

One Energy Place
Pensacola, Florida 32520

850.444.6111

ORIGINAL



September 26, 2000

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee FL 32399-0870

Dear Ms. Bayo:

RE: Docket No. 000002-EG

Enclosed for official filing in the above referenced docket are an original and ten (10) copies of the following:

1. Petition of Gulf Power Company.
2. Prepared direct testimony and exhibit of Michael J. McCarthy.

Also enclosed is a 3.5 inch double sided, high density diskette containing the Petition in WordPerfect for Windows 8 format as prepared on a Windows NT based computer.

Sincerely,

Linda G. Malone

Linda G. Malone
Assistant Secretary and Assistant Treasurer

APP _____
 CAF _____
 CMP _____
 COM 37 *by test*
 CTR _____
 ECR _____
 LEG I
 OPC _____
 PAI _____
 RGO Uanduei
 SEC _____
 SER Ballinger
 OTH _____

cc: Beggs and Lane
J. A. Stone, Esq.
Gulf Power Company
S. D. Ritencourt

DOCUMENT NUMBER-DATE
12183 SEP 27 8
 FPSC-RECORDS/REPORTING

DOCUMENT NUMBER-DATE
12182 SEP 27 8
 FPSC-RECORDS/REPORTING

ORIGINAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ENERGY CONSERVATION COST
RECOVERY CLAUSE**

DOCKET NO. 000002-EG

**PREPARED DIRECT TESTIMONY AND
EXHIBIT OF
MICHAEL J. MCCARTHY**

**Projection
JANUARY – DECEMBER 2001**

**True-up
JANUARY - AUGUST 2000
Actual
SEPTEMBER - DECEMBER 2000
Estimated**

September 27, 2000



A SOUTHERN COMPANY

DOCUMENT NUMBER-DATE

12183 SEP 27 8

FPSC-RECORDS/REPORTING

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Gulf Power Company

Before the Florida Public Service Commission
Prepared Direct Testimony of
Michael J. McCarthy
Docket No. 000002-EG
September 27, 2000

Q. Will you please state your name, business address,
employer and position?

A. My name is Michael J. McCarthy and my business address
is One Energy Place, Pensacola, Florida 32520. I am
employed by Gulf Power Company as the Economic
Evaluation and Market Reporting Team leader.

Q. Have you testified before this Commission previous to
this filing?

A. Yes, I have. I have testified in Docket No. 971006-EG
pertaining to Gulf Power Company's Demand-Side
Management Plan.

Q. Are you familiar with the schedules for the Energy
Conservation Cost Recovery Clause?

A. Yes, I am.

1

2 Q. Have you verified, that to the best of your knowledge
3 and belief, this information is correct?

4 A. Yes, I have.

5 Counsel: We ask that Mr. McCarthy's exhibit consisting
6 of 5 Schedules be marked for identification as:

7 Exhibit No. ____ (MJM-1).
8

9 Q. Mr. McCarthy, for what purpose are you appearing before
10 this Commission today?

11 A. I am testifying before this Commission on behalf of
12 Gulf Power Company regarding matters related to the
13 Energy Conservation Cost Recovery Clause and to answer
14 any questions concerning the accounting treatment of
15 conservation costs in this filing. Specifically, I
16 will address projections for approved programs during
17 the January, 2001, through December, 2001, recovery
18 period and the anticipated results of those programs
19 during the current recovery period, January, 2000,
20 through December, 2000, (8 months actual, 4 months
21 estimated).

22

23

24

25

1 Q. Would you summarize for this Commission the deviations
2 resulting from the actual expenditures for January
3 through August of the current recovery period?

4 A. Projected expenses for the period were \$1,784,608
5 compared to actual expenses of \$2,378,087 for a
6 difference of \$593,479 or 33.3% over budget. The
7 deviation is a function of activities related to the
8 GoodCents Select Program. Further information is
9 provided later in my testimony regarding on-going
10 program activities.

11
12 A detailed summary of all program expenses is contained
13 in my Schedule C-3, pages 1 and 3 and my Schedule C-5,
14 pages 1 through 17.

15
16 Q. Would you describe the results achieved so far this
17 year by the programs during the period, January, 2000,
18 through August, 2000?

19 A. A detailed summary of year-to-date results for each
20 program is contained in my Schedule C-5, pages 1
21 through 17.

22

23

24

25

1 Q. Would you summarize the conservation program cost
2 projections for the January, 2001 through December,
3 2001 recovery period?

4 A. Program costs for the recovery period are projected to
5 be \$4,104,538. These costs are broken down as follows:
6 depreciation/amortization and return, \$709,971;
7 payroll/benefits, \$1,910,475; materials/expenses,
8 \$1,274,500; and advertising, \$391,825; all of which
9 are partially offset by program revenues of \$182,233.
10 More detail is contained in my Schedule C-2.

11

12 Q. Would you review the expected results for your on-going
13 programs during the January, 2001, through December,
14 2001, recovery period?

15 A. The following is a synopsis of each program goal:

16 (1) Residential Energy Audits - During the period,
17 1,600 audits are projected to be completed. These
18 audits encourage customers to make conservation
19 improvements. One hundred of these audits will be
20 targeted toward the low-income customers and will
21 be conducted through contract arrangements with
22 Weatherization Assistance Providers (WAPs).

23 (2) Residential Mail-In Audit - This is a direct mail
24 energy auditing program. This program builds on
25 the success of Gulf's existing Residential Energy

1 Audit program and will assist in the evaluation of
2 the specific energy requirements of a residential
3 dwelling. Gulf expects 1,500 participants during
4 the projection period.

5 (3) Gulf Express Loan Program - This program is no
6 longer accepting new loans. No units are
7 projected during this period. The projected costs
8 are for the administration of existing loans.

9 (4) In Concert With The Environment - This energy
10 awareness program is designed for 8th and 9th
11 grade students as a supplement to the residential
12 audit program. Beginning in 2000, the program
13 has no longer been promoted as a stand alone
14 program. It has and will remain available for
15 students until Gulf's contract with the
16 survey/tabulation company expires at the end of
17 2000.

18 (5) Duct Leakage Repair - The object of the program is
19 to provide the customer with a means to identify
20 house air duct leakage and to recommend repairs
21 that can reduce customer kWh energy usage and kW
22 demand. This program will also be made available
23 on an as requested basis. However, expenses and
24 units are not projected for the 2001 projection
25 period.

1 (6) Geothermal Heat Pump - The objective of this
2 program is to reduce the demand and energy
3 requirements of new and existing residential
4 customers through the promotion and installation
5 of geothermal systems. During the projection
6 period, 500 customers are expected to participate
7 in the program.

8 (8) GoodCents Select - This program is designed to
9 provide the customer with a means of conveniently and
10 automatically controlling and monitoring energy
11 purchases in response to prices that vary during the
12 day and by season in relation to the Company's cost
13 of producing or purchasing energy. The GoodCents
14 Select system includes field units utilizing a
15 communication gateway, a radio frequency based Local
16 Area Network, major appliance load control relays,
17 and a programmable thermostat (Superstat), all
18 operating at the customer's home.

19
20 The startup of the program was delayed because of
21 several issues. Please refer to M.D. Neyman's
22 testimony, Docket No. 980002-EG, January 13, 1998,
23 for a detailed explanation of the factors
24 contributing to the delay of full implementation.

25

1 As a result of the delays and current
2 participation levels, the schedule for market
3 implementation has been modified. Gulf has
4 decreased the number of units to be deployed
5 during the years 2000 to 2004 and projects 2,000
6 units for 2000; 2,500 units in 2001; and 3,000
7 installations annually for the remainder of the
8 DSM Plan.

9 (9) GoodCents Building - This program includes both
10 new and existing commercial customers. For the
11 projection period, 212 installations are expected.
12 Implementation strategies will concentrate on
13 architects, engineers, developers and other
14 decision makers in the construction process.

15 (10) Energy Audits and Technical Assistance Audits -
16 Gulf projects 127 audits for 2001. Emphasis will
17 be placed on audits for large, complex commercial
18 customers such as hospitals, hotels and office
19 buildings. These audits will focus on the
20 benefits of alternative technologies such as heat
21 pump water heaters and geothermal technologies.

22 (11) Commercial/Industrial Mail-In Audit - This is a
23 direct mail energy auditing program. This program
24 builds on the success of Gulf's existing
25 Commercial/Industrial Energy Audit program and

1 will assist in the evaluation of the specific
2 energy requirements of a given business type.
3 Gulf expects 1,050 participants during the
4 projection period.

5 (12) Conservation Demonstration and Development -

6 For this period, 19 research projects have been
7 identified. A detailed description of each
8 project is in Schedule C-2.

9
10 Q. Have you added any new conservation programs since the
11 last filing for which you seek recovery?

12 A. Yes. Gulf has added Green Pricing as a new program.
13 This program was approved as a part of Gulf's 2000
14 Demand Side Management Plan, Docket No. 991790-EG.
15 Green Pricing is a program designed to encompass a
16 variety of voluntary renewable and green energy
17 programs. The voluntary price options for customers
18 will include but not be limited to the Photovoltaic
19 Rate Rider Tariff and Solar for Schools. Additionally,
20 this program will include research and administrative
21 costs to study the cost effectiveness of additional
22 green pricing offerings utilizing wind or other
23 renewable energy sources.

24
25 Gulf will notify the Florida Public Service Commission

1 (FPSC) of all projects incurring expenses that are
2 equal to or greater than \$5,000. Project updates will
3 be reported through the Energy Conservation Cost
4 Recovery (ECCR) filings with a final report being
5 submitted to the FPSC at the close of the project.

6

7 Q. Have there been any program changes that will affect
8 Gulf Power Company's ability to achieve the goals set
9 in Docket No. 971006-EG?

10 A. Yes, there have. In the 2000 Demand Side Plan Filing,
11 Docket No. 991790-EG, the GoodCents Select program was
12 projected to have 30,400 participants by 2004. This
13 projection was made prior to the completion of the
14 start-up phase of the program. Since the completion of
15 the start-up phase, more information has become
16 available regarding customer participation levels. The
17 participation level has been re-projected and the
18 details of this new projection are included in the
19 attached schedule.

