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Gulf Power Company
Depreciation
Study
AT DECEMBER 31, 2005
Volume 1 of 2

056381-E1

ORIGINAL

2005 DEPRECIATION STUDY
GULF POWER COMPANY
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May 27, 2005



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:

Re: Depreciation Study 2005

Enclosed are 15 copies of Gulf Power's 2005 Depreciation and Dismantlement Studies filed in compliance with Rules 25-6.0436 and 25-6.04364 of the Florida Administrative Code. Gulf Power last filed a Depreciation Study on May 29, 2001. The depreciation rates and amortization schedules currently in effect were approved by the Commission in Docket No. 010949-EI, effective January 1, 2002.

Gulf's depreciation and dismantlement studies are contained in four binders. Included in the binder labeled Gulf Power Company Depreciation Study Volume 1 of 2 are the Table of Contents, a Report Organization Narrative, Dismantlement Accrual Schedules, and the various detail schedules and data required by Rule 25-6.0436(6). Included in the binders labeled Gulf Power Company Depreciation Study, Volume 2 of 2 is supporting documentation for Volume 1 of the Depreciation Study.

The two other binders relate to dismantlement which completes the set for the 2005 Depreciation and Dismantlement Studies. One binder is labeled "Dismantling Study, Volume 1" and contains the site-specific final dismantling study for Plants Crist, Scholz, Smith and Pea Ridge. The other binder is labeled "Dismantling Study Volume 2" and contains the site specific dismantling study for Plants Daniel and Scherer. These dismantlement binders along with Volume 1 of the Depreciation Study include schedules, data, and narratives as required by Rule 25-6.04364.

The effect of the proposed depreciation rates and dismantlement accruals amounts to a net decrease of (\$1,959) from the current approved rates. The primary reasons for the decrease are a decrease in the communications equipment rate which was partially offset by an increase in certain steam production rates. On the following page is a summary of existing and proposed dismantlement accruals and depreciation and amortization expense:

Ms. Blanca S. Bayo, Director
May 27, 2005
Page 2

	<u>Current</u>	<u>Proposed</u>	<u>Inc/(Dec)</u>
	\$	\$	\$
Dismantlement Costs	5,832,103	5,836,672	4,569
Depreciation & Amortization	<u>87,524,051</u>	<u>87,517,523</u>	<u>(6,528)</u>
TOTAL	<u>93,356,154</u>	<u>93,354,195</u>	<u>(1,959)</u>

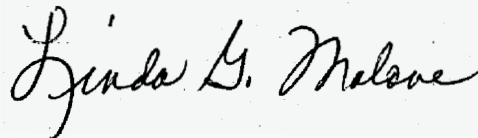
These amounts are detailed in the binder labeled Gulf Power Company Depreciation Study Volume 1 of 2, Tab 5, Proforma Expense Comparison. The schedules reflect depreciation and amortization accruals by categories and dismantlement accrual at December 31, 2005.

With the filing of this 2005 Depreciation Study, Gulf Power Company requests approval of new depreciation rates, as proposed under Tab 4 and new accrual amounts for dismantlement costs as reflected under Tab 9. We also request Commission approval to apply these proposed rates for depreciation and accruals for dismantlement with an effective date of January 1, 2006.

Gulf Power Company requests that any final recommendation by the Florida Public Service Commission staff for approval by the full Commission be accompanied by an explanation of any deviation from the filed Company recommendation. We also ask, for all depreciable categories, final approved accrual rates be accompanied by separate statistics for Whole Life Equivalent Lives and Rates, Plant Dismantlement Accrual, Removal Rate for Interim Retirements, Gross Salvage Rate and Theoretical Reserves.

All staff requests for clarification and additional information will be given prompt attention. Should there be any questions regarding this submittal, please contact Kathy Majors at (850) 444-6584 or Kim McDaniel at (850) 444-6467.

Sincerely,



Linda G. Malone
Assistant Secretary and Assistant Treasurer

KEM/db
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May 26, 2005

Gulf Power Company
Pensacola, Florida

The attached report summarizes the study we conducted of the annual depreciation (capital recovery) rates for the projected depreciable electric plant of Gulf Power Company ("Gulf Power" or "the Company") as of December 31, 2005 ("the study date"). The study was made to determine the appropriate book depreciation factors and rates to be applied to the plant in service to enable recovery of the plant investment, adjusted for net removal, over its remaining useful life. The scope of the study included a review and analysis of the average service lives and remaining lives of the property. Also included in the study were a determination of net removal and the annual depreciation of dismantlement costs of Production Plant ("Dismantlement Costs").

The study was made using methods and procedures generally accepted in the industry and consistent with the Florida Public Service Commission ("Commission") practice and the Florida Administrative Code 25-6.0436. The Commission requires utilities in the State of Florida to file a depreciation rate study every four years and change, as necessary, the depreciation rates currently in use.

Dismantlement Costs

The annual depreciation expense for Gulf Power's Dismantlement Costs was revised as of the projected December 31, 2005 study date based on Commission requirements. The Dismantlement Costs were updated by the Company using current estimates. The proposed annual dismantlement expense as of December 31, 2005 is \$5,836,672, which is an increase of \$4,569 compared to current expense.

Production Plant

It is recommended that Gulf Power depreciation rates of its Production Plant investment continue to be calculated using the straight-line remaining life method currently used by the Company. Specifically, depreciation of Production Plant is developed using the life span technique in which the remaining life of a generating unit is based on its estimated retirement date. The average remaining life of a generating plant reflects the adjustment for the effects of interim retirements. Under the generally accepted life span method used by the Company, the net investment of Production Plant is recovered through depreciation over the average remaining life of each generating unit.

The Production depreciation rates also reflect the effects of net removal of interim retirements. For this study, the net removal rate of interim retirements was estimated at 20%.

The depreciation rates recommended in this report for the Company's Production Plant investment are designed to recover, through the depreciation expense provision, the total cost of plant, allowing for net removal, over the remaining useful life of the plant that result from the estimated retirement dates.

Interim Retirements

Because some investment at a generating plant is retired prior to the final retirement date of the plant, depreciation of Production Plant reflect interim retirements. In this study, consistent with prior studies, each retirement unit have been stratified it into one of three life categories by Gulf Power engineers. These life categories are 1-20 years, 21-35 years, and 36 years through the life-of-plant. These categories were the basis for determining the average service lives and average remaining lives for the depreciable investment at each generating plant.

Retirement Dates

The estimated retirement dates for Gulf Power's generating plants reflect the Company's best estimate of the life of its generating units. For this study, life spans of several generating units were extended by five or ten years. The life spans of Gulf Power's generating units are consistent with the life estimates and trends used within the Southern Company's electric system.

Parameters for Transmission, Distribution, and General Plant

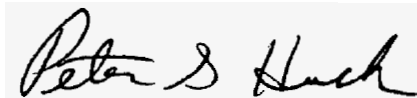
The analysis of the average service life, mortality dispersion curves, and net removal estimates for Gulf Power included a review of historical lives and trends for each property account of depreciable electric plant. Average services lives were analyzed with the aid of the actuarial method and the Simulated Plant Record (“SPR”) method. The estimates of net removal were based on a review of Company net removal experience. The lifing and net removal analysis resulted in recommended changes in average service lives, dispersions, and/or net removal for certain Transmission, Distribution and General plant accounts.

Conclusion

The proposed depreciation rates are shown in Tab 6, Analysis Results. Tab 6 also shows the comparison of the recommended depreciation rates and parameters to the rates currently in use.

We recommend Gulf Power adopt the depreciation rates included in this study. Based on the study, it is our opinion that the depreciation factors as recommended are reasonable and appropriate for Gulf Power capital recovery. The depreciation factors recommended in this study are designed to recover, through the depreciation expense provision, the total cost of plant, allowing for net removal, over the remaining useful life of the plant based on the facts and conditions known at the time of the study.

Respectfully submitted,
AMERICAN APPRAISAL ASSOCIATES, INC.



May 26, 2005
058394

Peter S. Huck, P.E., ASA
Assistant Vice President and Principal

2005 DEPRECIATION STUDY
GULF POWER COMPANY
REPORT ORGANIZATION

The Proposed Rates section (Tab 4) summarizes the depreciation accrual rates recommended by this study. (Florida Administrative Code 25-6.0436 (6) (a))

The Proforma Expense Comparison (Tab 5) computes depreciation expense on December 31, 2005, projected investment, using both the current and proposed accrual rates. This analysis compares the current and proposed rates, and also shows the change in expense as a result of adopting the proposed rates. (Florida Administrative Code 25-6.0436 (6) (a) & (b))

The Analysis Results section (Tab 6) contains summary pages for each of the following major functions: 1) Steam Production Plant, 2) Other Production Plant, 3) Transmission Plant, 4) Distribution Plant and 5) General Plant. Each summary page presents a narrative of pertinent information related to the analysis. Each summary page is followed by tabular analysis of each account (subaccount), similarly arranged, that comprise that function. (Florida Administrative Code 25-6.0436 (6) (a), (b), (d), (f), (g); (7) (a))

The Parameter Schedules (Tab 7) summarize the parameters used in the calculation of depreciation rates for each account (subaccount) within the five major functions of Gulf Power Company's depreciable investment. The schedules present the projected December 31, 2005, plant and reserve balances and the estimates of average service life, net salvage, and average remaining life for each account (subaccount) within the major study groupings. (Florida Administrative Code 25-6.0436 (6) (d) & (g))

The Net Removal Cost section (Tab 8) contains a summary of net removal factors used for this study, compared to factors used for the prior study. Following this summary is the detailed analysis by account. (Florida Administrative Code 25-6.0436 (6) (h))

The Fossil Dismantlement section (Tab 9) presents the annual accruals for production plant dismantlement based on future value methodology. (Rule 25-6.0436(4))

The Summary of Plant-in-Service and Accumulated Depreciation (Tab 10 & 11) presents annual activity by function and account. (Florida Administrative Code 25-6.0436 (6) (c) & (g))

Volume 2 of the Depreciation Study contains supporting documentation for Volume 1 of the Depreciation Study. The Dismantling Study (Volumes 1 & 2) for Gulf Power Company's plants includes summaries, assumptions, descriptions, cost bases, and cost reports.

2005 DEPRECIATION STUDY
 GULF POWER COMPANY
PROPOSED RATES

The depreciation rates proposed in this study are based on Gulf Power Company's (Gulf) estimated depreciable investment as of December 31, 2005. The proposed rates will provide for a systematic allocation of capital costs over the expected useful life of the property. Capital costs include the acquisition cost of the property, in addition to the estimated cost of retirement (salvage and cost of removal).

Gulf's current depreciation rates were approved by the Florida Public Service Commission under Docket # 010949-EI in Order #PSC-02-0787-FOF-EI, dated June 10, 2002, and were effective January 1, 2002. The effective date of Gulf's proposed rates is requested to be January 1, 2006. As a result of this study, the following accrual rates, expressed as a percent of investment, are proposed:

<u>FUNCTION</u>	<u>RATE</u>
	%
STEAM PRODUCTION:	
Daniel Plant	3.2
Daniel RR Track	1.0
Daniel Easements	1.1
Crist Plant	3.7
Scholz Plant	4.2
Smith Plant	3.9
Scherer Plant	1.9
 OTHER PRODUCTION:	
Smith CT	0.3
Pace (Pea Ridge) Plant	5.0
Smith Combined Cycle	4.0
 TRANSMISSION:	
Land and Land Rights	1.7
Structures and Improvements	2.2
Station Equipment	2.2
Towers and Fixtures	2.3
Poles and Fixtures	4.1
Overhead Conductors	2.6
Underground Conductors	2.0
Roads and Trails	2.3

2005 DEPRECIATION STUDY
GULF POWER COMPANY
PROPOSED RATES (CONTINUED)

<u>FUNCTION</u>	<u>RATE</u>
	%
DISTRIBUTION:	
Land & Land Rights	2.0
Structures and Improvements	2.2
Station Equipment	2.3
Poles, Towers, and Fixtures	5.6
Overhead Conductors	2.8
Underground Conduits	1.2
Underground Conductors	3.3
Line Transformers	4.1
Services - Overhead	3.5
Services - Underground	2.3
Services - House Power Panels	2.3
Meters	2.7
Street Lighting	5.2
GENERAL:	
Structures and Improvements	2.2
Light Trucks	9.5
Heavy Trucks	8.1
Trailers	5.5
Power Operated Equipment	4.8
Communications Equipment	5.4

Gulf Power Company's depreciation expense will also include amounts for the dismantlement of fossil fueled and other production generating stations, and the amortization of general type property.

Depreciation Rates and Components
2005 Depreciation Study
Gulf Power Company

<u>Account</u>	<u>Depreciable Category</u>	(A) Average Remaining Life	(B) Net Removal	(C) Book Reserve Ratio	(D) Remaining Life Rate (%) <small>[1+(B)-(C)]÷(A)</small>
<u>Steam Production</u>					
	Daniel Plant	19.6	8%	46.47%	3.2
	Daniel RR Track	30.5	0%	68.02%	1.0
	Daniel Easements	30.5	0%	65.77%	1.1
	Crist Plant	17.9	7%	40.27%	3.7
	Scholz Plant	5.4	3%	80.22%	4.2
	Smith Plant	15.2	4%	44.64%	3.9
	Scherer Plant	31.3	5%	45.07%	1.9
<u>Other Production</u>					
	Smith CT	11.5	0%	96.21%	0.3
	Pace (Pea Ridge) Plant	12.5	0%	37.89%	5.0
	Smith Combined Cycle	21.3	0%	13.27%	4.0
<u>Transmission</u>					
350.2	Land and Land Rights	33.0	0%	44.81%	1.7
352	Structures and Impr.	30.7	5%	37.04%	2.2
353	Station Equipment	35.0	5%	26.72%	2.2
354	Towers and Fixtures	28.9	25%	59.91%	2.3
355	Poles and Fixtures	27.2	40%	27.39%	4.1
356	Overhead Conductors	37.7	35%	37.70%	2.6
358	Underground Conductors	29.0	0%	41.46%	2.0
359	Roads and Trails	25.1	0%	41.48%	2.3

Depreciation Rates and Components
2005 Depreciation Study
Gulf Power Company

<u>Account</u>	<u>Depreciable Category</u>	(A) <u>Average Remaining Life</u>	(B) <u>Net Removal</u>	(C) <u>Book Reserve Ratio</u>	(D) <u>Remaining Life Rate (%)</u>
					[1+(B)-(C)]÷(A)
<u>Distribution</u>					
360.2	Land and Land Rights	50.0	0%	0.00%	2.0
361	Structures and Impr.	29.5	5%	39.68%	2.2
362	Station Equipment	31.2	5%	33.77%	2.3
364	Poles, Towers, and Fixtures	23.8	75%	40.63%	5.6
365	Overhead Conductors	27.1	10%	34.51%	2.8
366	Underground Conduit	30.2	0%	64.77%	1.2
367	Underground Conductors	21.4	0%	30.01%	3.3
368	Line Transformers	21.3	25%	37.50%	4.1
369.1	Services-Overhead	23.4	35%	53.37%	3.5
369.2	Services-Underground	33.2	5%	29.45%	2.3
369.3	House Power Panels	6.1	0%	86.19%	2.3
370	Meters	25.4	0%	31.66%	2.7
373	Street Lighting	12.5	5%	40.34%	5.2

<u>General</u>					
390	Structures and Impr.	28.2	5%	42.55%	2.2
392.2	Light Trucks	4.6	-13%	43.71%	9.5
392.3	Heavy Trucks	5.9	-17%	35.58%	8.1
393.4	Trailers	9.2	-15%	34.39%	5.5
396	Power Operated Equip.	7.6	-20%	43.66%	4.8
397	Communications Equip.	8.7	0%	52.99%	5.4

Gulf Power Company

Proforma Change in Depreciation Expense

Function/Group	Projected 12/31/2005 Investment	Current Rate	Current Expense	Proposed Rate	Proposed Expense	Increase (Decrease)
<u>Steam Prod Excl Dismantlement</u>						
Crist Plant	513,893,670	3.9%	20,041,853	3.7%	19,014,066	(1,027,787)
Amort - 5 Year	24,290	5 Yr	2,607	5 Yr	2,607	0
Amort - 7 Year	3,416,970	7 Yr	392,295	7 Yr	392,295	0
Total Crist	<u>517,334,930</u>		<u>20,436,755</u>		<u>19,408,968</u>	<u>(1,027,787)</u>
Daniel Plant	225,201,810	2.8%	6,305,651	3.2%	7,206,458	900,807
Daniel RR Track	2,741,620	1.6%	43,866	1.0%	27,416	(16,450)
Easements	77,160	1.7%	1,312	1.1%	849	(463)
Cooling Lake-23 year Amort	8,954,190		386,861		386,861	0
Total Daniel	<u>236,974,780</u>		<u>6,737,689</u>		<u>7,621,584</u>	<u>883,895</u>
Scherer Plant	181,134,390	2.0%	3,622,688	1.9%	3,441,553	(181,135)
Amort - 7 Year	35,260	7 Yr	982	7 Yr	982	0
	<u>181,169,650</u>		<u>3,623,670</u>		<u>3,442,535</u>	<u>(181,135)</u>
Scholz Plant	29,730,490	2.9%	862,184	4.2%	1,248,681	386,497
Amort - 5 Year	0	5 Yr	(600)	5 Yr	(600)	0
Amort - 7 Year	149,370	7 Yr	21,338	7 Yr	21,338	0
Total Scholz	<u>29,879,860</u>		<u>882,922</u>		<u>1,269,419</u>	<u>386,497</u>
Smith Plant	143,108,530	3.3%	4,722,581	3.9%	5,581,233	858,652
Amort - 5 Year	22,370	5 Yr	4,473	5 Yr	4,473	0
Amort - 7 Year	707,360	7 Yr	82,941	7 Yr	82,941	0
Total Smith	<u>143,838,260</u>		<u>4,809,995</u>		<u>5,668,647</u>	<u>858,652</u>
Total Steam Prod Excl Dismantlement	<u>1,109,197,480</u>		<u>36,491,032</u>		<u>37,411,152</u>	<u>920,120</u>
<u>Steam Prod Dismantlement</u>						
Crist			2,866,326		3,026,105	159,779
Daniel			724,822		751,989	27,167
Scherer			185,846		107,858	(77,988)
Scholz			527,395		514,117	(13,278)
Smith			1,240,212		1,128,506	(111,706)
Total Steam Production Dismantlement			<u>5,544,601</u>		<u>5,528,575</u>	<u>(16,026)</u>
<u>Other Prod Excl Dismantlement</u>						
Smith CT	4,354,570	0.9%	39,191	0.3%	13,064	(26,127)
Pace ("Pea Ridge")	10,481,920	5.0%	524,096	5.0%	524,096	0
Smith CC	202,329,030	4.0%	8,093,161	4.0%	8,093,161	0
Total Other Prod Excl Dismantlement	<u>217,165,520</u>		<u>8,656,448</u>		<u>8,630,321</u>	<u>(26,127)</u>
<u>Other Prod Dismantlement</u>						
Smith CT			11,259		4,545	(6,714)
Pace ("Pea Ridge")			24,927		6,048	(18,879)
Smith CC			251,316		297,504	46,188
Total Other Production Dismantlement			<u>287,502</u>		<u>308,097</u>	<u>20,595</u>

Gulf Power Company

Proforma Change in Depreciation Expense

Function/Group	Projected 12/31/2005 Investment	Current Rate	Current Expense	Proposed Rate	Proposed Expense	Increase (Decrease)
Transmission Plant						
Easements	11,344,580	1.7%	192,858	1.7%	192,858	0
Structures and Improvements	6,167,160	2.2%	135,678	2.2%	135,678	0
Station Equipment	88,247,980	2.1%	1,853,208	2.2%	1,941,456	88,248
Towers and Fixtures	35,213,730	2.4%	845,130	2.3%	809,916	(35,214)
Poles and Fixtures	59,026,480	4.2%	2,479,112	4.1%	2,420,086	(59,026)
Overhead Conductors and Devices	50,364,370	2.5%	1,259,109	2.6%	1,309,474	50,364
Underground Conductors	13,612,400	2.2%	299,473	2.0%	272,248	(27,225)
Roads and Trails	64,920	2.5%	1,623	2.3%	1,493	(130)
Total Transmission Plant	<u>264,041,620</u>		<u>7,066,190</u>		<u>7,083,207</u>	<u>17,017</u>
Distribution Plant						
Easements and Rights of Way				2.0%		0
Structures and Improvements	12,691,930	2.2%	279,222	2.2%	279,222	0
Station Equipment	135,871,830	2.5%	3,396,796	2.3%	3,125,052	(271,744)
Poles, Towers, and Fixtures	112,535,550	5.8%	6,527,062	5.6%	6,301,991	(225,071)
Overhead Conductors and Devices	110,189,870	2.5%	2,754,747	2.8%	3,085,316	330,569
Underground Conduit	1,210,870	1.2%	14,530	1.2%	14,530	0
Underground Conductors	82,423,600	3.0%	2,472,708	3.3%	2,719,979	247,271
Line Transformers	172,026,950	4.2%	7,225,132	4.1%	7,053,105	(172,027)
Overhead Services	41,807,020	3.0%	1,254,211	3.5%	1,463,246	209,035
Underground Services	33,017,020	2.4%	792,408	2.3%	759,391	(33,017)
Service Entrances	3,411,680	3.0%	102,350	2.3%	78,469	(23,882)
Meters	45,141,070	2.3%	1,038,245	2.7%	1,218,809	180,564
Street Lighting	49,004,690	5.8%	2,842,272	5.2%	2,548,244	(294,028)
Total Distribution Plant	<u>799,332,080</u>		<u>28,699,683</u>		<u>28,647,354</u>	<u>(52,329)</u>
General Plant						
Structures and Improvements	55,821,740	2.2%	1,228,078	2.2%	1,228,078	0
Power Operated Equipment	593,660	5.7%	33,839	4.8%	28,496	(5,343)
Communications Equipment	17,535,930	9.4%	1,648,377	5.4%	946,940	(701,437)
Transportation Equipment						
Light Trucks	5,284,180	7.7%	406,882	9.5%	501,997	95,115
Heavy Trucks	19,410,960	9.4%	1,824,630	8.1%	1,572,288	(252,342)
Trailers	1,202,100	5.6%	67,318	5.5%	66,116	(1,202)
Total Transportation Equipment	<u>25,897,240</u>		<u>2,298,830</u>		<u>2,140,400</u>	<u>(158,429)</u>
Total Depreciable General Plant	<u>99,848,570</u>		<u>5,209,124</u>		<u>4,343,915</u>	<u>(865,209)</u>
Total Depreciable Excl Dismantlement	<u>2,489,585,270</u>		<u>86,122,477</u>		<u>86,115,949</u>	<u>(6,528)</u>

Gulf Power Company

Proforma Change in Depreciation Expense

Function/Group	Projected 12/31/2005 Investment	Current Rate	Current Expense	Proposed Rate	Proposed Expense	Increase (Decrease)
General Plant Amortization (Estimated 2006)						
Office Furniture & Equipment						
Furniture/Non-Computer	1,852,700	7 Yr	214,615	7 Yr	214,615	0
Computer Equipment	1,080,460	5 Yr	197,657	5 Yr	197,657	0
Total Office Furn & Equip	<u>2,933,160</u>		<u>412,272</u>		<u>412,272</u>	<u>0</u>
Auxiliary General Equipment						
Marine Equipment	163,560	5 Yr	16,314	5 Yr	16,314	0
Stores Equipment	276,390	7 Yr	29,671	7 Yr	29,671	0
Tools, Shop & Garage Equipment	2,219,970	7 Yr	285,588	7 Yr	285,588	0
Laboratory Equipment	2,446,740	7 Yr	287,833	7 Yr	287,833	0
Communications Equipment	1,441,160	7 Yr	141,536	7 Yr	141,536	0
Miscellaneous Equipment	2,162,560	7 Yr	228,360	7 Yr	228,360	0
Total Auxiliary General Equipment	<u>8,710,380</u>		<u>989,302</u>		<u>989,302</u>	<u>0</u>
Total Amortizable General	<u>11,643,540</u>		<u>1,401,574</u>		<u>1,401,574</u>	
Total Depreciable & Amortizable General Plant	<u>111,492,110</u>		<u>6,610,698</u>		<u>5,745,489</u>	<u>(865,209)</u>
All Property						
Total Depreciable and Amortizable Property	<u>2,501,228,810</u>		<u>93,356,154</u>		<u>93,354,195</u>	<u>(1,959)</u>

ANALYSIS RESULTS Production Plant

The detailed Analysis Results (by plant) appear on pages 3 to 12 and represent Gulf Power Company's ("Gulf Power" or "the Company") projected depreciable investment in Steam and Other Production Plant as of December 31, 2005

The net increase in the investment of Steam Production Plant since the prior study is presented in Tab 10, which summarizes annual changes to plant-in-service balances.

Dismantlement Expense has been determined using Gulf Power's most recent dismantlement cost estimate. The annual expense was calculated using the FPSC prescribed procedures included in Rule 25-6.04364(4) (see Tab 9).

In interpreting the Analysis Results appearing on this and subsequent pages, it important to understand the concept of average service life relating to the "Forecast Life Span" method used in determining these rates.

Location life property is property located at a specific location, at which all surviving investment are expected to be retired at one time. All production plants are assigned an estimated retirement date, determined by the Company. Our analyses assume all surviving property located at each production plant will be retired when the plant reaches its retirement date. It, however, must be recognized that retirement dates are estimates that reflect a set of complex and dynamic market factors, not commitments by Gulf Power.

The total life span of a production plant is the maximum life expected for any investment from the original in-service year to retirement date. Not all property will survive to the plant's retirement date. Interim additions, investment added subsequent to the in-service date of the plant, will, by definition, have a shorter life than that of the original investment.

Any plant investment currently in service which is not expected to survive to the plant's retirement date is referred to as an interim retirement. As interim retirements will affect the average service life of their property group, it is important to identify and project all anticipated interim retirements as part of the rate development process. Interim retirements for this study have been estimated by stratifying each FERC account into categories of homogeneous lives per the FPSC rule. Gulf Power personnel have separated all of the retirement units in production plant into three life categories of 1-20 years, 21-35 years or 36 years through the life-of-plant. The average remaining life of each life category was the maximum period for each category not exceeding the projected retirement date of the generating unit.

A net removal cost factor of 20% was applied to all interim retirements. This factor is based on historical analysis of Gulf Power's actual salvage and cost of removal.

The detailed schedules for each production plant are available in Volume 2 behind the Production tab. These schedules present the calculations used to estimate the Average Service Life ("ASL"), Average Remaining Life ("ARL"), Interim Salvage, and Calculated Reserve utilizing the Forecast Life Span method noted above. A summary of the detailed calculations for each stratified account is presented in Tab 7 "Parameter Schedules". The calculations performed on these schedules are as follows:

$$\text{ASL} = \text{REV} - \text{VIN}$$

$$\text{AGE} = 2005 + 0.5 - \text{VIN} \text{ (half year convention)}$$

$$\text{ARL} = \text{ASL} - \text{AGE}$$

$$\text{AGE Weight} = \frac{\text{Balance 12/05}}{\text{AGE}}$$

Interim Salvage = Retirements Prior to Unit Retirement Date (x) -20% (represents Net Removal)

$$\text{Calculated Reserve} = \text{Accrual} \times \text{AGE}$$

$$\text{Unrecovered} = \text{Balance 12/05} - \text{Calculated Reserve}$$

$$\text{Accrual} = \frac{\text{Balance 12/05}}{\text{ASL}}$$

$$\text{Composite ASL} = \frac{\text{Sum of Balance 12/05}}{\text{Sum of Accrual}}$$

$$\text{Composite ARL} = \frac{\text{Sum of Unrecovered}}{\text{Sum of Accrual}}$$

Retirement Date = Unit Retirement Date or VIN + ASL, whichever is shorter

ANALYSIS RESULTS
Depreciable Property

Plant Crist					
Item			2001 FPSC	2005	Change
Total Investment			402,808,000	513,893,670	111,085,670
Retirement Dates:					
	<u>MW</u>	<u>Fuel Type</u>	<u>In-Serv.</u>		
1	22.5	Oil/Gas	1945	2011	2011
2	22.5	Oil/Gas	1949	2011	2011
3	30.0	Oil/Gas	1952	2011	2011
4	75.0	Coal/Gas	1959	2014	2014
5	75.0	Coal/Gas	1961	2016	2016
6	320.0	Coal/Gas	1970	2015	2025
7	500.0	Coal	1973	2018	2028
Life Span (Years):					
	Unit 1		66	66	
	Unit 2		62	62	
	Unit 3		59	59	
	Unit 4		55	55	
	Unit 5		55	55	
	Unit 6		45	55	
	Unit 7		45	55	
	Common		73	83	
Study Method/Dispersion			Forecast	Forecast	
Average Service Life			29	29	
Theoretical Reserve			214,177,661	219,659,067	5,481,406
Book Reserve (excl dismantlement)			194,671,000	206,967,910	12,296,910
Reserve Variance			(19,506,661)	(12,691,157)	6,815,504
Book Reserve Ratio			48.33%	40.27%	
Gross Salvage			0%	0%	
Removal Cost excl Dismantlement			3%	7%	
Net Removal Cost			3%	7%	
Annual Dismantlement Expense			<u>Current</u> 2,866,326	<u>2005</u> 3,026,105	159,779
Avg Whole Life Rate			3.6%	3.7%	
AWL 2005 Expense excl Dismantlement			18,500,172	19,014,066	513,894
Average Remaining Life			14.1	17.9	
ARL Rate			3.9%	3.7%	
ARL 2005 Expense excl Dismantlement			20,041,853	19,014,066	(1,027,787)

Total investment and reserve amounts above include those of retired Crist 1.

