAL	135,803	84,939	107,184	140,142	143,601	
ACCUMULATED DEFERRED INCOME TAX (\$):						SECTION 2.2.10
(15) PRODUCTION - UNIT (SPECIFIC)	0	26,356,000	54,281,000	55,409,000	55,817,000	
(16) PRODUCTION - UNIT (COMMON)	0	7,724,000	7,723,000	10,229,000	10,230,000	
(17) GENERAL - UNIT (SPECIFIC) (A)	37,837,417	2,404,343	2,416,863	2,549,300	2,548,809	
(18) GENERAL - UNIT (COMMON) (A)	0	0	0	0	0	
(19) TOTAL	37,837,417	36,484,343	64,420,863	68,187,300	68,595,809	
ADMINISTRATIVE & GENERAL EXPENSE (\$):						SECTION 2.2.11
(20) PRODUCTION - UNIT (INCL INSURANCE)	0	6,605	7,887	10,490	11,002	
(21) GENERAL - UNIT (INCL INSURANCE) (A)	7,305	464	467	492	492	
(22) OTHER (EXCL INSURANCE) (A)	4,691,265	298,102	299,654	316,074	316,014	
(23) TOTAL	4,698,570	305,171	308,008	327,056	327,508	
DEPRECIATION EXPENSE (\$):						SECTION 2.2.12
(24) PRODUCTION - UNIT	0	576,262	908,769	1,207,886	1,179,506	
(25) GENERAL - UNIT (A)	752,630	47,825	48,074	50,709	50,699	
(26) TOTAL	752,630	624,087	956,843	1,258,595	1,230,205	
AMORTIZATION OF INCOME TAX CREDITS (\$):						SECTION 2.2.13
(27) PRODUCTION - UNIT	0	40,000	49,000	66,000	57,000	
(28) GENERAL - UNIT (A)	13,735	873	877	925	925	
(29) TOTAL	13,735	40,873	49,877	66,925	57,925	
REAL & PERSONAL PROPERTY TAX (\$):						
(30) PRODUCTION - UNIT	0	93,866	189,962	305,138	319,219	
(31) GENERAL - UNIT (A)	82,107	5,217	5,245	5,532	5,531	
(32) TOTAL	82,107	99,083	195,207	310,670	324,750	

NOTES (A) ALLOCATED TO UNIT USING PRODUCTION FACTORS SHOWN ON EXHIBIT J.  
(B) TOTAL PRODUCTION ALLOCATED TO UNIT BASED ON LINE 3.  
(C) TOTAL ALABAMA POWER COMPANY FOSSIL STEAM AND COMBUSTION TURBINE PRODUCTION FACILITIES.  
(D) PREPAID EXPENSES ARE 13 MONTH AVERAGES.

WORK PAPERS: EXHIBIT H  
ALABAMA POWER COMPANY  
MILLER PLANT  
JANUARY, 1999

CONFIDENTIAL



**UNIT POWER SALES AGREEMENT**  
**ALLOCATION OF INVESTMENT AND EXPENSE**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**TRANSMISSION - GENERATOR STEP-UP SUBSTATIONS**  
**JANUARY, 1999**

	<u>TOTAL</u> <u>TRANSMISSION</u> <u>(1) (C)</u>	<u>UNIT 1</u> <u>(2)</u>	<u>UNIT 2</u> <u>(3)</u>	<u>UNIT 3</u> <u>(4)</u>	<u>UNIT 4</u> <u>(5)</u>	<u>REFERENCES</u>
SALARIES AND WAGES (\$):						SECTION 2.2.17
(1) TRAN-GSU (SPECIFIC) (AS GIVEN)	0	3,659	4,666	5,096	5,465	
(2) TRAN-GSU (COMMON) (AS GIVEN)	0	0	0	0	0	
(3) TOTAL (AS GIVEN)	1,083,965	3,659	4,666	5,096	5,465	
(4) TRAN-GSU (SPECIFIC) (W/ A&G ALLOC) (B)	0	4,362	5,563	6,075	6,515	
(5) TRAN-GSU (COMMON) (W/ A&G ALLOC) (B)	0	0	0	0	0	
(6) TOTAL (W/ A&G ALLOC) (B)	1,292,248	4,362	5,563	6,075	6,515	SECTION 2.2.14
PAYROLL TAX (\$):						
(7) TRANSMISSION - GSU (AS GIVEN)	75,227	254	324	354	379	
(8) TRANSMISSION - GSU (W/ A&G ALLOC) (A)	89,682	303	386	422	452	SECTION 2.2.5
GENERAL PLANT (\$):						
(9) TRANSMISSION - GSU (SPECIFIC) (A)	0	139,698	178,162	194,559	208,651	
(10) TRANSMISSION - GSU (COMMON) (A)	0	0	0	0	0	
(11) TOTAL (A)	41,385,792	139,698	178,162	194,559	208,651	SECTION 2.2.6
PREPAID EXPENSE (D) (\$):						
(12) TRANSMISSION - GSU	0	2,533	3,193	3,561	3,848	
(13) GENERAL - GSU (A)	29,565	100	127	139	149	
(14) TOTAL	29,565	2,633	3,320	3,700	3,997	SECTION 2.2.7
ACCUMULATED DEFERRED INCOME TAX (\$):						
(15) TRANSMISSION - GSU (SPECIFIC)	0	521,000	910,000	514,000	625,000	
(16) TRANSMISSION - GSU (COMMON)	0	749,000	749,000	749,000	750,000	
(17) GENERAL - GSU (SPECIFIC) (A)	8,237,467	27,806	35,461	38,725	41,530	
(18) GENERAL - GSU (COMMON) (A)	0	0	0	0	0	
(19) TOTAL	8,237,467	1,297,806	1,694,461	1,301,725	1,416,530	SECTION 2.2.10
ADMINISTRATIVE & GENERAL EXPENSE (\$):						
(20) TRANSMISSION - GSU (INCL INSURANCE)	0	231	287	314	335	
(21) GENERAL - GSU (INCL INSURANCE) (A)	1,590	5	7	7	8	
(22) OTHER (EXCL INSURANCE) (A)	1,021,321	3,447	4,397	4,801	5,149	
(23) TOTAL	1,022,911	3,683	4,691	5,122	5,492	SECTION 2.2.11
DEPRECIATION EXPENSE (\$):						
(24) TRANSMISSION - GSU	0	21,033	26,823	29,291	31,416	
(25) GENERAL - GSU (A)	163,853	553	705	770	826	
(26) TOTAL	163,853	21,586	27,528	30,061	32,242	SECTION 2.2.12
AMORTIZATION OF INCOME TAX CREDITS (\$):						
(27) TRANSMISSION - GSU	0	3,000	3,000	2,000	2,000	
(28) GENERAL - GSU (A)	2,990	10	13	14	15	
(29) TOTAL	2,990	3,010	3,013	2,014	2,015	SECTION 2.2.13
REAL & PERSONAL PROPERTY TAX (\$):						
(30) TRANSMISSION - GSU	0	3,271	4,366	5,257	5,920	
(31) GENERAL - GSU (A)	17,875	60	77	84	90	
(32) TOTAL	17,875	3,331	4,443	5,341	6,010	