20

21 Council: We ask that Mr. McCarthy's exhibit consisting
22 of 2 Schedules be marked for identification as:

23 Exhibit No. _____ (MJM-2).

24

25

1 Q. Mr. McCarthy, have there been any significant deviations
2 in any existing program that will have a significant
3 affect on the amount being requested for recovery?

4 A. Yes. In the GoodCents Select program, Gulf has incurred
5 more expenses for materials and advertising in the
6 initial roll-out phase of the program than originally
7 anticipated. The additional materials expenses relate
8 to the current contract with the installation and
9 equipment vendors. Gulf will soon be in negotiations
10 with two of its vendors to redefine the terms of the
11 contracts to realign with current participation levels.
12 The advertising expenses have been adjusted to increase
13 customer awareness, more precisely define the market
14 and therefore increase customer participation.

15
16 Q. How does the proposed Energy Conservation Cost Recovery
17 factor for Rate Schedule RS compare with the factor
18 applicable to December, 2000, and how would the change
19 affect the cost of 1,000 kwh on Gulf's residential rate
20 RS?

21 A. The current Energy Conservation Cost Recovery factor
22 for Rate Schedule RS applicable through December, 2000,
23 is .038¢/kwh compared with the proposed factor of
24 .053¢/kwh. For a residential customer who uses 1,000
25 kwh in January, 2000, the conservation portion of the

1 bill would increase from \$0.38 to \$0.53.

2

3 Q. When does Gulf propose to collect these Energy
4 Conservation Cost Recovery charges?

5 A. The factors will be effective beginning with the first
6 Bill Group for January, 2001, and continuing through
7 the last Bill Group for December, 2001.

8

9 Q. Mr. McCarthy, does this conclude your testimony?

10 A. Yes, it does.

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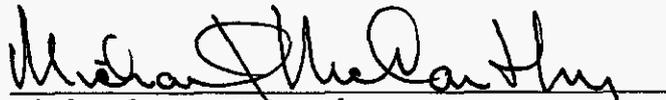
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AFFIDAVIT

STATE OF FLORIDA)
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COUNTY OF ESCAMBIA)

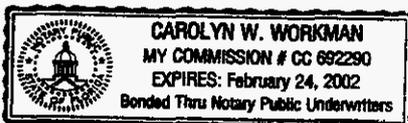
Docket No. 000002-EG

Before me the undersigned authority, personally appeared Michael J. McCarthy, who being first duly sworn, deposes and says that he is the Economic Evaluation and Marketing Reporting Team Leader of Gulf Power Company, a Maine Corporation, that the foregoing is true and correct to the best of his knowledge, information and belief. He is personally known to me.


Michael J. McCarthy
Economic Evaluation and Marketing
Reporting Team Leader

Sworn to and subscribed before me this 25th day of September, 2000.


Notary Public, State of Florida at Large



INDEX

Schedule Number	Title	Pages
C-1	Summary of Cost Recovery Clause Calculation	1-3
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C-4	Calculation of Conservation Revenues	14
C-5	Program Descriptions and Progress Reports	15-31

GULF POWER COMPANY

ENERGY CONSERVATION CLAUSE
SUMMARY OF PROJECTED COST RECOVERY CLAUSE CALCULATION

For the Period: January, 2001 Through December, 2001

	<u>\$</u>
1. Total Program Costs: Projected for 2001 (Schedule C-2 Page 1 of 3, Line 18)	4,104,538
2. True Up: Estimated 2000 (Jan-Aug Actual; Sep-Dec Est.) (Schedule C-3, Page 6 of 7)	<u>946,054</u>
3. Total (Line 1 + Line 2)	<u>5,050,592</u>
4. Cost Subject to Revenue Taxes	5,050,592
5. Revenue Tax	<u>1,015,970</u>
6. Total Recoverable Cost	<u>5,131,250</u>

Program costs are split in proportion to the current period split of demand-related and energy-related costs, see below. The allocation of projected ECCR costs between demand and energy is shown on schedule C-2, page 2 of 8, and is consistent with the methodology set forth in Order No. PSC-93-1845-FOF-EG.

7. Total Cost	5,131,250
8. Energy Related Costs	3,964,892
9. Demand Related Costs (total)	1,166,358
10. Demand Costs Allocated on 12 CP	1,076,638
11. Demand Costs Allocated on 1/13 th	89,720

	Energy \$	Demand \$	Total	Energy	Demand	Total Recoverable Costs Including Revenue Taxes
	\$	Half of GCS \$	\$	\$	\$	\$
12. Est/Actual 2000	2,916,337	888,148	3,804,485	736,828	224,335	961,163
13. Percentage	76.66%	23.34%	100.00%			
14. Projected 2001	3,177,300	927,238	4,104,538	3,228,064	942,023	4,170,087
15. Percentage	77.41%	22.59%	100.00%			
16. Total				<u>3,964,892</u>	<u>1,166,358</u>	<u>5,131,250</u>

GULF POWER COMPANY
 CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS
 January, 2001 Through December, 2001

Rate Class	Jan 2001 - Dec 2001				Jan 2001 - Dec 2001				
	Average 12 CP Load Factor at Meter	Projected KWH Sales at Meter	Projected Avg 12 CP KW at Meter Col B / (8760 hours x Col A)	Demand Loss Expansion Factor	Energy Loss Expansion Factor	Projected KWH Sales at Generation Col B x Col E	Projected Avg 12 CP KW at Generation Col C x Col D	Percentage of KWH Sales at Generation Col F / Total Col F	Percentage of 12 CP KW Demand at Generation Col G / Total Col G
RS, RST, RSVP	58.269848%	4,761,643,000	932,843.61	1.1019333	1.0766175	5,126,468,183	1,027,931.44	47.31164%	56.10488%
GS, GST	58.862369%	283,139,000	54,910.81	1.1019255	1.0766135	304,831,270	60,507.62	2.81326%	3.30253%
GSD, GSDT	77.395927%	2,384,500,000	351,702.22	1.1016647	1.0764011	2,566,678,423	387,457.92	23.68762%	21.14760%
LP, LPT	85.767459%	1,889,538,000	251,494.78	1.0601470	1.0444167	1,973,465,042	266,621.44	18.21291%	14.55230%
PX, PXT, RTP, SBS	98.930621%	714,869,000	82,488.16	1.0313379	1.0235079	731,674,069	85,073.17	6.75255%	4.64333%
OS-I, OS-II	979.964079%	93,983,000	1,094.80	1.1020255	1.0766162	101,183,620	1,206.50	0.93381%	0.06585%
OS-III	100.678498%	25,513,000	2,892.82	1.1024447	1.0766529	27,468,645	3,189.17	0.25351%	0.17407%
OS-IV	254.007949%	3,492,000	156.94	1.1024447	1.0766529	3,759,672	173.02	0.03470%	0.00944%
TOTAL	67.948463%	10,156,677,000	1,677,584.14			10,835,528,924	1,832,160.28	100.00000%	100.00000%

Notes:

Col A - Average 12 CP load factor based on actual 1999 load research data.
 Col C - 8,760 is the number of hours in 12 months.

GULF POWER COMPANY
 CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS
 January, 2001 Through December, 2001

Rate Class	A	B	C	D	E	F	G	H
<u>Rate Class</u>	<u>Percentage of KWH Sales at Generation</u>	<u>Percentage of 12 CP KW Demand at Generation</u>	<u>Demand Allocation 12CP</u>	<u>1/13 th</u>	<u>Energy Allocation</u>	<u>Total Conservation Costs</u>	<u>Projected KWH Sales at Meter</u>	<u>Conservation Recovery Factor cents per KWH</u>
RS, RST	47.31164%	56.10488%	\$604,046	\$42,448	\$1,875,855	\$2,522,350	4,761,643,000	0.053
GS, GST	2.81326%	3.30253%	35,556	2,524	111,543	149,623	283,139,000	0.053
GSD, GSDT	23.68762%	21.14760%	227,683	21,253	939,189	1,188,125	2,384,500,000	0.050
LP, LPT	18.21291%	14.55230%	156,676	16,341	722,122	895,139	1,889,538,000	0.047
PX, PXT, RTP, SBS	6.75255%	4.64333%	49,992	6,058	267,731	323,781	714,869,000	0.045
OS-I, OS-II	0.93381%	0.06585%	709	838	37,025	38,572	93,983,000	0.041
OS-III	0.25351%	0.17407%	1,874	227	10,051	12,152	25,513,000	0.048
OS-IV	0.03470%	0.00944%	102	31	1,376	1,509	3,492,000	0.043
TOTAL			\$1,076,638	\$89,720	\$3,964,892	\$5,131,250	10,156,677,000	

A Obtained from Schedule C-1, page 2 of 3, col H
 B Obtained from Schedule C-1, page 2 of 3, col I
 C Total from C-1, page 1, line 10 * col B
 D Total from C-1, page 1, line 11 * col A
 E Total from C-1, page 1, line 8 * col A
 F Total Conservation Costs
 G Projected kwh sales for the period January 2001 through December 2001
 H Col F / G

Note: Totals may not add due to rounding
 C1a Pr2001.xls

Florida Public Service Commission
 Docket No. 000002-BG
 GULF POWER COMPANY
 Witness: Michael J. McCarthy
 Exhibit No. _____ (MTM-1)
 Schedule C-1
 Page 3 of 3

GULF POWER COMPANY
 PROJECTED CONSERVATION PROGRAM NET COSTS
 For the Period January, 2001 Through December, 2001

Actual	Depre/Amort & Return	Payroll & Benefits	Materials Vehicles & Expenses	Outside Services	Advertising	Incentives	Total Costs	Program Revenues	Net Costs
1. Residential Energy Audits	0	277,207	51,949		100,200		429,356		429,356
2. Gulf Express	0	0	4,000				4,000		4,000
3. In Concert with the Environment	0	0	0				0		0
4. Environmental Good Cents Home	0	0	0				0		0
5. Duct Leakage	0	0	0				0		0
6. Geothermal Heat Pump	0	125,744	107,569		111,000		344,313		344,313
7. Good Cents Select	709,971	558,515	668,223		100,000		2,036,709	182,233	1,854,476
8. Comm/Ind Good Cents Bldg	0	334,471	44,955		18,625		398,051		398,051
9. Comm/Ind E.A. & T.A.A.	0	520,922	110,379		4,500		635,801		635,801
10. Commercial Mail In Audit	0	30,920	25,852				56,772		56,772
11. Solar for Schools	0	4,882	300				4,882		4,882
12. Research & Development	0	0	219,484				219,484		219,484
13. Residential Mail In Audit	0	37,914	10,789		50,000		98,703		98,703
14. Earth Cents	0	20,200	6,000		7,500		33,700		33,700
15. Green Pricing	0	0	25,000				25,000		25,000
16. Total All Programs	709,971	1,910,475	1,274,500	0	391,825	0	4,286,771	182,233	4,104,538
17. Less: Base Rate Recovery	0	0	0	0	0	0	0		0
18. Net Program Costs	709,971	1,910,475	1,274,500	0	391,825	0	4,286,771	182,233	4,104,538