ANALYSIS RESULTS
Depreciable Property

Plant Daniel				
Item		2001 FPSC	2005	Change
Total Investment		213,576,382	225,201,810	11,625,428
Retirement Dates:				
<u>Unit</u>	<u>MW</u>	<u>Fuel Type</u>	<u>In-Serv.</u>	
1	500	Coal/Oil	1977	2022 2032
2	500	Coal/Oil	1981	2026 2036
Life Span (Years):				
Unit 1			45	55
Unit 2			45	55
Common 1-2			49	59
Common 1-4			49	59
Study Method/Dispersion		Forecast	Forecast	
Average Service Life		37	39	
Theoretical Reserve		99,492,738	120,322,250	20,829,512
Book Reserve (excl dismantlement)		102,527,000	104,655,330	2,128,330
Reserve Variance		3,034,262	(15,666,920)	(18,701,182)
Book Reserve Ratio		48.00%	46.47%	
Gross Salvage		1%	0%	
Removal Cost excl Dismantlement		5%	8%	
Net Removal Cost		4%	8%	
Annual Dismantlement		<u>Current</u> 724.822	<u>2005</u> 751.989	27,167
Avg Whole Life Rate		2.8%	2.8%	
AWL 2005 Expense excl Dismantlement		6,305,651	6,305,651	0
Average Remaining Life		19.8	19.6	
ARL Rate		2.8%	3.2%	
ARL 2005 Expense excl Dismantlement		6,305,651	7,206,458	900,807

ANALYSIS RESULTS
Depreciable Property

Plant Daniel Easements				
Item	2001 FPSC	2005	Change	
Total Investment	77,000	77,160	160	
Retirement Dates	2026	2036		
Study Method/Dispersion	Forecast	Forecast		
Average Service Life	49	59		
Theoretical Reserve	38,500	38,500		
Book Reserve (excl dismantlement)	44,000	50,750	6,750	
Reserve Variance	5,500	12,250	6,750	
Book Reserve Ratio	57.14%	65.77%		
Gross Salvage	0%	0%		
Removal Cost excl Dismantlement	0%	0%		
Net Removal Cost	0%	0%		
	<u>Current</u>	<u>2005</u>		
Avg Whole Life Rate	2.0%	1.7%		
AWL 2005 Expense excl Dismantlement	1,543	1,312	(231)	
Average Remaining Life	24.5	30.5		
ARL Rate	1.7%	1.1%		
ARL 2005 Expense excl Dismantlement	1,312	849	(463)	

This investment is being recovered over the remaining span life of Daniel Unit 2.

ANALYSIS RESULTS
Depreciable Property

Plant Daniel Rail Tracks				
Item	2001 FPSC	2005	Change	
Total Investment	2,741,618	2,741,620	2	
Retirement Dates	2026	2036		
Study Method/Dispersion	Forecast	Forecast		
Average Service Life	48	57		
Theoretical Reserve	1,340,106	1,284,913	(55,193)	
Book Reserve (excl dismantlement)	1,654,000	1,864,720	210,720	
Reserve Variance	313,894	579,807	265,913	
Book Reserve Ratio	60.33%	68.02%		
Gross Salvage	0%	0%		
Removal Cost excl Dismantlement	0%	0%		
Net Removal Cost	0%	0%		
	<u>Current</u>	<u>2005</u>		
Avg Whole Life Rate	2.1%	1.8%		
AWL 2005 Expense excl Dismantlement	57,574	49,349	(8,225)	
Average Remaining Life	24.5	30.5		
ARL Rate	1.6%	1.0%		
ARL 2005 Expense excl Dismantlement	43,866	27,416	(16,450)	

This investment is being recovered over the remaining span life of Daniel Unit 2.

ANALYSIS RESULTS
Depreciable Property

Plant Scherer				
Item		2001 FPSC	2005	Change
Total Investment		181,532,417	181,134,390	(398,027)
Retirement Dates:				
<u>Unit</u>	<u>MW</u>	<u>Fuel Type</u>	<u>In-Serv.</u>	
3	818	Coal	1987	
		2042	2042	
Life Span (Years):				
Unit 3		55	55	
Study Method/Dispersion		Forecast	Forecast	
Average Service Life		46	46	
Theoretical Reserve		57,396,250	73,599,049	16,202,799
Book Reserve (excl dismantlement)		68,151,000	81,644,840	13,493,840
Reserve Variance		10,754,750	8,045,791	(2,708,959)
Book Reserve Ratio		37.54%	45.07%	
Gross Salvage		1%	0%	
Removal Cost excl Dismantlement		5%	5%	
Net Removal Cost		4%	5%	
		<u>Current</u>	<u>2005</u>	
Annual Dismantlement		185,846	107,858	(77,988)
Avg Whole Life Rate		2.3%	2.3%	
AWL 2005 Expense excl Dismantlement		4,166,091	4,166,091	0
Average Remaining Life		32.8	31.3	
ARL Rate		2.0%	1.9%	
ARL 2005 Expense excl Dismantlement		3,622,688	3,441,553	(181,135)

The proposed rate is based on the 55 year span life presently used by Georgia Power Company, Plant Scherer's co-owner and operator.

ANALYSIS RESULTS
Depreciable Property

Plant Scholz						
Item				2001 FPSC	2005	Change
Total Investment				29,771,000	29,730,490	(40,510)
Retirement Dates:						
<u>Unit</u>	<u>MW</u>	<u>Fuel Type</u>	<u>In-Serv.</u>			
1	40	Coal	1953	2011	2011	
2	40	Coal	1953	2011	2011	
Life Span (Years):						
Unit 1				58	58	
Unit 2				58	58	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				30	27	
Theoretical Reserve				22,257,562	25,037,359	2,779,797
Book Reserve (excl dismantlement)				22,506,000	23,849,230	1,343,230
Reserve Variance				248,438	(1,188,129)	(1,436,567)
Book Reserve Ratio				75.60%	80.22%	
Gross Salvage				0%	0%	
Removal Cost excl Dismantlement				3%	3%	
Net Removal Cost				3%	3%	
Annual Dismantlement				<u>Current</u> 527,395	<u>2005</u> 514,117	(13,278)
Avg Whole Life Rate				3.4%	3.8%	
AWL 2005 Expense excl Dismantlement				1,010,837	1,129,759	118,922
Average Remaining Life				9.3	5.4	
ARL Rate				2.9%	4.2%	
ARL 2005 Expense excl Dismantlement				862,184	1,248,681	386,497

ANALYSIS RESULTS
Depreciable Property

Plant Smith						
Item				2001 FPSC	2005	Change
Total Investment				115,890,000	143,108,530	27,218,530
Retirement Dates:	<u>Unit</u>	<u>MW</u>	<u>Fuel Type</u>	<u>In-Serv.</u>		
	1	125	Coal	1965	2015	2020
	2	180	Coal	1967	2017	2022
Life Span (Years):						
	Unit 1			50	55	
	Unit 2			50	55	
	Common			52	57	
Study Method/Dispersion				Forecast	Forecast	
Average Service Life				29	27	
Theoretical Reserve				65,820,138	69,276,295	3,456,157
Book Reserve (excl dismantlement)				66,104,000	63,881,750	(2,222,250)
Reserve Variance				283,862	(5,394,545)	(5,678,407)
Book Reserve Ratio				57.04%	44.64%	
Gross Salvage				1%	0%	
Removal Cost excl Dismantlement				4%	4%	
Net Removal Cost				3%	4%	
Annual Dismantlement				<u>Current</u> 1,240,212	<u>2005</u> 1,128,506	(111,706)
Avg Whole Life Rate				3.6%	3.9%	
AWL 2005 Expense excl Dismantlement				5,151,907	5,581,233	429,326
Average Remaining Life				14.0	15.2	
ARL Rate				3.3%	3.9%	
ARL 2005 Expense excl Dismantlement				4,722,581	5,581,233	858,652

ANALYSIS RESULTS
Depreciable Property

Plant Smith Combustion Turbine				
Item		2001 FPSC	2005	Change
Total Investment		4,341,531	4,354,570	13,039
Retirement Dates:				
<u>Unit</u>	<u>MW</u>	<u>Fuel Type</u>	<u>In-Serv.</u>	
A	40	Nat. Gas	1971	
		2006	2017	
Life Span (Years):				
Unit 1		35	46	
Study Method/Dispersion		Forecast	Forecast	
Average Service Life		30	41	
Theoretical Reserve		3,681,087	3,143,585	(537,502)
Book Reserve (excl dismantlement)		4,166,000	4,189,390	23,390
Reserve Variance		484,913	1,045,805	560,892
Book Reserve Ratio		95.96%	96.21%	
Gross Salvage		0%	0%	
Removal Cost excl Dismantlement		0%	0%	
Net Removal Cost		0%	0%	
		<u>Current</u>	<u>2005</u>	
Annual Dismantlement		11,259	4,545	(6,714)
Avg Whole Life Rate		3.3%	2.4%	
AWL 2005 Expense excl Dismantlement		143,701	104,510	(39,191)
Average Remaining Life		4.5	11.5	
ARL Rate		0.9%	0.3%	
ARL 2005 Expense excl Dismantlement		39,191	13,064	(26,127)

ANALYSIS RESULTS
Depreciable Property

Plant Pace ("Pea Ridge")				
Item		2001 FPSC	2005	Change
Total Investment		10,481,920	10,481,920	0
Retirement Dates:				
<u>Unit</u>	<u>MW</u>	<u>Fuel Type</u>	<u>In-Serv.</u>	
1	15	Gas	1998	
		2018	2018	
Life Span (Years):				
Unit 1		20	20	
Study Method/Dispersion		Forecast	Forecast	
Average Service Life		20	20	
Theoretical Reserve		1,834,336	3,930,719	2,096,383
Book Reserve (excl dismantlement)		1,855,000	3,971,590	2,116,590
Reserve Variance		20,664	40,871	20,207
Book Reserve Ratio		17.70%	37.89%	
Gross Salvage		0%	0%	
Removal Cost excl Dismantlement		0%	0%	
Net Removal Cost		0%	0%	
Annual Dismantlement		<u>Current</u> 24,927	<u>2005</u> 6,048	(18,879)
Avg Whole Life Rate		5.0%	5.0%	
AWL 2005 Expense excl Dismantlement		524,096	524,096	0
Average Remaining Life		16.5	12.5	
ARL Rate		5.0%	5.0%	
ARL 2005 Expense excl Dismantlement		524,096	524,096	0

5.0% Whole Life Rate used per FPSC Docket 98-0366-EQ, Order PSC 98-0790-FOF-EQ

ANALYSIS RESULTS
Depreciable Property

Plant Smith Combined Cycle				
Item	2001 FPSC	2005	Change	
Total Investment		202,329,030		202,329,030
Retirement Dates:				
<u>Unit</u>	<u>MW</u>	<u>Fuel Type</u>	<u>In-Serv.</u>	
3		Gas	2001	2027
Life Span (Years):				
Unit 3				26
Study Method/Dispersion		Forecast		
Average Service Life		25		
Theoretical Reserve		28,193,409		28,193,409
Book Reserve (excl dismantlement)		26,840,390		26,840,390
Reserve Variance		(1,353,019)		(1,353,019)
Book Reserve Ratio		13.27%		
Gross Salvage		0%		
Removal Cost excl Dismantlement		0%		
Net Removal Cost		0%		
	<u>Current</u>	<u>2005</u>		
Annual Dismantlement	251,316	297,504		46,188
Avg Whole Life Rate	4.0%	4.0%		
AWL 2005 Expense excl Dismantlement	8,093,161	8,093,161		0
Average Remaining Life		21.3		
ARL Rate	4.0%	4.0%		
ARL 2005 Expense excl Dismantlement	8,093,161	8,093,161		0

4.0% Whole Life Rate and 25 year depreciable life used per FPSC Docket 010949-EI, Order PSC 02-0787-FOF-EI

Plant Smith Combined Cycle (Unit 3) went into service April 2002.

ANALYSIS RESULTS
Transmission Plant

The Analysis Results presented on pages 14 to 21 represent Gulf Power's projected depreciable investment in Transmission Plant as of December 31, 2005.

The net changes by year to Transmission Plant investment and depreciation reserves are presented in Tabs 10 and 11, which summarize annual changes since the prior study.

In interpreting the Analysis Results for this and subsequent pages, it is important to understand the concept of average service life. Transmission, Distribution and General Plant are sometimes referred to as "average life property. Average life property is that property expected to have a continuous life. In other words, additions and retirements will continually occur creating an average service life as opposed to the location life referred to in the Production Plant Summary. The average service life used for average life properties is based in part upon the analysis of historical accounting data using the Actuarial Method or the Simulated Plant Record method ("SPR").

The Actuarial Method, employed for all Transmission Plant, is used for property that has aged data available. It measures the life of past retirements relative to the original investments, which were exposed to retirement. The results of this analysis are compared with the Iowa-type survivor curves. This analysis was performed using standard actuarial techniques.

The average remaining life ("ARL") presented on subsequent pages is a function of several variables. For example, a change in average service life, a change in the selection of Iowa Survivor curve, or a change in the investment balance all affect the ARL.

Historical analyses of net removal are addressed in Tab 8.

ANALYSIS RESULTS
Depreciable Property

Account 350.2			
Easements and Rights of Way			
Item	FPSC Approved	2005	Change
Investment	\$9,632,194	\$11,344,580	\$1,712,386
Iowa Curve	SQ	SQ	
Average Service Life	60	60	0
Theoretical Reserve	\$4,464,868	\$5,090,386	\$625,518
Book Reserve	\$4,400,000	\$5,083,180	\$683,180
Reserve Variance	(\$64,868)	(\$7,206)	\$57,662
Reserve Ratio	45.68%	44.81%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Removal Cost	0%	0%	0%
Avg. Whole Life Rate	1.7%	1.7%	0.0%
AWL Expense (2005)	\$192,858	\$192,858	\$0
Average Remaining Life	32.2	33.0	0.8
ARL Rate	1.7%	1.7%	0.0%
ARL Expense (2005)	\$192,858	\$192,858	\$0

ANALYSIS RESULTS
Depreciable Property

Account 352			
Structures and Improvements			
Item	FPSC Approved	2005	Change
Investment	\$4,161,283	\$6,167,160	\$2,005,877
Iowa Curve	R3	R3	
Average Service Life	45	45	0
Theoretical Reserve	\$1,562,141	\$2,060,158	\$498,017
Book Reserve	\$1,742,000	\$2,284,190	\$542,190
Reserve Variance	\$179,859	\$224,032	\$44,173
Reserve Ratio	41.86%	37.04%	
Gross Salvage	0%	0%	0%
Removal Cost	5%	5%	0%
Net Removal Cost	5%	5%	0%
Avg. Whole Life Rate	2.3%	2.3%	0.0%
AWL Expense (2005)	\$141,845	\$141,845	\$0
Average Remaining Life	28.9	30.7	1.8
ARL Rate	2.2%	2.2%	0.0%
ARL Expense (2005)	\$135,678	\$135,678	\$0

ANALYSIS RESULTS
Depreciable Property

Account 353			
Station Equipment			
Item	FPSC Approved	2005	Change
Investment	\$78,086,679	\$88,247,980	\$10,161,301
Iowa Curve	S-.5	S0	
Average Service Life	45	45	0
Theoretical Reserve	\$14,726,045	\$20,739,335	\$6,013,290
Book Reserve	\$22,398,000	\$23,576,570	\$1,178,570
Reserve Variance	\$7,671,955	\$2,837,235	(\$4,834,720)
Reserve Ratio	28.68%	26.72%	
Gross Salvage	0%	2%	2%
Removal Cost	5%	7%	2%
Net Removal Cost	5%	5%	0%
Avg. Whole Life Rate	2.3%	2.3%	0.0%
AWL Expense (2005)	\$2,029,704	\$2,029,704	\$0
Average Remaining Life	36.9	35.0	(1.9)
ARL Rate	2.1%	2.2%	0.1%
ARL Expense (2005)	\$1,853,208	\$1,941,456	\$88,248

ANALYSIS RESULTS
Depreciable Property

Investment	\$25,174,077	\$35,213,730	\$10,039,653
Iowa Curve	R5	R5	
Average Service Life	50	50	0
Theoretical Reserve	\$16,580,188	\$18,554,073	\$1,973,885
Book Reserve	\$18,029,000	\$21,095,400	\$3,066,400
Reserve Variance	\$1,448,812	\$2,541,327	\$1,092,515
Reserve Ratio	71.62%	59.91%	
Gross Salvage	0%	0%	0%
Removal Cost	30%	25%	-5%
Net Removal Cost	30%	25%	-5%
Avg. Whole Life Rate	2.6%	2.5%	-0.1%
AWL Expense (2005)	\$915,557	\$880,343	(\$35,214)
Average Remaining Life	24.7	28.9	4.3
ARL Rate	2.4%	2.3%	-0.1%
ARL Expense (2005)	\$845,130	\$809,916	(\$35,214)

ANALYSIS RESULTS
Depreciable Property

Account 355 Poles and Fixtures			
Item	FPSC Approved	2005	Change
Investment	\$38,957,220	\$59,026,480	\$20,069,260
Iowa Curve	50	50	
Average Service Life	35	35	0
Theoretical Reserve	\$13,787,734	\$18,499,056	\$4,711,322
Book Reserve	\$11,607,000	\$16,168,310	\$4,561,310
Reserve Variance	(\$2,180,734)	(\$2,330,746)	(\$150,012)
Reserve Ratio	29.79%	27.39%	
Gross Salvage	0%	0%	0%
Removal Cost	40%	40%	0%
Net Removal Cost	40%	40%	0%
Avg. Whole Life Rate	4.0%	4.0%	0.0%
AWL Expense (2005)	\$2,361,059	\$2,361,059	\$0
Average Remaining Life	26.2	27.2	1.0
ARL Rate	4.2%	4.1%	-0.1%
ARL Expense (2005)	\$2,479,112	\$2,420,086	(\$59,026)

ANALYSIS RESULTS
Depreciable Property

Account 356			
Investment	\$52,961,135	\$50,364,370	(\$2,596,765)
Iowa Curve	R2	R2	
Average Service Life	50	50	0
Theoretical Reserve	\$13,502,799	\$16,712,824	\$3,210,025
Book Reserve	\$15,538,000	\$18,986,670	\$3,448,670
Reserve Variance	\$2,035,201	\$2,273,846	\$238,645
Reserve Ratio	29.34%	37.70%	
Gross Salvage	5%	5%	0%
Removal Cost	35%	40%	5%
Net Removal Cost	30%	35%	5%
Avg. Whole Life Rate	2.6%	2.7%	0.1%
AWL Expense (2005)	\$1,309,474	\$1,359,838	\$50,364
Average Remaining Life	40.2	37.7	(2.5)
ARL Rate	2.5%	2.6%	0.1%
ARL Expense (2005)	\$1,259,109	\$1,309,474	\$50,364

ANALYSIS RESULTS
Depreciable Property

Account 358 Underground Conductor & Devices			
Item	FPSC Approved	2005	Change
Investment	\$13,612,397	\$13,612,400	\$3
Iowa Curve	R3	R3	
Average Service Life	45	45	0
Theoretical Reserve	\$3,729,393	\$4,863,764	\$1,134,371
Book Reserve	\$3,990,000	\$5,644,310	\$1,654,310
Reserve Variance	\$260,607	\$780,546	\$519,939
Reserve Ratio	29.31%	41.46%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Removal Cost	0%	0%	0%
Avg. Whole Life Rate	2.2%	2.2%	0.0%
AWL Expense (2005)	\$299,473	\$299,473	\$0
Average Remaining Life	32.7	29.0	(3.7)
ARL Rate	2.2%	2.0%	-0.2%
ARL Expense (2005)	\$299,473	\$272,248	(\$27,225)

ANALYSIS RESULTS
Depreciable Property

Account 359 Roads and Trails			
Item	FPSC Approved	2005	Change
Investment	\$54,561	\$64,920	\$10,359
Iowa Curve	SQ	SQ	
Average Service Life	50	50	0
Theoretical Reserve	\$27,987	\$32,337	\$4,350
Book Reserve	\$21,000	\$26,930	\$5,930
Reserve Variance	(\$6,987)	(\$5,407)	\$1,580
Reserve Ratio	38.49%	41.48%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Removal Cost	0%	0%	0%
Avg. Whole Life Rate	2.0%	2.0%	0.0%
AWL Expense (2005)	\$1,298	\$1,298	\$0
Average Remaining Life	24.4	25.1	0.7
ARL Rate	2.5%	2.3%	-0.2%
ARL Expense (2005)	\$1,623	\$1,493	(\$130)

Support for selections may be found in the supporting workpapers behind each account tab in volume 2.

ANALYSIS RESULTS

Distribution Plant

The Analysis Results presented on pages 23 to 35 represent Gulf Power's projected depreciable investment in Distribution Plant as of 12/31/05.

The net changes by year to Distribution Plant investment and depreciation reserves are presented in Tabs 10 and 11, which summarize annual changes to plant-in-service.

The "average life property" concept as discussed under Transmission Plant also applies to Distribution Plant. The actuarial method discussed under transmission is used for substations (Accounts 361 and 362). For mass distribution property (Accounts 364 to 373), the simulated plant record (SPR) method is utilized as an aid in estimating the ASL. The method simulates aged data for each account by matching actual account balances (or retirements) with those generated by the Iowa curves using a standard SPR program.

Historical analyses of net removal are addressed in Tab 8.

ANALYSIS RESULTS
Depreciable Property

Account 360.2			
Easements and Rights of Way			
Item	FPSC Approved	2005	Change
Investment			
Iowa Curve		SQ	
Average Service Life		50	
Theoretical Reserve			
Book Reserve			
Reserve Variance			
Reserve Ratio			
Gross Salvage		0%	
Removal Cost		0%	
Net Removal Cost		0%	
Avg. Whole Life Rate		2.0%	
AWL Expense (2005)			
Average Remaining Life		50.0	
ARL Rate		2.0%	
ARL Expense (2005)			

The company expects to have investment of approximately \$30,000 in this account in 2006.

ANALYSIS RESULTS
Depreciable Property

Account 361 Structures and Improvements			
Item	FPSC Approved	2005	Change
Investment	\$10,042,900	\$12,691,930	\$2,649,030
Iowa Curve	R3	R3	
Average Service Life	45	45	0
Theoretical Reserve	\$3,679,172	\$4,594,048	\$914,876
Book Reserve	\$4,091,000	\$5,036,500	\$945,500
Reserve Variance	\$411,828	\$442,452	\$30,624
Reserve Ratio	40.74%	39.68%	
Gross Salvage	0%	0%	0%
Removal Cost	5%	5%	0%
Net Removal Cost	5%	5%	0%
Avg. Whole Life Rate	2.3%	2.3%	0.0%
AWL Expense (2005)	\$291,914	\$291,914	\$0
Average Remaining Life	29.3	29.5	0.2
ARL Rate	2.2%	2.2%	0.0%
ARL Expense (2005)	\$279,222	\$279,222	\$0

ANALYSIS RESULTS
Depreciable Property

Account 362 Station Equipment			
Item	FPSC Approved	2005	Change
Investment	\$114,739,102	\$135,871,830	\$21,132,728
Iowa Curve	R1.5	R1.5	
Average Service Life	40	43	3
Theoretical Reserve	\$33,818,220	\$39,230,341	\$5,412,121
Book Reserve	\$36,990,000	\$45,889,610	\$8,899,610
Reserve Variance	\$3,171,780	\$6,659,269	\$3,487,489
Reserve Ratio	32.24%	33.77%	
Gross Salvage	0%	0%	0%
Removal Cost	5%	5%	0%
Net Removal Cost	5%	5%	0%
Avg. Whole Life Rate	2.6%	2.4%	-0.2%
AWL Expense (2005)	\$3,532,668	\$3,260,924	(\$271,744)
Average Remaining Life	28.8	31.2	2.4
ARL Rate	2.5%	2.3%	-0.2%
ARL Expense (2005)	\$3,396,796	\$3,125,052	(\$271,744)

ANALYSIS RESULTS
Depreciable Property

Account 364 Poles, Towers and Fixtures			
Item	FPSC Approved	2005	Change
Investment	\$86,402,587	\$112,535,550	\$26,132,963
Iowa Curve	R0.5	R1	
Average Service Life	30	32	2
Theoretical Reserve	\$37,453,152	\$50,180,444	\$12,727,292
Book Reserve	\$35,002,000	\$45,723,340	\$10,721,340
Reserve Variance	(\$2,451,152)	(\$4,457,104)	(\$2,005,952)
Reserve Ratio	40.51%	40.63%	
Gross Salvage	10%	10%	0%
Removal Cost	80%	85%	5%
Net Removal Cost	70%	75%	5%
Avg. Whole Life Rate	5.7%	5.5%	-0.2%
AWL Expense (2005)	\$6,414,526	\$6,189,455	(\$225,071)
Average Remaining Life	22.4	23.8	1.5
ARL Rate	5.8%	5.6%	-0.2%
ARL Expense (2005)	\$6,527,062	\$6,301,991	(\$225,071)

ANALYSIS RESULTS
Depreciable Property

Account 365 Overhead Conductors & Devices			
Item	FPSC Approved	2005	Change
Investment	\$97,757,780	\$110,189,870	\$12,432,090
Iowa Curve	R0.5	R1	
Average Service Life	34	37	3
Theoretical Reserve	\$26,628,226	\$32,383,464	\$5,755,238
Book Reserve	\$41,003,000	\$38,028,890	(\$2,974,110)
Reserve Variance	\$14,374,774	\$5,645,426	(\$8,729,348)
Reserve Ratio	41.94%	34.51%	
Gross Salvage	30%	35%	5%
Removal Cost	35%	45%	10%
Net Removal Cost	5%	10%	5%
Avg. Whole Life Rate	3.1%	3.0%	-0.1%
AWL Expense (2005)	\$3,415,886	\$3,305,696	(\$110,190)
Average Remaining Life	25.2	27.1	2.0
ARL Rate	2.5%	2.8%	0.3%
ARL Expense (2005)	\$2,754,747	\$3,085,316	\$330,569

ANALYSIS RESULTS
Depreciable Property

Account 366 Underground Conduit			
Item	FPSC Approved	2005	Change
Investment	\$1,210,865	\$1,210,870	\$5
Iowa Curve	R3	R3	
Average Service Life	60	60	0
Theoretical Reserve	\$541,618	\$600,159	\$58,541
Book Reserve	\$721,000	\$784,280	\$63,280
Reserve Variance	\$179,382	\$184,121	\$4,739
Reserve Ratio	59.54%	64.77%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Removal Cost	0%	0%	0%
Avg. Whole Life Rate	1.7%	1.7%	0.0%
AWL Expense (2005)	\$20,585	\$20,585	\$0
Average Remaining Life	33.2	30.2	(3.0)
ARL Rate	1.2%	1.2%	0.0%
ARL Expense (2005)	\$14,530	\$14,530	\$0

ANALYSIS RESULTS
Depreciable Property

Account 367			
Underground Conductors & Devices			
Item	FPSC Approved	2005	Change
Investment	\$61,038,353	\$82,423,600	\$21,385,247
Iowa Curve	R4	S3	
Average Service Life	28	30	2
Theoretical Reserve	\$15,497,804	\$23,622,001	\$8,124,197
Book Reserve	\$17,697,000	\$24,732,030	\$7,035,030
Reserve Variance	\$2,199,196	\$1,110,029	(\$1,089,167)
Reserve Ratio	28.99%	30.01%	
Gross Salvage	25%	20%	-5%
Removal Cost	15%	20%	5%
Net Removal Cost	-10%	0%	10%
Avg. Whole Life Rate	3.2%	3.3%	0.1%
AWL Expense (2005)	\$2,637,555	\$2,719,979	\$82,424
Average Remaining Life	20.1	21.4	1.3
ARL Rate	3.0%	3.3%	0.3%
ARL Expense (2005)	\$2,472,708	\$2,719,979	\$247,271

ANALYSIS RESULTS
Depreciable Property

Account 368 Line Transformers			
Item	FPSC Approved	2005	Change
Investment	\$147,640,148	\$172,026,950	\$24,386,802
Iowa Curve	\$0	\$0	
Average Service Life	29	30	1
Theoretical Reserve	\$53,981,004	\$62,610,909	\$8,629,905
Book Reserve	\$56,309,000	\$64,505,030	\$8,196,030
Reserve Variance	\$2,327,996	\$1,894,121	(\$433,875)
Reserve Ratio	38.14%	37.50%	
Gross Salvage	5%	5%	0%
Removal Cost	30%	30%	0%
Net Removal Cost	25%	25%	0%
Avg. Whole Life Rate	4.3%	4.2%	-0.1%
AWL Expense (2005)	\$7,397,159	\$7,225,132	(\$172,027)
Average Remaining Life	20.5	21.3	0.7
ARL Rate	4.2%	4.1%	-0.1%
ARL Expense (2005)	\$7,225,132	\$7,053,105	(\$172,027)

ANALYSIS RESULTS
Depreciable Property

Account 369.1 Overhead Services			
Item	FPSC Approved	2005	Change
Investment	\$34,702,397	\$41,807,020	\$7,104,623
Iowa Curve	R0.5	R1	
Average Service Life	32	34	2
Theoretical Reserve	\$12,480,813	\$17,569,045	\$5,088,232
Book Reserve	\$19,706,000	\$22,314,210	\$2,608,210
Reserve Variance	\$7,225,187	\$4,745,165	(\$2,480,022)
Reserve Ratio	56.79%	53.37%	
Gross Salvage	15%	10%	-5%
Removal Cost	40%	45%	5%
Net Removal Cost	25%	35%	10%
Avg. Whole Life Rate	3.9%	4.0%	0.1%
AWL Expense (2005)	\$1,630,474	\$1,672,281	\$41,807
Average Remaining Life	22.8	23.4	0.6
ARL Rate	3.0%	3.5%	0.5%
ARL Expense (2005)	\$1,254,211	\$1,463,246	\$209,035

ANALYSIS RESULTS
Depreciable Property

Account 369.2 Underground Services			
Item	FPSC Approved	2005	Change
Investment	\$23,655,778	\$33,017,020	\$9,361,242
Iowa Curve	R0.5	R1	
Average Service Life	35	40	5
Theoretical Reserve	\$3,771,661	\$5,867,591	\$2,095,930
Book Reserve	\$6,828,000	\$9,722,880	\$2,894,880
Reserve Variance	\$3,056,339	\$3,855,289	\$798,950
Reserve Ratio	28.86%	29.45%	
Gross Salvage	15%	5%	-10%
Removal Cost	15%	10%	-5%
Net Removal Cost	0%	5%	5%
Avg. Whole Life Rate	2.9%	2.6%	-0.3%
AWL Expense (2005)	\$957,494	\$858,443	(\$99,051)
Average Remaining Life	29.4	33.2	3.8
ARL Rate	2.4%	2.3%	-0.1%
ARL Expense (2005)	\$792,408	\$759,391	(\$33,017)

ANALYSIS RESULTS
Depreciable Property

Account 369.3 Services-Housepower Boxes			
Item	FPSC Approved	2005	Change
Investment	\$4,680,257	\$3,411,680	(\$1,268,577)
Iowa Curve	R3	R3	
Average Service Life	27	27	0
Theoretical Reserve	\$3,524,857	\$2,641,644	(\$883,213)
Book Reserve	\$3,751,000	\$2,940,480	(\$810,520)
Reserve Variance	\$226,143	\$298,836	\$72,693
Reserve Ratio	80.15%	86.19%	
Gross Salvage	0%	0%	0%
Removal Cost	0%	0%	0%
Net Removal Cost	0%	0%	0%
Avg. Whole Life Rate	3.7%	3.7%	0.0%
AWL Expense (2005)	\$126,232	\$126,232	\$0
Average Remaining Life	6.7	6.1	(0.6)
ARL Rate	3.0%	2.3%	-0.7%
ARL Expense (2005)	\$102,350	\$78,469	(\$23,882)

ANALYSIS RESULTS
Depreciable Property

Account 370			
Meters			
Item	FPSC Approved	2005	Change
Investment	\$35,446,398	\$45,141,070	\$9,694,672
Iowa Curve	L0	R1	
Average Service Life	32	33	1
Theoretical Reserve	\$7,134,888	\$10,470,426	\$3,335,538
Book Reserve	\$14,265,000	\$14,291,230	\$26,230
Reserve Variance	\$7,130,112	\$3,820,804	(\$3,309,308)
Reserve Ratio	40.24%	31.66%	
Gross Salvage	5%	5%	0%
Removal Cost	5%	5%	0%
Net Removal Cost	0%	0%	0%
Avg. Whole Life Rate	3.1%	3.0%	-0.1%
AWL Expense (2005)	\$1,399,373	\$1,354,232	(\$45,141)
Average Remaining Life	25.6	25.4	(0.2)
ARL Rate	2.3%	2.7%	0.4%
ARL Expense (2005)	\$1,038,245	\$1,218,809	\$180,564

ANALYSIS RESULTS
Depreciable Property

Account 373 Street Lighting & Signal System			
Item	FPSC Approved	2005	Change
Investment	\$40,468,681	\$49,004,690	\$8,536,009
Iowa Curve	R1	L1	
Average Service Life	16	18	2
Theoretical Reserve	\$13,063,126	\$15,678,788	\$2,615,662
Book Reserve	\$14,894,000	\$19,769,310	\$4,875,310
Reserve Variance	\$1,830,874	\$4,090,522	\$2,259,648
Reserve Ratio	36.80%	40.34%	
Gross Salvage	15%	10%	-5%
Removal Cost	15%	15%	0%
Net Removal Cost	0%	5%	5%
Avg. Whole Life Rate	6.3%	5.8%	-0.5%
AWL Expense (2005)	\$3,087,295	\$2,842,272	(\$245,023)
Average Remaining Life	10.8	12.5	1.7
ARL Rate	5.8%	5.2%	-0.6%
ARL Expense (2005)	\$2,842,272	\$2,548,244	(\$294,028)

ANALYSIS RESULTS
General Plant

The Analysis Results presented on pages 37 to 42 represent Gulf Power Company's projected depreciable investment in General Plant as of 12/31/05.