NOTES: (A) ALLOCATED TO UNIT USING TRANSMISSION FACTORS SHOWN ON EXHIBIT J.  
(B) TOTAL TRANSMISSION ALLOCATED TO UNIT BASED ON LINE 3.  
(C) TOTAL ALABAMA POWER COMPANY TRANSMISSION FACILITIES.  
(D) PREPAID EXPENSES ARE 13 MONTH AVERAGES.

WORK PAPERS: EXHIBIT I  
ALABAMA POWER COMPANY  
MILLER PLANT  
JANUARY, 1999

**UNIT POWER SALES AGREEMENT  
DETERMINATION OF ALLOCATION FACTORS  
ALABAMA POWER COMPANY - MILLER PLANT**

JANUARY, 1999

EXHIBIT H  
PRODUCTION

EXHIBIT I  
TRANSMISSION

UNIT 1 ALLOCATORS: .....			.....		
(A) UNIT	=	LINE 4, COL 2 = 377,180 =	0.06354407	LINE 4, COL 2 = 4,362 =	0.00337551
		LINE 6, COL 1 = 5,935,723 =		LINE 6, COL 1 = 1,292,248 =	
		LINE 5, COL 2 = 0 =		LINE 5, COL 2 = 0 =	
(B) COMMON	=	LINE 6, COL 1 = 5,935,723 =	0.00000000	LINE 6, COL 1 = 1,292,248 =	0.00000000
		LINE 6, COL 2 = 377,180 =		LINE 6, COL 2 = 4,362 =	
(C) TOTAL	=	LINE 6, COL 1 = 5,935,723 =	0.06354407	LINE 6, COL 1 = 1,292,248 =	0.00337551
UNIT 2 ALLOCATORS: .....			.....		
(A) UNIT	=	LINE 4, COL 3 = 379,144 =	0.06387495	LINE 4, COL 3 = 5,563 =	0.00430490
		LINE 6, COL 1 = 5,935,723 =		LINE 6, COL 1 = 1,292,248 =	
		LINE 5, COL 3 = 0 =		LINE 5, COL 3 = 0 =	
(B) COMMON	=	LINE 6, COL 1 = 5,935,723 =	0.00000000	LINE 6, COL 1 = 1,292,248 =	0.00000000
		LINE 6, COL 3 = 379,144 =		LINE 6, COL 3 = 5,563 =	
(C) TOTAL	=	LINE 6, COL 1 = 5,935,723 =	0.06387495	LINE 6, COL 1 = 1,292,248 =	0.00430490
UNIT 3 ALLOCATORS: .....			.....		
(A) UNIT	=	LINE 4, COL 4 = 399,920 =	0.06737511	LINE 4, COL 4 = 6,075 =	0.00470111
		LINE 6, COL 1 = 5,935,723 =		LINE 6, COL 1 = 1,292,248 =	
		LINE 5, COL 4 = 0 =		LINE 5, COL 4 = 0 =	
(B) COMMON	=	LINE 6, COL 1 = 5,935,723 =	0.00000000	LINE 6, COL 1 = 1,292,248 =	0.00000000
		LINE 6, COL 4 = 399,920 =		LINE 6, COL 4 = 6,075 =	
(C) TOTAL	=	LINE 6, COL 1 = 5,935,723 =	0.06737511	LINE 6, COL 1 = 1,292,248 =	0.00470111
UNIT 4 ALLOCATORS: .....			.....		
(A) UNIT	=	LINE 4, COL 5 = 399,843 =	0.06736214	LINE 4, COL 5 = 6,515 =	0.00504160
		LINE 6, COL 1 = 5,935,723 =		LINE 6, COL 1 = 1,292,248 =	
		LINE 5, COL 5 = 0 =		LINE 5, COL 5 = 0 =	
(B) COMMON	=	LINE 6, COL 1 = 5,935,723 =	0.00000000	LINE 6, COL 1 = 1,292,248 =	0.00000000
		LINE 6, COL 5 = 399,843 =		LINE 6, COL 5 = 6,515 =	
(C) TOTAL	=	LINE 6, COL 1 = 5,935,723 =	0.06736214	LINE 6, COL 1 = 1,292,248 =	0.00504160

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**UNIT POWER SALES AGREEMENT**  
**ITEMS OF DIRECT ASSIGNMENT**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**PRODUCTION - UNIT**  
**JANUARY, 1999**