GULF POWER COMPANY
 PROJECTED CONSERVATION PROGRAM NET COSTS
 For the Period January, 2001 Through December, 2001

PROGRAMS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	12 MONTH TOTAL	DEMAND COSTS	ENERGY COSTS
1. Residential Energy Audits	35,780	35,780	35,780	35,780	35,780	35,780	35,780	35,780	35,780	35,780	35,780	35,778	429,356		429,356
2. Gulf Express	333	333	333	333	333	333	333	333	333	333	333	337	4,000		4,000
3. In Concert with the Environment	0	0	0	0	0	0	0	0	0	0	0	0	0		0
4. Good Cents Environmental	0	0	0	0	0	0	0	0	0	0	0	0	0		0
5. Duct Leakage	0	0	0	0	0	0	0	0	0	0	0	0	0		0
6. Geothermal Heat Pump	28,693	28,693	28,693	28,693	28,693	28,693	28,693	28,693	28,693	28,693	28,693	28,690	344,313		344,313
7. Good Cents Select	154,540	154,540	154,540	154,540	154,540	154,540	154,540	154,540	154,540	154,540	154,540	154,536	1,854,478	927,238	927,238
8. Comm/Ind Good Cents Bldg	33,171	33,171	33,171	33,171	33,171	33,171	33,171	33,171	33,171	33,171	33,171	33,170	398,051		398,051
9. Comm/Ind E.A. & T.A.A.	52,983	52,983	52,983	52,983	52,983	52,983	52,983	52,983	52,983	52,983	52,983	52,988	635,801		635,801
10. Commercial Mail In Audit	4,731	4,731	4,731	4,731	4,731	4,731	4,731	4,731	4,731	4,731	4,731	4,731	56,772		56,772
11. Solar for Schools	407	407	407	407	407	407	407	407	407	407	407	405	4,882		4,882
12. Research & Development	18,290	18,290	18,290	18,290	18,290	18,290	18,290	18,290	18,290	18,290	18,290	18,294	219,484		219,484
13. Residential Mail In Audit	8,225	8,225	8,225	8,225	8,225	8,225	8,225	8,225	8,225	8,225	8,225	8,228	98,703		98,703
14. Earth Cents	2,808	2,808	2,808	2,808	2,808	2,808	2,808	2,808	2,808	2,808	2,808	2,812	33,700		33,700
15. Green Pricing	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,083	2,087	25,000		25,000
16. Total All Programs	342,044	342,044	342,044	342,044	342,044	342,044	342,044	342,044	342,044	342,044	342,044	342,054	4,104,538	927,238	3,177,300
17. Less: Base Rate Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18. Recoverable Conservation Expenses	342,044	342,044	342,044	342,044	342,044	342,044	342,044	342,044	342,044	342,044	342,044	342,054	4,104,538	927,238	3,177,300

GULF POWER COMPANY

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN
 Good Cents Select
 For the Period January, 2001 Through December, 2001

Line No.	Description	Beginning of Period	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Total
1.	Additions to Plant in Service (Net of Retirements)		165,700	165,700	165,700	155,700	155,700	165,700	165,700	155,700	155,700	165,700	155,700	165,700	
2.	Depreciation Base	2,194,281	2,349,961	2,506,661	2,661,361	2,817,061	2,972,761	3,128,461	3,284,161	3,439,861	3,595,561	3,751,261	3,906,961	4,062,661	
3.	Depreciation Expense (A)		5,080	5,680	6,070	6,459	6,848	7,237	7,627	8,016	8,405	8,794	9,184	9,573	68,973
4.	Cumulative Investment	2,194,281	2,349,961	2,506,661	2,661,361	2,817,061	2,972,761	3,128,461	3,284,161	3,439,861	3,595,561	3,751,261	3,906,961	4,062,661	
5.	Less: Accumulated Depreciation	37,652	42,732	48,412	54,482	60,941	67,789	75,028	82,653	90,669	99,074	107,868	117,052	126,625	
6.	Net Plant in Service	2,156,629	2,307,229	2,457,249	2,606,879	2,756,120	2,904,972	3,053,435	3,201,506	3,349,192	3,496,487	3,643,393	3,789,909	3,936,036	
7.	Net Additions/Reductions to CWIP		165,772	165,772	165,772	165,772	165,772	165,772	165,772	165,772	165,772	165,772	165,772	165,772	
8.	CWIP Balance	1,795,780	1,961,632	2,127,304	2,293,075	2,458,847	2,624,619	2,790,390	2,956,162	3,121,934	3,287,705	3,453,477	3,619,249	3,785,020	
9.	Net Investment (Line 6 + 8)	3,952,369	4,268,761	4,584,563	4,899,954	5,214,967	5,529,591	5,843,825	6,157,670	6,471,126	6,784,192	7,096,870	7,409,158	7,721,058	
10.	Average Net Investment		4,110,565	4,426,657	4,742,254	5,057,461	5,372,279	5,686,708	6,000,748	6,314,389	6,627,659	6,940,531	7,253,014	7,565,107	
11.	Rate of Return / 12 (Including Income Taxes) (B)		0.008906	0.008906	0.008906	0.008906	0.008906	0.008906	0.008906	0.008906	0.008906	0.008906	0.008906	0.008906	
12.	Return Requirement on Average Net Investment		36,609	39,424	42,235	45,042	47,846	50,646	53,443	56,236	59,026	61,812	64,605	67,396	620,998
13.	Total Depreciation & Return (Line 3 + 12)		41,689	45,104	48,305	51,501	54,694	57,883	61,070	64,252	67,431	70,608	73,789	76,971	709,971

Notes:
 (A) Good Cents Select Property Additions Depreciated at 3% per year
 (B) Revenue Requirement Return is 10.4209%

Florida Public Service Commission
 Docket No. 000002-EG
 GULF POWER COMPANY
 Witness: Michael J. McCarthy
 Exhibit No. _____ (MJM-1)
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GULF POWER COMPANY

CONSERVATION PROGRAM NET COST
January, 2000 Through August, 2000, Actual
September, 2000 Through December, 2000, Estimated

Actual	Capital Return & Depreciation	Payroll & Benefits	Materials Vehicles & Expenses	Outside Services	Advertising	Incentives	Total Costs	Program Revenues (Credits)	Net Costs
1. Residential Energy Audits									
a. Actual	0.00	153,406.01	27,724.15	0.00	118,174.43	0.00	299,304.59	0.00	299,304.59
b. Estimated	0.00	109,850.99	4,490.85	0.00	25.57	0.00	114,367.41	0.00	114,367.41
c. Total	0.00	263,257.00	32,215.00	0.00	118,200.00	0.00	413,672.00	0.00	413,672.00
2. Gulf Express									
a. Actual	0.00	2,251.93	1,956.94	0.00	0.00	0.00	4,208.87	0.00	4,208.87
b. Estimated	0.00	1,483.07	2,043.06	0.00	0.00	0.00	3,526.13	0.00	3,526.13
c. Total	0.00	3,735.00	4,000.00	0.00	0.00	0.00	7,735.00	0.00	7,735.00
3. In Concert with the Environment									
a. Actual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Estimated	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Environmental Good Cents Home									
a. Actual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Estimated	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Duct Leakage									
a. Actual	0.00	0.00	271.24	0.00	0.00	0.00	271.24	0.00	271.24
b. Estimated	0.00	0.00	(271.24)	0.00	0.00	0.00	(271.24)	0.00	(271.24)
c. Total	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6. Geothermal Heat Pump									
a. Actual	0.00	51,901.14	11,966.24	0.00	29,410.23	0.00	93,277.61	0.00	93,277.61
b. Estimated	0.00	91,007.86	72,274.76	0.00	81,589.77	0.00	244,872.39	0.00	244,872.39
c. Total	0.00	142,909.00	84,241.00	0.00	111,000.00	0.00	338,150.00	0.00	338,150.00
7. Good Cents Select									
a. Actual	138,421.12	158,840.76	986,133.03	0.00	14,309.36	0.00	1,297,704.27	14,078.98	1,283,625.29
b. Estimated	125,986.92	81,964.24	9,948.97	0.00	260,690.64	0.00	478,590.77	24,457.47	454,133.30
c. Total	264,408.04	240,805.00	996,082.00	0.00	275,000.00	0.00	1,776,295.04	38,536.45	1,737,758.59
8. Comm/Ind Good Cents Bldg									
a. Actual	0.00	195,108.45	27,506.75	0.00	1,529.91	0.00	224,145.11	0.00	224,145.11
b. Estimated	0.00	71,589.55	831.25	0.00	22,595.09	0.00	95,015.89	0.00	95,015.89
c. Total	0.00	266,698.00	28,338.00	0.00	24,125.00	0.00	319,161.00	0.00	319,161.00
9. Comm/Ind E.A. & T.A.A.									
a. Actual	0.00	306,131.35	40,277.51	0.00	0.00	0.00	346,408.86	0.00	346,408.86
b. Estimated	0.00	235,824.65	9,020.49	0.00	5,000.00	0.00	249,845.14	0.00	249,845.14
c. Total	0.00	541,956.00	49,298.00	0.00	5,000.00	0.00	596,254.00	0.00	596,254.00
10. Commercial Mail In Audit									
a. Actual	0.00	16,186.62	4,459.86	0.00	0.00	0.00	20,646.48	0.00	20,646.48
b. Estimated	0.00	11,884.38	38,540.14	0.00	0.00	0.00	50,424.52	0.00	50,424.52
c. Total	0.00	28,071.00	43,000.00	0.00	0.00	0.00	71,071.00	0.00	71,071.00
11. Solar for Schools									
a. Actual	0.00	1,702.28	0.00	0.00	0.00	0.00	1,702.28	0.00	1,702.28
b. Estimated	0.00	2,720.72	500.00	0.00	0.00	0.00	3,220.72	0.00	3,220.72
c. Total	0.00	4,423.00	500.00	0.00	0.00	0.00	4,923.00	0.00	4,923.00
12. Research & Development									
a. Actual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Actual Geothermal Heat Pump	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Actual FCG	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Actual Desiccant	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e. Actual Energy Education	2,590.16	0.00	22,355.39	0.00	0.00	0.00	24,945.55	0.00	24,945.55
f. Actual Commercial Technology	115.06	0.00	7,089.90	0.00	0.00	0.00	7,204.96	0.00	7,204.96
g. Actual PJC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
h. Actual Slinky Loop	0.00	0.00	330.00	0.00	0.00	0.00	330.00	0.00	330.00
i. Actual Dunes	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
j. Actual Van Norman	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
k. Actual Shores	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
l. Actual Sleep Inn	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
m. Actual Closed Loop Dentist	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
n. Actual GCCC	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
o. Actual H2O Pur.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
p. Actual Joe Ridge	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
q. Actual Groovin' Hwy 29	0.00	0.00	851.21	0.00	0.00	0.00	851.21	0.00	851.21
r. Actual Pine Forest	0.00	0.00	10,000.00	0.00	0.00	0.00	10,000.00	0.00	10,000.00
s. Actual Hampton	0.00	0.00	20,961.12	0.00	0.00	0.00	20,961.12	0.00	20,961.12
t. Actual Boardwalk	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
u. Total Actual	2,705.22	0.00	61,587.62	0.00	0.00	0.00	64,292.84	0.00	64,292.84
v. Estimated	0.00	0.00	56,636.38	0.00	0.00	0.00	56,636.38	0.00	56,636.38
w. Total	2,705.22	0.00	118,224.00	0.00	0.00	0.00	120,929.22	0.00	120,929.22
13. Residential Mail In Audit									
a. Actual	0.00	27,347.79	7,026.82	0.00	0.00	0.00	34,374.61	0.00	34,374.61
b. Estimated	0.00	20,118.21	973.18	0.00	50,000.00	0.00	71,091.39	0.00	71,091.39
c. Total	0.00	47,466.00	8,000.00	0.00	50,000.00	0.00	105,466.00	0.00	105,466.00
14. Earth Cents									
a. Actual	0.00	0.00	5,829.12	0.00	0.00	0.00	5,829.12	0.00	5,829.12
b. Estimated	0.00	0.00	10,000.00	0.00	0.00	0.00	10,000.00	0.00	10,000.00
c. Total	0.00	0.00	15,829.12	0.00	0.00	0.00	15,829.12	0.00	15,829.12
15. Green Pricing									
a. Actual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Estimated	0.00	0.00	35,000.00	0.00	0.00	0.00	35,000.00	0.00	35,000.00
c. Total	0.00	0.00	35,000.00	0.00	0.00	0.00	35,000.00	0.00	35,000.00
a. Actual	141,126.34	912,876.33	1,174,739.28	0.00	163,423.93	0.00	2,392,165.88	14,078.98	2,378,086.90
b. Estimated	125,986.92	626,443.67	239,987.84	0.00	419,901.07	0.00	1,412,319.50	24,457.47	1,387,862.03
16. Total All Programs	267,113.26	1,539,320.00	1,414,727.12	0.00	583,325.00	0.00	3,804,485.38	38,536.45	3,765,948.93