The net changes by year to General Plant investment and depreciation reserves are presented in Tabs 10 and 11, which summarize annual changes to plant-in-service.

General Plant accounts included in the study were analyzed using the actuarial method. The other General Plant accounts were not included in the depreciation study because the investment in these account/subaccounts is amortized, not depreciated.

Historical analyses of net removal are discussed in Tab 8.

ANALYSIS RESULTS
Depreciable Property

Account 390			
Structures and Improvements			
Item	FPSC Approved	2005	Change
Investment (2001 excl Corp. HQ 3rd floor)	\$50,669,554	\$55,821,740	\$5,152,186
Iowa Curve	S1.5	S1.5	
Average Service Life	45	45	0
Theoretical Reserve	\$17,377,060	\$21,987,329	\$4,610,269
Book Reserve	\$18,870,000	\$23,753,790	\$4,883,790
Reserve Variance	\$1,492,940	\$1,766,461	\$273,521
Reserve Ratio	37.24%	42.55%	
Gross Salvage	0%	5%	5%
Removal Cost	5%	10%	5%
Net Removal Cost	5%	5%	0%
Avg. Whole Life Rate	2.3%	2.3%	0.0%
AWL Expense (2005)	\$1,283,900	\$1,283,900	\$0
Average Remaining Life	30.3	28.2	(2.1)
ARL Rate	2.2%	2.2%	0.0%
ARL Expense (2005)	\$1,228,078	\$1,228,078	\$0

ANALYSIS RESULTS
Depreciable Property

Account 392.2 Light Trucks			
Item	FPSC Approved	2005	Change
Investment	\$4,744,533	\$5,284,180	\$539,647
Iowa Curve	L3	S3	
Average Service Life	9	9.5	1
Theoretical Reserve	\$1,790,377	\$2,388,250	\$597,873
Book Reserve	\$2,218,000	\$2,309,630	\$91,630
Reserve Variance	\$427,623	(\$78,620)	(\$506,243)
Reserve Ratio	46.75%	43.71%	
Gross Salvage	15%	13%	-2%
Removal Cost	0%	0%	0%
Net Removal Cost	-15%	-13%	2%
Avg. Whole Life Rate	9.4%	9.2%	-0.2%
AWL Expense (2005)	\$496,713	\$486,145	(\$10,568)
Average Remaining Life	5.0	4.6	(0.4)
ARL Rate	7.7%	9.5%	1.8%
ARL Expense (2005)	\$406,882	\$501,997	\$95,115

ANALYSIS RESULTS
Depreciable Property

Account 392.3 Heavy Trucks			
Item	FPSC Approved	2005	Change
Investment	\$17,591,412	\$19,410,960	\$1,819,548
Iowa Curve	L4	L4	
Average Service Life	10	11	1
Theoretical Reserve	\$7,496,127	\$7,484,322	(\$11,805)
Book Reserve	\$6,359,000	\$6,906,120	\$547,120
Reserve Variance	(\$1,137,127)	(\$578,202)	\$558,925
Reserve Ratio	36.15%	35.58%	
Gross Salvage	20%	17%	-3%
Removal Cost	0%	0%	0%
Net Removal Cost	-20%	-17%	3%
Avg. Whole Life Rate	8.0%	7.5%	-0.5%
AWL Expense (2005)	\$1,552,877	\$1,455,822	(\$97,055)
Average Remaining Life	4.7	5.9	1.2
ARL Rate	9.4%	8.1%	-1.3%
ARL Expense (2005)	\$1,824,630	\$1,572,288	(\$252,342)

ANALYSIS RESULTS
Depreciable Property

Account 392.4			
Trailers			
Item	FPSC Approved	2005	Change
Investment	\$1,191,934	\$1,202,100	\$10,166
Iowa Curve	R2	S1	
Average Service Life	16	17	1
Theoretical Reserve	\$437,667	\$466,569	\$28,902
Book Reserve	\$377,000	\$413,390	\$36,390
Reserve Variance	(\$60,667)	(\$53,179)	\$7,488
Reserve Ratio	31.63%	34.39%	
Gross Salvage	20%	15%	-5%
Removal Cost	0%	0%	0%
Net Removal Cost	-20%	-15%	5%
Avg. Whole Life Rate	5.0%	5.0%	0.0%
AWL Expense (2005)	\$60,105	\$60,105	\$0
Average Remaining Life	8.7	9.2	0.6
ARL Rate	5.6%	5.5%	-0.1%
ARL Expense (2005)	\$67,318	\$66,116	(\$1,202)

ANALYSIS RESULTS
Depreciable Property

Account 396 Power Operated Equipment			
Item	FPSC Approved	2005	Change
Investment	\$539,366	\$593,660	\$54,294
Iowa Curve	SQ	R5	
Average Service Life	15	15	0
Theoretical Reserve	\$148,914	\$235,975	\$87,061
Book Reserve	\$129,000	\$259,200	\$130,200
Reserve Variance	(\$19,914)	\$23,225	\$43,139
Reserve Ratio	23.92%	43.66%	
Gross Salvage	20%	20%	0%
Removal Cost	0%	0%	0%
Net Removal Cost	-20%	-20%	0%
Avg. Whole Life Rate	5.3%	5.3%	0.0%
AWL Expense (2005)	\$31,464	\$31,464	\$0
Average Remaining Life	9.8	7.6	(2.3)
ARL Rate	5.7%	4.8%	-0.9%
ARL Expense (2005)	\$33,839	\$28,496	(\$5,343)

ANALYSIS RESULTS
Depreciable Property

Account 397 Communication Equipment			
Item	FPSC Approved	2005	Change
Investment	\$16,517,385	\$17,535,930	\$1,018,545
Iowa Curve	L2	L2	
Average Service Life	12	15	3
Theoretical Reserve	\$6,784,890	\$7,416,478	\$631,588
Book Reserve	\$5,530,000	\$9,291,500	\$3,761,500
Reserve Variance	(\$1,254,890)	\$1,875,022	\$3,129,912
Reserve Ratio	33.48%	52.99%	
Gross Salvage	0%	2%	2%
Removal Cost	0%	2%	2%
Net Removal Cost	0%	0%	0%
Avg. Whole Life Rate	8.3%	6.7%	-1.6%
AWL Expense (2005)	\$1,455,482	\$1,174,907	(\$280,575)
Average Remaining Life	7.1	8.7	1.6
ARL Rate	9.4%	5.4%	-4.0%
ARL Expense (2005)	\$1,648,377	\$946,940	(\$701,437)

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05
 SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL	ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT
STEAM PRODUCTION PLANT												
PLANT CRIST COMMON												
311 -	Structures and Improvements											
	36 Year Life to Life of Plant	63,096,204		0	43.4	1,453,830	30,354,813	30,354,813	28,590,496	34,505,708	22.5	1,533,587
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	21,697,949	-	0	37.5	578,612	8,670,957	8,670,957	8,166,974	13,530,975	22.5	601,377
	35 Year Life	18,208,321	13.0	2,367,082	32.3	563,725	9,061,033	10,238,967	9,643,846	10,931,557	16.3	670,648
	20 Year Life	9,806,629	20.0	1,961,326	20.0	490,331	4,245,290	5,094,348	4,798,249	6,969,706	17.2	405,215
		<u>49,712,899</u>	8.7	<u>4,328,408</u>	30.4	<u>1,632,668</u>	<u>21,977,280</u>	<u>24,004,272</u>	<u>22,609,068</u>	<u>31,432,239</u>		<u>1,677,240</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	13,560,808	-	0	48.0	282,517	7,201,418	7,201,418	6,782,849	6,777,959	22.5	301,243
	35 Year Life	3,575,355	16.0	572,057	33.6	106,409	2,462,481	2,856,478	2,690,451	1,456,961	11.0	132,451
	20 Year Life	463,090	20.0	92,618	20.0	23,155	375,853	451,024	424,809	130,899	13.6	9,625
		<u>17,599,253</u>	3.8	<u>664,675</u>	42.7	<u>412,081</u>	<u>10,039,752</u>	<u>10,508,920</u>	<u>9,898,109</u>	<u>8,365,819</u>		<u>443,319</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	3,447,319	-	0	46.6	73,977	1,783,943	1,783,943	1,680,255	1,767,064	22.5	78,536
	35 Year Life	6,740,225	16.0	1,078,436	33.4	201,803	4,080,709	4,733,622	4,458,489	3,360,172	13.2	254,558
	20 Year Life	878,536	20.0	175,707	20.0	43,927	770,841	925,009	871,245	182,998	8.1	22,592
		<u>11,066,080</u>	11.3	<u>1,254,143</u>	34.6	<u>319,707</u>	<u>6,635,493</u>	<u>7,442,574</u>	<u>7,009,988</u>	<u>5,310,235</u>		<u>355,686</u>
316 -	Miscellaneous Power Plant Equipment											
	36 Year Life to Life of Plant	10,130	-	0	45.0	225	5,064	5,064	4,770	5,360	22.5	238
	35 Year Life	1,737,282	-	0	33.5	51,859	991,488	991,488	933,860	803,422	15.3	52,511
	20 Year Life	966,205	-	0	20.0	48,310	577,681	577,681	544,104	422,101	12.0	35,175
		<u>2,713,617</u>	-	<u>0</u>	27.0	<u>100,394</u>	<u>1,574,233</u>	<u>1,574,233</u>	<u>1,482,734</u>	<u>1,230,883</u>		<u>87,924</u>
Total Crist Common		<u>144,188,053</u>	4.3	<u>6,247,226</u>	36.8	<u>3,918,680</u>	<u>70,581,571</u>	<u>73,884,812</u>	<u>69,590,395</u>	<u>80,844,884</u>		<u>4,097,756</u>
PLANT CRIST UNIT 1												
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	0		0			0	0	0	0		0
	35 Year Life	0		0			0	0	0	0		0
	20 Year Life	0		0			0	0	0	0		0
		<u>0</u>		<u>0</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	0	-	0			0	0	0	0		0
	35 Year Life	0	20.0	0			0	0	0	0		0
	20 Year Life	0	-	0			0	0	0	0		0
		<u>0</u>		<u>0</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	0	-	0			0	0	0	0		0
	35 Year Life	0	-	0			0	0	0	0		0
	20 Year Life	0	20.0	0			0	0	0	0		0
		<u>0</u>		<u>0</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>
Total Crist One		<u>0</u>		<u>0</u>			<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05

SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL ASL	ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT
PLANT CRIST UNIT 2												
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	559,863	-	0	58.7	9.538	507,378	507,378	477,888	81,975	5.5	14,905
	35 Year Life	579,816	11.0	63,780	27.5	21,084	502,076	557,304	524,912	118,684	5.0	23,737
	20 Year Life	31,687	20.0	6,337	20.0	1,584	31,687	38,024	35,814	2,210		0
		<u>1,171,366</u>	6.0	<u>70,117</u>	36.4	<u>32,206</u>	<u>1,041,141</u>	<u>1,102,706</u>	<u>1,038,613</u>	<u>202,870</u>		<u>38,642</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	1,150,358	-	0	23.2	49,584	877,296	877,296	826,305	324,053	5.5	58,919
	35 Year Life	220,601	2.0	4,412	22.8	9,675	171,018	174,438	164,299	60,714	5.5	11,039
	20 Year Life	649	20.0	130	19.7	33	649	779	734	45		0
		<u>1,371,608</u>	0.3	<u>4,542</u>	23.1	<u>59,292</u>	<u>1,048,963</u>	<u>1,052,513</u>	<u>991,338</u>	<u>384,812</u>		<u>69,958</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	39,192	-	0	59.2	661	35,553	35,553	33,487	5,705	5.5	1,037
	35 Year Life	222,800	10.0	22,280	32.5	6,855	203,160	223,476	210,487	34,593	5.5	6,290
	20 Year Life	77,139	20.0	15,428	19.9	3,876	76,603	91,924	86,581	5,986	2.2	2,721
		<u>339,131</u>	11.1	<u>37,708</u>	29.8	<u>11,392</u>	<u>315,316</u>	<u>350,953</u>	<u>330,555</u>	<u>46,284</u>		<u>10,048</u>
Total Crist Two		<u>2,882,105</u>	3.9	<u>112,367</u>	28.0	<u>102,890</u>	<u>2,405,420</u>	<u>2,506,172</u>	<u>2,360,505</u>	<u>633,967</u>		<u>118,648</u>
PLANT CRIST UNIT 3												
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	913,504	-	0	55.5	16,460	823,034	823,034	775,197	138,307	5.5	25,147
	35 Year Life	1,005,615	6.0	60,337	30.6	32,863	874,664	927,144	873,255	192,697	5.5	35,036
	20 Year Life	117,415	20.0	23,483	20.0	5,871	117,415	140,898	132,709	8,189		0
		<u>2,036,534</u>	4.1	<u>83,820</u>	36.9	<u>55,194</u>	<u>1,815,113</u>	<u>1,891,076</u>	<u>1,781,161</u>	<u>339,193</u>		<u>60,183</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	3,097,659	-	0	38.5	80,459	2,655,332	2,655,332	2,500,996	596,663	5.5	108,484
	35 Year Life	266,446	3.0	7,993	24.1	11,056	212,643	219,022	206,292	68,147	5.5	12,390
	20 Year Life	4,842	20.0	968	19.9	243	4,842	5,810	5,472	338		0
		<u>3,368,947</u>	0.3	<u>8,961</u>	36.7	<u>91,758</u>	<u>2,872,817</u>	<u>2,880,164</u>	<u>2,712,760</u>	<u>665,148</u>		<u>120,874</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	38,086	-	0	57.4	664	34,434	34,434	32,433	5,653	5.5	1,028
	35 Year Life	294,334	10.0	29,433	29.5	9,977	263,228	289,551	272,721	51,046	5.5	9,281
	20 Year Life	189,342	20.0	37,868	20.0	9,467	188,806	226,567	213,398	13,812	2.2	6,278
		<u>521,762</u>	12.9	<u>67,301</u>	25.9	<u>20,108</u>	<u>486,468</u>	<u>550,552</u>	<u>518,552</u>	<u>70,511</u>		<u>16,587</u>
Total Crist Three		<u>5,927,243</u>	2.7	<u>160,082</u>	35.5	<u>167,060</u>	<u>5,174,398</u>	<u>5,321,792</u>	<u>5,012,473</u>	<u>1,074,852</u>		<u>197,644</u>

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05
 SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL ASL	ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT
PLANT CRIST UNIT 4												
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	6,526,884	-	0	42.5	153,574	5,222,458	5,222,458	4,918,912	1,607,972	8.5	189,173
	35 Year Life	12,156,292	9.0	1,094,066	21.8	557,628	7,909,784	8,621,665	8,120,547	5,129,811	7.9	649,343
	20 Year Life	1,930,947	9.0	173,785	16.8	114,937	1,269,351	1,383,593	1,303,174	801,558	7.7	104,098
		<u>20,614,123</u>	6.2	<u>1,267,851</u>	25.0	<u>826,139</u>	<u>14,401,593</u>	<u>15,227,716</u>	<u>14,342,633</u>	<u>7,539,341</u>		<u>942,614</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	3,392,084	-	0	45.2	75,046	2,754,031	2,754,031	2,593,958	798,126	8.5	93,897
	35 Year Life	2,182,472	-	0	16.8	129,909	1,083,170	1,083,170	1,020,213	1,162,259	8.5	136,736
	20 Year Life	13,159	20.0	2,632	20.0	658	13,159	15,791	14,873	918		0
		<u>5,587,715</u>	0.0	<u>2,632</u>	27.2	<u>205,613</u>	<u>3,850,360</u>	<u>3,852,992</u>	<u>3,629,044</u>	<u>1,961,303</u>		<u>230,633</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	181,499	-	0	54.3	3,343	153,091	153,091	144,193	37,306	8.5	4,389
	35 Year Life	3,346,135	5.0	167,307	29.2	114,594	2,564,261	2,692,474	2,535,979	977,463	8.5	114,996
	20 Year Life	242,928	20.0	48,586	20.0	12,146	239,670	287,604	270,888	20,626	5.2	3,967
		<u>3,770,562</u>	5.7	<u>215,893</u>	29.0	<u>130,083</u>	<u>2,957,022</u>	<u>3,133,169</u>	<u>2,951,059</u>	<u>1,035,396</u>		<u>123,352</u>
Total Crist Four		<u>29,972,400</u>	5.0	<u>1,486,376</u>	25.8	<u>1,161,835</u>	<u>21,208,975</u>	<u>22,213,877</u>	<u>20,922,737</u>	<u>10,536,039</u>		<u>1,296,599</u>
PLANT CRIST UNIT 5												
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	6,183,125	-	0	43.8	141,167	4,702,146	4,702,146	4,428,843	1,754,282	10.5	167,075
	35 Year Life	12,828,876	8.0	1,026,310	23.8	539,028	7,924,922	8,558,916	8,061,445	5,793,741	9.4	616,355
	20 Year Life	2,370,082	17.0	402,914	18.7	126,742	1,421,805	1,663,512	1,566,823	1,206,173	9.7	124,348
		<u>21,382,083</u>	6.7	<u>1,429,224</u>	26.5	<u>806,937</u>	<u>14,048,873</u>	<u>14,924,574</u>	<u>14,057,111</u>	<u>8,754,196</u>		<u>907,778</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	4,743,085	-	0	43.3	109,540	3,591,652	3,591,652	3,382,894	1,360,191	10.5	129,542
	35 Year Life	744,674	3.0	22,340	22.3	33,393	428,110	440,953	415,323	351,691	10.5	33,494
	20 Year Life	47,946	2.0	959	16.3	2,941	18,965	19,344	18,220	30,685	10.5	0
		<u>5,535,705</u>	0.4	<u>23,299</u>	37.9	<u>145,874</u>	<u>4,038,727</u>	<u>4,051,949</u>	<u>3,816,437</u>	<u>1,742,567</u>		<u>163,036</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	157,566	-	0	53.6	2,940	126,717	126,717	119,352	38,214	10.5	3,639
	35 Year Life	530,626	17.0	90,206	33.2	15,983	489,533	572,754	539,464	81,368	9.2	8,844
	20 Year Life	474,494	20.0	94,899	20.0	23,725	433,441	520,129	489,897	79,496	6.6	12,045
		<u>1,162,686</u>	15.9	<u>185,105</u>	27.3	<u>42,648</u>	<u>1,049,691</u>	<u>1,219,600</u>	<u>1,148,713</u>	<u>199,078</u>	8.1	<u>24,528</u>
Total Crist Five		<u>28,080,474</u>	5.8	<u>1,637,628</u>	28.2	<u>995,459</u>	<u>19,137,291</u>	<u>20,196,123</u>	<u>19,022,261</u>	<u>10,695,841</u>		<u>1,095,342</u>

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05
 SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL	ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT
PLANT CRIST UNIT 6												
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	11,514,014	-	0	36.8	312,881	5,416,876	5,416,876	5,102,030	6,411,984	19.5	328,820
	35 Year Life	45,629,422	4.0	1,825,177	29.0	1,573,428	18,069,926	18,792,723	17,700,431	29,754,168	18.9	1,574,295
	20 Year Life	3,441,186	20.0	688,237	20.0	172,059	2,223,400	2,668,080	2,513,003	1,616,420	9.1	177,629
		<u>60,584,622</u>	4.1	<u>2,513,414</u>	29.4	<u>2,058,368</u>	<u>25,710,202</u>	<u>26,877,679</u>	<u>25,315,464</u>	<u>37,782,572</u>		<u>2,080,744</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	12,278,066	-	0	39.2	313,216	6,172,211	6,172,211	5,813,463	6,464,603	19.5	331,518
	35 Year Life	3,341,161	9.0	300,704	29.0	115,212	1,656,977	1,806,105	1,701,129	1,940,736	17.2	112,834
	20 Year Life	194,350	20.0	38,870	20.0	9,718	107,824	129,389	121,869	111,351	8.9	12,511
		<u>15,813,577</u>	2.1	<u>339,574</u>	36.1	<u>438,146</u>	<u>7,937,012</u>	<u>8,107,705</u>	<u>7,636,460</u>	<u>8,516,691</u>		<u>456,863</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	1,365,046	-	0	54.3	25,139	875,128	875,128	824,263	540,783	19.5	27,732
	35 Year Life	1,985,281	19.0	377,203	34.7	57,213	1,734,610	2,064,186	1,944,209	418,275	13.1	31,929
	20 Year Life	471,409	20.0	94,282	20.0	23,570	380,168	456,202	429,686	136,005	10.9	12,478
		<u>3,821,736</u>	12.3	<u>471,485</u>	36.1	<u>105,922</u>	<u>2,989,906</u>	<u>3,395,516</u>	<u>3,198,158</u>	<u>1,095,063</u>		<u>72,139</u>
	Total Crist Six	<u>80,219,935</u>	4.1	<u>3,324,473</u>	30.8	<u>2,602,436</u>	<u>36,637,120</u>	<u>38,380,900</u>	<u>36,150,082</u>	<u>47,394,326</u>		<u>2,609,746</u>
PLANT CRIST UNIT 7												
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	10,398,465	-	0	50.9	204,292	5,798,360	5,798,360	5,461,341	4,937,124	22.5	219,428
	35 Year Life	82,798,680	6.0	4,967,921	27.9	2,967,695	21,835,949	23,146,106	21,800,782	65,965,819	20.5	3,217,845
	20 Year Life	77,253,422	20.0	15,450,684	20.0	3,862,671	5,913,612	7,096,334	6,683,873	86,020,233	18.6	4,624,744
		<u>170,450,567</u>	12.0	<u>20,418,605</u>	24.2	<u>7,034,658</u>	<u>33,547,921</u>	<u>36,040,800</u>	<u>33,945,996</u>	<u>156,923,176</u>		<u>8,062,017</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	20,875,571	-	0	40.3	518,004	9,216,181	9,216,181	8,680,508	12,195,063	22.5	542,003
	35 Year Life	5,270,122	7.0	368,909	34.8	151,440	2,692,780	2,881,275	2,713,806	2,925,225	17.0	172,072
	20 Year Life	209,669	20.0	41,934	20.0	10,483	145,318	174,382	164,246	87,357	12.4	7,045
		<u>26,355,362</u>	1.6	<u>410,843</u>	38.8	<u>679,927</u>	<u>12,054,279</u>	<u>12,271,838</u>	<u>11,558,560</u>	<u>15,207,645</u>		<u>721,120</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	2,261,963	-	0	54.5	41,504	1,327,838	1,327,838	1,250,660	1,011,303	22.5	44,947
	35 Year Life	20,518,355	2.0	410,367	27.2	754,351	4,561,662	4,652,895	4,382,454	16,546,268	21.1	784,183
	20 Year Life	833,613	20.0	166,723	20.0	41,681	696,718	836,062	787,467	212,869	12.0	17,739
		<u>23,613,931</u>	2.4	<u>577,090</u>	28.2	<u>837,536</u>	<u>6,586,218</u>	<u>6,816,795</u>	<u>6,420,582</u>	<u>17,770,439</u>		<u>846,869</u>
	Total Crist Seven	<u>220,419,860</u>	9.7	<u>21,406,538</u>	25.8	<u>8,552,121</u>	<u>52,188,418</u>	<u>55,129,433</u>	<u>51,925,137</u>	<u>189,901,261</u>		<u>9,630,006</u>
	Total Plant Crist Depreciable excl Easements	<u>511,690,070</u>	6.7	<u>34,374,690</u>	29.2	<u>17,500,481</u>	<u>207,333,193</u>	<u>217,633,109</u>	<u>204,983,590</u>	<u>341,081,170</u>	17.9	<u>19,045,741</u>
	310.2 Easements	0		0		0	0	0	0	0	0.0	0
Other Recovery/Non-Depreciable												
310.0	Land	4,488,000							0			
312.0	Base Coal	141,840							141,840			
316.0	Amortization Property (5 yr.)	24,290							16,060			
316.0	Amortization Property (7 yr.)	3,416,970							862,850			
317.0	ARO	156,570							112,380			
	Dismantlement								48,521,180			
	TOTAL PLANT CRIST	<u>519,917,740</u>							<u>254,637,900</u>			

Note: See Page 20 of this section for Parameter Schedule for Crist 1 retired in 2003.