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCE - MANUAL</u>
(1) NET DEPENDABLE CAPACITY (KW)	613,675	613,216	674,100	693,100	SECTION 2.2.1
GROSS INVESTMENT (\$):					SECTION 2.2.2
(2) PRODUCTION - UNIT (SPECIFIC)	204,112,747	360,586,830	472,003,127	458,647,989	
(3) PRODUCTION - UNIT (COMMON)	67,570,762	67,570,762	96,959,697	96,959,697	
(4) TOTAL	271,683,509	428,157,592	568,962,824	555,607,686	
ACCUMULATED DEPRECIATION (\$):					SECTION 2.2.3
(5) PRODUCTION - UNIT (SPECIFIC)	115,361,625	143,969,760	129,097,826	97,006,626	
(6) PRODUCTION - UNIT (COMMON)	31,422,817	31,422,817	33,844,674	33,844,674	
(7) TOTAL	146,784,442	175,392,577	162,942,500	130,851,300	
MATERIALS AND SUPPLIES (A) (\$):					SECTION 2.2.6
(8) PRODUCTION - UNIT	2,049,119	2,049,119	2,231,184	2,231,184	
(9) FUEL STOCK	6,138,370	6,142,769	6,729,305	6,747,486	
(10) TOTAL	8,187,489	8,191,888	8,960,489	8,978,670	
OPERATION & MAINTENANCE EXPENSE - VARIABLE (\$):					SECTION 2.2.6
(11) PRODUCTION - UNIT	271,103	337,679	248,399	270,733	
(12) FUEL BURN	6,052,222	3,157,344	6,216,229	6,985,877	
(13) TOTAL	6,323,325	3,495,023	6,464,628	7,256,610	
OPERATION & MAINTENANCE EXPENSE - FIXED (\$):					SECTION 2.2.6
(14) PRODUCTION - UNIT	574,164	612,827	550,974	538,318	

NOTES:

(A) MATERIAL & SUPPLIES ARE 13 MONTH AVERAGES.

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**UNIT POWER SALES AGREEMENT**  
**ITEMS OF DIRECT ASSIGNMENT**  
**ALABAMA POWER COMPANY - MILLER PLANT**  
**TRANSMISSION - GENERATOR STEP-UP SUBSTATIONS**  
**JANUARY, 1999**

	<u>UNIT 1</u>	<u>UNIT 2</u>	<u>UNIT 3</u>	<u>UNIT 4</u>	<u>REFERENCE - MANUAL</u>
GROSS INVESTMENT (\$):					SECTION 2.2
(1) TRANSMISSION - GSU (SPECIFIC)	1,844,604	4,115,475	4,513,985	5,347,256	--
(2) TRANSMISSION - GSU (COMMON)	6,403,628	6,403,628	6,972,592	6,972,592	
(3) TOTAL	8,248,232	10,519,103	11,486,577	12,319,848	
ACCUMULATED DEPRECIATION (\$):					SECTION 2.2.3
(4) TRANSMISSION - GSU (SPECIFIC)	1,044,068	1,857,105	1,385,657	1,336,693	
(5) TRANSMISSION - GSU (COMMON)	2,852,093	2,852,093	3,105,503	3,105,503	
(6) TOTAL	3,896,161	4,709,198	4,491,160	4,442,196	
MATERIALS AND SUPPLIES (A) (\$):					SECTION 2.2.6
(7) TRANSMISSION - GSU	0	0	0	0	
OPERATION & MAINTENANCE EXPENSE - FIXED (\$):					SECTION 2.2.9
(8) TRANSMISSION - GSU	6,539	8,340	9,106	9,769	

NOTES:

(A) MATERIAL & SUPPLIES ARE 13 MONTH AVERAGES.

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF COST OF CAPITAL**  
**ALABAMA POWER COMPANY - MILLER 1**

JANUARY, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	55.4326	7.5281	4.1730
(2) PREFERRED STOCK (%)	11.9859	7.5039	0.8994
(3) COMMON EQUITY (%)	32.5815	12.50	4.0727
(4) TOTAL (%)	100.0000		9.145
(5) INCOME TAX RATE (%)	= 37.15		
(6) EQUITY RETURN (%)	= PREFERRED STOCK + COMMON EQUITY		
(7) EQUITY RETURN (%)	= 0.8994 + 4.0727		
(8) EQUITY RETURN (%)	= 4.9721		
(9) ASSOCIATED INCOME TAX (%)	= $\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}} \cdot \text{EQUITY RETURN}$		
(10) ASSOCIATED INCOME TAX (%)	= $\frac{37.15}{100 - 37.15} \cdot 4.9721$		
(11) ASSOCIATED INCOME TAX (%)	= 2.939		

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**UNIT POWER SALES AGREEMENT  
DETERMINATION OF COST OF CAPITAL  
ALABAMA POWER COMPANY - MILLER 1**

JANUARY, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	55.4326	7.5281	4.1730
(2) PREFERRED STOCK (%)	11.9859	7.5039	0.8994
(3) COMMON EQUITY (%)	32.5815	13.75	4.4800
(4) TOTAL (%)	100.0000		9.552
(5) INCOME TAX RATE (%)	= 37.15		
(6) EQUITY RETURN (%)	= PREFERRED STOCK + COMMON EQUITY		
(7) EQUITY RETURN (%)	= 0.8994 + 4.4800		
(8) EQUITY RETURN (%)	= 5.3794		
(9) ASSOCIATED INCOME TAX (%)	= $\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}}$ * EQUITY RETURN		
(10) ASSOCIATED INCOME TAX (%)	= $\frac{37.15}{100 - 37.15}$ * 5.3794		
(11) ASSOCIATED INCOME TAX (%)	= 3.180		

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UNIT POWER SALES AGREEMENT  
DETERMINATION OF COST OF CAPITAL  
ALABAMA POWER COMPANY - MILLER 2