GULF POWER COMPANY
 SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN
 Good Cents Select
 For the Period January, 2000 Through December, 2000

Line No.	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Actual August	Projected September	Projected October	Projected November	Projected December	Total
1. Additions to Plant In Service (Net of Retirements)	1,104,007.00	119,525.97	(119,525.97)	(29,351.41)	(36,585.12)	68,811.56	48,943.75	(1,045.09)	902.52	68,009.76	323,606.88	323,606.88	324,354.24	
2. Depreciation Base	1,104,007.00	1,223,532.97	1,104,007.00	1,074,655.59	1,038,070.47	1,104,882.03	1,154,825.78	1,163,780.89	1,154,683.21	1,222,692.97	1,546,299.85	1,869,906.73	2,194,260.97	
3. Depreciation Expense (A)		2,935.50	2,909.42	2,909.42	2,723.33	2,840.91	2,678.89	2,824.63	2,885.76	2,885.58	2,971.72	3,461.24	4,270.26	5,080.21
4. Cumulative Investment	1,104,007.00	1,223,532.97	1,104,007.00	1,074,655.59	1,038,070.47	1,104,882.03	1,164,825.78	1,163,780.89	1,154,683.21	1,222,692.97	1,546,299.85	1,869,906.73	2,194,260.97	
5. Loss: Accumulated Depreciation	1,555.49	4,480.99	7,400.42	10,309.84	13,033.17	15,874.08	18,352.77	21,177.40	24,063.16	26,946.74	29,920.46	33,381.70	37,651.96	
6. Net Plant In Service (Line 4 - 5)	1,102,451.51	1,219,041.98	1,086,586.68	1,064,345.76	1,025,037.30	1,089,207.95	1,136,473.01	1,132,603.29	1,130,620.05	1,195,744.23	1,516,379.39	1,838,525.03	2,156,609.01	
7. Net Additions/Reductions to CWIP		(68,112.22)	206,894.60	(57,817.22)	37,362.79	270,576.94	(18,817.40)	10,374.26	760,206.73	232,469.24	38,080.12	38,080.12	37,511.78	
8. CWIP Balance	297,161.71	239,049.49	445,744.09	387,926.87	425,289.66	696,866.60	679,049.20	689,423.48	1,449,629.21	1,682,088.45	1,720,188.57	1,758,248.69	1,795,780.45	
9. Net Investment (Line 6 + 8)	1,399,613.22	1,458,091.47	1,542,350.67	1,452,272.62	1,450,328.96	1,785,074.55	1,815,522.21	1,822,026.77	2,580,249.26	2,877,832.68	3,238,547.96	3,594,773.72	3,952,369.46	
10. Average Net Investment		1,428,852.34	1,500,221.07	1,497,311.65	1,451,299.79	1,617,700.78	1,800,298.38	1,816,774.49	2,201,138.01	2,729,040.97	3,057,190.32	3,415,660.84	3,773,571.59	
11. Rate of Return / 12 (Including Income Taxes) (B)		0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	
12. Return Requirement on Average Net Investment		12,408.15	13,027.92	13,002.65	12,603.09	14,048.11	15,633.79	15,794.24	19,114.68	23,698.99	26,648.64	29,661.60	32,769.70	228,311.57
13. Total Depreciation & Return (Line 3 + 12)		15,343.66	16,937.34	15,912.08	15,326.42	18,589.02	18,312.46	18,618.87	22,000.44	26,584.57	29,520.36	33,122.84	37,039.95	284,406.04

Notes:
 (A) Good Cents Select Property Additions Depreciated at 3% per year
 (B) Revenue Requirement Return is 10.4209% Jan-Dec 2000

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Florida Public Service Commission
 Docket No. 000002-EG
 GULF POWER COMPANY
 Witness: Michael J. McCarthy
 Exhibit No. _____ (MJM-1)
 Schedule C-3
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GULF POWER COMPANY

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN
 Research and Development Energy Education
 For the Period January, 2000 Through December, 2000

Line No.	Description	Beginning of Period	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Projected Sep	Projected Oct	Projected Nov	Projected Dec	Total
1.	Investments (Net of Retirements)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2.	Amortization Base		21,139.00	21,139.00	21,139.00	21,139.00	21,139.00	21,139.00	21,139.00	21,139.00	0.00	0.00	0.00	0.00	
3.	Amortization Expense (A)		251.65	251.65	251.65	251.65	251.65	251.65	251.65	251.65	0.00	0.00	0.00	0.00	2,013.20
4.	Cumulative Investment	21,139.00	21,139.00	21,139.00	21,139.00	21,139.00	21,139.00	21,139.00	21,139.00	21,139.00	0.00	0.00	0.00	0.00	
5.	Less: Accumulated Amortization	11,827.55	12,079.20	12,330.85	12,582.50	12,834.15	13,085.80	13,337.45	13,589.10	13,840.75	0.00	0.00	0.00	0.00	
6.	Net Investment (Line 4 - 5)	9,311.45	9,059.80	8,808.15	8,556.50	8,304.85	8,053.20	7,801.55	7,549.90	7,298.25	0.00	0.00	0.00	0.00	
7.	Average Net Investment		9,185.63	8,933.98	8,682.33	8,430.68	8,179.03	7,927.38	7,675.73	7,424.08	0.00	0.00	0.00	0.00	
8.	Rate of Return / 12 (Including Income Taxes) (B)		0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	
9.	Return Requirement on Average Net Investment		79.77	77.58	75.40	73.21	71.03	68.84	66.66	64.47	0.00	0.00	0.00	0.00	576.96
10.	Total Amortization & Return (Line 3 + 9)		331.42	329.23	327.05	324.86	322.68	320.49	318.31	316.12	0.00	0.00	0.00	0.00	2,590.16

Notes:

(A) 1995 Additions Amortized over 7 Year Period; No additions after 1995

(B) Revenue Requirement Return Is 10.4209% Jan-Dec 2000

Florida Public Service Commission
 Docket No. 000002-EG
 GULF POWER COMPANY
 Witness: Michael J. McCarthy
 Exhibit No. _____ (MW-1)
 Schedule C-3
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GULF POWER COMPANY

SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION AND RETURN
 Research and Development Commercial Technology
 For the Period January, 2000 Through December, 2000