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05
 SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT	
PLANT SCHOLZ COMMON												
311 -	Structures and Improvements 36 Year Life to Life of Plant	6,210,876		0	28.8	215,655	5,025,978	5,025,978	4,787,474	1,423,402	5.5	258,800
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	1,534,631	-	0	34.3	44,741	1,288,556	1,288,556	1,227,409	307,222	5.5	55,859
	35 Year Life	3,092,197	6.0	185,532	21.0	147,247	2,363,435	2,505,241	2,386,357	891,372	5.3	168,183
	20 Year Life	593,318	18.0	106,797	19.4	30,583	557,878	658,296	627,057	73,058	4.8	15,220
		<u>5,220,146</u>	<u>5.6</u>	<u>292,329</u>	<u>23.5</u>	<u>222,571</u>	<u>4,209,869</u>	<u>4,452,093</u>	<u>4,240,822</u>	<u>1,271,653</u>		<u>239,262</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	419,018	-	0	30.7	13,649	343,858	343,858	327,540	91,478	5.5	16,632
	35 Year Life	518,633	18.0	93,354	30.9	16,784	501,643	591,939	563,849	48,138	5.5	8,752
	20 Year Life	1,304	20.0	261	20.1	65	1,304	1,565	1,491	74		0
		<u>938,955</u>	<u>10.0</u>	<u>93,615</u>	<u>30.8</u>	<u>30,498</u>	<u>846,805</u>	<u>937,362</u>	<u>892,880</u>	<u>139,690</u>		<u>25,384</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	734,836	-	0	39.4	18,651	632,205	632,205	602,204	132,632	5.5	24,115
	35 Year Life	1,859,309	11.0	204,524	24.3	76,515	1,549,495	1,719,939	1,638,321	425,512	5.2	81,829
	20 Year Life	585,896	20.0	117,179	19.7	29,741	575,230	690,276	657,519	45,556	3.4	13,399
		<u>3,180,041</u>	<u>10.1</u>	<u>321,703</u>	<u>25.5</u>	<u>124,907</u>	<u>2,756,930</u>	<u>3,042,420</u>	<u>2,898,044</u>	<u>603,700</u>		<u>119,343</u>
316 -	Miscellaneous Power Plant Equipment											
	35 Year Life	189,973		0	14.6	13,012	121,422	121,422	115,660	74,313	5.5	13,511
	20 Year Life	146,096		0	15.5	9,426	118,151	118,151	112,544	33,552	5.1	6,579
		<u>336,069</u>		<u>0</u>	<u>15.0</u>	<u>22,438</u>	<u>239,573</u>	<u>239,573</u>	<u>228,204</u>	<u>107,865</u>		<u>20,090</u>
Total Scholz Common		<u>15,886,087</u>	<u>4.5</u>	<u>707,647</u>	<u>25.8</u>	<u>616,069</u>	<u>13,079,155</u>	<u>13,697,426</u>	<u>13,047,425</u>	<u>3,546,309</u>		<u>662,879</u>
PLANT SCHOLZ UNIT 1												
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	3,352,990	-	0	27.7	121,047	2,688,418	2,688,418	2,560,841	792,149	5.5	144,027
	35 Year Life	1,436,166	5.0	71,808	22.8	62,990	1,138,066	1,194,969	1,138,263	369,711	5.5	67,220
	20 Year Life	43,267	8.0	3,461	13.3	3,253	29,979	32,377	30,841	15,887	5.5	2,889
		<u>4,832,423</u>	<u>1.6</u>	<u>75,269</u>	<u>25.8</u>	<u>187,290</u>	<u>3,856,463</u>	<u>3,915,764</u>	<u>3,729,944</u>	<u>1,177,748</u>		<u>214,136</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	2,272,773		0	34.4	66,069	1,909,479	1,909,479	1,818,866	453,907	5.5	82,529
	35 Year Life	222,839		0	30.4	7,330	183,166	183,166	174,474	48,365	5.5	8,794
	20 Year Life	3,271	20.0	654	19.9	164	3,271	3,925	3,739	186		0
		<u>2,498,883</u>	<u>0.0</u>	<u>654</u>	<u>34.0</u>	<u>73,563</u>	<u>2,095,916</u>	<u>2,096,570</u>	<u>1,997,079</u>	<u>502,458</u>		<u>91,323</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	44,667		0	7.0	6,381	9,572	9,572	9,118	35,549	5.5	6,463
	35 Year Life	74,570		0	23.3	3,200	56,964	56,964	54,261	20,309	5.5	3,693
	20 Year Life	10,070	5.0	504	12.4	812	5,941	6,238	5,942	4,632	5.1	908
		<u>129,307</u>	<u>0.4</u>	<u>504</u>	<u>12.4</u>	<u>10,393</u>	<u>72,477</u>	<u>72,774</u>	<u>69,321</u>	<u>60,490</u>		<u>11,064</u>
Total Scholz One		<u>7,460,613</u>	<u>1.0</u>	<u>76,427</u>	<u>27.5</u>	<u>271,246</u>	<u>6,024,856</u>	<u>6,085,108</u>	<u>5,796,344</u>	<u>1,740,696</u>		<u>316,523</u>

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05

SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR. %	NET REMOVAL AMOUNT	ASL ARL	ASL WEIGHTING	CALC RESERVE	THEQ. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT
PLANT SCHOLZ UNIT 2												
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	2,939,545	-	0	29.5	99,646	2,390,815	2,390,815	2,277,361	662,184	5.5	120,397
	35 Year Life	1,219,563	6.0	73,174	20.0	60,978	936,098	992,264	945,177	347,560	5.5	63,193
	20 Year Life	94,035	3.0	2,821	11.7	8,037	53,107	54,700	52,104	44,752	5.5	8,137
		<u>4,253,143</u>	1.8	<u>75,995</u>	25.2	<u>168,661</u>	<u>3,380,020</u>	<u>3,437,779</u>	<u>3,274,642</u>	<u>1,054,496</u>		<u>191,727</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	1,784,120	-	0	38.2	46,705	1,527,137	1,527,137	1,454,668	329,452	5.5	59,900
	35 Year Life	200,364	1.0	2,004	29.2	6,862	163,928	165,567	157,710	44,658	5.5	8,120
	20 Year Life	4,347	20.0	869	20.0	217	4,347	5,216	4,968	248		0
		<u>1,988,831</u>	0.1	<u>2,873</u>	37.0	<u>53,784</u>	<u>1,695,412</u>	<u>1,697,920</u>	<u>1,617,346</u>	<u>374,358</u>		<u>68,020</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	1,004	-	0	33.5	30	837	837	797	207	5.6	0
	35 Year Life	53,835	-	0	19.7	2,733	38,777	38,777	36,937	16,898	5.5	0
	20 Year Life	86,977	14.0	12,177	14.6	5,957	69,747	79,512	75,739	23,415	4.1	5,711
		<u>141,816</u>	8.6	<u>12,177</u>	16.3	<u>8,720</u>	<u>109,361</u>	<u>119,126</u>	<u>113,473</u>	<u>40,520</u>		<u>5,711</u>
	Total Scholz Two	<u>6,383,790</u>	1.4	<u>91,045</u>	27.6	<u>231,165</u>	<u>5,184,793</u>	<u>5,254,825</u>	<u>5,005,461</u>	<u>1,469,374</u>		<u>265,458</u>
	Total Scholz Depreciable	<u>29,730,490</u>	2.9	<u>875,119</u>	26.6	<u>1,118,480</u>	<u>24,288,804</u>	<u>25,037,359</u>	<u>23,849,230</u>	<u>6,756,379</u>	5.4	<u>1,244,860</u>
Other Recovery/Non-Depreciable												
	310 Land	44,579							0			
	312 Base Coal	71,300							71,300			
	316 Amortization (5 yr.)	0							0			
	316 Amortization (7 yr.)	149,371							67,130			
	Dismantlement								10,199,520			
	Total Plant Scholz	<u>29,995,740</u>							<u>34,187,180</u>			
		0										

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05

SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COST	NET REMOVAL AMOUNT	ASL	ASL WEIGHTING	CASH RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT
PLANT SMITH COMMON												
311 -	Structures and Improvements 36 Year Life to Life of Plant	30,661,639		0	30.8	995,508	14,239,262	14,239,262	13,130,451	17,531,188	16.5	1,062,496
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	2,182,869	-	0	42.5	51,362	1,334,734	1,334,734	1,230,798	952,071	16.5	57,701
	35 Year Life	12,411,840	8.0	992,947	24.3	510,775	5,524,015	5,965,936	5,501,369	7,903,418	14.0	564,530
	20 Year Life	1,908,642	20.0	381,728	20.0	95,432	1,456,528	1,747,834	1,611,730	678,640	11.6	58,503
		<u>16,503,351</u>	8.3	<u>1,374,675</u>	25.1	<u>657,569</u>	<u>8,315,277</u>	<u>9,048,504</u>	<u>8,343,897</u>	<u>9,534,129</u>		<u>680,734</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	1,154,139	-	0	31.3	36,873	545,634	545,634	503,145	650,994	16.5	39,454
	35 Year Life	1,113,139	17.0	189,234	34.9	31,895	680,736	796,461	734,441	567,932	13.6	41,760
	20 Year Life	101,772	20.0	20,354	20.0	5,089	69,836	83,803	77,277	44,849	11.0	4,077
		<u>2,369,050</u>	8.8	<u>209,588</u>	32.1	<u>73,857</u>	<u>1,296,206</u>	<u>1,425,898</u>	<u>1,314,863</u>	<u>1,263,775</u>		<u>85,291</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	834,394	-	0	44.7	18,667	526,363	526,363	485,375	349,019	16.5	21,153
	35 Year Life	2,361,313	11.0	259,744	30.9	76,418	1,441,361	1,599,911	1,475,326	1,145,731	12.2	93,912
	20 Year Life	620,541	20.0	124,108	20.0	31,027	525,847	631,016	581,879	162,770	5.9	27,588
		<u>3,816,248</u>	10.1	<u>383,852</u>	30.3	<u>126,112</u>	<u>2,493,571</u>	<u>2,757,290</u>	<u>2,542,580</u>	<u>1,657,520</u>		<u>142,653</u>
316 -	Miscellaneous Power Plant Equipment											
	35 Year Life	583,505		0	22.9	25,481	208,207	208,207	191,994	391,511	16.0	24,469
	20 Year Life	668,461		0	19.9	33,591	333,660	333,660	307,678	360,783	10.9	33,099
		<u>1,251,966</u>		<u>0</u>	21.2	<u>59,072</u>	<u>541,867</u>	<u>541,867</u>	<u>499,672</u>	<u>752,294</u>		<u>57,568</u>
Total Smith Common		<u>54,602,254</u>	3.6	<u>1,968,115</u>	28.6	<u>1,912,118</u>	<u>26,886,183</u>	<u>28,012,821</u>	<u>25,831,463</u>	<u>30,738,906</u>		<u>2,028,742</u>
PLANT SMITH UNIT 1												
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	7,807,202	-	0	43.0	181,563	5,175,301	5,175,301	4,772,300	3,034,902	14.5	209,304
	35 Year Life	9,694,849	8.0	775,588	26.6	364,468	5,742,594	6,202,002	5,719,052	4,751,385	13.7	346,816
	20 Year Life	940,423	11.0	103,447	18.6	50,560	398,865	442,740	408,264	635,606	11.8	53,865
		<u>18,442,474</u>	4.8	<u>879,035</u>	30.9	<u>596,591</u>	<u>11,316,760</u>	<u>11,820,043</u>	<u>10,899,616</u>	<u>8,421,893</u>		<u>609,985</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	11,103,432	-	0	30.7	361,675	5,862,281	5,862,281	5,405,785	5,697,647	14.5	392,941
	35 Year Life	1,515,758	6.0	90,945	31.1	48,738	990,327	1,049,747	968,003	638,700	14.5	44,048
	20 Year Life	48,214	20.0	9,643	20.0	2,411	48,214	57,857	53,352	4,505		0
		<u>12,667,404</u>	0.8	<u>100,588</u>	30.7	<u>412,824</u>	<u>6,900,822</u>	<u>6,969,885</u>	<u>6,427,140</u>	<u>6,340,852</u>		<u>436,989</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	402,768	-	0	54.6	7,377	295,732	295,732	272,703	130,065	14.5	8,970
	35 Year Life	1,562,320	15.0	234,348	30.1	51,904	1,223,009	1,406,460	1,296,939	499,729	11.7	42,712
	20 Year Life	1,785,115	5.0	89,256	19.3	92,493	714,462	750,185	691,768	1,182,603	13.8	85,696
		<u>3,750,203</u>	8.6	<u>323,604</u>	24.7	<u>151,774</u>	<u>2,233,203</u>	<u>2,452,377</u>	<u>2,261,410</u>	<u>1,812,397</u>		<u>137,378</u>
Total Smith One		<u>34,860,081</u>	3.7	<u>1,303,227</u>	30.0	<u>1,161,189</u>	<u>20,450,785</u>	<u>21,242,305</u>	<u>19,588,167</u>	<u>16,575,141</u>		<u>1,184,352</u>

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05

SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL ASL WEIGHTING	CALC. RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARE YRS	ARL WEIGHT
PLANT SMITH UNIT 2											
312 -	Boiler Plant Equipment										
	36 Year Life to Life of Plant	19,067,578	-	0	20.5	930,126	3,702,179	3,702,179	3,413,890	15.5	948,708
	35 Year Life	18,830,669	6.0	1,129,840	23.4	804,729	7,259,129	7,694,677	7,095,493	15.7	819,428
	20 Year Life	728,898	20.0	145,780	20.0	36,445	520,166	624,199	575,593	8.6	34,777
		<u>38,627,145</u>	3.3	<u>1,275,620</u>	21.8	<u>1,771,300</u>	<u>11,481,474</u>	<u>12,021,055</u>	<u>11,084,975</u>		<u>1,802,913</u>
314 -	Turbogenerator Units										
	36 Year Life to Life of Plant	10,037,760	-	0	29.8	336,838	4,482,667	4,482,667	4,133,602	16.5	357,828
	35 Year Life	1,259,993	6.0	75,600	24.6	51,219	591,608	627,104	578,271	16.5	45,898
	20 Year Life	56,741	20.0	11,348	20.0	2,837	56,741	68,089	62,787		0
		<u>11,354,494</u>	0.8	<u>86,948</u>	29.0	<u>390,894</u>	<u>5,131,016</u>	<u>5,177,860</u>	<u>4,774,660</u>		<u>403,726</u>
315 -	Accessory Electric Equipment										
	36 Year Life to Life of Plant	335,400	-	0	54.7	6,132	234,182	234,182	215,946	16.5	7,240
	35 Year Life	2,953,162	19.0	561,101	33.4	88,418	1,981,061	2,357,463	2,173,887	13.9	96,430
	20 Year Life	375,994	19.0	71,439	20.0	18,800	193,789	230,609	212,651	10.8	21,739
		<u>3,664,556</u>	17.3	<u>632,540</u>	32.3	<u>113,350</u>	<u>2,409,032</u>	<u>2,822,254</u>	<u>2,602,485</u>		<u>125,409</u>
Total Smith Two		<u>53,646,195</u>		<u>1,995,108</u>	23.6	<u>2,275,544</u>	<u>19,021,522</u>	<u>20,021,169</u>	<u>18,462,121</u>		<u>2,332,048</u>
Total Smith Depreciable		<u>143,108,530</u>	3.7	<u>5,266,450</u>	26.8	<u>5,348,851</u>	<u>66,358,490</u>	<u>69,276,295</u>	<u>63,881,750</u>	15.2	<u>5,545,142</u>
Other Recovery/Non-Depreciable											
	310 Land	1,403,800							0		
	312 Base Coal	108,300							108,300		
	316 Amortization (5 yr.)	22,367							8,940		
	316 Amortization (7 yr.)	707,361							255,410		
	317 ARO	132,732							79,570		
	Dismantlement								19,931,460		
Total Plant Smith		<u>145,483,090</u>							<u>84,265,430</u>		

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05
SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COST %	NET REMOVAL AMOUNT	ASL ASL	ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT
PLANT DANIEL COMMON 1-2												
311 -	Structures and Improvements											
	36 Year Life to Life of Plant	11,215,319		0	48.7	230,294	4,191,896	4,191,896	3,646,078	7,569,241	30.5	248.172
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	19,307,913	-	0	52.7	366,374	8,138,092	8,138,092	7,078,447	12,229,466	30.5	400,966
	35 Year Life	7,870,819	19.0	1,495,456	34.9	225,525	4,441,029	5,284,825	4,596,698	4,769,577	15.2	313,788
	20 Year Life	2,835,742	20.0	567,148	20.0	141,787	2,060,751	2,472,901	2,150,909	1,251,981	9.0	139,109
		<u>30,014,474</u>	<u>6.9</u>	<u>2,062,604</u>	<u>40.9</u>	<u>733,686</u>	<u>14,639,872</u>	<u>15,895,818</u>	<u>13,826,055</u>	<u>18,251,023</u>		<u>853,863</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	2,897,184		0	54.8	52,868	1,283,249	1,283,249	1,116,160	1,781,024	30.5	58,394
	35 Year Life	240,939	4.0	9,638	34.9	6,904	58,095	60,419	52,552	198,025	26.5	7,473
		<u>3,138,123</u>	<u>0.3</u>	<u>9,638</u>	<u>52.5</u>	<u>59,772</u>	<u>1,341,344</u>	<u>1,343,668</u>	<u>1,168,712</u>	<u>1,979,049</u>		<u>65,867</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	43,500	-	0	44.2	984	13,454	13,454	11,702	31,798	30.5	1,043
	35 Year Life	786,927	15.0	118,039	34.8	22,613	280,535	322,615	280,608	624,358	22.4	27,873
	20 Year Life	161,277	20.0	32,255	20.0	8,064	152,546	183,055	159,220	34,312	2.1	16,339
		<u>991,704</u>	<u>15.2</u>	<u>150,294</u>	<u>31.3</u>	<u>31,661</u>	<u>446,535</u>	<u>519,124</u>	<u>451,530</u>	<u>690,468</u>		<u>45,255</u>
316 -	Miscellaneous Power Plant Equipment											
	36 Year Life to Life of Plant	231,154	-	0	55.6	4,157	104,277	104,277	90,699	140,455	30.5	4,605
	35 Year Life	1,436,869	-	0	34.9	41,171	926,943	926,943	806,248	630,621	12.4	50,857
	20 Year Life	127,533	-	0	20.0	6,377	17,425	17,425	15,156	112,377	17.3	6,496
		<u>1,795,556</u>	<u>-</u>	<u>0</u>	<u>34.7</u>	<u>51,705</u>	<u>1,048,645</u>	<u>1,048,645</u>	<u>912,103</u>	<u>883,453</u>	<u>14.3</u>	<u>61,958</u>
Total Daniel Common 1-2		<u>47,155,176</u>	<u>4.7</u>	<u>2,222,536</u>	<u>42.6</u>	<u>1,107,118</u>	<u>21,668,292</u>	<u>22,999,151</u>	<u>18,181,439</u>	<u>29,373,235</u>		<u>1,275,115</u>
PLANT DANIEL COMMON 1-4												
311 -	Structures and Improvements											
	36 Year Life to Life of Plant	4,604,300		0	55.7	82,662	1,749,905	1,749,905	1,522,053	3,082,247	34.5	89,340
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	25,613	-	0	61.9	414	11,335	11,335	9,859	15,754	34.5	457
	35 Year Life	1,723,617	20.0	344,723	35.0	49,246	873,234	1,047,881	911,439	1,156,901	17.3	66,873
	20 Year Life	1,386,039	20.0	277,208	20.0	69,302	318,011	381,613	331,924	1,331,323	15.5	85,892
		<u>3,135,269</u>	<u>19.8</u>	<u>621,931</u>	<u>26.4</u>	<u>118,962</u>	<u>1,202,580</u>	<u>1,440,829</u>	<u>1,253,222</u>	<u>2,503,978</u>		<u>153,222</u>
315 -	Accessory Electric Equipment											
	35 Year Life	55,843	20.0	11,169	35.0	1,596	4,765	5,718	4,973	62,039	32.0	1,939
316 -	Miscellaneous Power Plant Equipment											
	35 Year Life	67,696		0	35.0	1,934	45,249	45,249	39,357	28,339	11.6	2,443
	20 Year Life	877,262		0	20.0	43,863	637,732	637,732	554,694	322,568	7.8	41,355
		<u>944,958</u>	<u>20.6</u>	<u>0</u>	<u>20.6</u>	<u>45,797</u>	<u>682,981</u>	<u>682,981</u>	<u>594,051</u>	<u>350,907</u>	<u>8.0</u>	<u>43,798</u>
Total Daniel Common 1-4		<u>8,740,370</u>	<u>7.2</u>	<u>633,100</u>	<u>35.1</u>	<u>249,017</u>	<u>3,640,231</u>	<u>3,879,433</u>	<u>3,374,300</u>	<u>5,999,170</u>	<u>20.8</u>	<u>288,299</u>

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05

SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT	
PLANT DANIEL UNIT 1												
311 -	Structures and Improvements 36 Year Life to Life of Plant	8,539,984		0	54.6	156,410	4,394,346	4,394,346	3,822,167	4,717,817	26.5	178,031
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	8,329,193	-	0	52.5	158,651	4,125,129	4,125,129	3,588,004	4,741,189	26.5	178,913
	35 Year Life	33,484,240	12.0	4,018,109	32.3	1,036,664	17,177,178	19,238,439	16,733,440	20,768,909	15.7	1,322,860
	20 Year Life	5,999,993	20.0	1,199,999	20.0	300,000	2,109,064	2,530,877	2,201,337	4,998,655	13.4	373,034
		<u>47,813,426</u>	10.9	<u>5,218,108</u>	32.0	<u>1,495,315</u>	<u>23,411,371</u>	<u>25,894,445</u>	<u>22,522,781</u>	<u>30,508,753</u>		<u>1,874,807</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	10,978,196	-	0	53.6	204,817	5,553,520	5,553,520	4,830,407	6,147,789	26.5	231,992
	35 Year Life	4,350,614	20.0	870,123	35.0	124,303	1,682,486	2,018,983	1,756,095	3,464,642	21.4	161,899
	20 Year Life	60,797	20.0	12,159	20.0	3,040	42,148	50,578	43,992	28,964	6.7	4,323
		<u>15,389,607</u>	5.7	<u>882,282</u>	46.3	<u>332,160</u>	<u>7,278,154</u>	<u>7,623,081</u>	<u>6,630,495</u>	<u>9,641,394</u>		<u>398,214</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	3,470,916	-	0	54.7	63,454	1,790,381	1,790,381	1,557,259	1,913,657	26.5	72,213
	35 Year Life	6,240,030	20.0	1,248,006	34.9	178,797	4,435,616	5,322,739	4,629,676	2,858,360	10.1	283,006
	20 Year Life	1,789,072	20.0	357,814	20.0	89,454	1,693,498	2,032,198	1,767,590	379,296	3.8	99,815
		<u>11,500,018</u>	14.0	<u>1,605,820</u>	34.7	<u>331,705</u>	<u>7,919,495</u>	<u>9,145,318</u>	<u>7,954,524</u>	<u>5,151,314</u>		<u>455,034</u>
316 -	Miscellaneous Power Plant Equipment											
	36 Year Life to Life of Plant	3,609		0	52.3	69	1,770	1,770	1,540	2,069	26.7	78
	20 Year Life	2,067		0	19.9	104	1,479	1,479	1,286	781	5.8	135
		<u>5,676</u>		<u>0</u>	32.8	<u>173</u>	<u>3,249</u>	<u>3,249</u>	<u>2,826</u>	<u>2,850</u>		<u>213</u>
Total Daniel One		<u>83,248,711</u>	9.3	<u>7,706,210</u>	35.9	<u>2,315,763</u>	<u>43,006,615</u>	<u>47,060,439</u>	<u>40,932,793</u>	<u>50,022,128</u>		<u>2,906,299</u>

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05

SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT	
PLANT DANIEL UNIT 2												
311 -	Structures and Improvements 36 Year Life to Life of Plant	9,003,853		0	54.9	164,005	4,002,200	4,002,200	3,481,082	5,522,771	30.5	181,074
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	17,005,165	-	0	54.0	314,910	7,392,025	7,392,025	6,429,524	10,575,641	30.5	346,742
	35 Year Life	29,407,776	19.0	5,587,477	34.9	842,630	16,674,020	19,842,084	17,258,486	17,736,767	15.1	1,174,620
	20 Year Life	4,260,799	20.0	852,160	20.0	213,040	1,122,540	1,347,048	1,171,652	3,941,307	15.5	254,278
		<u>50,673,740</u>	<u>12.7</u>	<u>6,439,637</u>	<u>37.0</u>	<u>1,370,580</u>	<u>25,188,585</u>	<u>28,581,157</u>	<u>24,859,662</u>	<u>32,253,715</u>		<u>1,775,640</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	14,213,034	-	0	54.4	261,269	6,246,141	6,246,141	5,432,843	8,780,191	30.5	287,875
	35 Year Life	1,449,087	16.0	231,854	34.8	41,640	824,520	956,443	831,906	849,035	15.0	56,602
	20 Year Life	205,254	20.0	41,051	20.0	0	179,611	215,533	187,469	58,836	7.5	0
		<u>15,867,375</u>	<u>1.7</u>	<u>272,905</u>	<u>52.4</u>	<u>302,909</u>	<u>7,250,272</u>	<u>7,418,117</u>	<u>6,452,219</u>	<u>9,688,061</u>		<u>344,477</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	1,704,533	-	0	55.0	30,992	758,896	758,896	660,082	1,044,451	30.5	34,244
	35 Year Life	7,560,088	15.0	1,134,013	34.7	217,870	3,659,146	4,208,018	3,660,100	5,034,001	17.9	281,229
	20 Year Life	1,204,583	20.0	240,917	20.0	60,229	1,147,693	1,377,232	1,197,905	247,595	11.7	21,162
		<u>10,469,204</u>	<u>13.1</u>	<u>1,374,930</u>	<u>33.9</u>	<u>309,091</u>	<u>5,565,735</u>	<u>6,344,146</u>	<u>5,518,087</u>	<u>6,326,047</u>		<u>336,635</u>
316 -	Miscellaneous Power Plant Equipment											
	35 Year Life	9,371	-	0	35.0	268	6,024	6,024	5,240	4,131	12.5	331
	20 Year Life	34,010	-	0	20.0	1,701	31,583	31,583	27,471	6,539	2.5	2,616
		<u>43,381</u>	<u>-</u>	<u>0</u>	<u>22.0</u>	<u>1,969</u>	<u>37,607</u>	<u>37,607</u>	<u>32,710</u>	<u>10,671</u>		<u>2,947</u>
Total Daniel Two		<u>86,057,553</u>	<u>9.4</u>	<u>8,087,472</u>	<u>40.1</u>	<u>2,148,554</u>	<u>42,044,399</u>	<u>46,383,227</u>	<u>40,343,760</u>	<u>53,801,265</u>		<u>2,640,773</u>
Total Daniel Depreciable		<u>225,201,810</u>	<u>8.3</u>	<u>18,649,318</u>	<u>38.7</u>	<u>5,820,452</u>	<u>110,359,537</u>	<u>120,322,250</u>	<u>104,655,330</u>	<u>139,195,798</u>	<u>19.6</u>	<u>7,110,486</u>
310 Easements		77,160		0	59.0		38,500	38,500	50,750	26,410	30.5	866
311 Rail Track		2,741,620		0	57.4		1,284,913	1,284,913	1,864,720	876,900	30.5	28,751
Other Recovery/Non-Depreciable												
	310 Land	1,217,301							0			
	310 Cooling Lake	2,621,892							2,621,892			
	311 Cooling Lake	6,331,377							6,331,375			
	316 Cooling Lake	923							923			
	317 ARO	1,629,457							416,540			
	Dismantlement								14,264,190			
Total Plant Daniel		<u>239,821,540</u>							<u>130,205,720</u>			

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05
 SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL	ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT
PLANT SCHERER COMMON A												
311 -	Structures and Improvements											
	36 Year Life to Life of Plant	675,608		0	54.3	12,442	221,797	221,797	246,044	429,564	36.5	11,769
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	3,941,311	-	0	51.6	76,382	1,152,768	1,152,768	1,278,788	2,662,523	36.5	72,946
	35 Year Life	1,264,646	20.0	252,929	35.0	36,133	372,044	446,453	495,259	1,022,316	24.7	41,389
	20 Year Life	463,667	20.0	92,733	20.0	23,183	285,680	342,816	380,292	176,108	7.7	22,871
		<u>5,669,624</u>	6.1	<u>345,662</u>	41.8	<u>135,698</u>	<u>1,810,492</u>	<u>1,942,037</u>	<u>2,154,339</u>	<u>3,860,947</u>		<u>137,206</u>
314	Turbogenerator Units											
	36 Year Life to Life of Plant	63,153	-	0	55.0	1,148	21,242	21,242	23,564	39,589	36.5	1,085
	35 Year Life	17,344	20.0	3,469	35.0	496	9,168	11,002	12,205	6,608	16.5	522
	20 Year Life	14,315	20.0	2,863	20.0	716	13,241	15,889	17,626	(448)	1.5	(299)
		<u>94,812</u>	6.7	<u>6,332</u>	40.2	<u>2,360</u>	<u>43,651</u>	<u>48,133</u>	<u>53,395</u>	<u>47,749</u>		<u>1,308</u>
315	Accessory Electric Equipment											
	36 Year Life to Life of Plant	95,787	-	0	49.8	1,923	25,600	25,600	28,399	67,388	36.5	1,846
	35 Year Life	2,637	20.0	527	35.2	75	490	588	652	2,512	28.6	88
		<u>98,424</u>	0.5	<u>527</u>	49.3	<u>1,998</u>	<u>26,090</u>	<u>26,188</u>	<u>29,051</u>	<u>69,900</u>		<u>1,934</u>
Total Scherer A Common		<u>6,538,468</u>	0.1	<u>352,521</u>	42.9	<u>152,498</u>	<u>2,102,030</u>	<u>2,238,155</u>	<u>2,482,828</u>	<u>4,408,161</u>		<u>152,217</u>
PLANT SCHERER COMMON B												
311 -	Structures and Improvements											
	36 Year Life to Life of Plant	10,189,379		0	58.2	175,075	3,802,672	3,802,672	4,218,377	5,971,002	36.5	163,589
312 -	Boiler Plant Equipment											
	36 Year Life to Life of Plant	4,636,935	-	0	50.1	92,554	1,255,744	1,255,744	1,393,021	3,243,914	36.5	88,874
	35 Year Life	3,074,655	20.0	614,931	35.0	87,847	1,925,616	2,310,739	2,563,347	1,126,239	13.1	85,972
	20 Year Life	520,710	20.0	104,142	20.0	26,036	508,741	610,489	677,227	(52,375)	2.2	(23,807)
		<u>8,232,300</u>	8.7	<u>719,073</u>	39.9	<u>206,437</u>	<u>3,690,101</u>	<u>4,176,972</u>	<u>4,633,595</u>	<u>4,317,778</u>		<u>151,039</u>
314 -	Turbogenerator Units											
	36 Year Life to Life of Plant	586,272	-	0	58.6	10,005	221,073	221,073	245,241	341,031	36.5	9,343
	35 Year Life	669,043	20.0	133,809	35.0	19,116	434,945	521,934	578,991	223,861	12.2	18,349
		<u>1,255,315</u>	10.7	<u>133,809</u>	43.1	<u>29,121</u>	<u>656,018</u>	<u>743,007</u>	<u>824,232</u>	<u>564,892</u>		<u>27,692</u>
315 -	Accessory Electric Equipment											
	36 Year Life to Life of Plant	320,676	-	0	58.9	5,444	121,772	121,772	135,084	185,592	36.5	5,085
	35 Year Life	60,372	20.0	12,074	35.0	1,725	36,415	43,698	48,475	23,971	13.9	1,725
	20 Year Life	5,919	20.0	1,184	20.0	296	1,628	1,954	2,168	4,935	14.5	340
		<u>386,967</u>	3.4	<u>13,258</u>	51.8	<u>7,465</u>	<u>159,815</u>	<u>167,424</u>	<u>185,727</u>	<u>214,498</u>		<u>7,150</u>
316 -	Miscellaneous Power Plant Equipment											
	36 Year Life to Life of Plant	95,787	-	0	49.8		25,600	25,600	28,399	67,388	36.5	1,846
	35 Year Life	3,861,153	-	0	35.0	110,319	161,842	161,842	179,534	3,681,619	19.6	187,838
	20 Year Life	143,177	-	0	20.0	7,159	316,988	316,988	351,641	(208,464)	2.3	(90,636)
		<u>4,100,117</u>	-	<u>0</u>	34.9	<u>117,478</u>	<u>504,430</u>	<u>504,430</u>	<u>559,574</u>	<u>3,540,543</u>		<u>99,048</u>
Total Scherer B Common		<u>24,164,078</u>	3.6	<u>866,140</u>	45.1	<u>535,576</u>	<u>8,813,036</u>	<u>9,394,505</u>	<u>10,421,505</u>	<u>14,608,713</u>		<u>448,518</u>