JANUARY, 1999

		<u>PERCENTAGE OF CAPITALIZATION</u>		<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)		52.6731		8.0957	4.2643
(2) PREFERRED STOCK (%)		10.0964		7.7231	0.7798
(3) COMMON EQUITY (%)		37.2305		12.50	4.6538
(4) TOTAL (%)		100.0000			9.698
(5) INCOME TAX RATE (%)	=	37.15			
(6) EQUITY RETURN (%)	=	PREFERRED STOCK + COMMON EQUITY			
(7) EQUITY RETURN (%)	=	0.7798	+	4.6538	
(8) EQUITY RETURN (%)	=	5.4336			
(9) ASSOCIATED INCOME TAX (%)	=	$\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}}$	*	EQUITY RETURN	
(10) ASSOCIATED INCOME TAX (%)	=	$\frac{37.15}{100 - 37.15}$	*	5.4336	
(11) ASSOCIATED INCOME TAX (%)	=	3.212			

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**UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF COST OF CAPITAL**  
**ALABAMA POWER COMPANY - MILLER 2**

JANUARY, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	52.6731	8.0957	4.2643
(2) PREFERRED STOCK (%)	10.0964	7.7231	0.7798
(3) COMMON EQUITY (%)	37.2305	13.75	5.1192
(4) TOTAL (%)	100.0000		10.163

(5) INCOME TAX RATE (%)	=	37.15	
(6) EQUITY RETURN (%)	=	PREFERRED STOCK + COMMON EQUITY	
(7) EQUITY RETURN (%)	=	0.7798 + 5.1192	
(8) EQUITY RETURN (%)	=	5.8990	
(9) ASSOCIATED INCOME TAX (%)	=	$\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}} \cdot \text{EQUITY RETURN}$	
(10) ASSOCIATED INCOME TAX (%)	=	$\frac{37.15}{100 - 37.15} \cdot 5.8990$	
(11) ASSOCIATED INCOME TAX (%)	=	3.487	

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**UNIT POWER SALES AGREEMENT  
DETERMINATION OF COST OF CAPITAL  
ALABAMA POWER COMPANY - MILLER 3**

JANUARY, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	48.7559	8.5139	4.1510
(2) PREFERRED STOCK (%)	9.8360	7.4740	0.7351
(3) COMMON EQUITY (%)	41.4081	12.50	5.1760
(4) TOTAL (%)	100.0000		10.062
(5) INCOME TAX RATE (%)	= 37.15		
(6) EQUITY RETURN (%)	= PREFERRED STOCK + COMMON EQUITY		
(7) EQUITY RETURN (%)	= 0.7351 + 5.1760		
(8) EQUITY RETURN (%)	= 5.9111		
(9) ASSOCIATED INCOME TAX (%)	= $\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}}$ * EQUITY RETURN		
(10) ASSOCIATED INCOME TAX (%)	= $\frac{37.15}{100 - 37.15}$ * 5.9111		
(11) ASSOCIATED INCOME TAX (%)	= 3.494		

**CONFIDENTIAL**

5/2/99

91

UNIT POWER SALES AGREEMENT  
DETERMINATION OF COST OF CAPITAL  
ALABAMA POWER COMPANY - MILLER 3

JANUARY, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	48.7559	8.5139	4.1510
(2) PREFERRED STOCK (%)	9.8360	7.4740	0.7351
(3) COMMON EQUITY (%)	41.4081	13.75	5.6936
(4) TOTAL (%)	100.0000		10.580
(5) INCOME TAX RATE (%)	=	37.15	
(6) EQUITY RETURN (%)	=	PREFERRED STOCK + COMMON EQUITY	
(7) EQUITY RETURN (%)	=	0.7351 + 5.6936	
(8) EQUITY RETURN (%)	=	6.4287	
(9) ASSOCIATED INCOME TAX (%)	=	$\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}}$	• EQUITY RETURN
(10) ASSOCIATED INCOME TAX (%)	=	$\frac{37.15}{100 - 37.15}$	• 6.4287
(11) ASSOCIATED INCOME TAX (%)	=	3.800	

1/21/99



UNIT POWER SALES AGREEMENT  
DETERMINATION OF COST OF CAPITAL  
ALABAMA POWER COMPANY - MILLER 4

JANUARY, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	46.3331	8.4480	3.9142
(2) PREFERRED STOCK (%)	9.6011	5.6920	0.5465
(3) COMMON EQUITY (%)	44.0658	12.50	5.5082
(4) TOTAL (%)	100.0000		9.969
(5) INCOME TAX RATE (%)	= 37.15		
(6) EQUITY RETURN (%)	= PREFERRED STOCK + COMMON EQUITY		
(7) EQUITY RETURN (%)	= 0.5465 + 5.5082		
(8) EQUITY RETURN (%)	= 6.0547		
(9) ASSOCIATED INCOME TAX (%)	= $\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}} \cdot \text{EQUITY RETURN}$		
(10) ASSOCIATED INCOME TAX (%)	= $\frac{37.15}{100 - 37.15} \cdot 6.0547$		
(11) ASSOCIATED INCOME TAX (%)	= 3.579		

1/21/99

UNIT POWER SALES AGREEMENT  
DETERMINATION OF COST OF CAPITAL  
ALABAMA POWER COMPANY - MILLER 4

JANUARY, 1999

	<u>PERCENTAGE OF CAPITALIZATION</u>	<u>COST</u>	<u>WEIGHTED COST</u>
(1) LONG TERM DEBT AND CAPITALIZED LEASES (%)	46.3331	8.4480	3.9142
(2) PREFERRED STOCK (%)	9.6011	5.6920	0.5465
(3) COMMON EQUITY (%)	44.0658	13.75	6.0590
(4) TOTAL (%)	100.0000		10.520
(5) INCOME TAX RATE (%)	= 37.15		
(6) EQUITY RETURN (%)	= PREFERRED STOCK + COMMON EQUITY		
(7) EQUITY RETURN (%)	= 0.5465 + 6.0590		
(8) EQUITY RETURN (%)	= 6.6055		
(9) ASSOCIATED INCOME TAX (%)	= $\frac{\text{INCOME TAX RATE}}{100 - \text{INCOME TAX RATE}} \cdot \text{EQUITY RETURN}$		
(10) ASSOCIATED INCOME TAX (%)	= $\frac{37.15}{100 - 37.15} \cdot 6.6055$		
(11) ASSOCIATED INCOME TAX (%)	= 3.904		