Line No.	Description	Beginning of Period	Actual Jan	Actual Feb	Actual Mar	Actual Apr	Actual May	Actual Jun	Actual Jul	Actual Aug	Projected Sep	Projected Oct	Projected Nov	Projected Dec	Total
1.	Investments (Net of Retirements)		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2.	Amortization Base		939.00	939.00	939.00	939.00	939.00	939.00	939.00	939.00	0.00	0.00	0.00	0.00	
3.	Amortization Expense (A)		11.18	11.18	11.18	11.18	11.18	11.18	11.18	11.18	0.00	0.00	0.00	0.00	89.44
4.	Cumulative Investment	939.00	939.00	939.00	939.00	939.00	939.00	939.00	939.00	939.00	0.00	0.00	0.00	0.00	
5.	Less: Accumulated Amortization	525.46	536.64	547.82	559.00	570.18	581.36	592.54	603.72	614.90	0.00	0.00	0.00	0.00	
6.	Net Investment (Line 4 - 5)	413.54	402.36	391.18	380.00	368.82	357.64	346.46	335.28	324.10	0.00	0.00	0.00	0.00	
7.	Average Net Investment		407.95	396.77	385.59	374.41	363.23	352.05	340.87	329.69	0.00	0.00	0.00	0.00	
8.	Rate of Return / 12 (Including Income Taxes) (B)		0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	0.008684	
9.	Return Requirement on Average Net Investment		3.54	3.45	3.35	3.25	3.15	3.06	2.96	2.86	0.00	0.00	0.00	0.00	25.62
10.	Total Amortization & Return (Line 3 + 9)		14.72	14.63	14.53	14.43	14.33	14.24	14.14	14.04	0.00	0.00	0.00	0.00	115.06

Notes:

- (A) 1995 Additions Amortized over 7 Year Period; No additions after 1995
- (B) Revenue Requirement Return is 10.4209% Jan-Dec 2000

GULF POWER COMPANY
 CONSERVATION PROGRAM COSTS (Not Net of Revenues) FOR
 January, 2000 Through August, 2000, Actual
 September, 2000 Through December, 2000, Estimated

	ACTUAL								TOTAL ACT	ESTIMATED				TOTAL EST	TOTAL ACTUAL & ESTIMATED COSTS
	JAN	FEB	MAR	APR	MAY	JUNE	JULY	AUG		SEP	OCT	NOV	DEC		
1. Residential Energy Audits	18,843.79	26,676.16	27,241.12	27,102.18	84,830.12	82,719.89	22,878.30	29,216.03	299,304.59	28,592.00	28,592.00	28,592.00	28,591.41	114,367.41	413,672.00
2. Gulf Express	301.85	287.98	322.07	304.89	314.05	302.82	2,289.63	105.89	4,208.67	882.00	882.00	882.00	880.13	3,626.13	7,735.00
3. In Concert with the Environment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Good Cents Environmental	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. Duct Leakage	0.00	0.00	0.00	0.00	218.83	0.00	40.04	12.57	271.24	0.00	0.00	0.00	(271.24)	(271.24)	0.00
6. Geothermal Heat Pump	6,860.20	8,706.65	10,733.22	10,994.96	7,873.44	12,485.89	28,636.07	8,018.18	93,277.61	61,218.00	61,218.00	61,218.00	61,218.39	244,872.39	338,150.00
7. Good Cents Select	63,652.61	216,651.88	138,593.22	75,815.91	185,726.68	174,698.18	181,112.05	303,556.74	1,297,704.27	119,648.00	119,648.00	119,648.00	119,646.77	478,890.77	1,776,295.04
8. Comm/Ind Good Cents Bldg	24,008.44	27,822.45	27,807.66	30,812.50	30,888.33	28,624.68	26,466.18	28,227.87	224,145.11	23,754.00	23,754.00	23,754.00	23,763.89	95,015.89	319,161.00
9. Comm/Ind E.A. & T.A.A.	42,222.09	45,965.08	48,876.91	45,854.77	39,887.90	39,207.34	41,851.71	42,563.06	346,408.86	62,461.00	62,461.00	62,461.00	62,462.14	249,846.14	596,254.00
10. Commercial Mail In Audit	2,225.21	2,646.87	2,907.43	2,875.62	2,182.06	2,323.87	2,382.51	3,432.91	20,646.48	12,606.00	12,606.00	12,606.00	12,606.52	50,424.52	71,071.00
11. Solar for Schools	182.64	196.99	222.28	201.42	232.02	205.96	232.56	228.41	1,702.28	806.00	806.00	806.00	805.72	3,220.72	4,923.00
12. Research & Development End Use Profiling Geothermal Heat Pump FCG									0.00	(1,914.00)	(1,914.00)	(1,914.00)	62,379.38	58,836.38	56,636.38
Deslocant Dahum. H. P. Energy Education Commercial Technology PJC	1,121.12 274.25	6,340.95 1,946.26	3,784.09 1,095.01	1,409.85 294.19	3,748.27 1,127.22	7,135.72 2,196.97	1,089.63 257.02	316.12 14.04	24,846.66 7,204.96						24,945.55 7,204.96
Slinky Loop Mat H. P. Dunes Van Norman Shores Sleep Inn Closed Loop Dentist GCCC H2O Pur. Joe Ridge Groovin' Hwy 29 Pine Forest Hampton Boardwalk Low Income Multi-Fam.			166.27	68.47	404.50	73.79	64.43	73.75	851.21 10,000.00 20,961.12						851.21 10,000.00 20,961.12
13. Residential Mail In Audit	3,838.08	6,775.91	4,522.15	3,434.81	3,322.73	4,146.01	4,029.76	4,307.96	34,374.61	17,773.00	17,773.00	17,773.00	17,772.39	71,091.39	105,466.00
14. Earth Cents	0.00	0.00	0.00	0.00	1,186.87	2,583.26	1,144.98	914.00	5,829.12	2,500.00	2,500.00	2,500.00	2,500.00	10,000.00	16,829.12
15. Green Pricing	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	20,000.00	15,000.00	35,000.00	35,000.00
16. Total All Programs	163,475.31	353,693.03	284,344.02	199,186.71	361,968.10	336,682.40	283,481.90	419,365.41	2,392,165.88	328,325.00	328,325.00	348,325.00	407,344.60	1,412,319.50	3,804,465.38
17. Less: Base Rate Recovery	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18. Net Recoverable Expenses	163,475.31	353,693.03	284,344.02	199,186.71	361,968.10	336,682.40	283,481.90	419,365.41	2,392,165.88	328,325.00	328,325.00	348,325.00	407,344.60	1,412,319.50	3,804,465.38

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Florida Public Service Commission
 Docket No. 000002-EG
 GULF POWER COMPANY
 Witness: Michael J. McCarthy
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GULF POWER COMPANY

ESTIMATED TRUE-UP ENERGY CONSERVATION CLAUSE
For the Period: January, 2000 through December, 2000

Conservation Revenues	ACTUAL JAN	ACTUAL FEB	ACTUAL MARCH	ACTUAL APRIL	ACTUAL MAY	ACTUAL JUNE	ACTUAL JULY	ACTUAL AUGUST	ESTIMATED SEPTEMBER	ESTIMATED OCTOBER	ESTIMATED NOVEMBER	ESTIMATED DECEMBER	TOTAL
1. Good Cents Select Program Revenues (Participation Fee)	520.00	593.09	735.10	898.21	1,680.75	2,504.43	3,318.62	3,828.78	3,171.00	5,132.49	7,093.98	9,060.00	38,538.45 0.00 0.00
2. Conservation Revenues	266,083.65	243,396.25	242,271.37	237,702.67	325,754.95	348,979.72	395,616.30	385,791.48	315,804.79	258,056.46	243,606.37	286,901.28	3,549,965.29
3. Total Revenues	266,603.65	243,989.34	243,006.47	238,600.88	327,435.70	351,484.15	398,934.92	389,620.26	318,975.79	263,188.95	250,700.35	295,961.28	3,588,501.74
4. Adjustment not Applicable to Period - Prior True Up	(75,304.83)	(75,304.83)	(75,304.83)	(75,304.83)	(75,304.83)	(75,304.83)	(75,304.83)	(75,304.83)	(75,304.83)	(75,304.83)	(75,304.83)	(75,304.87)	(903,658.00)
5. Conservation Revenues Applicable to Period	191,298.82	168,684.51	167,701.64	163,296.05	252,130.87	276,179.32	323,630.09	314,315.43	243,670.96	187,884.12	175,395.52	220,656.41	2,684,843.74
6. Conservation Expenses (Form C-3 Page 3 of 5)	153,475.31	353,693.04	284,344.02	199,185.70	361,968.10	336,662.40	283,481.90	419,355.42	328,325.00	328,325.00	348,325.00	407,344.50	3,804,485.39
7. True Up this Period (Line 5 minus Line 6)	37,823.51	(185,008.53)	(116,642.38)	(35,889.65)	(109,837.23)	(60,483.08)	40,148.19	(105,039.99)	(84,654.04)	(140,440.88)	(172,929.48)	(186,688.09)	(1,119,641.65)
8. Interest Provision this Period (Page 10, Line 10)	(2,989.04)	(3,043.24)	(3,507.16)	(3,643.67)	(3,797.29)	(3,991.23)	(3,636.74)	(3,396.80)	(3,515.44)	(3,735.54)	(4,195.16)	(4,782.14)	(44,233.45)
9. True Up & Interest Provision Beginning of Month	(685,837.40)	(575,698.10)	(688,445.04)	(733,289.75)	(697,518.24)	(735,847.93)	(725,017.41)	(613,201.13)	(646,333.09)	(659,197.74)	(728,069.33)	(829,889.14)	(685,837.40)
10. Prior True Up Collected or Refunded	75,304.83	75,304.83	75,304.83	75,304.83	75,304.83	75,304.83	75,304.83	75,304.83	75,304.83	75,304.83	75,304.83	75,304.87	903,658.00
End of Period- Net True Up	(575,698.10)	(688,445.04)	(733,289.75)	(697,518.24)	(735,847.93)	(725,017.41)	(613,201.13)	(646,333.09)	(659,197.74)	(728,069.33)	(829,889.14)	(846,054.50)	(846,054.50)

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Witness: Michael J. McCarthy
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GULF POWER COMPANY
INTEREST CALCULATION
ENERGY CONSERVATION CLAUSE
For the Period: January, 2000 through December, 2000