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05

SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL ASL	ASL WEIGHTING	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARI YRS	ARI WEIGHT	
PLANT SCHERER UNIT 3												
311 -	Structures and Improvements 36 Year Life to Life of Plant	19,899,307		0	55.0	361,806	6,693,403	6,693,403	7,425,121	12,474,186	36.5	341,759
312 -	Boiler Plant Equipment 36 Year Life to Life of Plant	59,799,404	-	0	54.5	1,097,237	19,754,015	19,754,015	21,913,509	37,885,895	36.5	1,037,970
	35 Year Life	22,944,487	20.0	4,588,897	35.0	655,557	10,654,751	12,785,701	14,183,424	13,349,960	18.7	713,902
	20 Year Life	4,423,791	20.0	884,758	20.0	221,190	4,090,494	4,908,593	5,445,197	(136,648)	1.5	(91,098)
		<u>87,167,682</u>	6.3	<u>5,473,655</u>	44.2	<u>1,973,984</u>	<u>34,499,260</u>	<u>37,448,309</u>	<u>41,542,129</u>	<u>51,099,208</u>		<u>1,660,774</u>
314 -	Turbogenerator Units 36 Year Life to Life of Plant	32,134,988		0	54.9	585,337	10,785,586	10,785,586	11,964,658	20,170,330	36.5	552,612
	35 Year Life	1,784,621	20.0	356,924	35.0	50,989	937,768	1,125,322	1,248,341	893,204	16.6	53,807
	20 Year Life	427,073	20.0	85,415	20.0	21,354	395,043	474,052	525,875	(13,387)	1.5	(8,925)
		<u>34,346,682</u>	1.3	<u>442,339</u>	52.2	<u>657,680</u>	<u>12,118,397</u>	<u>12,384,960</u>	<u>13,738,874</u>	<u>21,050,147</u>		<u>597,494</u>
315 -	Accessory Electric Equipment 36 Year Life to Life of Plant	1,541,923	-	0	55.0	28,035	518,549	518,549	575,236	966,687	36.5	26,485
	35 Year Life	5,674,361	20.0	1,134,872	35.0	162,125	2,932,500	3,519,000	3,903,694	2,905,539	16.9	171,925
	20 Year Life	824,286	20.0	164,857	20.0	41,214	760,216	912,259	1,011,986	(22,843)	1.6	(14,277)
		<u>8,040,570</u>	16.2	<u>1,299,729</u>	34.8	<u>231,374</u>	<u>4,211,265</u>	<u>4,949,808</u>	<u>5,490,917</u>	<u>3,849,382</u>		<u>184,133</u>
316 -	Miscellaneous Power Plant Equipment 36 Year Life to Life of Plant	12,903		0	46.9	275	2,883	2,883	3,198	9,705	36.4	267
	35 Year Life	844,281		0	35.0	24,122	441,641	441,641	489,921	354,360	16.7	21,219
	20 Year Life	120,419		0	20.0	6,021	45,385	45,385	50,346	70,073	1.5	46,715
		<u>977,603</u>	-	<u>0</u>	32.1	<u>30,418</u>	<u>489,909</u>	<u>489,909</u>	<u>543,465</u>	<u>434,138</u>		<u>68,201</u>
Total Scherer Three		<u>150,431,844</u>	4.8	<u>7,215,723</u>	46.2	<u>3,255,262</u>	<u>58,012,234</u>	<u>61,966,389</u>	<u>68,740,507</u>	<u>88,907,060</u>		<u>2,852,361</u>
Total Scherer Depreciable		<u>181,134,390</u>	4.7	<u>8,434,384</u>	45.9	<u>3,943,336</u>	<u>68,927,300</u>	<u>73,599,049</u>	<u>81,644,840</u>	<u>107,923,934</u>	31.3	<u>3,453,096</u>
Other Recovery/Non-Depreciable												
	310 Land	823,910							0			
	316 Amortization (7 yr.)	35,260							24,690			
	317 ARO	78,220							29,360			
	Dismantlement								4,312,690			
Total Plant Scherer		<u>182,071,780</u>							<u>86,011,580</u>			

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05

SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL ASL	ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT
OTHER PRODUCTION PLANT												
PLANT SMITH COMBUSTION TURBINE												
341	Structures and Improvements 36 Year Life to Life of Plant	793,230	-	0	31.1	25,506	499,651	499,651	622,210	171,020	11.5	14,871
342	Fuel Holders, Producers & Access 36 Year Life to Life of Plant	283,270	-	0	37.9	7,474	197,415	197,415	234,190	49,080	11.5	4,268
343	Prime Movers 36 Year Life to Life of Plant	83,110	-	0	32.8	2,534	53,935	53,935	64,130	18,980	11.5	1,650
344	Generators 36 Year Life to Life of Plant	3,063,480	-	0	46.0	66,597	2,297,590	2,297,590	3,149,460	(85,980)	11.5	(7,477)
345	Accessory Electric Equipment 36 Year Life to Life of Plant	127,150	-	0	41.3	3,079	91,747	91,747	114,910	12,240	11.5	1,064
346	Misc. Power Plant Equipment 36 Year Life to Life of Plant	4,330	-	0	45.6	95	3,247	3,247	4,490	(160)	11.4	(14)
Total Smith CT Depreciable		<u>4,354,570</u>		<u>0</u>	41.4	<u>105,285</u>	<u>3,143,585</u>	<u>3,143,585</u>	<u>4,189,390</u>	<u>165,180</u>	11.5	<u>14,362</u>
Other Recovery/Non-Depreciable												
	Dismantlement								143,090			
Total Plant Smith CT		<u>4,354,570</u>							<u>4,332,480</u>			
PLANT PACE												
343	Prime Movers 36 Year Life to Life of Plant	6,790,600	-	0	20.0	339,530	2,546,473	2,546,473	2,573,270	4,217,330	12.5	337,386
344	Generators 36 Year Life to Life of Plant	3,107,230	-	0	20.0	155,362	1,165,212	1,165,212	1,177,470	1,929,760	12.5	154,381
345	Accessory Electric Equipment 36 Year Life to Life of Plant	584,090	-	0	20.0	29,205	219,034	219,034	220,850	363,240	12.5	29,059
Total Pace CT Depreciable		<u>10,481,920</u>		<u>0</u>	20.0	<u>524,097</u>	<u>3,930,719</u>	<u>3,930,719</u>	<u>3,971,590</u>	<u>6,510,330</u>	12.5	<u>520,826</u>
Other Recovery/Non-Depreciable												
347	ARO	397,190							130,740			
	Dismantlement								-10,450			
Total Plant Pace CT		<u>10,879,110</u>							<u>4,091,880</u>			

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05
 SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 NET RECOVERABLE BALANCE	NET REMOVAL AMOUNT	ASL ASL	ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL WGT	ARL WEIGHT
PLANT SMITH COMBINED CYCLE											
341	Structures and Improvements 36 Year Life to Life of Plant	9,029,100	0	25.0	361,164	1,263,182	1,263,182	1,887,370	7,141,730	21.5	332,173
342	Fuel Holders, Producers & Access 36 Year Life to Life of Plant	535,100	0	25.0	21,404	74,210	74,210	206,300	328,800	21.5	15,293
343	Prime Movers 36 Year Life to Life of Plant	107,467,097	0	24.9	4,315,948	14,742,608	14,742,608	16,585,885	90,881,212	21.5	4,227,033
	20 Year Life	551,583	27,579	20.0	27,579	96,527	101,353	114,025	465,137	16.5	28,190
		<u>108,018,680</u>	<u>27,579</u>	24.9	<u>4,343,527</u>	<u>14,839,135</u>	<u>14,843,961</u>	<u>16,699,910</u>	<u>91,346,349</u>		<u>4,255,223</u>
344	Generators 36 Year Life to Life of Plant	69,289,934	0	25.0	2,771,597	9,691,773	9,691,773	5,920,398	63,369,536	21.5	2,947,420
	20 Year Life	4,134,466	206,723	20.0	206,723	723,532	759,709	464,082	3,877,107	16.5	234,976
		<u>73,424,400</u>	<u>206,723</u>	24.7	<u>2,978,320</u>	<u>10,415,305</u>	<u>10,451,482</u>	<u>6,384,480</u>	<u>67,246,643</u>		<u>3,182,396</u>
345	Accessory Electric Equipment 36 Year Life to Life of Plant	10,637,540	0	25.0	425,502	1,488,232	1,488,232	1,605,440	9,032,100	21.5	420,098
346	Misc. Power Plant Equipment 36 Year Life to Life of Plant	684,210	0	24.0	28,509	72,342	72,342	56,890	627,320	21.5	29,178
		<u>202,329,030</u>	<u>234,302</u>	24.8	<u>8,158,426</u>	<u>28,152,406</u>	<u>28,193,409</u>	<u>26,840,390</u>	<u>175,722,942</u>	21.3	<u>8,234,361</u>
Total Smith CC Depreciable											
Other Recovery/Non-Depreciable											
340	Land	337,700						921,500			
	Dismantlement										
	Total Plant Smith CC	<u>202,666,730</u>						<u>27,761,890</u>			
	Total Production	1,335,190,300						625,494,060			

**GULF POWER COMPANY
DEPRECIATION STUDY AS OF 12/31/2005
SCHEDULE OF DEPRECIATION PARAMETERS**

FERC ACCT	DESCRIPTION	BALANCE 12/31/2005	CURVE	ASL	NET REMOVAL COST		THEO. RESERVE	RESERVE 12/31/2005	BALANCE TO RECOVER	ARL	ANNUAL ACCRUAL
					%	AMT.					
TRANSMISSION PLANT											
350.0	Easements	11,344,580	SQ	60.0	0	0	5,090,386	5,083,180	6,261,400 0	33.0	189,682
352.0	Structures and Improvements	6,167,160	R3	45.0	5	308,358	2,060,158	2,284,190	4,191,328	30.7	136,392
353.0	Station Equipment	88,247,980	S0	45.0	5	4,412,399	20,739,335	23,576,570	69,083,809	35.0	1,974,952
354.0	Towers and Fixtures	35,213,730	R5	50.0	25	8,803,433	18,554,073	21,095,400	22,921,763	28.9	792,592
355.0	Poles and Fixtures	59,026,480	S0	35.0	40	23,610,592	18,499,056	16,168,310	66,468,762	27.2	2,447,303
356.0	Overhead Conductors and Devices	50,364,370	R2	50.0	35	17,627,530	16,712,824	18,986,670	49,005,230	37.7	1,299,873
358.0	Underground Conductors and Devices	13,612,400	R3	45.0	0	0	4,863,764	5,644,310	7,968,090	29.0	275,236
359.0	Roads and Trails	64,920	SQ	50.0	0	0	32,337	26,930	37,990	25.1	1,515
Sub-Total Excluding Easements		<u>252,697,040</u>		43.6	22	<u>54,762,312</u>	<u>81,461,547</u>	<u>87,782,380</u>	<u>219,676,972</u>		6,927,864
Sub-Total Including Easements		264,041,620		44.1	21	54,762,312	86,551,933	92,865,560	225,938,372		7,117,546
350	Land	<u>2,069,750</u>									
TOTAL TRANSMISSION PLANT		<u>266,111,370</u>				<u>54,762,312</u>	<u>86,551,933</u>	<u>92,865,560</u>	<u>225,938,372</u>		

**GULF POWER COMPANY
DEPRECIATION STUDY AS OF 12/31/2005
SCHEDULE OF DEPRECIATION PARAMETERS**

FERC ACCT	DESCRIPTION	BALANCE 12/31/2005	CURVE	ASL	NET REMOVAL COST		THEO. RESERVE	RESERVE 12/31/2005	BALANCE TO RECOVER	ARL	ANNUAL ACCRUAL
					%	AMT.					
DISTRIBUTION PLANT											
360.2	Easements	0	SQ	50.0	0	0	0	0	0	50.0	
361.0	Structures and Improvements	12,691,930	R3	45.0	5	634,597	4,594,048	5,036,500	8,290,027	29.5	280,732
362.0	Station Equipment	135,871,830	R1.5	43.0	5	6,793,592	39,230,341	45,889,610	96,775,812	31.2	3,101,789
364.0	Poles and Fixtures	112,535,550	R1	32.0	75	84,401,663	50,180,444	45,723,340	151,213,873	23.8	6,342,864
365.0	Overhead Conductors and Devices	110,189,870	R1	37.0	10	11,018,987	32,383,464	38,028,890	83,179,967	27.1	3,069,371
366.0	Underground Conduit	1,210,870	R3	60.0	0	0	600,159	784,280	426,590	30.2	14,125
367.0	Underground Conductors and Devices	82,423,600	S3	30.0	0	0	23,622,001	24,732,030	57,691,570	21.4	2,695,868
368.0	Line Transformers	172,026,950	S0	30.0	25	43,006,738	62,610,909	64,505,030	150,528,658	21.3	7,083,702
369.1	Overhead Services	41,807,020	R1	34.0	35	14,632,457	17,569,045	22,314,210	34,125,267	23.4	1,458,345
369.2	Underground Services	33,017,020	R1	40.0	5	1,650,851	5,867,591	9,722,880	24,944,991	33.2	751,355
369.3	House Power Panel Services	3,411,680	R3	27.0	0	0	2,641,644	2,940,480	471,200	6.1	77,246
370.0	Meters	45,141,070	R1	33.0	0	0	10,470,426	14,291,230	30,849,840	25.4	1,216,956
373.0	Street Lighting and Signal Systems	49,004,690	L1	18.0	5	2,450,235	15,678,788	19,769,310	31,685,615	12.5	2,530,800
Sub-Total		<u>799,332,080</u>		32.7	21	<u>164,589,120</u>	<u>265,448,860</u>	<u>293,737,790</u>	<u>670,183,410</u>		28,623,153
360	Land	<u>1,979,720</u>									
TOTAL DISTRIBUTION PLANT		<u><u>801,311,800</u></u>				<u><u>164,589,120</u></u>	<u><u>265,448,860</u></u>	<u><u>293,737,790</u></u>	<u><u>670,183,410</u></u>		

GULF POWER COMPANY
DEPRECIATION STUDY AS OF 12/31/2005
SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	BALANCE 12/31/2005	CURVE	ASL	NET REMOVAL COST		THEO. RESERVE	RESERVE 12/31/2005	BALANCE TO RECOVER	ARL	ANNUAL ACCRUAL
					%	AMT.					
GENERAL PLANT											
390.0	Structures and Improvements	55,821,740	S1.5	45.0	5	2,791,087	21,987,329	23,753,790	34,859,037	28.2	1,237,892
396.0	Station Equipment	593,660	R5	15.0	-20	(118,732)	235,975	259,200	215,728	7.6	28,573
397.0	Poles and Fixtures	17,535,930	L2	15.0	0	0	7,416,478	9,291,500	8,244,430	8.7	953,113
Transportation Equipment											
392.2	Light Trucks	5,284,180	S3	9.5	-13	(686,943)	2,388,250	2,309,630	2,287,607	4.6	501,668
392.3	Heavy Trucks	19,410,960	L4	11.0	-17	(3,299,863)	7,484,322	6,906,120	9,204,977	5.9	1,562,814
392.4	Trailers	1,202,100	S1	17.0	-15	(180,315)	466,569	413,390	608,395	9.2	65,844
Total Transportation Equipment		25,897,240		10.8	-16	(4,167,121)	10,339,141	9,629,140	12,100,979	5.7	2,130,326
TOTAL DEPRECIABLE GENERAL PLANT		99,848,570				(1,494,766)	39,978,923	42,933,630	55,420,174		4,349,905

GULF POWER COMPANY
DEPRECIATION STUDY AS OF 12/31/2005
SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	BALANCE 12/31/2005	CURVE	ASL	NET REMOVAL COST		THEO. RESERVE	RESERVE 12/31/2005	BALANCE TO RECOVER	ARL	ANNUAL ACCRUAL
					%	AMT.					
<u>GENERAL PLANT AMORTIZATION</u>											
<u>Office Furniture & Equipment</u>											
391.1	Furniture/Non-Computer	1,852,700	AMORT	7.0	0.0	0		539,280	1,313,420		172,699
391.2	Computer Equipment	1,080,460	AMORT	5.0	0.0	0		216,540	863,920		1,034,767
Total Office Furniture & Equipment		2,933,160			0.0	0		755,820	2,177,340		1,207,466
<u>Auxiliary General Equipment</u>											
392.5	Marine Equipment	163,560	AMORT	5.0	0.0	0		76,140	87,420		32,880
393.0	Stores Equipment	276,390	AMORT	7.0	0.0	0		64,510	211,880		73,314
394.0	Tools, Shop & Garage Equipment	2,219,970	AMORT	7.0	0.0	0		792,160	1,427,810		354,558
395.0	Laboratory Equipment	2,446,740	AMORT	7.0	0.0	0		673,050	1,773,690		324,632
397.0	Communication Equip	1,441,160	AMORT	7.0	0.0	0		563,060	878,100		459,701
398.0	Miscellaneous Equipment	2,162,560	AMORT	7.0	0.0	0		664,300	1,498,260		1,185,033
Total Auxiliary General Equipment		8,710,380			0.0	0		2,833,220	5,789,740		2,397,238
Total Amortizable General Plant		11,643,540						3,589,040			
Total Depreciable & Amortizable General Plant		111,492,110						46,522,670			
<u>NON-DEPRECIABLE GENERAL PROPERTY</u>											
389.0	Land	6,862,710									
		0									
		6,862,710									
TOTAL GENERAL PLANT		118,354,820						46,522,670			

GULF POWER COMPANY

DEPRECIATION STUDY AS OF Estimated 12/31/05

SCHEDULE OF DEPRECIATION PARAMETERS

FERC ACCT	DESCRIPTION	12/31/2005 PLANT BALANCE	NET COR %	NET REMOVAL AMOUNT	ASL	ASL WEIGHTING	CALC RESERVE	THEO. RESERVE	12/31/2005 ALLOCATED RESERVE	BALANCE TO RECOVER	ARL YRS	ARL WEIGHT
STEAM PRODUCTION PLANT												
PLANT CRIST COMMON												
311 -	Structures and Improvements 36 Year Life to Life of Plant											
312 -	Boiler Plant Equipment 36 Year Life to Life of Plant 35 Year Life 20 Year Life	12,803		0	26.8	478	4,971	4,971	7,356	5,447	12.5	436
		<u>12,803</u>		<u>0</u>	<u>26.8</u>	<u>478</u>	<u>4,971</u>	<u>4,971</u>	<u>7,356</u>	<u>5,447</u>		<u>436</u>
314 -	Turbogenerator Units 36 Year Life to Life of Plant 35 Year Life 20 Year Life	<u>0</u>		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>
315 -	Accessory Electric Equipment 36 Year Life to Life of Plant 35 Year Life 20 Year Life	<u>0</u>		<u>0</u>		<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>		<u>0</u>
316 -	Miscellaneous Power Plant Equipment 36 Year Life to Life of Plant 35 Year Life 20 Year Life	9,288		0	34.6	268	5,467	5,467	7,353	1,935	12.6	154
		<u>9,288</u>		<u>0</u>	<u>34.7</u>	<u>268</u>	<u>5,467</u>	<u>5,467</u>	<u>7,353</u>	<u>1,935</u>		<u>154</u>
Total Crist Common		<u>22,091</u>		<u>0</u>	<u>29.6</u>	<u>746</u>	<u>10,438</u>	<u>10,438</u>	<u>14,709</u>	<u>7,382</u>		<u>590</u>
PLANT CRIST UNIT 1												
312 -	Boiler Plant Equipment 36 Year Life to Life of Plant 35 Year Life 20 Year Life	400,034	-	0	59.5	6,723	363,063	363,063	348,785	51,249	5.5	9,318
		557,473	8.0	44,598	25.8	21,607	462,751	499,771	480,116	121,955	5.1	23,913
		18,336	20.0	3,667	20.0	917	18,336	22,003	22,003	0	0.0	0
		<u>975,843</u>	<u>4.9</u>	<u>48,265</u>	<u>33.4</u>	<u>29,247</u>	<u>844,150</u>	<u>884,837</u>	<u>850,904</u>	<u>173,204</u>		<u>33,231</u>
314	Turbogenerator Units 36 Year Life to Life of Plant 35 Year Life 20 Year Life	699,904	-	0	54.5	12,842	629,310	629,310	620,266	79,638	5.5	14,480
		216,201	1.0	2,162	22.7	9,524	165,096	166,747	164,351	54,012	5.5	9,820
		3,166	20.0	633	20.0	158	3,166	3,799	3,799	0	0.0	0
		<u>919,271</u>	<u>0.3</u>	<u>2,795</u>	<u>40.8</u>	<u>22,524</u>	<u>797,572</u>	<u>799,856</u>	<u>788,416</u>	<u>133,650</u>		<u>24,300</u>
315	Accessory Electric Equipment 36 Year Life to Life of Plant 35 Year Life 20 Year Life	30,970	-	0	61.6	503	28,199	28,199	28,153	2,817	5.5	512
		102,072	18.0	18,373	34.8	2,933	100,695	118,820	118,626	1,819	5.5	331
		153,356	20.0	30,671	20.0	7,668	153,173	183,808	183,508	519	0.5	1,038
		<u>286,398</u>	<u>17.1</u>	<u>49,044</u>	<u>25.8</u>	<u>11,104</u>	<u>282,067</u>	<u>330,827</u>	<u>330,287</u>	<u>5,155</u>		<u>1,881</u>
Total Crist One		<u>2,181,512</u>	<u>4.6</u>	<u>100,104</u>	<u>34.7</u>	<u>62,875</u>	<u>1,923,789</u>	<u>2,015,520</u>	<u>1,969,607</u>	<u>312,009</u>		<u>59,412</u>
Total Retired Crist One, incl Common		2,203,600	4.5	100,104	34.6	63,621	1,934,227	2,025,958	1,984,320	319,391	5.3	60,002
Total In-service Crist 5/13/05		511,690,070	6.7	34,374,690	29.2	17,500,481	207,333,193	217,633,109	204,983,590	341,081,170	17.9	19,045,741
Total Plant Crist		<u>513,893,670</u>	<u>6.7</u>	<u>34,474,794</u>	<u>29.3</u>	<u>17,564,102</u>	<u>209,267,420</u>	<u>219,659,067</u>	<u>206,967,910</u>	<u>341,400,561</u>	<u>17.9</u>	<u>19,105,743</u>

NET REMOVAL STUDY
GULF POWER COMPANY
1981 Through 2004

This study represents an analysis of historical Gulf Power removal costs during the period of 1981 through 2004.

The net removal study entails assembling retirements, cost of removal, and salvage. The report schedules, segregated by depreciable plant account (or functional group in the case of Production Plant), reflect activity for the period 1981 to 2004. The data reflects only items included as normal retirements, removal costs and salvage. Abnormal activity is reconciled beginning on page 28 of this section. Results by depreciable category or functional group are summarized into periods or net removal bands of last three years, last five years, last ten years, last 15 years, last 20 years, and all years. This data is shown in the following pages. Our work papers retain additional analysis, such as rolling and analysis.

**NET REMOVAL COST
SUMMARY OF HISTORICAL ANALYSIS
GULF POWER COMPANY**

<u>Account</u>	<u>Net Removal Factor</u>	
	<u>2001 % Approved</u>	<u>2005 % Proposed</u>
Steam Production	20	20
Other Production	0	5
<u>Transmission Plant</u>		
352	5	5
353	5	5
354	30	25
355	40	40
356	30	35
358	0	0
359	0	0
Easements & Clearing	0	0
<u>Distribution Plant</u>		
361	5	5
362	5	5
364	70	75
365	5	10
366	0	0
367	(10)	0
368	25	25
369.1	25	35
369.2	0	5
369.3	0	0
370	0	0
373	0	5
<u>General Plant</u>		
390	5	5
391	(1)	N/A
392 - Autos	(2)	N/A
392 - Light Trucks		(13)
392 - Heavy Trucks		(17)
392 - Trailers		(15)
392 - Marine	(1)	N/A
393	(1)	N/A
394	(1)	N/A
395	(1)	N/A
396		(20)
397		0
398	(1)	N/A

(1) Net removal cost factor not applicable; account is 100% amortization property.

(2) Autos fully depreciated.

Gulf Power Company

NET REMOVAL COST

Steam Production Plant

Year	Retirements	Cost of Removal	Cost of Removal	Salvage	Salvage	Net Removal	Net Removal
		\$	%	\$	%	\$	%
1981	421,850	113,237	26.84	9,363	2.22	103,874	24.62
1982	1,647,246	392,090	23.80	111,433	6.76	280,657	17.04
1983	2,639,895	828,537	31.39	93,225	3.53	735,312	27.85
1984	3,610,444	431,556	11.95	195,307	5.41	236,249	6.54
1985	3,781,871	848,640	22.44	131,573	3.48	717,067	18.96
1986	3,143,870	724,415	23.04	24,356	0.77	700,059	22.27
1987	3,501,713	845,803	24.15	15,162	0.43	830,641	23.72
1988	5,455,544	476,385	8.73	64,801	1.19	411,583	7.54
1989	6,100,196	870,732	14.27	469,085	7.69	401,646	6.58
1990	8,386,850	1,826,975	21.78	188,856	2.25	1,638,119	19.53
1991	7,624,035	997,523	13.08	106,113	1.39	891,410	11.69
1992	1,033,681	413,900	40.04	195,148	18.88	218,752	21.16
1993	7,078,262	2,862,980	40.45	393,496	5.56	2,469,485	34.89
1994	10,885,104	3,268,697	30.03	113,349	1.04	3,155,348	28.99
1995	8,420,567	1,596,005	18.95	35,825	0.43	1,560,180	18.53
1996	10,162,352	1,441,516	14.18	216,671	2.13	1,224,845	12.05
1997	1,626,118	248,570	15.29	15,160	0.93	233,410	14.35
1998	2,831,930	1,832,883	64.72	11,535	0.41	1,821,348	64.31
1999	10,673,812	1,916,249	17.95	86,116	0.81	1,830,133	17.15
2000	6,416,363	2,332,998	36.36	610,276	9.51	1,722,722	26.85
2001	4,026,491	2,704,922	67.18	50,996	1.27	2,653,926	65.91
2002	14,582,749	4,225,754	28.98	310,474	2.13	3,915,281	26.85
2003	9,741,206	3,957,644	40.63	308,678	3.17	3,648,966	37.46
2004	7,336,958	1,632,363	22.25	88,832	1.21	1,543,531	21.04
All Years	141,129,105	36,790,376	26.07	3,845,831	2.73	32,944,545	23.34
20-Yr Band	132,809,671	35,024,955	26.37	3,436,503	2.59	31,588,452	23.78
15-Yr Band	110,826,477	31,258,980	28.21	2,731,525	2.46	28,527,455	25.74
10-Yr Band	75,818,545	21,888,904	28.87	1,734,563	2.29	20,154,342	26.58
5-Yr Band	42,103,767	14,853,681	35.28	1,369,256	3.25	13,484,425	32.03
3-Yr Band	31,660,913	9,815,761	31.00	707,984	2.24	9,107,777	28.77

Cost of Removal	20%
Salvage	
Proposed Net Removal	20%

For the net removal of interim retirements of Steam production, 20% is indicated by the data.

Gulf Power Company

NET REMOVAL COST
December 31, 2004

Other Production Plant

Year	Retirements	Cost of Removal	Cost of Removal	Salvage	Salvage	Net Removal	Net Removal
		\$	%	\$	%	\$	%
1981							
1982	222,500	22,345	10.04	1,000	0.45	21,345	9.59
1983							
1984		-					
1985	633	-					
1986	42,200	-					
1987	-	-		-			
1988	-	-		-			
1989				-			
1990	10,228	200	1.96	-		200	1.96
1991	7,923			-			
1992	(7,923)			-			
1993	13,446	2,981	22.17	-		2,981	22.17
1994	683	96	14.02	-		96	14.02
1995	2,074	(1)	(0.03)	-		(1)	(0.03)
1996	-			-			
1997		-		-			
1998	16,574	-		-			
1999	-	-		-			
2000	-	-		-			
2001	-	-		-			
2002	-			-			
2003		10,899		-		10,899	
2004	3,035,628	236,247	7.78	-		236,247	7.78
All Years	3,343,965	272,768	8.16	1,000	0.03	271,768	8.13
20-Yr Band	3,121,465	250,423	8.02			250,423	8.02
15-Yr Band	3,078,632	250,423	8.13			250,423	8.13
10-Yr Band	3,054,276	247,146	8.09			247,146	8.09
5-Yr Band	3,035,628	247,146	8.14			247,146	8.14
3-Yr Band	3,035,628	247,146	8.14			247,146	8.14

Cost of Removal	5%
Salvage	
Proposed Net Removal	5%

Consistent with the nature of Other Production, the indicated net removal of interim retirements is low

Gulf Power Company

NET REMOVAL COST

Account 352 - S & I

Year	Retirements	Cost of Removal	Cost of Removal	Salvage	Salvage	Net Removal	Net Removal
		\$	%	\$	%	\$	%
1981	4,562			-			
1982	644	1,892	293.60	-		1,892	293.60
1983	-			-			
1984	1,565	46	2.94	-		46	2.94
1985	7,130	5,446	76.38	-		5,446	76.38
1986				-			
1987	2,896	36	1.23	-		36	1.23
1988	23,456	2,762	11.77	-		2,762	11.77
1989	1,589	1,480	93.16	63	3.96	1,417	89.19
1990	2,032	5,333	262.45	-		5,333	262.45
1991	23,866	78	0.33	4	0.02	74	0.31
1992	17,216	2,502	14.53	-		2,502	14.53
1993	21,328	292	1.37	-		292	1.37
1994	12,877	1,258	9.77	-		1,258	9.77
1995	4,194	1,079	25.73	-		1,079	25.73
1996	6,620	176	2.66	-		176	2.66
1997	40,292	1,092	2.71	-		1,092	2.71
1998	17,650	(3)	(0.02)	-		(3)	(0.02)
1999	10,530	454	4.31	-		454	4.31
2000		125		-		125	
2001	3,215	0		-		0	
2002	14,806	308	2	-		308	2.08
2003				-			
2004		151		-		151	
All Years	216,467	24,508	11.32	67	0.03	24,441	11.29
20-Yr Band	209,696	22,570	10.76	67	0.03	22,503	10.73
15-Yr Band	174,626	12,846	7.36	4		12,842	7.35
10-Yr Band	97,306	3,382	3.48			3,382	3.48
5-Yr Band	18,020	584	3.24			584	3.24
3-Yr Band	14,806	459	3.10			459	3.10

				Cost of Removal		5%
				Salvage		
Net Removal FPSC approved in 2001:		5%		Proposed Net Removal		5%

Limited retirement experience. No reason to change the current rate and is consistent with the typical nature of the property.