**CONFIDENTIAL**

1/27/99

**1988 UNIT POWER SALES AGREEMENT**  
**DETERMINATION OF MONTHLY TRANSMISSION CAPACITY CHARGES**  
**TRANSMISSION FACILITIES RATED 115KV AND ABOVE**

	Ⓐ	Ⓒ 1988 ALABAMA JUNE - DECEMBER	Ⓓ GEORGIA JANUARY - MAY	Ⓔ GEORGIA JUNE - DECEMBER
(1) LOAD (KW)		10,406,574	10,406,574	13,502,978
(2) INVESTMENT (\$)		570,950,516 <sub>P2</sub>	570,950,516 <sub>P2</sub>	867,067,506 <sub>P2</sub>
(3) EXPENSE (\$)		38,380,762 <sub>P2</sub>	38,380,762 <sub>P2</sub>	58,560,764 <sub>P2</sub>
<b>ANNUAL TRANSMISSION CAPACITY CHARGES:</b>				
(4) INVESTMENT (\$/KW-YR)		54.864407	54.864407	64.213058
(5) RETURN ON INVESTMENT (A) (%)		9.29	9.36	9.37
(6) ASSOCIATED INCOME TAX (%)		3.58	3.55	4.22
(7) RETURN ON INVESTMENT (\$/KW-YR)		5.096903	5.135308	6.016764
(8) ASSOCIATED INCOME TAX (\$/KW-YR)		1.964146	1.947686	2.709791
(9) RETURN ON INV & ASSOC. INCOME TAX (\$/KW-YR)		7.061049	7.082994	8.726555
(10) TRANSMISSION FIXED EXPENSE (\$/KW-YR)		3.688127	3.688127	4.336878
(11) TOTAL TRANSMISSION CAPACITY CHARGES (\$/KW-YR)		10.749176	10.771121	13.063433
(12) ASSOCIATED LOSSES (\$/KW-YR)		0.332448	0.333127	0.404023
(13) TOTAL TRANS CAPACITY CHARGES (W LOSSES) (\$/KW-YR)		11.081624	11.104248	13.467456
1. MONTHLY TRANSMISSION CAPACITY CHARGES:				
2. (14) TOTAL TRANS CAPACITY CHARGES (W LOSSES) (\$/KW-MO)		0.923469	0.925354	1.122288
3. (15) TRANSMISSION CAPACITY CHARGE FOR MILLER SALES (\$/KW-MO)(B)		2.045757 <sub>43-1</sub>	2.053710	
4. (16) TRANSMISSION CAPACITY CHARGE FOR SCHERER SALES (\$/KW-MO)		1.122288 <sub>2-2</sub>	1.128356	

NOTES:

- (A) THE TRANSMISSION CAPACITY CHARGES ARE CALCULATED USING A 12.50 (%) RETURN ON COMMON EQUITY  
 (B) THE TRANSMISSION CAPACITY CHARGE FOR MILLER SALES IS THE TOTAL OF ALABAMA AND GEORGIA.

*Because the Miller Plant is located in Alabama, the*

*M/N  
2/1-1*

*P.*

**CONFIDENTIAL**

**CONFIDENTIAL**

**INVOICE  
PARTICIPANT BILL # 151  
July 15, 1999**



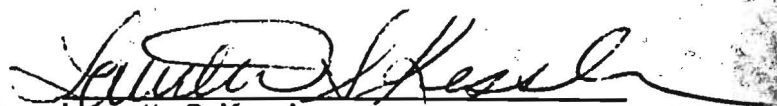
**Mr. Mario Villar  
Manager, Wholesale Services  
Florida Power & Light Company  
9250 West Flagler Street  
Miami, Florida 33174**

Please wire transfer the funds by noon on the dates indicated below to:

1. First Union National Bank
2. ABA # **063000021**  
Bank Account # ( See below)

(A)

SALEBACK	DATE DUE	AMOUNT	BANK ACCOUNT #
Cost of Operations	08/02/99	\$ 510,775.18	2090002205691
Cost of Operations	08/16/99	\$ 510,775.17	2090002205691
Cost of Fuel/Limestone	08/02/99	\$ (111,453.31)	REFUND TO FPL
Cost of Fuel/Limestone	08/16/99	\$ 4,085,536.73	2090002205510
JEA'S Carrying Cost of Inv	08/02/99	\$ 49,222.06	2090002205691
Bond Resolution Exp.	08/02/99	\$ 4,237.16	2090002205691
Debt Svc & R & R Deposit	08/31/99	\$ -	2090002205691
C. C. R. A.		\$ -	2090002205730
<b>TOTAL</b>		<b>\$ 5,049,092.99</b>	

  
**Laurette S. Kessler**  
**C.P.A. - General Accounting**

**E Mary Arditti, VP/CFO  
E Bob Fowler, Treasurer's Office**

**E Alan White (JEA)**

**SJRPP Central File-UFP ACG 12-12**

**E E-MAIL ALL PAGES**

44-2  
p1 of 1



CONFIDENTIAL

FPL

ACH TRANSFER

REQUESTOR'S NAME

REQUESTOR'S LOC'N

0 5 5

SIGN NAME

*Cynthia Risavy*

DATE July 27, 1999

PRINT NAME

CYNTHIA RISAVY

PHONE 552-2281

MAIL STATION

DEPT LOC'N

BUILDING

SYMBOL

CODE

RAP

GO

PMIS VENDOR NUMBER

V 082499

Please complete date and initial this area if vendor number not in PMIS.

