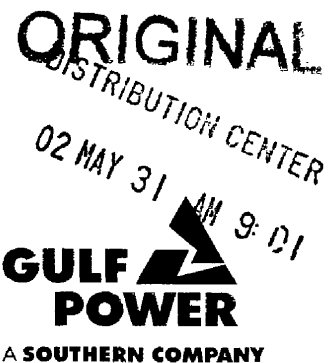


One Energy Place  
Pensacola, Florida 32520

Tel 850 444 6111



May 24, 2002

Ms. Blanca S. Bayo, Director  
Division of the Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee FL 32399-0870

Dear Ms. Bayo:

020001-EI

RE: Inventory Adjustments

Please accept this letter as notification of Gulf Power Company's semi-annual coal inventory adjustments as required by Order No. PSC-97-0180-PHO-EI. The attached sheet details the survey results and subsequent adjustments.

Should you have any questions, please call Richard McMillan, Assistant Comptroller, at (850) 444-6589.

Sincerely,

Susan D. Ritenour  
Assistant Secretary and Assistant Treasurer

lw

- AUS \_\_\_\_\_
- CAF \_\_\_\_\_
- CMP \_\_\_\_\_
- COM \_\_\_\_\_
- CTR \_\_\_\_\_
- ECR \_\_\_\_\_
- GCL \_\_\_\_\_
- OPC \_\_\_\_\_
- MMS \_\_\_\_\_
- SEC \_\_\_\_\_
- OTH \_\_\_\_\_

Attachment

cc: Florida Public Service Commission  
Roberta Bass  
Gulf Power Company  
Richard J. McMillan

DOCUMENT NUMBER-DATE  
05738 MAY 31 02  
FPSC-COMMISSION CLERK

**GULF POWER COMPANY**  
**COAL INVENTORY ADJUSTMENTS FOR THE PERIOD**  
September 2001 - March 2002

**ORIGINAL**

PLANT CRIST:

Book Balance		Survey Results		Difference		Adjustment to Books	
Tons	Tons	Tons	%	Tons	\$		
280,563	286,754	6,191	2.16	0	0		

PLANT SMITH:

Book Balance		Survey Results		Difference		Adjustment to Books	
Tons	Tons	Tons	%	Tons	\$		
148,228	149,160	932	0.62	0	0		

PLANT SCHOLZ:

Book Balance		Survey Results		Difference		Adjustment to Books	
Tons	Tons	Tons	%	Tons	\$		
53,150	48,821	(4,329)	(8.87)	(2,864)	111,633		

PLANT SCHERER

	Adjustment to Books	
	MMBTUs	\$
Total Scherer	(883,529)	(1,671,152)
Gulf's share of adjustment	(38,033)	(81,501)

Note:

*The surveys of Crist, Smith and Scholz coal on hand were conducted on March 7, 2002.  
The survey of Scherer coal on hand was conducted on April 1, 2002*

DOCUMENT NUMBER-DATE  
**05738 MAY 31 02**  
FPSC-COMMISSION CLERK