NET REMOVAL COST

Account 353 - Station Equipment

Year	Retirements	Cost of Removal	Cost of Removal	Salvage	Salvage	Net Removal	Net Removal
		\$	%	\$	%	\$	%
1981	115,015	5,363	4.66	17,799	15.48	(12,436)	(10.81)
1982	260,783	8,482	3.25			8,482	3.25
1983	31,707	10,611	33.47			10,611	33.47
1984	265,053	1,287	0.49	3,279	1.24	(1,992)	(0.75)
1985	253,821	1,844	0.73			1,844	0.73
1986	197,995			-			
1987	193,039	9,127	4.73	-		9,127	4.73
1988	409,973	306	0.07	-		306	0.07
1989	275,414	10,735	3.90			10,735	3.90
1990	193,478	4,085	2.11			4,085	2.11
1991	432,431	96,928	22.41	1,861	0.43	95,067	21.98
1992	704,088	101,527	14.42	4,023	0.57	97,504	13.85
1993	476,445	143,775	30.18	1,468	0.31	142,307	29.87
1994	534,600	88,859	16.62	1,048	0.20	87,811	16.43
1995	633,381	14,137	2.23	105,268	16.62	(91,132)	(14.39)
1996	80,399	8,660	10.77	23,930	29.76	(15,270)	(18.99)
1997	636,398	18,713	2.94	-		18,713	2.94
1998	932,453	8,818	0.95	5,200	0.56	3,618	0.39
1999	1,004,952	37,430	3.72			37,430	3.72
2000	2,294,660	12,188	0.53			12,188	0.53
2001	691,933	26,842	3.88	125,177	18.09	(98,335)	(14.21)
2002	222,963	48,240	21.64			48,240	21.64
2003	2,403,130	348,645	14.51			348,645	14.51
2004	220,914	58,197	26.34	40,000	18.11	18,197	8.24
All Years	13,465,023	1,064,799	7.91	329,053	2.44	735,746	5.46
20-Yr Band	12,792,466	1,039,055	8.12	307,975	2.41	731,080	5.71
15-Yr Band	11,462,224	1,017,043	8.87	307,975	2.69	709,068	6.19
10-Yr Band	9,121,182	581,869	6.38	299,575	3.28	282,294	3.09
5-Yr Band	5,833,599	494,112	8.47	165,177	2.83	328,935	5.64
3-Yr Band	2,847,007	455,082	15.98	40,000	1.40	415,082	14.58

				Cost of Removal		7%
				Salvage		2%
Net Removal FPSC approved in 2001:		5%		Proposed Net Removal		5%

The historical data indicates net removal of about 5%, the same as that of the prior study.

NET REMOVAL COST

Account 354 - Towers

Year	Retirements	Cost of Removal	Cost of Removal	Salvage	Salvage	Net Removal	Net Removal
		\$	%	\$	%	\$	%
1981	-	-	-	-	-	-	-
1982	-	-	-	-	-	-	-
1983	-	-	-	-	-	-	-
1984	-	-	-	-	-	-	-
1985	-	-	-	-	-	-	-
1986	-	-	-	-	-	-	-
1987	-	-	-	-	-	-	-
1988	-	-	-	-	-	-	-
1989	16,711	11,516	68.91	-	-	11,516	68.91
1990	30,576	5,775	18.89	8,023	26.24	(2,248)	(7.35)
1991	16,595	(5,934)	(35.76)	1,067	6.43	(7,001)	(42.19)
1992	18,196	9,150	50.29	-	-	9,150	50.29
1993	69,368	(109)	(0.16)	-	-	(109)	(0.16)
1994	45,152	9,859	21.83	-	-	9,859	21.83
1995	-	547	-	-	-	547	-
1996	50,383	(3)	(0.01)	-	-	(3)	(0.01)
1997	80,474	1	-	-	-	1	-
1998	109,299	2,500	2.29	-	-	2,500	2.29
1999	2,632	1,915	72.76	-	-	1,915	72.76
2000	145	97,498	67,240.00	-	-	97,498	67,240.00
2001	403,450	15,810	3.92	-	-	15,810	3.92
2002	73,540	59,342	80.69	-	-	59,342	80.69
2003	189,870	49,819	26.24	-	-	49,819	26.24
2004	48,924	26,469	54.10	-	-	26,469	54.10
All Years	1,155,315	284,154	24.60	9,090	0.79	275,064	23.81
20-Yr Band	1,155,315	284,154	24.60	9,090	0.79	275,064	23.81
15-Yr Band	1,138,604	272,638	23.94	9,090	0.80	263,548	23.15
10-Yr Band	958,717	253,897	26.48	-	-	253,897	26.48
5-Yr Band	715,930	248,938	34.77	-	-	248,938	34.77
3-Yr Band	312,334	135,630	43.42	-	-	135,630	43.42

				Cost of Removal		25%
				Salvage		
Net Removal FPSC approved in 2001:	30%			Proposed Net Removal		25%

Relatively limited retirement experience. The data indicates about 25% net removal based on the 10-year and longer bands.

NET REMOVAL COST

Account 355 - Poles

Year	Retirements	Cost of Removal	Cost of Removal	Salvage	Salvage	Net Removal	Net Removal
		\$	%	\$	%	\$	%
1981	15,257	39,172	256.74			39,172	256.74
1982	203,371	75,396	37.07	6,503	3.20	68,893	33.88
1983	141,355	35,039	24.79	6,294	4.45	28,744	20.33
1984	93,972	52,181	55.53	-		52,181	55.53
1985	218,373	77,638	35.55	1,903	0.87	75,735	34.68
1986	61,312	60,187	98.17	-		60,187	98.17
1987	239,739	206,391	86.09	1,456	0.61	204,934	85.48
1988	177,291	172,984	97.57	-		172,984	97.57
1989	113,224	245,740	217.04	1,246	1.10	244,494	215.94
1990	124,449	255,862	205.60			255,862	205.60
1991	234,629	166,779	71.08			166,779	71.08
1992	155,498	273,856	176.12	12,225	7.86	261,631	168.25
1993	430,661	253,660	58.90	(3,283)	(0.76)	256,943	59.66
1994	136,901	192,328	140.49	947	0.69	191,380	139.79
1995	97,998	116,877	119.26			116,877	119.26
1996	1,664,590	76,421	4.59			76,421	4.59
1997	929,279	97,067	10.45	297	0.03	96,770	10.41
1998	1,744,635	71,475	4.10	1,500	0.09	69,975	4.01
1999	222,086	432,764	194.86	46,746	21.05	386,018	173.81
2000	57,195	376,999	659.15	488	0.85	376,511	658.29
2001	239,259	276,227	115.45			276,227	115.45
2002	676,972	906,677	133.93	-		906,677	133.93
2003	194,122	81,562	42.02	-		81,562	42.02
2004	271,507	278,599	102.61	-		278,599	102.61
All Years	8,443,676	4,821,881	57.11	76,323	0.90	4,745,558	56.20
20-Yr Band	7,989,720	4,620,094	57.83	63,526	0.80	4,556,568	57.03
15-Yr Band	7,179,781	3,857,153	53.72	58,920	0.82	3,798,233	52.90
10-Yr Band	6,097,644	2,714,668	44.52	49,031	0.80	2,665,637	43.72
5-Yr Band	1,439,055	1,920,064	133.43	488	0.03	1,919,576	133.39
3-Yr Band	1,142,601	1,266,838	110.87			1,266,838	110.87

		Cost of Removal	40%
		Salvage	
Net Removal FPSC approved in 2001:	40%	Proposed Net Removal	40%

Not a lot of retirement experience in recent years. The concluded net removal of 40% is based on the 10-year band. Also, based on typical nature of the property, no strong reason to change the current rate.

NET REMOVAL COST

Account 356 - Overhead Conductors

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal	\$	%	Removal	Removal
		\$	%	\$	%	\$	%
1981	5,776	1,854	32.10			1,854	32.10
1982	145,880	16,361	11.22	15,340	10.52	1,021	0.70
1983	65,837	19,851	30.15	521	0.79	19,330	29.36
1984	14,693	6,783	46.16	222	1.51	6,560	44.65
1985	33,394	4,839	14.49	4,401	13.18	438	1.31
1986	9,092	1,818	20.00	-		1,818	20.00
1987	14,810	16,065	108.47	104	0.70	15,961	107.77
1988	5,865	7,436	126.80	-		7,436	126.80
1989	11,138	6,070	54.50	2,011	18.06	4,059	36.44
1990	52,779	138,194	261.83	1,992	3.77	136,202	258.06
1991	117,581	22,810	19.40	5,740	4.88	17,070	14.52
1992	25,251	127,481	504.86			127,481	504.86
1993	216,323	77,657	35.90	-		77,657	35.90
1994	13,431	(7,945)	(59.16)			(7,945)	(59.16)
1995	95,314	53,384	56.01	-		53,384	56.01
1996	768,898	59,235	7.70	-		59,235	7.70
1997	101,822	12,859	12.63	-		12,859	12.63
1998	557,598	39,782	7.13	-		39,782	7.13
1999	68,322	549,019	803.58			549,019	803.58
2000	6,900	460,839	6,678.83	166,425	2,411.96	294,414	4,266.87
2001	481,086	183,363	38.11	74,742	15.54	108,621	22.58
2002	326,727	806,900	246.96	40,609	12.43	766,291	234.54
2003	162,714	104,884	64.46			104,884	64.46
2004	224,236	33,482	14.93	-		33,482	14.93
All Years	3,525,466	2,743,020	77.81	312,107	8.85	2,430,913	68.95
20-Yr Band	3,293,281	2,698,172	81.93	296,024	8.99	2,402,147	72.94
15-Yr Band	3,218,982	2,661,944	82.70	289,508	8.99	2,372,436	73.70
10-Yr Band	2,793,617	2,303,747	82.46	281,776	10.09	2,021,971	72.38
5-Yr Band	1,201,663	1,589,468	132.27	281,776	23.45	1,307,692	108.82
3-Yr Band	713,677	945,266	132.45	40,609	5.69	904,657	126.76

				Cost of Removal		40%
				Salvage		5%
Net Removal FPSC approved in 2001:		30%		Proposed Net Removal		35%

The historical data indicates large and increasing net removal. Based on typical nature of the property, the expected net removal would be less. Consistent with the prior study, move toward the indicated data by increasing net removal from 30% to 35%.

NET REMOVAL COST

Account 358 - Underground Conductors

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal	\$	%	Removal	Removal
		\$	%	\$	%	\$	%
1981							
1982	-	-	-	-	-	-	-
1983	-	-	-	-	-	-	-
1984	-	-	-	-	-	-	-
1985	-	-	-	-	-	-	-
1986	-	-	-	-	-	-	-
1987	-	-	-	-	-	-	-
1988	-	-	-	-	-	-	-
1989	-	-	-	-	-	-	-
1990	-	-	-	-	-	-	-
1991	-	-	-	-	-	-	-
1992	-	-	-	-	-	-	-
1993	-	-	-	-	-	-	-
1994	-	-	-	-	-	-	-
1995	-	-	-	-	-	-	-
1996	-	-	-	-	-	-	-
1997	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-
2000	-	-	-	-	-	-	-
2001	-	-	-	-	-	-	-
2002	-	-	-	-	-	-	-
2003	-	-	-	-	-	-	-
2004	-	8,005	-	-	-	8,005	-
All Years		8,005				8,005	
20-Yr Band		8,005				8,005	
15-Yr Band		8,005				8,005	
10-Yr Band		8,005				8,005	
5-Yr Band		8,005				8,005	
3-Yr Band		8,005				8,005	

**Cost of Removal
Salvage
Proposed Net Removal**

Net Removal FPSC approved in 2001:

As expected, not useful historical data. Continue to use the same 0% net removal rate of the prior study.

Gulf Power Company

NET REMOVAL COST

Account 361 - S & I

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal	\$	%	Removal	Removal
		\$	%	\$	%	\$	%
1981	13,925	380	2.73	-		380	2.73
1982	23,341	20,418	87.48	-		20,418	87.48
1983	11,235	121	1.08	-		121	1.08
1984	18,025	176	0.97			176	0.97
1985	491	245	49.92	25	5.10	220	44.83
1986	321	577	180.02			577	180.02
1987	54,502	10,754	19.73	752	1.38	10,002	18.35
1988	41,607	3,050	7.33	20	0.05	3,030	7.28
1989	14,862	2,578	17.34	48	0.32	2,530	17.02
1990	58,904	8,656	14.69	415	0.70	8,241	13.99
1991	207,417	13,044	6.29	502	0.24	12,542	6.05
1992	31,944	3,262	10.21			3,262	10.21
1993	86,776	3,649	4.21	-		3,649	4.21
1994	26,674	8,576	32.15			8,576	32.15
1995	25,393	456	1.79	723	2.85	(268)	(1.05)
1996	6,621	1,462	22.08	-		1,462	22.08
1997	114,903	893	0.78	-		893	0.78
1998	46,129	744	1.61	-		744	1.61
1999	73,738	640	0.87	-		640	0.87
2000	10,842	4,576	42.21	-		4,576	42.21
2001	16,725	381	2.28	-		381	2.28
2002	65,146	4,781	7.34	-		4,781	7.34
2003	33,602	1,131	3.37	-		1,131	3.37
2004	29,781	3,142	10.55	-		3,142	10.55
All Years	1,012,902	93,692	9.25	2,486	0.25	91,207	9.00
20-Yr Band	946,375	72,597	7.67	2,486	0.26	70,111	7.41
15-Yr Band	834,593	55,393	6.64	1,640	0.20	53,752	6.44
10-Yr Band	422,879	18,205	4.31	723	0.17	17,482	4.13
5-Yr Band	156,095	14,011	8.98			14,011	8.98
3-Yr Band	128,529	9,054	7.04			9,054	7.04

		Cost of Removal	5%
		Salvage	
Net Removal FPSC approved in 2001:	5%	Proposed Net Removal	5%

The data is relatively consistent and indicates net removal of about 5%. There is no reason to change the current rate.

NET REMOVAL COST

Account 362 - Station Equipment

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal			Removal	Removal
		\$	%	\$	%	\$	%
1981	385,667	14,981	3.88	-	-	14,981	3.88
1982	569,643	67,676	11.88	-	-	67,676	11.88
1983	338,452	14,385	4.25	-	-	14,385	4.25
1984	745,918	10,388	1.39	-	-	10,388	1.39
1985	176,650	4,494	2.54	-	-	4,494	2.54
1986	118,883	2,377	2.00	-	-	2,377	2.00
1987	487,083	24,108	4.95	-	-	24,108	4.95
1988	860,201	19,767	2.30	-	-	19,767	2.30
1989	601,523	160,116	26.62	-	-	160,116	26.62
1990	630,557	71,269	11.30	-	-	71,269	11.30
1991	1,814,875	160,866	8.86	-	-	160,866	8.86
1992	1,422,788	268,476	18.87	-	-	268,476	18.87
1993	1,047,398	284,625	27.17	-	-	284,625	27.17
1994	453,480	210,094	46.33	-	-	210,094	46.33
1995	598,512	41,219	6.89	-	-	41,219	6.89
1996	494,356	28,894	5.84	-	-	28,894	5.84
1997	2,140,446	51,512	2.41	-	-	51,512	2.41
1998	515,603	39,181	7.60	-	-	39,181	7.60
1999	1,451,604	20,008	1.38	-	-	20,008	1.38
2000	1,324,658	102,163	7.71	-	-	102,163	7.71
2001	602,130	7,550	1.25	-	-	7,550	1.25
2002	872,475	112,232	12.86	-	-	112,232	12.86
2003	1,404,145	95,432	6.80	-	-	95,432	6.80
2004	805,413	138,178	17.16	-	-	138,178	17.16
All Years	19,862,462	1,949,990	9.82			1,949,990	9.82
20-Yr Band	17,822,781	1,842,561	10.34			1,842,561	10.34
15-Yr Band	15,578,440	1,631,699	10.47			1,631,699	10.47
10-Yr Band	10,209,342	636,369	6.23			636,369	6.23
5-Yr Band	5,008,821	455,555	9.10			455,555	9.10
3-Yr Band	3,082,033	345,843	11.22			345,843	11.22

Cost of Removal	5%
Salvage	
Proposed Net Removal	5%

Net Removal FPSC approved in 2001: 5%

The net removal indications from the data are similar to those of the prior study. Consistent with the 10-year band, net removal was continued at 5%.

NET REMOVAL COST

Account 364 - Poles

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal			Removal	Removal
		\$	%	\$	%	\$	%
1981	275,464	147,973	53.72	111,714	40.55	36,259	13.16
1982	289,799	182,138	62.85	157,555	54.37	24,582	8.48
1983	203,693	84,306	41.39	171,382	84.14	(87,076)	(42.75)
1984	286,182	160,344	56.03	407,987	142.56	(247,643)	(86.53)
1985	488,520	446,348	91.37	367,319	75.19	79,029	16.18
1986	428,542	788,691	184.04	454,376	106.03	334,316	78.01
1987	445,889	869,993	195.11	222,448	49.89	647,545	145.23
1988	566,803	1,252,990	221.06	100,303	17.70	1,152,688	203.37
1989	657,446	944,145	143.61	245,865	37.40	698,280	106.21
1990	585,427	1,212,502	207.11	384,911	65.75	827,591	141.37
1991	722,082	1,498,194	207.48	56,981	7.89	1,441,213	199.59
1992	1,011,367	1,409,171	139.33	267,469	26.45	1,141,702	112.89
1993	1,267,929	1,259,065	99.30	682,844	53.86	576,221	45.45
1994	683,559	1,321,323	193.30	218,251	31.93	1,103,072	161.37
1995	951,753	1,383,841	145.40	377,808	39.70	1,006,033	105.70
1996	1,050,647	1,003,655	95.53	119,983	11.42	883,672	84.11
1997	698,110	888,264	127.24	406,654	58.25	481,610	68.99
1998	884,075	697,338	78.88	(218,037)	(24.66)	915,375	103.54
1999	1,042,190	648,318	62.21	(31,253)	(3.00)	679,571	65.21
2000	693,533	762,673	109.97	158,136	22.80	604,537	87.17
2001	980,220	1,301,443	132.77	157,312	16.05	1,144,131	116.72
2002	746,983	965,935	129.31	(178,971)	(23.96)	1,144,906	153.27
2003	638,431	515,784	80.79	266,992	41.82	248,793	38.97
2004	735,478	1,026,212	139.53	226,192	30.75	800,020	108.78
All Years	16,334,123	20,770,649	127.16	5,134,222	31.43	15,636,427	95.73
20-Yr Band	15,278,985	20,195,887	132.18	4,285,583	28.05	15,910,304	104.13
15-Yr Band	12,691,785	15,893,719	125.23	2,895,273	22.81	12,998,447	102.42
10-Yr Band	8,421,421	9,193,464	109.17	1,284,816	15.26	7,908,648	93.91
5-Yr Band	3,794,646	4,572,048	120.49	629,661	16.59	3,942,387	103.89
3-Yr Band	2,120,893	2,507,932	118.25	314,213	14.82	2,193,719	103.43

				Cost of Removal		85%
				Salvage		10%
Net Removal FPSC approved in 2001:			70%	Proposed Net Removal		75%

The historical data indicates significant net removal. The data is similar to that of the last study. Similar to the prior study, move towards the indicated data by increasing net removal to 75%.

NET REMOVAL COST

Account 365 - Overhead Conductors

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal	\$	%	Removal	Removal
		\$	%	\$	%	\$	%
1981	208,373	112,394	53.94	74,657	35.83	37,737	18.11
1982	212,102	124,735	58.81	110,600	52.14	14,136	6.66
1983	153,969	112,887	73.32	79,409	51.57	33,478	21.74
1984	206,121	224,751	109.04	50,711	24.60	174,040	84.44
1985	353,276	197,232	55.83	131,454	37.21	65,778	18.62
1986	392,700	132,146	33.65	157,595	40.13	(25,449)	(6.48)
1987	461,841	161,218	34.91	377,278	81.69	(216,060)	(46.78)
1988	846,928	282,415	33.35	578,461	68.30	(296,046)	(34.96)
1989	566,595	140,319	24.77	514,213	90.75	(373,894)	(65.99)
1990	547,143	206,272	37.70	545,004	99.61	(338,732)	(61.91)
1991	853,717	269,571	31.58	395,944	46.38	(126,373)	(14.80)
1992	910,350	847,938	93.14	704,566	77.40	143,372	15.75
1993	962,049	949,996	98.75	330,194	34.32	619,802	64.43
1994	724,715	775,754	107.04	546,516	75.41	229,238	31.63
1995	973,550	632,539	64.97	590,316	60.64	42,223	4.34
1996	1,419,209	220,411	15.53	661,312	46.60	(440,900)	(31.07)
1997	715,609	274,918	38.42	417,756	58.38	(142,838)	(19.96)
1998	1,079,375	371,600	34.43	527,615	48.88	(156,015)	(14.45)
1999	924,677	306,712	33.17	224,849	24.32	81,863	8.85
2000	957,158	413,261	43.18	182,929	19.11	230,332	24.06
2001	1,001,781	531,740	53.08	203,270	20.29	328,470	32.79
2002	916,215	620,388	67.71	253,781	27.70	366,607	40.01
2003	633,603	525,481	82.94	64,620	10.20	460,862	72.74
2004	635,967	528,102	83.04	67,908	10.68	460,194	72.36
All Years	16,657,025	8,962,781	53.81	7,790,958	46.77	1,171,824	7.04
20-Yr Band	15,876,459	8,388,014	52.83	7,475,581	47.09	912,433	5.75
15-Yr Band	13,255,119	7,474,684	56.39	5,716,581	43.13	1,758,103	13.26
10-Yr Band	9,257,144	4,425,153	47.80	3,194,356	34.51	1,230,797	13.30
5-Yr Band	4,144,725	2,618,973	63.19	772,508	18.64	1,846,464	44.55
3-Yr Band	2,185,785	1,673,972	76.58	386,310	17.67	1,287,662	58.91

				Cost of Removal	45%
				Salvage	35%
Net Removal FPSC approved in 2001:	5%			Proposed Net Removal	10%

The data shows a decreasing trend for salvage. Based on the the 10-year band and the trends, move towards the data indications by increasing net removal to 10%.

NET REMOVAL COST

Account 366 - Underground Conduit

Year	Retirements	Cost of	Cost of	Salvage		Net	Net
		Removal	Removal	\$	%	Removal	Removal
		\$	%	\$	%	\$	%
1981	79	52	65.57	12,089	15,286.79	(12,037)	(15,221.22)
1982	2,505	1,791	71.50	2,069	82.62	(278)	(11.12)
1983							
1984		-					
1985		-					
1986	5,735	-					
1987	3,084	8,017	259.95			8,017	259.95
1988	1,423	4,698	330.06			4,698	330.06
1989	474	805	169.83			805	169.83
1990	7,592	7,728	101.79			7,728	101.79
1991	1,614	9,040	560.10			9,040	560.10
1992	270	(5)	(1.90)			(5)	(1.90)
1993	135	60	44.12			60	44.12
1994	-	-					
1995	170	-					
1996	-	-					
1997	-	-					
1998	-	-					
1999	-	-					
2000	-	-					
2001	-	-					
2002	-	-					
2003	-	-					
2004	-	-					
All Years	23,081	32,185	139.45	14,158	61.34	18,028	78.11
20-Yr Band	20,497	30,343	148.03			30,343	148.03
15-Yr Band	9,781	16,822	171.99			16,822	171.99
10-Yr Band	170						
5-Yr Band							
3-Yr Band							

Cost of Removal

Salvage

Proposed Net Removal

Net Removal FPSC approved in 2001:

As expected, this account does not have useful historical data. Continue to use the current rate of 0%.

NET REMOVAL COST

Account 367 - Underground Conductors

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal			Removal	Removal
		\$	%	\$	%	\$	%
1981	2,221	546	24.59	415	18.67	132	5.93
1982	6,946	4,953	71.30	5,077	73.09	(125)	(1.79)
1983	1,077	68	6.27	1,379	128.01	(1,311)	(121.74)
1984	16,843	238	1.41	3,751	22.27	(3,513)	(20.86)
1985	51,792	3,107	6.00	28,354	54.75	(25,247)	(48.75)
1986	41,297	2,475	5.99	14,409	34.89	(11,934)	(28.90)
1987	41,200	3,179	7.72	14,123	34.28	(10,944)	(26.56)
1988	84,370	16,870	20.00	31,705	37.58	(14,835)	(17.58)
1989	52,108	3,314	6.36	26,233	50.34	(22,919)	(43.98)
1990	29,823	9,847	33.02	12,056	40.43	(2,209)	(7.41)
1991	33,304	3,935	11.82	14,784	44.39	(10,849)	(32.58)
1992	92,797	10,439	11.25	1,780	1.92	8,659	9.33
1993	70,947	4,480	6.31	2,131	3.00	2,349	3.31
1994	141,689	25,910	18.29	4,162	2.94	21,748	15.35
1995	206,658	97,390	47.13	38,112	18.44	59,278	28.68
1996	165,154	23,578	14.28	58,246	35.27	(34,669)	(20.99)
1997	339,553	45,685	13.45	28,792	8.48	16,893	4.98
1998	397,981	76,568	19.24	102,153	25.67	(25,585)	(6.43)
1999	412,432	61,324	14.87	69,010	16.73	(7,686)	(1.86)
2000	651,004	85,808	13.18	182,170	27.98	(96,362)	(14.80)
2001	380,600	119,771	31.47	83,526	21.95	36,245	9.52
2002	521,005	136,261	26.15	138,863	26.65	(2,602)	(0.50)
2003	404,525	86,679	21.43	23,475	5.80	63,204	15.62
2004	293,438	69,946	23.84	24,695	8.42	45,252	15.42
All Years	4,438,764	892,371	20.10	909,402	20.49	(17,031)	(0.38)
20-Yr Band	4,411,676	886,567	20.10	898,780	20.37	(12,213)	(0.28)
15-Yr Band	4,140,910	857,622	20.71	783,956	18.93	73,666	1.78
10-Yr Band	3,772,350	803,011	21.29	749,043	19.86	53,967	1.43
5-Yr Band	2,250,573	498,466	22.15	452,730	20.12	45,737	2.03
3-Yr Band	1,218,968	292,887	24.03	187,033	15.34	105,854	8.68

				Cost of Removal	20%
				Salvage	20%
Net Removal FPSC approved in 2001:	-10%			Proposed Net Removal	

Relatively stable historical data. Slight trend for increasing net removal. Based on the data indications, net removal of 0% is concluded.

NET REMOVAL COST

Account 368 - Line Transformers

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal			Removal	Removal
		\$	%	\$	%	\$	%
1981	1,511,202	316,766	20.96	62,579	4.14	254,188	16.82
1982	923,853	341,802	37.00	78,527	8.50	263,275	28.50
1983	903,103	109,885	12.17	84,754	9.38	25,131	2.78
1984	949,965	122,088	12.85	79,858	8.41	42,230	4.45
1985	618,538	218,821	35.38	89,800	14.52	129,021	20.86
1986	1,211,567	339,705	28.04	120,205	9.92	219,500	18.12
1987	1,132,102	301,787	26.66	103,233	9.12	198,554	17.54
1988	922,393	423,973	45.96	93,117	10.10	330,857	35.87
1989	806,303	347,108	43.05	134,907	16.73	212,201	26.32
1990	1,489,119	568,282	38.16	84,850	5.70	483,432	32.46
1991	1,633,172	815,800	49.95	102,119	6.25	713,681	43.70
1992	1,586,670	632,060	39.84	153,332	9.66	478,727	30.17
1993	2,068,219	924,443	44.70	167,374	8.09	757,069	36.60
1994	1,387,276	647,875	46.70	112,017	8.07	535,858	38.63
1995	2,539,858	982,748	38.69	204,291	8.04	778,457	30.65
1996	1,875,974	573,201	30.55	123,915	6.61	449,286	23.95
1997	1,291,427	547,916	42.43	136,515	10.57	411,401	31.86
1998	1,856,808	555,011	29.89	184,346	9.93	370,665	19.96
1999	2,208,426	614,295	27.82	69,238	3.14	545,057	24.68
2000	2,395,541	688,741	28.75	68,603	2.86	620,138	25.89
2001	3,102,059	1,133,286	36.53	74,745	2.41	1,058,541	34.12
2002	3,712,919	830,652	22.37	100,394	2.70	730,258	19.67
2003	2,818,592	992,870	35.23	74,759	2.65	918,112	32.57
2004	1,485,941	660,122	44.42	85,491	5.75	574,630	38.67
All Years	40,431,028	13,689,238	33.86	2,588,969	6.40	11,100,269	27.45
20-Yr Band	36,142,905	12,798,697	35.41	2,283,251	6.32	10,515,445	29.09
15-Yr Band	31,452,002	11,167,302	35.51	1,741,990	5.54	9,425,313	29.97
10-Yr Band	23,287,546	7,578,842	32.54	1,122,297	4.82	6,456,545	27.73
5-Yr Band	13,515,053	4,305,671	31.86	403,991	2.99	3,901,680	28.87
3-Yr Band	8,017,452	2,483,644	30.98	260,644	3.25	2,223,000	27.73

				Cost of Removal		30%
				Salvage		5%
Net Removal FPSC approved in 2001:		25%		Proposed Net Removal		25%

The significant company experience has not changed materially since the prior study. The indications from the data are consistent among the bands. Based on the data indicates, the net removal is concluded the same as the current rate of 25%.