Date \_\_\_\_\_ Initial \_\_\_\_\_

Taxpayer Identification No. or Vendor's Social Security No.

Mail Check

With

To Vendor

Enclosure

Return Check

Invoice

To Requestor

Attach

Please issue a check in the amount of \$

\$ 510,775.18

PAYABLE TO

ST. JOHNS RIVER POWER PARK

ADDRESS/

11201 NEW BERLIN ROAD

P.O. BOX

CITY JACKSONVILLE

STATE FL

ZIP

32226

PURPOSE AND NECESSITY

REIMBURSEMENT OF JEA'S COST OF OPERATIONS.

*44-2  
1-1-99  
P. 101*

REMARKS

PLEASE INITIATE ACH TRANSFER ON FRIDAY, JULY 30, 1999  
PAYMENT DUE ON MONDAY, AUGUST 2, 1999.

PLEASE MAKE THE FOLLOWING NOTATIONS ON THE TRANSFER

1. SALEBACK BILLING STATEMENT NO. 151, DATED JULY 15, 1999.
2. FIRST UNION NATIONAL BANK
3. JAX/ABA NO. 083000021
- BANK ACCOUNT # 2090002205691

VEHICLE/ WORK ORDER	BLK ER	ACCOUNT NO./				CHARGE LOCATION	SALES TAX IND	DISTRIBUTION AMOUNT	DESCRIPTION		
		COMP	SECT.	UC	EAC						
W	E	A	242	15	1	L	054	X	743	\$ 517,886.97	Cost of Operations (Aug-99)
W	E	A	419	91	0	L	054	X	790	\$ (7,111.79)	Interest Income
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			

\$ 510,775.18

*44-2*

APPROVED BY \_\_\_\_\_ DATE \_\_\_\_\_

PRINT NAME \_\_\_\_\_

PRINT POSITION TITLE \_\_\_\_\_

APPROVED BY *Orlando* DATE *7/28/99*

PRINT NAME OSEVALDO J. LOM

PRINT POSITION TITLE SUPERVISOR, PURCHASED POWER CONTRACTS

AUTHORIZED BY *Mario Villar* DATE *8/17/99*

PRINT NAME MARIO VILLAR

PRINT POSITION TITLE MANAGER, WHOLESALE SERVICES

NO. RAP-0899-02-20

SJ-OPER-1

METRO APPROVAL

Approval Number: 293569

Authorized by: *[Signature]*

Check Number: 23546



FPL

ACH TRANSFER

REQUESTOR'S NAME

REQUESTOR'S LOC'N

0 5 5

SIGN NAME

*Cynthia Risavy*

DATE 7/27/1999

PRINT NAME

CYNTHIA RISAVY

PHONE 552-2281

MAIL STATION

DEPT LOC'N

BUILDING

SYMBOL

CODE

RAP

GO

PMIS VENDOR NUMBER

V 082499

0

Please complete date and initial this area if vendor number not in PMIS.

Date

Initial

Taxpayer Identification No. or Vendor's Social Security No.

Mail Check To Vendor

With Enclosure

Return Check To Requestor

Invoice Attach

PURPOSE AND NECESSITY

REIMBURSEMENT OF JEA'S COST OF OPERATIONS.

*2/4/2  
1/2/2  
p. 20/2*

REMARKS

PLEASE INITIATE ACH TRANSFER ON FRIDAY, AUGUST 13, 1999  
PAYMENT DUE ON MONDAY, AUGUST 16, 1999

PLEASE MAKE THE FOLLOWING NOTATIONS ON THE TRANSFER:

1. SALEBACK BILLING STATEMENT NO. 151, DATED, JULY 15, 1999.
2. FIRST UNION NATIONAL BANK
3. JAX/ABA NO. 083000021  
BANK ACCOUNT # 2090002205691

Please issue a check in the amount of \$

\$ 510,775.17

PAYABLE TO

ST. JOHNS RIVER POWER PARK

ADDRESS/P.O. BOX

11201 NEW BERLIN ROAD

CITY JACKSONVILLE

STATE FL

ZIP

32226

VEHICLE/ WORK ORDER	BLK ER	ACCOUNT NO./			CHARGE LOCATION	SALES TAX IND	DISTRIBUTION AMOUNT	DESCRIPTION			
		COMP	SECT.	UC							
W	E	A	242	15	1	L	054	X	743	\$ 517,886.96	Cost of Operations (Aug-99)
W	E	A	419	91	0	L	054	X	790	\$ (7,111.79)	Interest Income
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			

\$ 510,775.17

*Handwritten initials and circled signature*

INVOICE NUMBER:

RAP-0899-02-26

SJ-OPER-2

METRO APPROVAL

Approval Number: 302045

Authorized by: [Signature] 8/16/99

Check Number: 24424

APPROVED BY

DATE

PRINT NAME

OSVALDO J. LOM

PRINT POSITION TITLE

SUPERVISOR, PURCHASED POWER CONTRACTS

APPROVED BY

DATE

PRINT NAME

MARIO VILLAR

PRINT POSITION TITLE

MANAGER, WHOLESALE SERVICES

CONFIDENTIAL

FPL

ACH TRANSFER

REQUESTOR'S NAME

SIGN NAME

PRINT NAME

*Cynthia Risavy*  
CYNTHIA RISAVY

REQUESTOR'S LOC'N

0 5 5

DATE: July 27, 1999

PHONE 552-2281

MAIL STATION

DEPT LOC'N

BUILDING

SYMBOL

CODE

RAP

GO

PMIS VENDOR NUMBER

V 082499

Please complete date and initial this area if vendor number not in PMIS.

Date

Initial

Taxpayer Identification No. or Vendor's Social Security No.

Mail Check

To Vendor

With

Enclosure

Return Check

To Requestor

Invoice

Attach

Please issue a check in the amount of \$

\$ 49,222.06

PAYABLE TO

ST. JOHNS RIVER POWER PARK

ADDRESS/ P.O. BOX

11201 NEW BERLIN ROAD

CITY JACKSONVILLE

STATE FL

ZIP

32226

PURPOSE AND SECURITY

REIMBURSEMENT OF JEA'S CARRYING COST OF INVENTORIES.