Interest Provision	ACTUAL JAN	ACTUAL FEB	ACTUAL MARCH	ACTUAL APRIL	ACTUAL MAY	ACTUAL JUNE	ACTUAL JULY	ACTUAL AUGUST	ESTIMATED SEPTEMBER	ESTIMATED OCTOBER	ESTIMATED NOVEMBER	ESTIMATED DECEMBER	TOTAL
1. Beginning True up Amount	(685,837.40)	(575,698.10)	(688,445.04)	(733,289.75)	(697,518.24)	(735,847.93)	(725,017.41)	(613,201.13)	(646,333.09)	(659,197.74)	(728,069.33)	(829,889.14)	
2. Ending True up before Interest	(572,709.06)	(685,401.80)	(729,782.59)	(693,874.57)	(732,050.64)	(721,026.18)	(609,564.39)	(642,936.29)	(655,882.30)	(724,333.79)	(825,693.98)	(941,272.36)	
3. Total beginning & ending	(1,258,546.46)	(1,261,099.90)	(1,418,227.63)	(1,427,164.32)	(1,429,568.88)	(1,456,874.11)	(1,334,581.80)	(1,256,137.42)	(1,302,015.39)	(1,383,531.52)	(1,553,763.30)	(1,771,161.50)	
4. Average True up Amount	(629,273.23)	(630,549.95)	(709,113.82)	(713,582.16)	(714,784.44)	(728,437.06)	(667,290.90)	(628,068.71)	(651,007.69)	(691,765.76)	(776,881.65)	(885,580.75)	
5. Interest Rate First Day Reporting Business Month	5.60	5.80	5.80	6.07	6.18	6.57	6.58	6.50	6.48	6.48	6.48	6.48	
6. Interest Rate First Day Subsequent Business Month	5.80	5.80	6.07	6.18	6.57	6.58	6.50	6.48	6.48	6.48	6.48	6.48	
7. Total of Lines 5 and 6	11.40	11.60	11.87	12.25	12.75	13.15	13.08	12.98	12.96	12.96	12.96	12.96	
8. Average Interest rate (50% of Line 7)	5.7000	5.8000	5.9350	6.1250	6.3750	6.5750	6.5400	6.4900	6.4800	6.4800	6.4800	6.4800	
9. Monthly Average Interest Rate Line 8 x 12	0.004750	0.004833	0.004946	0.005104	0.005313	0.005479	0.005450	0.005408	0.005400	0.005400	0.005400	0.005400	
10. Interest Provision (line 4 X 9)	(2,989.04)	(3,043.24)	(3,507.16)	(3,643.67)	(3,797.29)	(3,991.23)	(3,638.74)	(3,396.80)	(3,515.44)	(3,735.54)	(4,195.16)	(4,782.14)	(44,233.45)

**GULF POWER COMPANY
CALCULATION OF CONSERVATION REVENUES
For the Period: September, 2000 Through December, 2000**

	Month	MWH Sales	Revenue (Ave Cents/KWH)	Clause Revenue Net of Revenue Taxes (\$)
1.	9/00	877,788	0.036	315,804.79
2.	10/00	719,678	0.036	258,056.46
3.	11/00	679,699	0.036	243,606.37
4.	12/00	807,288	0.036	286,901.28

Program Description and Progress

Program Title: Residential Energy Audits

Program Description: This program consists of two types of audits: (1) Class A Energy Conservation Audits and (2) centsable Energy checks, a walk-through audit. Both of these audits are performed on-site and involve assisting the customer in upgrading the thermal and equipment efficiencies in their homes as well as lifestyle measures and low or no cost improvements.

Program Projections: For the period January, 2001, through December, 2001, we expect to achieve 1,600 audits and incur expenses totaling \$429,356. This program will also include low-income audits that are completed by Weatherization Assistance Providers (WAPs). Gulf is conducting a pilot program that allows the WAPs to conduct audits for the low-income customers on a contracted basis.

Program Accomplishments: 977 audits have been conducted during the first eight months of 2000 compared to a budget of 1,000 for a deviation of 23 audits under projection for the January through August, 2000, period.

Program Fiscal Expenditures: Actual expenses were \$299,305 compared to a budget of \$263,781 for a difference of \$35,524 or 13.5% above budget.

Program Progress Summary: Since the approval of this program Gulf has performed 127,276 residential energy audits. This is a result of Gulf's promotional campaign to solicit energy audits as well as the overall rapport established with its customers as the "energy experts" in Northwest Florida.

Program Description and Progress

Program Title: Residential Mail-In Audits

Program Description: The Residential Mail-In Audit Program is a direct mail energy auditing program. This program supplements Gulf's existing Residential Energy Audit program and assists in the evaluation of the specific energy requirements of a residential dwelling. Homeowners complete an audit questionnaire on their own or may request the assistance of a Gulf Power representative. This questionnaire asks customers about their energy consuming equipment or appliances, square footage, and other details regarding their lifestyles. The audit results package are returned to the customer and are include targeted, timely information about energy conservation opportunities specific to each dwelling.

Program Projections: For the period January, 2001, through December, 2001, we expect to achieve 1,500 audits and incur expenses totaling \$98,703.

Program Accomplishments: 100 audits were conducted using this process so far during the reporting period compared to a goal of 1,000 for a deviation of 900 mail-in audits.

Program Fiscal Expenditures: Forecasted expenses were \$65,644 for January through August, 2000, compared to actual expenses of \$34,375 for the same months, resulting in \$31,269 or 47.6% below budget.

Program Progress Summary: This program was approved on August 5, 1997. Since then, there have been 478 mail-in audits conducted.

Program Description and Progress

Program Title: Gulf Express Loan Program

Program Description: The objective of this program was to encourage and achieve energy conservation. The program provided below market interest rates from participating banks to customers as an incentive to install energy conservation features in their homes.

Program Projections: This program is no longer accepting new loans. Program projections are longer be made for this program.

Program Accomplishments: There were no new loans during this period. New loans in this program were discontinued as of the second quarter, 1997.

Program Fiscal Expenditures: Forecasted expenses for administrative costs were \$5,517 compared to actual expenses of \$4,209 year-to-date in 2000.

Program Progress Summary: During the implementation of the permanent loan program, Gulf completed 1,953 Gulf Express Loans.

Program Description and Progress

Program Title: In Concert With The Environment

Program Description: In Concert With The Environment is an environmental and energy awareness program that is being offered in the 8th and 9th grade science classes. The program shows students how everyday energy use impacts the environment and how using energy wisely increases environmental quality.

Program Projections: In Concert With The Environment is no longer projected to be presented to students. For the remainder of this period, Gulf will keep the program in place and offer it to the schools on an as requested basis. However, the Company will no longer promote the program and will be discontinuing it at the end of 2000, which is the end of the contract with the survey/tabulation company. During the projection period, we do not expect to incur any expenses.

Program Accomplishments: In Concert With The Environment was not presented to any students during the months of January through August, 2000.

Program Fiscal Expenditures: There were no expenses for the 8 months ending August, 2000. Due to this program's lack of acceptance, no units or expenses have been projected. The program will be made available should a school desire to participate, but the program will no longer be promoted as a stand alone program.

Program Progress Summary: Since the beginning of the program, 4,378 students have participated in the program.

Program Description and Progress

Program Title: GoodCents Environmental Home

Program Description: GoodCents Environmental Home Program provides residential customers with guidance concerning energy and environmental efficiency in new construction. The program promotes energy-efficient and environmentally sensitive home construction techniques by evaluating over 500 components in six categories of design construction practices.

Program Projections: Gulf projects no GoodCents Environmental Homes to be completed. This program has been evaluated and Gulf is no longer promoting this as a stand alone program.

Program Accomplishments: During this recovery period, no GoodCents Environmental Homes were constructed. This program was approved in October, 1996, as part of the conservation programs in Gulf's Demand-Side Management Plan, Docket 941172-EI. However, it has experienced very little acceptance with builders because of added cost of materials, availability problems with materials, and current public attitudes toward environmental issues. Gulf Power will maintain the availability of this program to our builders and customers, however, we no longer actively advertise and promote this program.

Program Fiscal Expenditures: For the period January, 2000, through August, 2000, there were no expenses projected and no expenses incurred for this program.

Program Progress Summary: Ten homes have been certified to meet the GoodCents Environmental Home standards.

Program Description and Progress

Program Title: Duct Leakage Repair

Program Description: This program design results from Gulf Power's 1992 HVAC Duct and Infiltration (Blower Door) Pilot Program. The object of the program is to provide the customer with a means to identify house air duct leakage and recommend repairs that can reduce customer kWh energy usage and kW demand.

Program Projections: This program has been evaluated and Gulf will no longer budget and promote this program. The program will remain available for customers desiring the service, but it will not be promoted as a stand-alone program for the 2001 projection period.

Program Accomplishments: Gulf has provided demonstrations and training to builders, dealers and homeowners regarding duct leakage and duct testing methods and procedures during this period. No customers participated in the Duct Leakage Repair program during this period.

Program Fiscal Expenditures: No expenses have been projected for this period. Should there be customer interest in the program, Gulf will seek to recover the expenses associated with providing the duct leakage repair service to the customer.

Program Progress Summary: Program activities have related to education, training, and program development. Since the program's beginning, 13 customers have participated in the program.

Program Description and Progress

Program Title: Geothermal Heat Pump

Program Description: The objective of this program is to reduce the demand and energy requirements of new and existing residential customers through the promotion and installation of geothermal systems.

Program Projections: Gulf estimates the installation of 500 units during this projection period and expenses of \$344,313. Gulf's program implementation will include promotion, education, training, and guaranteed heating and cooling costs for new and existing home customers.

Program Accomplishments: During the current recovery period, 244 Geothermal Heat Pump units have been installed thus far.

Program Fiscal Expenditures: For the first eight months of the recovery period, expenses were projected to be \$225,433 compared to actual expenses of \$93,278 for a deviation of \$132,155 or 58.6% below budget.

Program Progress Summary: To date, 1,062 units have been completed.

Program Description and Progress

Program Title: GoodCents Select

Program Description: The program is designed to provide the customer with a means of conveniently and automatically controlling and monitoring his/her energy purchases in response to prices that vary during the day and by season in relation to the Company's cost of producing or purchasing energy.

Program Projections: During this projection period, 2001, Gulf expects to have 2,500 installations. The program expenses are projected to be \$709,971 in depreciation and return on investment; \$558,515, payroll; \$668,223, materials; and \$100,000, advertising. These expenses will be partially offset by projected program revenues of \$182,233.

Program Accomplishments: Gulf has experienced delays in receiving working prototypes and production equipment from the vendor. To date, 603 functioning units are installed.