NET REMOVAL COST

Account 369.1 - Overhead Services

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal	\$	%	Removal	Removal
		\$	%	\$	%	\$	%
1981	230,580	106,270	46.09	81,379	35.29	24,891	10.80
1982	102,601	66,574	64.89	67,027	65.33	(452)	(0.44)
1983	232,316	24,865	10.70	41,068	17.68	(16,203)	(6.97)
1984	141,699	79,446	56.07	30,769	21.71	48,677	34.35
1985	190,330	30,281	15.91	13,809	7.26	16,471	8.65
1986	196,372	1,520	0.77	16,506	8.41	(14,986)	(7.63)
1987	198,480	1,778	0.90	6,255	3.15	(4,476)	(2.26)
1988	232,466	3,463	1.49	3,555	1.53	(92)	(0.04)
1989	223,737	818	0.37			818	0.37
1990	205,017	1,610	0.79			1,610	0.79
1991	235,789	1,867	0.79	-		1,867	0.79
1992	421,505	2,026	0.48	-		2,026	0.48
1993	424,502	2,294	0.54	-		2,294	0.54
1994	374,403	2,770	0.74			2,770	0.74
1995	466,478	2,057	0.44	1,550	0.33	507	0.11
1996	258,426	2,932	1.13			2,932	1.13
1997	402,678	89,403	22.20	-		89,403	22.20
1998	711,123	316,292	44.48			316,292	44.48
1999	366,092	110,861	30.28	41,300	11.28	69,561	19.00
2000	369,655	216,048	58.45	72,500	19.61	143,548	38.83
2001	334,855	299,546	89.46	101,210	30.23	198,336	59.23
2002	242,882	118,096	48.62	61,091	25.15	57,005	23.47
2003	367,630	408,086	111.00	50,964	13.86	357,121	97.14
2004	246,408	328,039	133.13	53,504	21.71	274,534	111.41
All Years	7,176,027	2,216,943	30.89	642,488	8.95	1,574,455	21.94
20-Yr Band	6,468,829	1,939,787	29.99	422,245	6.53	1,517,542	23.46
15-Yr Band	5,427,444	1,901,927	35.04	382,120	7.04	1,519,807	28.00
10-Yr Band	3,766,227	1,891,360	50.22	382,120	10.15	1,509,240	40.07
5-Yr Band	1,561,430	1,369,815	87.73	339,270	21.73	1,030,544	66.00
3-Yr Band	856,920	854,221	99.68	165,560	19.32	688,661	80.36

				Cost of Removal	45%
				Salvage	10%
Net Removal FPSC approved in 2001:	25%			Proposed Net Removal	35%

Overall, the company experience is for more net removal. Based on the data trends, move towards the indications by increasing net removal to 35%.

NET REMOVAL COST

Account 369.2 - Underground Services

Year	Retirements	Cost of Removal	Cost of Removal	Salvage	Salvage	Net Removal	Net Removal
		\$	%	\$	%	\$	%
1981	-	-	-	-	-	-	-
1982	-	-	-	-	-	-	-
1983	-	-	-	-	-	-	-
1984	5,077	-	-	571	11.24	(571)	(11.24)
1985	13,195	0	-	2	0.02	(2)	(0.01)
1986	12,087	0	-	-	-	0	-
1987	37,711	-	-	-	-	-	-
1988	83,128	-	-	-	-	-	-
1989	62,454	11	0.02	1,238	1.98	(1,227)	(1.96)
1990	64,833	17	0.03	406	0.63	(389)	(0.60)
1991	41,254	25	0.06	499	1.21	(474)	(1.15)
1992	145,472	67	0.05	1,389	0.95	(1,322)	(0.91)
1993	69,530	338	0.49	1,009	1.45	(671)	(0.97)
1994	77,510	631	0.81	1,129	1.46	(497)	(0.64)
1995	81,505	601	0.74	3,579	4.39	(2,978)	(3.65)
1996	59,322	7,748	13.06	4,131	6.96	3,617	6.10
1997	51,715	16,085	31.10	5,804	11.22	10,281	19.88
1998	115,683	8,090	6.99	14,736	12.74	(6,646)	(5.75)
1999	65,850	6,921	10.51	2,776	4.22	4,145	6.29
2000	58,633	10,258	17.50	18,342	31.28	(8,084)	(13.79)
2001	47,421	91,715	193.41	4,985	10.51	86,730	182.89
2002	36,118	6,305	17.46	-	-	6,305	17.46
2003	55,822	8,402	15.05	-	-	8,402	15.05
2004	37,324	8,164	21.87	-	-	8,164	21.87
All Years	1,221,643	165,379	13.54	60,597	4.96	104,782	8.58
20-Yr Band	1,216,566	165,379	13.59	60,026	4.93	105,353	8.66
15-Yr Band	1,007,991	165,367	16.41	58,786	5.83	106,581	10.57
10-Yr Band	609,392	164,289	26.96	54,354	8.92	109,935	18.04
5-Yr Band	235,318	124,844	53.05	23,327	9.91	101,516	43.14
3-Yr Band	129,264	22,870	17.69	-	-	22,870	17.69

Net Removal FPSC approved in 2001:	Cost of Removal	10%
	Salvage	5%
	Proposed Net Removal	5%

Relatively limited company experience. No salvage last three years. Based on the data and the indicated trends, an increase in net removal from the current 0% rate to 5% is appropriate.

NET REMOVAL COST

Account 370 - Meters

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal			Removal	Removal
		\$	%	\$	%	\$	%
1981	197,293	14,761	7.48	195	0.10	14,565	7.38
1982	169,622	11,669	6.88	9,193	5.42	2,475	1.46
1983	188,692	8,682	4.60	579	0.31	8,102	4.29
1984	149,731	9,120	6.09	2,415	1.61	6,705	4.48
1985	257,013	25,055	9.75	12,572	4.89	12,483	4.86
1986	172,104	22,999	13.36	957	0.56	22,041	12.81
1987	224,580	12,457	5.55	2,467	1.10	9,989	4.45
1988	200,348	7,823	3.90	4,075	2.03	3,748	1.87
1989	481,584	15,293	3.18	9,636	2.00	5,657	1.17
1990	205,553	9,996	4.86	3,735	1.82	6,261	3.05
1991	384,949	13,589	3.53	5,750	1.49	7,839	2.04
1992	434,914	12,858	2.96	1,982	0.46	10,876	2.50
1993	202,527	10,578	5.22	14,984	7.40	(4,406)	(2.18)
1994	273,177	32,786	12.00	28,143	10.30	4,644	1.70
1995	199,107	25,948	13.03	4,777	2.40	21,171	10.63
1996	250,797	22,765	9.08	7,805	3.11	14,959	5.96
1997	202,164	24,698	12.22	1,617	0.80	23,081	11.42
1998	160,249	6,708	4.19	4,272	2.67	2,436	1.52
1999	254,307	11,617	4.57	7,930	3.12	3,687	1.45
2000	338,813	13,987	4.13	17,128	5.06	(3,141)	(0.93)
2001	434,282	37,149	8.55	40,330	9.29	(3,181)	(0.73)
2002	555,576	58,550	10.54	42,584	7.66	15,966	2.87
2003	521,266	39,245	7.53	20,737	3.98	18,508	3.55
2004	633,156	104,382	16.49	102,283	16.15	2,099	0.33
All Years	7,091,805	552,714	7.79	346,148	4.88	206,566	2.91
20-Yr Band	6,386,467	508,483	7.96	333,765	5.23	174,718	2.74
15-Yr Band	5,050,838	424,857	8.41	304,057	6.02	120,799	2.39
10-Yr Band	3,549,718	345,049	9.72	249,464	7.03	95,585	2.69
5-Yr Band	2,483,094	253,314	10.20	223,063	8.98	30,251	1.22
3-Yr Band	1,709,998	202,178	11.82	165,604	9.68	36,573	2.14

Net Removal FPSC approved in 2001:	Cost of Removal	5%
	Salvage	5%
	Proposed Net Removal	

The data is consistent from the prior study. There is no strong reason to increase the current net removal rate. Continue to use a Meters net removal rate of 0%.

NET REMOVAL COST

Account 373 - Street Lighting

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal	\$	%	Removal	Removal
		\$	%	\$	%	\$	%
1981	179,742	93,155	51.83	74,096	41.22	19,059	10.60
1982	173,132	101,524	58.64	97,615	56.38	3,909	2.26
1983	170,076	26,732	15.72	95,067	55.90	(68,335)	(40.18)
1984	286,958	37,392	13.03	18,635	6.49	18,756	6.54
1985	286,126	41,802	14.61	20,371	7.12	21,431	7.49
1986	268,770	52,316	19.46	14,410	5.36	37,906	14.10
1987	275,197	65,752	23.89	10,690	3.88	55,062	20.01
1988	799,968	105,366	13.17	23,051	2.88	82,315	10.29
1989	417,541	33,443	8.01	14,214	3.40	19,229	4.61
1990	443,090	84,120	18.98	51,928	11.72	32,192	7.27
1991	964,016	249,126	25.84	41,727	4.33	207,399	21.51
1992	716,279	141,875	19.81	36,569	5.11	105,307	14.70
1993	770,698	111,391	14.45	27,647	3.59	83,744	10.87
1994	715,564	85,116	11.89	26,462	3.70	58,654	8.20
1995	620,344	157,282	25.35	51,509	8.30	105,773	17.05
1996	604,115	95,613	15.83	90,955	15.06	4,657	0.77
1997	987,581	58,016	5.87	20,905	2.12	37,111	3.76
1998	778,799	227,567	29.22	107,221	13.77	120,346	15.45
1999	838,788	23,153	2.76	94,950	11.32	(71,797)	(8.56)
2000	707,899	100,979	14.26	157,722	22.28	(56,743)	(8.02)
2001	796,837	127,659	16.02	127,517	16.00	142	0.02
2002	675,994	144,957	21.44	139,388	20.62	5,568	0.82
2003	1,221,177	237,254	19.43	48,140	3.94	189,113	15.49
2004	1,556,805	164,751	10.58	53,975	3.47	110,776	7.12
All Years	15,255,498	2,566,339	16.82	1,444,764	9.47	1,121,576	7.35
20-Yr Band	14,445,589	2,307,537	15.97	1,159,350	8.03	1,148,186	7.95
15-Yr Band	12,397,987	2,008,858	16.20	1,076,615	8.68	932,243	7.52
10-Yr Band	8,788,340	1,337,230	15.22	892,282	10.15	444,948	5.06
5-Yr Band	4,958,713	775,600	15.64	526,742	10.62	248,857	5.02
3-Yr Band	3,453,977	546,961	15.84	241,503	6.99	305,458	8.84

	Cost of Removal	15%
	Salvage	10%
Net Removal FPSC approved in 2001:	Proposed Net Removal	5%

The data indicates somewhat increasing net removal. Based on the typical nature of this account, a greater net removal amount would be expected. Based on the data indications, increase the net removal rate of this account to 5%.

Gulf Power Company

NET REMOVAL COST

Account 390 - S & I

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal	\$	%	Removal	Removal
		\$	%	\$	%	\$	%
1981	147,286	31,113	21.12	200	0.14	30,913	20.99
1982	-	-		-			
1983	19,580	300	1.53	100	0.51	200	1.02
1984	66,964	15,008	22.41	290	0.43	14,718	21.98
1985							
1986	136,600	25,305	18.52	195	0.14	25,110	18.38
1987	830,914	96,123	11.57	22,365	2.69	73,758	8.88
1988	36,365	1,327	3.65			1,327	3.65
1989	241,423	8,506	3.52	5,735	2.38	2,771	1.15
1990	83,793	233	0.28	6,900	8.23	(6,667)	(7.96)
1991	277,474	2,165	0.78	23	0.01	2,142	0.77
1992	234,464	15,109	6.44	73,332	31.28	(58,223)	(24.83)
1993	16,974	4,283	25.23	-		4,283	25.23
1994	1,690	5,397	319.27			5,397	319.27
1995	168,287	11,121	6.61	39,838	23.67	(28,717)	(17.06)
1996	310,396	2,462	0.79	54,469	17.55	(52,007)	(16.75)
1997	236,660	48,595	20.53			48,595	20.53
1998	265,895	142,491	53.59	-		142,491	53.59
1999	610,967	22,579	3.70	-		22,579	3.70
2000	126,909	4,598	4	-		4,598	3.62
2001	183,538	14,035	8	-		14,035	7.65
2002	554,790	101,208	18	1,864	0.34	99,345	17.91
2003	301,326	72,194	24	1,000	0.33	71,194	23.63
2004	209,263	109,233	52			109,233	52.20
All Years	5,061,559	733,385	14.49	206,310	4.08	527,075	10.41
20-Yr Band	4,827,729	686,965	14.23	205,720	4.26	481,245	9.97
15-Yr Band	3,582,427	555,704	15.51	177,425	4.95	378,279	10.56
10-Yr Band	2,968,032	528,517	17.81	97,170	3.27	431,347	14.53
5-Yr Band	1,375,827	301,269	21.90	2,864	0.21	298,405	21.69
3-Yr Band	1,065,380	282,636	26.53	2,864	0.27	279,772	26.26

				Cost of Removal		10%
				Salvage		5%
Net Removal FPSC approved in 2001:		5%		Proposed Net Removal		5%

Inconclusive net removal indications but the data supports continued use of the current rate of 5%.

NET REMOVAL COST

Account 392.2 - Light Trucks

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal			Removal	Removal
		\$	%	\$	%	\$	%
1981		-					
1982		-					
1983		-					
1984	77,903	-		17,275	22.17	(17,275)	(22.17)
1985	229,981	-		35,828	15.58	(35,828)	(15.58)
1986	228,104	-		54,800	24.02	(54,800)	(24.02)
1987	87,840	-		13,644	15.53	(13,644)	(15.53)
1988	305,428	-		59,909	19.61	(59,909)	(19.61)
1989	160,752	-		10,544	6.56	(10,544)	(6.56)
1990	516,101	-		109,653	21.25	(109,653)	(21.25)
1991	440,223	-		76,495	17.38	(76,495)	(17.38)
1992	186,796	-		32,995	17.66	(32,995)	(17.66)
1993	203,508	-		44,565	21.90	(44,565)	(21.90)
1994	108,196	-		27,467	25.39	(27,467)	(25.39)
1995	251,529	-		87,546	34.81	(87,546)	(34.81)
1996	603,822	-		78,431	12.99	(78,431)	(12.99)
1997	460,888	-		101,172	21.95	(101,172)	(21.95)
1998	316,061	-		60,072	19.01	(60,072)	(19.01)
1999	722,153	-		67,658	9.37	(67,658)	(9.37)
2000	186,606	-		20,740	11.11	(20,740)	(11.11)
2001	274,993	-		48,791	17.74	(48,791)	(17.74)
2002	332,535	-		42,234	12.70	(42,234)	(12.70)
2003	137,514	-		13,451	9.78	(13,451)	(9.78)
2004	292,104	-		20,910	7.16	(20,910)	(7.16)
All Years	6,123,035			1,024,180	16.73	(1,024,180)	(16.73)
20-Yr Band	6,045,132			1,006,905	16.66	(1,006,905)	(16.66)
15-Yr Band	5,033,028			832,180	16.53	(832,180)	(16.53)
10-Yr Band	3,578,205			541,005	15.12	(541,005)	(15.12)
5-Yr Band	1,223,751			146,126	11.94	(146,126)	(11.94)
3-Yr Band	762,152			76,595	10.05	(76,595)	(10.05)

		Cost of Removal	
		Salvage	13%
Net Removal FPSC approved in 2001:	-15%	Proposed Net Removal	-13%

The data indicates a trend of decreasing salvage. Consistent with the data and the trends, a small decrease in salvage is concluded. The net removal is concluded at -13%

NET REMOVAL COST

Account 392.3 - Heavy Trucks

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal	\$	%	Removal	Removal
		\$	%	\$	%	\$	%
1981	-	-	-	-	-	-	-
1982	-	-	-	-	-	-	-
1983	-	-	-	-	-	-	-
1984	445,650	-	-	28,539	6.40	(28,539)	(6.40)
1985	99,782	-	-	2,995	3.00	(2,995)	(3.00)
1986	989,593	-	-	414,541	41.89	(414,541)	(41.89)
1987	255,345	-	-	82,877	32.46	(82,877)	(32.46)
1988	61,215	-	-	24,641	40.25	(24,641)	(40.25)
1989	586,652	-	-	88,459	15.08	(88,459)	(15.08)
1990	79,400	-	-	2,526	3.18	(2,526)	(3.18)
1991	678,965	-	-	46,987	6.92	(46,987)	(6.92)
1992	1,043,543	-	-	190,387	18.24	(190,387)	(18.24)
1993	637,533	-	-	146,546	22.99	(146,546)	(22.99)
1994	1,686,569	-	-	395,055	23.42	(395,055)	(23.42)
1995	697,372	-	-	164,620	23.61	(164,620)	(23.61)
1996	1,261,198	-	-	267,893	21.24	(267,893)	(21.24)
1997	1,499,306	-	-	245,574	16.38	(245,574)	(16.38)
1998	917,266	-	-	276,228	30.11	(276,228)	(30.11)
1999	1,891,208	-	-	352,268	18.63	(352,268)	(18.63)
2000	427,841	-	-	123,399	28.84	(123,399)	(28.84)
2001	183,813	-	-	101,760	55.36	(101,760)	(55.36)
2002	1,511,132	-	-	223,142	14.77	(223,142)	(14.77)
2003	148,316	-	-	20,958	14.13	(20,958)	(14.13)
2004	3,455,161	-	-	441,424	12.78	(441,424)	(12.78)
All Years	18,556,860	-	-	3,640,821	19.62	(3,640,821)	(19.62)
20-Yr Band	18,111,210	-	-	3,612,281	19.95	(3,612,281)	(19.95)
15-Yr Band	16,118,623	-	-	2,998,768	18.60	(2,998,768)	(18.60)
10-Yr Band	11,992,613	-	-	2,217,266	18.49	(2,217,266)	(18.49)
5-Yr Band	5,726,263	-	-	910,684	15.90	(910,684)	(15.90)
3-Yr Band	5,114,609	-	-	685,524	13.40	(685,524)	(13.40)

		Cost of Removal	
		Salvage	17%
Net Removal FPSC approved in 2001:	-20%	Proposed Net Removal	-17%

The data indicates a trend of decreasing salvage. Consistent with the data and the trends, a small decrease in salvage is concluded. The net removal is concluded at -17%

NET REMOVAL COST

Account 392.4 - Trailers

Year	Retirements	Cost of Removal	Cost of Removal	Salvage	Salvage	Net Removal	Net Removal
		\$	%	\$	%	\$	%
1981		-		-			
1982		-		-			
1983		-		-			
1984	17,658	-		4,962	28.10	(4,962)	(28.10)
1985	-	-		-			
1986	1,398	-		1,500	107.26	(1,500)	(107.26)
1987		-		-			
1988		-		-			
1989	20,547	-		1,803	8.77	(1,803)	(8.77)
1990	10,461	-		380	3.63	(380)	(3.63)
1991	24,155	-		2,690	11.14	(2,690)	(11.14)
1992	7,678	-		4,649	60.55	(4,649)	(60.55)
1993	68,640	-		4,129	6.02	(4,129)	(6.02)
1994	38,150	-		4,985	13.07	(4,985)	(13.07)
1995	31,259	-		3,530	11.29	(3,530)	(11.29)
1996	38,244	-		5,921	15.48	(5,921)	(15.48)
1997	6,814	-		445	6.53	(445)	(6.53)
1998	62,208	-		41,231	66.28	(41,231)	(66.28)
1999	210,006	-		20,157	9.60	(20,157)	(9.60)
2000	(7,631)	-		2,688	(35.22)	(2,688)	35.22
2001	21,392	-		5,400	25.24	(5,400)	(25.24)
2002	6,707	-		1,375	20.50	(1,375)	(20.50)
2003	7,067	-		886	12.53	(886)	(12.53)
2004	121,474	-		-			
All Years	686,228			106,731	15.55	(106,731)	(15.55)
20-Yr Band	668,570			101,769	15.22	(101,769)	(15.22)
15-Yr Band	646,624			98,466	15.23	(98,466)	(15.23)
10-Yr Band	497,540			81,633	16.41	(81,633)	(16.41)
5-Yr Band	149,009			10,349	6.95	(10,349)	(6.95)
3-Yr Band	135,248			2,261	1.67	(2,261)	(1.67)

				Cost of Removal		
				Salvage		15%
Net Removal FPSC approved in 2001:		-20%		Proposed Net Removal		-15%

Limited company experience. The indicated data and trends supports a decrease in the salvage. Based on that, the net removal of this account is -15%.

NET REMOVAL COST

Account 396 - Power Operated Equipment

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal	\$	%	Removal	Removal
		\$	%	\$	%	\$	%
1981		-		-			
1982		-		-			
1983		-		-			
1984		-		-			
1985		-		-			
1986		-		-			
1987		-		-			
1988	815	-		-			
1989		-		-			
1990		-		-			
1991		-		-			
1992		-		-			
1993		-		-			
1994	19,446	-		2,500	12.86	(2,500)	(12.86)
1995		-		-			
1996		-		-			
1997		-		-			
1998		-		-			
1999	290,788	-		92,383	31.77	(92,383)	(31.77)
2000		-		-			
2001		-		-			
2002		-		-			
2003		-		-			
2004		-		-			
All Years	311,049			94,883	30.50	(94,883)	(30.50)
20-Yr Band	311,049			94,883	30.50	(94,883)	(30.50)
15-Yr Band	310,234			94,883	30.58	(94,883)	(30.58)
10-Yr Band	290,788			92,383	31.77	(92,383)	(31.77)
5-Yr Band							
3-Yr Band							

			Cost of Removal	
			Salvage	20%
Net Removal FPSC approved in 2001:	-20%		Proposed Net Removal	-20%

As expected, very limited company experience. No reason to change the current rate, given the data and the typical nature of the property.

NET REMOVAL COST

Account 397 - Communications Equipment

Year	Retirements	Cost of	Cost of	Salvage	Salvage	Net	Net
		Removal	Removal			Removal	Removal
		\$	%	\$	%	\$	%
1981	19,189	167	0.87	130	0.68	37	0.19
1982	8,371	83	0.99	-		83	0.99
1983	10,058	2,002	19.90	25	0.25	1,977	19.66
1984	3,638	449	12.33			449	12.33
1985	7,333	2,567	35.00			2,567	35.00
1986	49,092	3,493	7.11			3,493	7.11
1987	54,550	3,310	6.07			3,310	6.07
1988	3,640	1,729	47.48			1,729	47.48
1989	157,545	1,727	1.10	2,050	1.30	(323)	(0.21)
1990	383,983	1,614	0.42	(950)	(0.25)	2,564	0.67
1991	35,982	5,504	15.30			5,504	15.30
1992	7,924	6,693	84.47	679	8.57	6,014	75.90
1993	53,165	(2,262)	(4.25)	-		(2,262)	(4.25)
1994	216,135	297	0.14	1,550	0.72	(1,253)	(0.58)
1995	42,306	658	1.56	-		658	1.56
1996	40,503	2,173	5.36	1,425	3.52	748	1.85
1997	2,989,998	30,787	1.03	54,605	1.83	(23,818)	(0.80)
1998	301,604	294	0.10	43,837	14.53	(43,543)	(14.44)
1999	647,304	854	0.13	(75,616)	(11.68)	76,470	11.81
2000		277				277	
2001	76,424	1,842	2.41	49,329	64.55	(47,487)	(62.14)
2002	669,896	21,817	3.26	22,246	3.32	(429)	(0.06)
2003	391,687	7,429	1.90	29,158	7.44	(21,729)	(5.55)
2004	159,969	17,904	11.19			17,904	11.19
All Years	6,330,295	111,407	1.76	128,468	2.03	(17,061)	(0.27)
20-Yr Band	6,289,040	108,707	1.73	128,313	2.04	(19,606)	(0.31)
15-Yr Band	6,016,879	95,882	1.59	126,263	2.10	(30,381)	(0.50)
10-Yr Band	5,319,691	84,036	1.58	124,984	2.35	(40,948)	(0.77)
5-Yr Band	1,297,976	49,269	3.80	100,733	7.76	(51,464)	(3.96)
3-Yr Band	1,221,551	47,150	3.86	51,404	4.21	(4,253)	(0.35)

Cost of Removal	2%
Salvage	2%
Proposed Net Removal	

Net Removal FPSC approved in 2001:

The company experience of this account is somewhat sporadic but, average over various bands, the indicated net removal of this account is 0%.

This worksheet reconciles 2001 to 2004 adjusted rets to act. sch's & Sch75; Only adjusted accounts and years are shown
 For Depr Study Report, Reconciliation is for accounts with adjustments for abnormal activity.

**2001 to 2004 Net Removal Cost
 Reconciliation of Abnormal Adjustments
 Gulf Power Company**

Year	RETIREMENTS			COST OF REMOVAL			GROSS SALVAGE		
	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)
STEAM PRODUCTION									
2001	4,026,491	202,995	4,229,486	2,704,922	0	2,704,922	50,996	0	50,996
2002	14,582,749	8,007,303	22,590,051	4,225,754	0	4,225,754	310,474	0	310,474
2003	9,741,206	1,254,478	10,995,684	3,957,644	69,395	4,027,039	308,678	0	308,678
2004	7,336,958	28,935,369	36,272,327	1,632,363	1,850,321	3,482,684	88,832	0	88,832

2001 Abnormal/Adjs. represent retirement of amortization property \$202,995.
 2002 Abnormal/Adjs. represent retirement of amortization property \$243,873.
 2002 Adnormal/Adjs. \$7,763,430 Ret. (Daniel #2 Precipitator, RR Reheater Daniel #2,Hyrobin Ash System Crist Common)
 2003 Abnormal/Adjs. represent retirement of amortization property \$73,111.
 2003 Adnormal/Adjs. \$1,181,367 Ret. (Daniel #1 R/R Reheater)
 2003 COR Abnormal Adj \$69,395 related to Daniel #1 R/R Reheater retirement
 2004 Abnormal/Adjs. represent retirement of amortization property \$298,426.
 2004 Adnormal/Adjs. \$28,636,943 Ret. (Crist #7 Precipitator/Low Nox Burners/Air Heater Steam Coils, Crist #6 Cooling Towers, Crist Common items related to #7 Precip ret)
 2004 COR Abnormal Adj \$1,850,321 related to Crist #7 Precipitator/Low Nox Burners/Air Heater Steam Coils, Crist #6 Cooling Towers, & Crist Common items related to #7 Precip ret)

ACCOUNT 350.2									
2003	0	4,250	4,250	0	0	0	0	0	0

2003 Abnormal Adj. for Retirement of Easement. Retirements on easements are extremely rare.

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 For Depr Study Report, Reconciliation is for accounts with adjustments for abnormal activity.

**2001 to 2004 Net Removal Cost
 Reconciliation of Abnormal Adjustments
 Gulf Power Company**

Year	RETIREMENTS			COST OF REMOVAL			GROSS SALVAGE		
	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)
<u>ACCOUNT 364</u>									
2001	980,220		980,220	1,301,443	0	1,301,443	157,312		157,312
2002	746,983		746,983	965,935	0	965,935	(178,971)		(178,971)
2003	638,431		638,431	515,784	0	515,784	266,992		266,992
2004	735,478	1,742,475	2,477,953	1,026,212	1,376,663	2,402,876	226,192		226,192
2004	SEE NOTE ON PAGE 32 - Credit Salvage \$(178,971) due to Unclassified Salvage Ferc 300 booked in Ferc 364								
2004	Abnormal Adj. \$1,742,475 Retirement due to Hurricane Ivan								
2004	Abnormal Adj \$931,566 COR due to Hurricane Ivan								
2004	Abnormal Adj \$445,097 E&S o/h Alloc to COR due to Hurricane Ivan								
<u>ACCOUNT 365</u>									
2001	1,001,781	0	1,001,781	531,740	0	531,740	203,270	0	203,270
2002	916,215	0	916,215	620,388	0	620,388	253,781	0	253,781
2003	633,603	0	633,603	525,481	0	525,481	64,620	0	64,620
2004	635,967	5,134,333	5,770,300	528,102	2,426,652	2,954,754	67,908	20,236	88,144
2004	Abnormal Adj. \$5,134,333 Retirement due to Hurricane Ivan								
2004	Abnormal Adj \$1,633,905 COR due to Hurricane Ivan								
2004	Abnormal Adj \$792,747 E&S o/h Alloc to COR due to Hurricane Ivan								
2004	Abnormal Adj \$20,236 Salvage due to Hurricane Ivan								
<u>ACCOUNT 367</u>									
2001	380,600	0	380,600	119,771	0	119,771	83,526	0	83,526
2002	521,005	0	521,005	136,261	0	136,261	138,863	0	138,863
2003	404,525	0	404,525	86,679	0	86,679	23,475	0	23,475
2004	293,438	572,816	866,254	69,946	59,416	129,363	24,695	7,358	32,053
2004	Abnormal Adj. \$572,816 Retirement due to Hurricane Ivan								
2004	Abnormal Adj \$39,772 COR due to Hurricane Ivan								
2004	Abnormal Adj \$19,644 E&S o/h Alloc to COR due to Hurricane Ivan								
2004	Abnormal Adj \$7,358 Salvage due to Hurricane Ivan								

This worksheet reconciles 2001 to 2004 adjusted rets to act. sch's & Sch75; Only adjusted accounts and years are shown
 For Depr Study Report, Reconciliation is for accounts with adjustments for abnormal activity.