*2/28/99*

REMARKS

PLEASE INITIATE ACH TRANSFER ON FRIDAY, JULY 30, 1999  
PAYMENT DUE MONDAY, AUGUST 2, 1999.

PLEASE MAKE THE FOLLOWING NOTATIONS ON THE TRANSFER:

1. SALEBACK BILLING STATEMENT NO. 151, DATED, JULY 15, 1999.  
2. FIRST UNION NATIONAL BANK  
3. JAX/ABA NO. 083000021  
BANK ACCOUNT # 2090002205691

VEHICLE/ WORK ORDER	BLK ER	ACCOUNT NO./			CHARGE LOCATION	SALES TAX IND	DISTRIBUTION AMOUNT	DESCRIPTION			
		COMP	SECT.	UC							
W	E	A	242	15	1	L	054	X	743	\$ 49,222.06	JEA's Carrying Cost Inventories
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
W	E	A				L		X			
										\$ 49,222.06	

INVOICE NUMBER:

RAP-0899-02-22

SJ-CCOI

METRO APPROVAL

Approval Number: 293570

Authorized by: *[Signature]* 7/28/99

Check Number: 23542

APPROVED BY

DATE

PRINT NAME

OSVALDO J. LOM

PRINT POSITION TITLE

SUPERVISOR, PURCHASED POWER CONTRACTS

APPROVED BY

DATE

PRINT NAME

PRINT POSITION TITLE

AUTHORIZED BY

DATE

PRINT NAME

MARIO VILLAR

PRINT POSITION TITLE

MANAGER, WHOLESALE SERVICES



QF Capacity Forecast

04-Oct-99

(A)

FACILITY (RATE)	JAN-99	FEB-99	MAR-99	APR-99	MAY-99	JUN-99	JUL-99	AUG-99	SEP-99	OCT-99	NOV-99	DEC-99
FCS	28.36	28.36	28.36	30.12	30.12	30.12	30.12	30.12	30.12	30.12	30.12	30.12
ROYSTER	31.85	31.85	31.85	33.56	33.56	33.56	33.56	33.56	33.56	33.56	33.56	33.56
SWAPBC	26.12	26.12	26.12	27.52	27.52	27.52	27.52	27.52	27.52	27.52	27.52	27.52
BCRRN	25.47	25.47	25.47	26.85	26.85	26.85	26.85	26.85	26.85	26.85	26.85	26.85
BCRRS	23.405	23.405	23.405	24.668	24.668	24.668	24.668	24.668	24.668	24.668	24.668	24.668
BIO-ENERGY	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2	14.2
BCRRS	22.6	22.6	22.6	22.6	22.6	22.6	22.6	22.6	22.6	22.6	22.6	22.6
BCRRN	22.6	22.6	22.6	22.6	22.6	22.6	22.6	22.6	22.6	22.6	22.6	22.6
CEDAR BAY	29.05	29.05	29.05	29.05	29.05	29.05	29.05	29.05	29.05	29.05	29.05	29.05
INDIANTOWN	28.56	28.56	28.56	28.56	28.56	28.56	28.56	28.56	28.56	28.56	28.56	28.56

FACILITY (MW)	JAN-99	FEB-99	MAR-99	APR-99	MAY-99	JUN-99	JUL-99	AUG-99	SEP-99	OCT-99	NOV-99	DEC-99
FCS	133	133	133	133	133	133	133	133	133	133	133	133
ROYSTER	0	0	0	0	0	0	0	0	0	0	0	0
SWAPBC	43.5	43.5	43.5	43.5	43.5	43.5	43.5	43.5	43.5	43.5	43.5	43.5
BCRRN	45	45	45	45	45	45	45	45	45	45	45	45
BCRRS	50.6	50.6	50.6	50.6	50.6	50.6	50.6	50.6	50.6	50.6	50.6	50.6
BIO-ENERGY	10	10	10	10	10	10	10	10	10	10	10	10
BCRRS	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5	3.5
BCRRN	11	11	11	11	11	11	11	11	11	11	11	11
CEDAR BAY	250	250	250	250	250	250	250	250	250	250	250	250
INDIANTOWN	330	330	330	330	330	330	330	330	330	330	330	330
TOTAL MW	885.6	885.6	885.6	885.6	885.6	885.6	885.6	885.6	885.6	885.6	885.6	885.6