Program Fiscal Expenditures: This program has projected expenses of \$486,838 for the period January through August, 2000 with actual expenses of \$1,283,625. This results in a deviation of \$796,787 or 163.7% over budget. The program is over budget due to the fact that there are expenses associated with the program that have not been offset by adequate installations and subsequent revenues from the program.

Program Progress Summary: Since the beginning of the program, a net total of 603 units have been installed.

Program Description and Progress

Program Title: GoodCents Building

Program Description: This program is designed to educate non-residential customers on the most cost-effective methods of designing new and improving existing buildings. The program stresses efficient heating and cooling equipment, improved thermal envelope, operation and maintenance, lighting, cooking and water heating. Field representatives work with architects, engineers, consultants, contractors, equipment suppliers and building owners and occupants to encourage them to make the most efficient use of all energy sources and available technologies.

Program Projections: For the period January, 2001, through December, 2001, we expect to achieve 212 GoodCents Buildings and incur expenses totaling \$398,051.

Program Accomplishments: Our goal during the current period was 143 installations compared to actual installations of 131 for a difference of 12 below goal.

Program Fiscal Expenditures: Forecasted expenses were \$208,107 compared to actual expenses of \$224,145 for a deviation of \$16,038 over budget. This program is over budget on expenses due to customers requesting additional information regarding the GoodCents Building Program.

Program Progress Summary: A total of 7,797 commercial buildings have qualified for the GoodCents certification since the program was developed in 1977.

Program Description and Progress

Program Title: Energy Audits and Technical Assistance Audits

Program Description: This program is designed to provide professional advice to our existing commercial and industrial customers on how to reduce and make the most efficient use of energy. This program covers from the smallest commercial customer, requiring only a walk-through survey, to the use of computer programs which will simulate several design options for very large energy intensive customers. The program is designed to include semi-annual and annual follow-ups with the customer to verify any conservation measures installed and to reinforce the need to continue with more conservation efforts.

Program Projections: For the period, January, 2001 through December, 2001, we expect to conduct 127 audits and incur expenses totaling \$635,801.

Program Accomplishments: During the current period the goal was 100 audits while actual results were 113 for a difference of 13 over goal.

Program Fiscal Expenditures: Forecasted expenses were \$397,503 for the first eight months of 2000 compared to actual expenses of \$346,409 for a deviation of \$51,094 under budget year-to-date.

Program Progress Summary: A total of 11,093 EA/TAA's have been completed since the program started in January, 1981. These audits have ranged from the basic walk-through type for some commercial customers to sophisticated technical assistance audits for other commercial and industrial customers.

Program Description and Progress

Program Title: Commercial/Industrial Mail-In Audit Program

Program Description: The Commercial Mail-In Audit Program is a direct mail energy auditing program. This program will supplement Gulf's existing Commercial/Industrial Energy Audit program and will assist in the evaluation of the specific energy requirements of a given business type. Businesses complete an audit questionnaire on their own or may request the assistance of a Gulf Power representative. This questionnaire asks customers about their energy consuming equipment or appliances, square footage, hours of operation and other details regarding their business operations. The audit results package is returned to the customer and includes targeted, timely information about energy conservation opportunities specific to each business type and geographic area.

Program Projections: Gulf expects to have 1,050 customers participate in the Commercial Mail-in Audit during the projection period and incur expenses of \$56,772.

Program Accomplishments: In 2000 to date, 660 mail-in audits have been completed compared to a projection of 633. This program has had a high degree of acceptance and continues to be a successful supplement to Gulf's Energy Audit/Technical Assistance Audit.

Program Fiscal Expenditures: This program incurred actual expenses year-to-date of \$20,646 compared to a budget of \$47,381 for a deviation of \$26,735 or 56.4% under goal.

Program Progress Summary: This program was approved by the FPSC on January 7, 1997, Docket No. 960897-EI. To date, 2,188 mail-in audits have been completed.

Program Description and Progress

Program Title: Green Pricing

Program Description: The Green Pricing Program is designed to encompass a variety of voluntary renewable and green energy programs under development by Gulf Power Company. The voluntary pricing options for customers will include, but not be limited to Photovoltaic Rate Rider Tariff and Solar for Schools. Additionally, this program will include research and administrative costs to study the cost effectiveness of additional green pricing offerings utilizing wind or other renewable energy sources.

Program Accomplishments:

Solar for Schools

The principle objective of the Solar for Schools program is to implement cost-effective solar education and demonstration projects at local educational facilities by means of voluntary contributions. The program also seeks to increase renewable energy and energy awareness among students, parents and contributors. Solar for Schools is a program that uses voluntary contributions to fund materials for energy education, permanent demonstration displays, rewards for science contests, and teacher education. Voluntary contributions are solicited from customers interested in renewable energy and/or helping to improve the quality of schools in the Gulf Power Company service area. Funds are collected through a "check-off" mechanism on the utility bill or through a direct contribution and accumulated in an interest bearing account. When contributions reach an adequate level, they are directed to an educational facility for implementation of various solar educational programs and for the installation of solar equipment. Contributions are not used for administrative costs, program research or for promotion costs.

Photovoltaic Optional Rate Rider (PV)

The PV Rate Rider is an optional rate for Gulf Power Company customers. Customers may purchase photovoltaic energy in 100-watt blocks. Multiple blocks may be purchased. Power purchased or produced from Photovoltaic facilities may not be specifically delivered to the customer, but will displace power that would have otherwise been produced from traditional generating facilities. The construction of the photovoltaic facility or power purchased from photovoltaic facilities will begin upon the attainment of sufficient commitments from all participants across the Southern Company electric system where the option is available and, as necessary, after obtaining FPSC approval. Customer billing will begin the second month following the date in which power is purchased from photovoltaic generating facilities or in which a photovoltaic generating facility of the Southern Company begins commercial operation.

Photovoltaic Solar Demonstration and Education Project (EarthCents)

Gulf Power Company will be installing and monitoring a 4 kW PV solar system at the Junior Museum of Bay County. This PV system will operate computer equipment and other electrical items within the museum itself to demonstrate the capabilities of solar energy to the youth of Bay County and the surrounding counties.

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Witness: Michael J. McCarthy
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Program Fiscal Expenditures: There were no projected expenses for the period. The program was approved as part of the 2000 Demand Side Management Plan, Docket No. 991790-EG. Actual expenses for programs started during the January, 2000, through December, 2000, period are \$5,829.

Program Description and Progress

Program Title: Conservation Demonstration and Development

Program Description: A package of conservation programs was approved by the FPSC in Order No. 23561 for Gulf Power Company to explore and to pursue research, development, and demonstration projects designed to promote energy efficiency and conservation. This program serves as an umbrella program for the identification, development, demonstration and evaluation of new or emerging end-use technologies.

Program Accomplishments:

Florida Coordinating Group Research and Development

Gulf Power Company is actively participating in a research initiative commissioned by the Florida Coordinating Group Conservation Steering Committee, formed to evaluate and research demand side management measures. While this is an on-going research project, there were no expenses or activities for this project during this period.

The Efficiency Store - Energy Education

This program intended to provide customers with improved interest, awareness, and understanding of energy efficient technologies. The objective is to display and demonstrate those technologies that are designed to promote energy efficiency. This project has come to an end. The project was located in one of Gulf's appliance sales facilities. The location was chosen because of the high customer traffic which could generate customer interest in the energy conservation technologies and equipment. At the end of July, 2000, the appliance sales center was closed. Because of this change, the project was terminated. We anticipate building other energy education displays in other Gulf facilities during the next recovery period. A final report is being prepared at this time.

The Efficiency Store - Commercial Technology Demonstration

This program is intended to provide commercial customers with an avenue to energy efficient technologies. The objective of the store is to actually display and demonstrate those technologies that yield energy savings and benefits to customers. The customer will benefit through the convenience of one location for these demonstration needs and the ability to view new technologies in full use. The project was located in one of Gulf's appliance sales facilities. At the end of July, 2000, the appliance sales center was closed. Because of this change, the company is looking to relocate the commercial demonstration area. It is anticipated that the relocation will take place during the next recovery period. A final report is being prepared at this time.

Slinky Mat Loop Heat Pump

This type of ground loop design, "slinky loop" or sometimes referred to as a "slinky mat loop", has not been installed in Florida to our knowledge. The system consists of a 2.3 ton Water Furnace geothermal heat pump (AT028) a 2000 square foot home tied to 1800 feet of 3/4 inch

polyethylene pipe 5 to 6 feet below grade. The mat loop is designed as 3 - 100 foot trenches with 600 feet of pipe per trench.

One objective of this project was to determine if this ground loop performs as well as the most common "vertical loop" in extracting and rejecting heat from the earth. Another objective of this project was to determine the cost reduction potential of this type of loop. The projected savings on a "slinky loop" installation versus a vertical loop installation for the same unit type is expected to be \$1,000. If the unit performs, the cost reduction should encourage increased geothermal installations.

This project also provided performance results associated with kwh, kW demand, ground source efficiency, supply/return water temperatures and hot water recovery kwh/kW reduction, with indoor/outdoor temperature monitoring (wet bulb, dry bulb, relative humidity). This project has been completed. The report is being prepared at this time.

Closed Loop - Dentist Office - Schwartz Dentist Office

This commercial project was to introduce and demonstrate geothermal technology benefits. This was a new construction general office building application to be monitored in conjunction with the Geothermal Heat Pump Consortium. It consisted of 10 tons of geothermal equipment connected to an underground closed loop piping system. The site also included a hot water recovery unit to provide hot water needs. This project has been completed. The report is being prepared at this time.

Closed Loop - Hotel - Sleep Inn, Hospitality/Hotel

This application was for monitoring heating, cooling, and water heating costs. This included 10 tons for heating and cooling in the office/lobby area and room/laundry hot water need provided by a geothermal heat pump water heater with an efficiency rating of 10. This project has been completed. The report is being prepared at this time.

Van Norman Project

This project was a triple function Nordyne heat pump providing heating, cooling, and water heating on demand. The heat pump compressor has a water heating mode. The total house, water heater, air handler and compressor were being monitored. Also, monitoring included air temperatures, water temperatures, and gallons of hot water. This project has been completed. The report is being prepared at this time.

The Dunes

This project monitored two heat pump water heaters in a hotel. Preliminary results were available during the 3rd quarter, 1997. In this project, the Heat Pump Water Heaters were expected to offset the KW demand of existing water heaters and to provide air conditioning to the laundry area. This project has been completed. The report is being prepared at this time.