FACILITY (\$)	JAN-99	FEB-99	MAR-99	APR-99	MAY-99	JUN-99	JUL-99	AUG-99	SEP-99	OCT-99	NOV-99	DEC-99
FCS	\$3,771,890	\$3,771,890	\$3,771,890	\$4,005,960	\$4,005,960	\$4,005,960	\$4,005,960	\$4,005,960	\$4,005,960	\$4,005,960	\$4,005,960	\$4,005,960
ROYSTER	\$286,650	\$286,650	\$286,650	\$302,040	\$302,040	\$302,040	\$302,040	\$302,040	\$302,040	\$302,040	\$302,040	\$302,040
SWAPBC	\$1,136,220	\$1,136,220	\$1,136,220	\$1,197,120	\$1,197,120	\$1,197,120	\$1,197,120	\$1,197,120	\$1,197,120	\$1,197,120	\$1,197,120	\$1,197,120
BCRRN	\$1,146,150	\$1,146,150	\$1,146,150	\$1,208,250	\$1,208,250	\$1,208,250	\$1,208,250	\$1,208,250	\$1,208,250	\$1,208,250	\$1,208,250	\$1,208,250
BCRRS	\$1,184,293	\$1,184,293	\$1,184,293	\$1,248,201	\$1,248,201	\$1,248,201	\$1,248,201	\$1,248,201	\$1,248,201	\$1,248,201	\$1,248,201	\$1,248,201
BIO-ENERGY	\$142,000	\$142,000	\$142,000	\$142,000	\$142,000	\$142,000	\$142,000	\$142,000	\$142,000	\$142,000	\$142,000	\$142,000
BCRRS	\$79,100	\$79,100	\$79,100	\$79,100	\$79,100	\$79,100	\$79,100	\$79,100	\$79,100	\$79,100	\$79,100	\$79,100
BCRRN	\$248,600	\$248,600	\$248,600	\$248,600	\$248,600	\$248,600	\$248,600	\$248,600	\$248,600	\$248,600	\$248,600	\$248,600
CEDAR BAY	\$8,101,319	\$8,101,319	\$8,101,319	\$8,101,319	\$8,101,319	\$8,101,319	\$8,101,319	\$8,101,319	\$8,101,319	\$8,101,319	\$8,101,319	\$8,101,319
INDIANTOWN	\$10,367,280	\$10,367,280	\$10,367,280	\$10,367,280	\$10,367,280	\$10,367,280	\$10,367,280	\$10,367,280	\$10,367,280	\$10,367,280	\$10,367,280	\$10,367,280
MONTHLY TOTAL	\$28,463,492	\$28,463,492	\$28,463,492	\$28,899,870	\$28,899,870	\$28,899,870	\$28,899,870	\$28,899,870	\$28,899,870	\$28,899,870	\$28,899,870	\$28,899,870

Monthly totals include 11.55% bonus for Cedar Bay and 10% bonus for ICL.  
 Note: Due to Cedar Bay's Judgement/Appeal by FPL, Capacity Payments might be affected starting 9/99.

These are QF estimates, the estimates are based on prior month's QF charges. These estimates were used to determine actual QF charges for 1/99-12/99.

*Doc Reversed # didn't change*

See w/p 49-1  
 49-1  
 49-1  
 49-1

CONFIDENTIAL

**CONFIDENTIAL**

COMPANY: FPL  
 TITLE: ~~USE~~ OF CAPACITY CHARGES  
 PERIOD: 12 MONTHS ENDED DECEMBER 31, 1999  
 AUDITOR: Raymond Grant  
 WORKPAPER NO. 43-1  
 DATE: May 18, 1999 2000

Power Vendors	Monthly Capacity Payment	Non Deductable & Early Offset Capacity Payment	Total
<b>January 1999</b>			
Bio- Energy Partners	\$0.00	(\$64,258.00)	(\$64,258.00)
Wheelabrator North Broward	\$1,342,885.45	(\$14,877.00)	\$1,328,008.45
Wheelabrator South Broward	\$1,184,293.00	(\$2,961.00)	\$1,181,332.00
Cedar Bay Generating Company	\$7,013,582.50		\$7,013,582.50
Indiantown Co Generating LP	\$10,304,764.14		\$10,304,764.14
Central Power & Lime	\$3,777,808.80		\$3,777,808.80
Royster Company	\$250,197.44		\$250,197.44
Solid Waste Authority of Palm Beach Cty	\$1,136,220.00		\$1,136,220.00
<b>Total</b>	<b>\$25,009,751.33</b>	<b>(\$82,096.00)</b>	<b>\$24,927,655.33</b>
(WP 49-1)			
<b>April 1999</b>			
Bio- Energy Partners		(\$63,439.00)	(\$63,439.00)
Wheelabrator North Broward	\$1,408,980.09	(\$14,318.00)	\$1,394,662.09
Wheelabrator South Broward	\$1,248,200.80	(\$18,491.00)	\$1,229,709.80
Cedar Bay Generating Company	\$7,262,500.00		\$7,262,500.00
Indiantown Co Generating LP	\$10,296,171.93		\$10,296,171.93
Central Power & Lime			\$0.00
Royster Company	\$298,324.24		\$298,324.24
Solid Waste Authority of Palm Beach Cty	\$1,197,120.00		\$1,197,120.00
<b>Total</b>	<b>\$21,711,297.06</b>	<b>(\$96,248.00)</b>	<b>\$21,615,049.06</b>
(WP 49-1)			
<b>August 1999</b>			
Bio- Energy Partners	\$142,000.00		\$142,000.00
Wheelabrator North Broward	\$1,394,255.18	(\$13,969.00)	\$1,380,286.18
Wheelabrator South Broward	\$1,286,407.62	(\$3,816.00)	\$1,282,591.62
Cedar Bay Generating Company	\$7,262,500.00		\$7,262,500.00
Indiantown Co Generating LP	\$10,309,922.37		\$10,309,922.37
Central Power & Lime	\$3,802,993.93		\$3,802,993.93
Royster Company	\$302,040.00		\$302,040.00
Solid Waste Authority of Palm Beach Cty	\$1,197,120.00		\$1,197,120.00
<b>Total</b>	<b>\$25,697,239.11</b>	<b>(\$17,785.00)</b>	<b>\$25,679,454.11</b>
(WP 49-1)			
<b>December 1999</b>			
Bio- Energy Partners	\$142,000.00	\$0.00	\$142,000.00
Wheelabrator North Broward	\$1,414,440.85	(\$12,961.00)	\$1,401,479.85
Wheelabrator South Broward	\$1,317,042.12	(\$3,506.00)	\$1,313,536.12
Cedar Bay Generating Company	\$7,592,332.53		\$7,592,332.53
Indiantown Co Generating LP	\$10,316,793.96		\$10,316,793.96
Central Power & Lime	\$3,810,445.72		\$3,810,445.72
Royster Company	\$266,844.09		\$266,844.09
Solid Waste Authority of Palm Beach Cty	\$1,197,120.00		\$1,197,120.00
<b>Total</b>	<b>\$26,056,819.27</b>	<b>(\$16,467.00)</b>	<b>\$26,040,352.27</b>
(WP 49-1)			

Source: Billing Statements

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