Jim Day Project

This project was a geothermal system which provided heating and cooling in a residential environment. This project also included a geothermal heat pump water heater. The indoor air temperature, relative humidity, as well as ground loop temperatures were monitored along with the

kilowatt hour usage for the geothermal system. Additionally, the geothermal heat pump water heater's water temperature was monitored as well as the kilowatt hour usage, water consumption, and ground loop temperatures. This project has been completed. The report is being prepared at this time.

Joe Ridge Project

This project was a residential study which included a geothermal heat pump with a built in heat recovery unit, a geothermal pool heater and a conventional air to air heat pump. This project was designed to study the efficiency of a geothermal pool heater and the built in heat recovery unit. The indoor air temperature, relative humidity, kilowatt hour consumption, water consumption and ground loop temperatures are monitored. Additionally, the pool temperatures and water heating temperatures are included in the study. This project has been completed. The report is being prepared at this time.

Bay County Schools - Lucille Moore Elementary

Was a comparative study designed to illustrate the efficiency and demand reduction versus the conventional 10 S.E.E.R. air source systems. One six ton geothermal unit and one six ton air to air heat pump were installed in identical instructional areas in an elementary school. This study monitored the demand and kilowatt hour consumption. Also the environmental issues such as temperature and humidity were monitored as well. This study will also determine the reliability and maintenance reductions associated with the geothermal systems. This project has been completed. The report is being prepared at this time.

Low Income Multi-Family Housing Project

This was the first low income CDD project associated with Gulf Power Company. This project was designed to illustrate the efficiency of the geothermal systems compared to the existing heating and cooling systems. The project was designed to demonstrate the reduction in maintenance cost to the facility and improve the quality of life for the tenants. This comparative study included: three apartments retrofitted with geothermal equipment versus three identical structures with the existing heating and cooling equipment. KWh and water heating consumption was monitored for the comparison. Further, the indoor temperatures and ground loop temperatures were monitored also.

Burger King

Was a comparative study between gas fryers and electric fryers and the effects on the cooking environment and energy consumption. Monitored equipment in the two Burger King's include: air conditioning, indoor temperatures, relative humidity, kWh, kW demand and of course the fryers. This study was designed to determine which fryer reduced heat within the cooking environment and reduced consumption on the total facility. This project has been completed. The reports are being prepared at this time.

Dr. Taylor

This commercial project was also a comparative study designed to illustrate the reduction of kW demand between geothermal heat pumps and air to air heat pumps. Dr. Taylor's office is located next to Dr. Schwartz's office (previously mentioned in this report). The two offices were constructed to the exact same specification. The general office building includes 10 tons of high efficient air to air heat pumps and hot water heating to be examined. This project has been completed. The reports are being prepared at this time.

Hampton Inn

The Hampton Inn is being used to study geo-thermal heat pump water heaters for their laundry and pool heating requirements. The laundry room is cooled and the water heated with geo-thermal heat pump water heaters. The hotel pool is heated with a geo-thermal heat pump water heater.

Boardwalk

The Boardwalk Laundry Room is a research site designed to study the effectiveness of the triple function Nordyne heat pump. This heat pump is designed to cool and heat the laundry room and also heat the water used to do laundry.

Solar Light

Gulf Power Company is presently testing a solar Photovoltaic light at our Pine Forest facility. The solar light will be monitored for energy consumption and demand savings as well as the actual lumen for the security light. A successful test would result in using this light in our Solar for Schools program. This particular light did not use funding from the Solar for Schools Program, however we did use funds from the Conservation Demonstration and Development program.

Pine Forest

Gulf Power Company will be monitoring several pieces of equipment at the culinary arts department of a local high school. Energy usage will be monitored over the next year and a comparison report will be prepared at that time.

Groovin' Noovin'

Gulf Power Company will be monitoring two pieces of cooking equipment at two different store locations. Energy usage will be monitored over the next year and a comparison report will be prepared at that time.

Program Fiscal Expenditures: Program expenses were forecasted at \$81,482 compared to actual expenses of \$64,293 for a deviation of \$17,189 under budget. Expenses are under budget due to over-estimating project costs and having projects that required start-up costs but have no expenses on a regular monthly basis. Also, during this recovery period, several projects have been completed. The reports for those projects are being prepared. Project expenses were as follows: Efficiency Store - Energy Education, \$24,945.55; Efficiency Store - Commercial Technology, \$7,204.96; Slinky Loop, \$330.00; Pine Forest, \$10,000; Groovin' Noovin', \$851.41; Hampton, \$20,961.12.

GoodCents Select Program

At the Meter						
<u>Year</u>	<u>Per Customer kWh Reduction</u>	<u>Per Customer Winter kW Reduction</u>	<u>Per Customer Summer kW Reduction</u>	<u>Total Annual kWh Reduction</u>	<u>Total Annual Winter kW Reduction</u>	<u>Total Annual Summer kW Reduction</u>
2000	2,100	2.89	2.48	12,810,000	17,629	15,128
2001	2,100	2.89	2.48	12,600,000	17,340	14,880
2002	2,100	2.89	2.48	15,120,000	20,808	17,856
2003	2,100	2.89	2.48	12,600,000	17,340	14,880
2004	2,100	2.89	2.48	10,710,000	14,739	12,648
2005	2,100	2.89	2.48	8,820,000	12,138	10,416
2006	2,100	2.89	2.48	6,300,000	8,670	7,440
2007	2,100	2.89	2.48	6,300,000	8,670	7,440
2008	2,100	2.89	2.48	3,780,000	5,202	4,464
2009	2,100	2.89	2.48	3,780,000	5,202	4,464

At the Generator						
<u>Year</u>	<u>Per Customer kWh Reduction</u>	<u>Per Customer Winter kW Reduction</u>	<u>Per Customer Summer kW Reduction</u>	<u>Total Annual kWh Reduction</u>	<u>Total Annual Winter kW Reduction</u>	<u>Total Annual Summer kW Reduction</u>
2000	2,262	3.74	3.21	13,796,370	22,828	19,589
2001	2,262	3.74	3.21	13,570,200	22,454	19,268
2002	2,262	3.74	3.21	16,284,240	26,944	23,122
2003	2,262	3.74	3.21	13,570,200	22,454	19,268
2004	2,262	3.74	3.21	11,534,670	19,086	16,378
2005	2,262	3.74	3.21	9,499,140	15,717	13,488
2006	2,262	3.74	3.21	6,785,100	11,227	9,634
2007	2,262	3.74	3.21	6,785,100	11,227	9,634
2008	2,262	3.74	3.21	4,071,060	6,736	5,780
2009	2,262	3.74	3.21	4,071,060	6,736	5,780

Customers and Participation Rates					
<u>Year</u>	<u>Total Number of Customers</u>	<u>Total Number of Eligible Customers</u>	<u>Annual Number of Program Participants</u>	<u>Cumulative Penetration Level %</u>	<u>Cumulative Number of Program Participants</u>
2000	319,883	317,887	6,100	1.9%	6,100
2001	326,907	324,859	6,000	3.7%	12,100
2002	332,822	330,739	7,200	5.8%	19,300
2003	338,496	336,378	6,000	7.5%	25,300
2004	344,126	341,973	5,100	8.9%	30,400
2005	349,831	347,643	4,200	10.0%	34,600
2006	355,624	353,401	3,000	10.6%	37,600
2007	361,464	359,206	3,000	11.3%	40,600
2008	367,275	364,982	1,800	11.6%	42,400
2009	373,177	370,849	1,800	11.9%	44,200

GoodCents Select Program

At the Meter						
Year	Per Customer kWh Reduction	Per Customer Winter kW Reduction	Per Customer Summer kW Reduction	Total Annual kWh Reduction	Total Annual Winter kW Reduction	Total Annual Summer kW Reduction
2000	2,100	2.89	2.48	4,200,000	5,780	4,960
2001	2,100	2.89	2.48	5,250,000	7,225	6,200
2002	2,100	2.89	2.48	6,300,000	8,670	7,440
2003	2,100	2.89	2.48	6,300,000	8,670	7,440
2004	2,100	2.89	2.48	6,300,000	8,670	7,440
2005	2,100	2.89	2.48	6,300,000	8,670	7,440
2006	2,100	2.89	2.48	6,300,000	8,670	7,440
2007	2,100	2.89	2.48	6,300,000	8,670	7,440
2008	2,100	2.89	2.48	6,300,000	8,670	7,440
2009	2,100	2.89	2.48	6,300,000	8,670	7,440

At the Generator						
Year	Per Customer kWh Reduction	Per Customer Winter kW Reduction	Per Customer Summer kW Reduction	Total Annual kWh Reduction	Total Annual Winter kW Reduction	Total Annual Summer kW Reduction
2000	2,262	3.74	3.21	4,523,400	7,485	6,423
2001	2,262	3.74	3.21	5,654,250	9,356	8,028
2002	2,262	3.74	3.21	6,785,100	11,227	9,634
2003	2,262	3.74	3.21	6,785,100	11,227	9,634
2004	2,262	3.74	3.21	6,785,100	11,227	9,634
2005	2,262	3.74	3.21	6,785,100	11,227	9,634
2006	2,262	3.74	3.21	6,785,100	11,227	9,634
2007	2,262	3.74	3.21	6,785,100	11,227	9,634
2008	2,262	3.74	3.21	6,785,100	11,227	9,634
2009	2,262	3.74	3.21	6,785,100	11,227	9,634

Customers and Participation Rates					
Year	Total Number of Customers	Total Number of Eligible Customers	Annual Number of Program Participants	Cumulative Penetration Level %	Cumulative Number of Program Participants
2000	319,883	317,887	2,000	0.6%	2,000
2001	326,907	324,859	2,500	1.4%	4,500
2002	332,822	330,739	3,000	2.3%	7,500
2003	338,496	336,378	3,000	3.1%	10,500
2004	344,126	341,973	3,000	3.9%	13,500
2005	349,831	347,643	3,000	4.7%	16,500
2006	355,624	353,401	3,000	5.5%	19,500
2007	361,464	359,206	3,000	6.3%	22,500
2008	367,275	364,982	3,000	7.0%	25,500
2009	373,177	370,849	3,000	7.7%	28,500