2001 to 2004 Net Removal Cost
Reconciliation of Abnormal Adjustments
Gulf Power Company

Year	RETIREMENTS			COST OF REMOVAL			GROSS SALVAGE		
	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)
<u>ACCOUNT 368</u>									
2001	3,102,059	0	3,102,059	1,133,286	0	1,133,286	74,745	0	74,745
2002	3,712,919	0	3,712,919	830,652	0	830,652	100,394	0	100,394
2003	2,818,592	0	2,818,592	992,870	0	992,870	74,759	0	74,759
2004	1,485,941	1,607,728	3,093,669	660,122	611,493	1,271,614	85,491	88,591	174,082
2004	Abnormal Adj. \$1,607,728 Retirement due to Hurricane Ivan								
2004	Abnormal Adj \$456,742 COR due to Hurricane Ivan								
2004	Abnormal Adj \$154,751 E&S o/h Alloc to COR due to Hurricane Ivan								
2004	Abnormal Adj \$88,591 Salvage due to Hurricane Ivan								
<u>ACCOUNT 369.1</u>									
2001	334,855	0	334,855	299,546	0	299,546	101,210	0	101,210
2002	242,882	0	242,882	118,096	0	118,096	61,091	0	61,091
2003	367,630	0	367,630	408,086	0	408,086	50,964	0	50,964
2004	246,408	0	246,408	328,039	25,637	353,676	53,504	15,943	69,447
2004	Note: There are no abnormal adj. in 369.1 for Retirements or COR for Ivan. All Ivan entries related to Services are adjusted out of Ferc's 365 and 367.								
2004	Abnormal Adj \$25,637 E&S o/h Alloc to COR due to Hurricane Ivan								
2004	Abnormal Adj \$15,943 Salvage due to Hurricane Ivan								
<u>ACCOUNT 370</u>									
2001	434,282	0	434,282	37,149	0	37,149	40,330	0	40,330
2002	555,576	0	555,576	58,550	0	58,550	42,584	0	42,584
2003	521,266	0	521,266	39,245	0	39,245	20,737	0	20,737
2004	633,156	1,168,288	1,801,444	104,382	49,726	154,108	102,283	0	102,283
2004	Abnormal Adj. \$569,523 Retirement due to Hurricane Ivan. The D5S Meters were found to be defective and \$598,765 was removed from service in March 2004								
2004	Abnormal Adj \$3,766 COR due to Hurricane Ivan								
2004	Abnormal Adj \$45,960 E&S o/h Alloc to COR due to Hurricane Ivan								

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 For Depr Study Report, Reconciliation is for accounts with adjustments for abnormal activity.

2001 to 2004 Net Removal Cost
Reconciliation of Abnormal Adjustments
Gulf Power Company

Year	RETIREMENTS			COST OF REMOVAL			GROSS SALVAGE		
	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)
<u>ACCOUNT 373</u>									
2001	796,837	0	796,837	127,659	0	127,659	127,517	0	127,517
2002	675,994	0	675,994	144,957	0	144,957	139,388	0	139,388
2003	1,221,177	0	1,221,177	237,254	0	237,254	48,140	0	48,140
2004	1,556,805	276,526	1,833,331	164,751	306,661	471,412	53,975	4,994	58,969
2004		Abnormal Adj. \$276,526 Retirement due to Hurricane Ivan							
2004		Abnormal Adj \$233,819 COR due to Hurricane Ivan							
2004		Abnormal Adj \$72,842 E&S o/h Alloc to COR due to Hurricane Ivan							
2004		Abnormal Adj \$4,994 Salvage due to Hurricane Ivan							
<u>ACCOUNT 390</u>									
2001	183,538	0	183,538	14,035	0	14,035	0	0	0
2002	554,790	0	554,790	101,208	0	101,208	1,864	0	1,864
2003	301,326	0	301,326	72,194	0	72,194	1,000	0	1,000
2004	209,263	302,274	511,538	109,233	14,851	124,084	0	0	0
2004		Abnormal Adj \$302,274 Retirement due to Hurricane Ivan							
2004		Abnormal Adj \$14,851 COR due to Hurricane Ivan							
<u>ACCOUNT 392</u>									
2001	480,198	0	480,198	0	0	0	155,951	0	155,951
2002	1,850,374	0	1,850,374	0	0	0	266,751	0	266,751
2003	292,897	0	292,897	0	0	0	35,295	0	35,295
2004	3,868,739	46,216	3,914,955	0	0	0	462,334	0	462,334
2004		Abnormal Adj. \$46,217 Retirement due to Hurricane Ivan							

This worksheet reconciles 2001 to 2004 adjusted rets to act. sch's & Sch75; Only adjusted accounts and years are shown For Depr Study Report, Reconciliation is for accounts with adjustments for abnormal activity.

**2001 to 2004 Net Removal Cost
Reconciliation of Abnormal Adjustments
Gulf Power Company**

Year	RETIREMENTS			COST OF REMOVAL			GROSS SALVAGE		
	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)	Per COR Study	Abnormal/ Adjs.	Per Activity (Tabs 11-14)
NOTE:	FERC 364								

Ferc 300 unclassified slavage on DSO's for material returned to the warehouse yet still reusable, is temporarily reported on Sch. 75 as Ferc 364.

Unclassified Ferc 364 salvage was classified to the other distribution Fercs in 2002.

This resulted in a reduction of Ferc 364 salvage of \$659,649.25 which created a debit Ferc 364 balance of \$178,971.

Distribution line salvage on Distribution Work Orders is reported in Ferc 364 by default

ANNUAL DISMANTLEMENT COSTS

The "Proposed Expense" represented on Schedule 1 has been determined following the FPSC staff's guidelines resulting from Rule 25-6.04364(4). As prescribed in this docket, the proposed expense amounts are a level amount to be recovered over the life of each generating unit. The indices contained in the DRI/McGraw-Hill "Review of the U.S. Economy" April 2005 (Sch. 3) were used to escalate the total dismantlement cost estimates and to determine the level funding amounts. The following assumptions were used in determining this expense:

1. The labor cost estimates for each generating unit included in the company's dismantlement cost study include materials used in the removal process. The amount of materials included as labor cost, estimated at 40%, has been reclassified as scrap (col. E, Sch. 2) in order to escalate the materials cost using the appropriate index for Intermediate Materials, Supplies, and Components.
2. The actual dismantlement of Gulf Power Company's plants is expected to take three years (column D & E of Sch. 2). 85% of the total cost estimate will occur in the first two years after each unit's retirement date. The remaining 15% will occur during the year after the plant's retirement date (after all units are retired). This 15% represents the removal of turbine house and boiler house structures.
3. The accumulated reserve for dismantlement is currently maintained by total plant site. The estimated reserve at December 31, 2005(col, H, Sch. 2) has been allocated to labor, disposal, and scrap based on the Future Cost Estimate (col G, Sch. 2).
4. Gulf Power Company will review the dismantlement cost estimates every four years when depreciation rates are studied. As these costs will not be revised during the interim periods between studies, an average expense for the next four years has been determined using the average inflation rate.

Total Company and Jurisdictional current cost and future cost are reported on Schedule 1a (Rule 25-6.04364(3) (g) (h).

**Annual Fossil Dismantlement Cost
Summary of Current and Proposed Expense
Gulf Power Company**

Schedule 1

	<u>Current Expense</u>	<u>Proposed Expense</u>	<u>Change</u>
Plant Crist	2,866,326	3,026,105	159,779
Plant Smith	1,240,212	1,128,506	(111,706)
Plant Scholz	527,395	514,117	(13,278)
Plant Daniel	724,822	751,989	27,167
Plant Scherer	<u>185,846</u>	<u>107,858</u>	<u>(77,988)</u>
Total Steam	<u>5,544,601</u>	<u>5,528,575</u>	<u>(16,026)</u>
Plant Smith CT	11,259	4,545	(6,714)
Plant Pea Ridge	24,927	6,048	(18,879)
	5,580,787		
Smith Comb Cycle	251,316	297,504	46,188
Total Gulf Power	<u>5,832,103</u>	<u>5,836,672</u>	<u>4,569</u>

**ANNUAL FOSSIL DISMANTLEMENT COST
JURISDICTIONAL DISMANTLEMENT COST ESTIMATES
GULF POWER COMPANY**

PLANT/UNIT	Total Company Current Cost Estimate 12/31/2005	Jurisdictional Current Cost Estimate 12/31/2005	Future Cost Estimate	Jurisdictional Future Cost Estimate
Plant Crist				
Total Unit 1	1,698,000	1,639,120	2,314,247	2,233,998
Total Unit 2	1,626,000	1,569,616	2,217,020	2,140,142
Total Unit 3	1,486,000	1,434,471	2,039,355	1,968,638
Total Unit 4	4,448,000	4,293,760	6,463,499	6,239,369
Total Unit 5	4,513,000	4,356,506	6,871,932	6,633,640
Total Unit 6	11,025,000	10,642,695	20,967,577	20,240,501
Total Unit 7	19,760,000	19,074,798	40,162,992	38,770,292
Total Common	22,831,000	22,039,308	45,415,271	43,840,442
Total Plant Crist	67,387,000	65,050,275	126,451,893	122,067,022
Plant Smith				
Total Unit 1	4,839,000	4,671,202	7,793,382	7,523,137
Total Unit 2	5,325,000	5,140,349	8,994,015	8,682,137
Total Common	15,672,000	15,128,555	26,221,313	25,312,058
Total Plant Smith	25,836,000	24,940,106	43,008,710	41,517,331
Plant Scholz				
Total Unit 1	2,441,000	2,356,355	3,000,513	2,896,467
Total Unit 2	2,407,000	2,323,534	2,956,904	2,854,370
Total Common	6,107,000	5,895,232	7,434,780	7,176,970
Total Plant Scholz	10,955,000	10,575,122	13,392,197	12,927,806

**ANNUAL FOSSIL DISMANTLEMENT COST
JURISDICTIONAL DISMANTLEMENT COST ESTIMATES
GULF POWER COMPANY**

<u>PLANT/UNIT</u>	<u>Total Company Current Cost Estimate 12/31/2005</u>	<u>Jurisdictional Current Cost Estimate 12/31/2005</u>	<u>Future Cost Estimate</u>	<u>Jurisdictional Future Cost Estimate</u>
<u>Plant Daniel (Gulf %)</u>				
Total Unit 1	4,574,000	4,415,391	11,001,484	10,619,994
Total Unit 2	4,632,500	4,471,863	12,393,958	11,964,183
Total Common	10,494,000	10,130,108	26,578,248	25,656,615
Total Plant Daniel	19,700,500	19,017,362	49,973,690	48,240,792
<u>Plant Scherer</u>				
Total Unit 3	2,343,000	0	8,074,866	0
Total Common	1,496,625	0	4,461,148	0
Total Plant Scherer	3,839,625	0	12,536,014	0
<u>Plant Smith Combustion Turbine</u>				
Total Smith CT	143,000	138,041	204,918	197,812
<u>Pace (Pea Ridge) Plant</u>				
Total Unit 1	43,000	41,509	63,415	61,216
Total Unit 2	43,000	41,509	63,415	61,216
Total Unit 3	43,000	41,509	63,415	61,216
Total Pace (Pea Ridge)	129,000	124,527	190,245	183,648
<u>Smith Unit 3</u>				
Total Smith Unit 3	5,062,000	4,886,469	9,585,944	9,253,540
Total Dismantlement Costs	\$ 133,052,125	\$ 124,731,902	\$ 255,343,611	\$ 234,387,952

ANNUAL FOSSIL DISMANTLEMENT COST
 LEVELIZED EXPENSE CALCULATION
 GULF POWER COMPANY

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE DATE	AMOUNT	COMPOUND MULT.	FUTURE COST ESTIMATE	ALLOCATED RESERVE 12/31/05	UN- RECOVERED COST	AVERAGE INFLATION RATE	2006 ANNUAL EXPENSE	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE
					Sch. 3	(E)×(F)	% of (G)	(G)÷(H)	$G+E^{(1+(D-2004)-1)}$	$\frac{1+(J)(D-2005)+1}{(J)}$		(K)×(L)
Plant Crist												
Unit 1												
	Labor		2011	571,710	1.231	703,775						
			2012	571,710	1.273	727,787						
			2029	201,780	2.243	452,593						
	Total Labor	2,242,000	2011	1,345,200		1,884,155	1,426,469	457,686	5.78%	65,986	1.0900	71,925
	Disposal		2011	84,150	1.135	95,510						
			2012	84,150	1.156	97,277						
			2029	29,700	1.563	46,421						
	Total Disposal	198,000	2011	198,000		239,208	181,101	58,107	3.20%	8,938	1.0490	9,376
	Scrap		2011	65,790	1.144	75,264						
	(incl. Materials @ 40% of Labor)		2012	65,790	1.168	76,843						
			2029	23,220	1.670	38,777						
	Total Scrap	(742,000)	2011	154,800		190,884	144,516	46,368	3.55%	7,069	1.0545	7,454
Total Unit 1		1,698,000		1,698,000		2,314,247	1,752,086	562,161		81,993		88,755
Unit 2												
	Labor		2011	550,545	1.231	677,721						
			2012	550,545	1.273	700,844						
			2029	194,310	2.243	435,837						
	Total Labor	2,159,000	2011	1,295,400		1,814,402	1,379,936	434,466	5.78%	62,638	1.0900	68,275
	Disposal		2011	85,850	1.135	97,440						
			2012	85,850	1.156	99,243						
			2029	30,300	1.563	47,359						
	Total Disposal	202,000	2011	202,000		244,042	185,605	58,437	3.20%	8,989	1.0491	9,430
	Scrap		2011	54,655	1.144	62,525						
	(incl. Materials @ 40% of Labor)		2012	54,655	1.168	63,837						
			2029	19,290	1.670	32,214						
	Total Scrap	(735,000)	2011	128,600		158,576	120,604	37,972	3.55%	5,789	1.0546	6,105
Total Unit 2		1,626,000		1,626,000		2,217,020	1,686,145	530,875		77,416		83,810

ANNUAL FOSSIL DISMANTLEMENT COST
 LEVELIZED EXPENSE CALCULATION
 GULF POWER COMPANY

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE		COMPOUND MULT.	FUTURE COST ESTIMATE	ALLOCATED RESERVE 12/31/05	UN- RECOVERED COST	AVERAGE INFLATION RATE	2006 ANNUAL EXPENSE	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE
			DATE	AMOUNT								
Unit 3												
	Labor		2011	535,500	1.231	659,201						
			2012	535,500	1.273	681,692						
			2029	189,000	2.243	423,927						
	Total Labor	2,100,000	2011	1,260,000		1,764,820	1,373,042	391,778	5.78%	56,484	1.0900	61,568
	Disposal		2011	70,550	1.135	80,074						
			2012	70,550	1.156	81,556						
			2029	24,900	1.563	38,919						
	Total Disposal	166,000	2011	166,000		200,549	156,028	44,521	3.20%	6,848	1.0490	7,184
	Scrap		2011	25,500	1.144	29,172						
	(incl. Materials @ 40% of Labor)		2012	25,500	1.168	29,784						
			2029	9,000	1.670	15,030						
	Total Scrap	(780,000)	2011	60,000		73,986	57,562	16,424	3.55%	2,504	1.0545	2,640
Total Unit 3		1,486,000		1,486,000		2,039,355	1,586,632	452,723		65,836		71,392
Unit 4												
	Labor		2014	1,379,040	1.362	1,878,252						
			2015	1,379,040	1.408	1,941,688						
			2029	486,720	2.243	1,091,713						
	Total Labor	5,408,000	2014	3,244,800		4,911,653	2,942,264	1,969,389	4.71%	180,719	1.0730	193,911
	Disposal		2014	93,500	1.200	112,200						
			2015	93,500	1.222	114,257						
			2029	33,000	1.563	51,579						
	Total Disposal	220,000	2014	220,000		278,036	166,554	111,482	2.64%	11,138	1.0402	11,586
	Scrap		2014	417,860	1.217	508,536						
	(incl. Materials @ 40% of Labor)		2015	417,860	1.242	518,982						
			2029	147,480	1.670	246,292						
	Total Scrap	(1,180,000)	2014	983,200		1,273,810	763,060	510,750	2.92%	50,441	1.0446	52,691
Total Unit 4		4,448,000		4,448,000		6,463,499	3,871,878	2,591,621		242,298		258,188

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE		COMPOUND MULT. Sch. 3	FUTURE COST ESTIMATE (E)×(F)	ALLOCATED RESERVE 12/31/05 % of (G)	UN- RECOVERED COST (G)-(H)	AVERAGE INFLATION RATE G+E*(1+(D-2004)-1 1+(D-2005)-1	2006 ANNUAL EXPENSE (J)	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE (K)×(L)
			DATE	AMOUNT								
Unit 5												
	Labor		2016	1,391,280	1.456	2,025,704						
			2017	1,391,280	1.505	2,093,876						
			2029	491,040	2.243	1,101,403						
	Total Labor	5,456,000	2016	3,273,600		5,220,983	2,899,771	2,321,212	4.33%	169,149	1.0669	180,465
	Disposal		2016	100,725	1.244	125,302						
			2017	100,725	1.266	127,518						
			2029	35,550	1.563	55,565						
	Total Disposal	237,000	2016	237,000		308,385	171,279	137,106	2.42%	11,027	1.0369	11,434
	Scrap (incl. Materials @ 40% of Labor)		2016	426,020	1.268	540,193						
			2017	426,020	1.294	551,270						
			2029	150,360	1.670	251,101						
	Total Scrap	(1,180,000)	2016	1,002,400		1,342,564	745,670	596,894	2.69%	47,347	1.0411	49,293
Total Unit 5		4,513,000		4,513,000		6,871,932	3,816,720	3,055,212		227,523		241,192
Unit 6												
	Labor		2025	3,398,385	1.962	6,667,631						
			2026	3,398,385	2.029	6,895,323						
			2029	1,199,430	2.243	2,690,321						
	Total Labor	13,327,000	2025	7,996,200		16,253,275	7,137,413	9,115,862	3.61%	318,711	1.0555	336,399
	Disposal		2025	196,775	1.459	287,095						
			2026	196,775	1.485	292,211						
			2029	69,450	1.563	108,550						
	Total Disposal	463,000	2025	463,000		687,856	302,063	385,793	2.00%	15,880	1.0304	16,363
	Scrap (incl. Materials @ 40% of Labor)		2025	1,090,465	1.535	1,673,864						
			2026	1,090,465	1.568	1,709,849						
			2029	384,870	1.670	642,733						
	Total Scrap	(2,765,000)	2025	2,565,800		4,026,446	1,768,161	2,258,285	2.28%	90,393	1.0347	93,530
Total Unit 6		11,025,000		11,025,000		20,967,577	9,207,637	11,759,940		424,984		446,292

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE		COMPOUND MULT. Sch. 3	FUTURE COST ESTIMATE (E)x(F)	ALLOCATED RESERVE 12/31/05 % of (G)	UN- RECOVERED COST (G)-(H)	AVERAGE INFLATION RATE G+E*(1+(D-2004)-1) 1+(D-2005)-1 (J)	2006 ANNUAL EXPENSE 1+(D-2005)-1 (J)	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE (K)x(L)
			DATE	AMOUNT								
Unit 7												
	Labor		2028	5,796,405	2.169	12,572,402						
			2029	5,796,405	2.243	13,001,336						
			2029	2,045,790	2.243	4,588,707						
	Total Labor	22,731,000	2028	13,638,600		30,162,445	7,973,684	22,188,761	3.51%	643,031	1.0539	677,690
	Disposal		2028	540,175	1.537	830,249						
			2029	540,175	1.563	844,294						
			2029	190,650	1.563	297,986						
	Total Disposal	1,271,000	2028	1,271,000		1,972,529	521,454	1,451,075	1.93%	50,721	1.0293	52,207
	Scrap		2028	2,061,420	1.635	3,370,422						
	(incl. Materials @ 40% of Labor)		2029	2,061,420	1.670	3,442,571						
			2029	727,560	1.670	1,215,025						
	Total Scrap	(4,242,000)	2028	4,850,400		8,028,018	2,122,271	5,905,747	2.21%	199,670	1.0337	206,399
Total Unit 7		19,760,000		19,760,000		40,162,992	10,617,409	29,545,583		893,422		936,296
Common												
	Labor		2028	5,863,215	2.169	12,717,313						
			2029	5,863,215	2.243	13,151,191						
			2029	2,069,370	2.243	4,641,597						
	Total Labor	22,993,000	2028	13,795,800		30,510,101	11,614,907	18,895,194	3.51%	547,583	1.0539	577,098
	Disposal		2028	202,725	1.537	311,588						
			2029	202,725	1.563	316,859						
			2029	71,550	1.563	111,833						
	Total Disposal	477,000	2028	477,000		740,280	281,818	458,462	1.93%	16,025	1.0293	16,495
	Scrap		2028	3,637,235	1.635	5,946,879						
	(incl. Materials @ 40% of Labor)		2029	3,637,235	1.670	6,074,182						
			2029	1,283,730	1.670	2,143,829						
	Total Scrap	(639,000)	2028	8,558,200		14,164,890	5,392,440	8,772,450	2.21%	296,592	1.0337	306,587
Total Common		22,831,000		22,831,000		45,415,271	17,289,165	28,126,106		860,200		900,180

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE DATE	AMOUNT	COMPOUND MULT.	FUTURE COST ESTIMATE	ALLOCATED RESERVE 12/31/05	UN- RECOVERED COST	AVERAGE INFLATION RATE	2006 ANNUAL EXPENSE	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE
					Sch. 3	(E)X(F)	% of (G)	(G)-(H)	$G+E^{(1+(D-2004)-1)}$	$\frac{(J)}{1+(D-2005)-1}$		(K)X(L)
Total Plant Crist												
	Labor			19,486,080		37,901,999						
				19,486,080		39,193,737						
				6,877,440		15,426,098						
	Total Labor	76,416,000		45,849,600		92,521,834	36,747,486	55,774,348		2,044,301		2,167,331
	Disposal			1,374,450		1,939,458						
				1,374,450		1,973,215						
				485,100		758,212						
	Total Disposal	3,234,000		3,234,000		4,670,885	1,965,902	2,704,983		129,566		134,075
	Scrap			7,778,945		12,206,855						
	(incl. Materials @ 40% of Labor)			7,778,945		12,467,318						
				2,745,510		4,585,001						
	Total Scrap	(12,263,000)		18,303,400		29,259,174	11,114,284	18,144,890		699,805		724,699
Total Plant Crist												
		67,387,000		67,387,000		126,451,893	49,827,671	76,624,221		2,873,672		3,026,105

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE		COMPOUND MULT.	FUTURE COST ESTIMATE	ALLOCATED RESERVE 12/31/05	UN- RECOVERED COST	AVERAGE INFLATION RATE	2006 ANNUAL EXPENSE	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE
			DATE	AMOUNT								
					Sch. 3	(E)×(F)	% of (G)	(G)÷(H)	$G \div E^{(1+(D-2004)-1)}$	$1+(J) \div (D-2005)+1$		(K)×(L)
										(J)		
Plant Smith												
Unit 1												
	Labor		2020	1,410,405	1.662	2,344,093						
			2021	1,410,405	1.718	2,423,076						
			2023	497,790	1.836	913,942						
	Total Labor	5,531,000	2020	<u>3,318,600</u>		<u>5,681,111</u>	3,036,233	<u>2,644,878</u>	3.65%	<u>135,570</u>	1.0561	<u>143,175</u>
	Disposal		2020	201,875	1.335	269,503						
			2021	201,875	1.359	274,348						
			2023	71,250	1.409	100,391						
	Total Disposal	475,000	2020	<u>475,000</u>		<u>644,242</u>	344,311	<u>299,931</u>	2.05%	<u>17,278</u>	1.0312	<u>17,817</u>
	Scrap		2020	444,295	1.377	611,794						
	(incl. Materials @ 40% of Labor)		2021	444,295	1.408	625,567						
			2023	156,810	1.471	230,668						
	Total Scrap	(1,167,000)	2020	<u>1,045,400</u>		<u>1,468,029</u>	784,578	<u>683,451</u>	2.29%	<u>38,702</u>	1.0349	<u>40,053</u>
Total Unit 1		<u>4,839,000</u>		<u>4,839,000</u>		<u>7,793,382</u>	4,165,122	<u>3,628,260</u>		<u>191,550</u>		<u>201,045</u>
Unit 2												
	Labor		2022	1,525,920	1.776	2,710,034						
			2023	1,525,920	1.836	2,801,589						
			2023	538,560	1.836	988,796						
	Total Labor	5,984,000	2022	<u>3,590,400</u>		<u>6,500,419</u>	3,218,032	<u>3,282,387</u>	3.55%	<u>143,909</u>	1.0546	<u>151,766</u>
	Disposal		2022	247,775	1.384	342,921						
			2023	247,775	1.409	349,115						
			2023	87,450	1.409	123,217						
	Total Disposal	583,000	2022	<u>583,000</u>		<u>815,253</u>	403,591	<u>411,662</u>	1.99%	<u>20,584</u>	1.0303	<u>21,208</u>
	Scrap		2022	489,430	1.439	704,290						
	(incl. Materials @ 40% of Labor)		2023	489,430	1.471	719,952						
			2023	172,740	1.471	254,101						
	Total Scrap	(1,242,000)	2022	<u>1,151,600</u>		<u>1,678,343</u>	830,864	<u>847,479</u>	2.24%	<u>41,509</u>	1.0341	<u>42,924</u>
Total Unit 2		<u>5,325,000</u>		<u>5,325,000</u>		<u>8,994,015</u>	4,452,487	<u>4,541,528</u>		<u>206,002</u>		<u>215,898</u>

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE		COMPOUND MULT. Sch. 3	FUTURE COST ESTIMATE (E)x(F)	ALLOCATED RESERVE 12/31/05 % of (G)	UN- RECOVERED COST (G)-(H)	AVERAGE INFLATION RATE G=E*(1+(D-2004)-1)	2006 ANNUAL EXPENSE 1+(J)*(D-2005)-1 (J)	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE (K)x(L)
			DATE	AMOUNT								
Common												
	Labor		2022	4,071,585	1.776	7,231,135						
			2023	4,071,585	1.836	7,475,430						
			2023	1,437,030	1.836	2,638,387						
	Total Labor	15,967,000	2022	9,580,200		17,344,952	7,483,924	9,861,028	3.55%	432,335	1.0546	455,940
	Disposal		2022	13,175	1.384	18,234						
			2023	13,175	1.409	18,564						
			2023	4,650	1.409	6,552						
	Total Disposal	31,000	2022	31,000		43,350	18,704	24,646	1.99%	1,232	1.0306	1,270
	Scrap		2022	2,575,840	1.439	3,706,634						
	(incl. Materials @ 40% of Labor)		2023	2,575,840	1.471	3,789,061						
			2023	909,120	1.471	1,337,316						
	Total Scrap	(326,000)	2022	6,060,800		8,833,011	3,811,228	5,021,783	2.24%	245,966	1.0341	254,353
	Total Common	15,672,000		15,672,000		26,221,313	11,313,856	14,907,457		679,533		711,563
Total Plant Smith												
	Labor			7,007,910		12,285,262						
				7,007,910		12,700,095						
				2,473,380		4,541,125						
	Total Labor	27,482,000		16,489,200		29,526,482	13,738,189	15,788,293		711,814		750,881
	Disposal			462,825		630,658						
				462,825		642,027						
				163,350		230,160						
	Total Disposal	1,089,000		1,089,000		1,502,845	766,606	736,239		39,094		40,295
	Scrap			3,509,565		5,022,718						
	(incl. Materials @ 40% of Labor)			3,509,565		5,134,580						
				1,238,670		1,822,085						
	Total Scrap	(2,735,000)		8,257,800		11,979,383	5,426,670	6,552,713		326,177		337,330
	Total Plant Smith	25,836,000		25,836,000		43,008,710	19,931,465	23,077,245		1,077,085		1,128,506

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE		COMPOUND MULT. Sch. 3	FUTURE COST ESTIMATE (E)(F)	ALLOCATED RESERVE 12/31/05 % of (G)	UN- RECOVERED COST (G)-(H)	AVERAGE INFLATION RATE G+E*(1+(D-2004)-1 1+(J)*(D-2005)-1 (J)	2006 ANNUAL EXPENSE	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE (K)(L)
			DATE	AMOUNT								
Plant Scholz												
Unit 1												
	Labor		2011	769,845	1.231	947,679						
			2012	769,845	1.273	980,013						
			2012	271,710	1.273	345,887						
	Total Labor	3,019,000	2011	1,811,400		2,273,579	1,847,712	425,867	3.86%	64,430	1.0594	68,257
	Disposal		2011	79,900	1.135	90,687						
			2012	79,900	1.156	92,364						
			2012	28,200	1.156	32,599						
	Total Disposal	188,000	2011	188,000		215,650	175,256	40,394	2.31%	6,353	1.0352	6,577
	Scrap (incl. Materials @ 40% of Labor)		2011	187,680	1.144	214,706						
			2012	187,680	1.168	219,210						
			2012	66,240	1.168	77,368						
	Total Scrap	(766,000)	2011	441,600		511,284	415,515	95,769	2.47%	15,003	1.0377	15,569
	Total Unit 1	2,441,000		2,441,000		3,000,513	2,438,483	562,030		85,786		90,403
Unit 2												
	Labor		2011	751,740	1.231	925,392						
			2012	751,740	1.273	956,965						
			2012	265,320	1.273	337,752						
	Total Labor	2,948,000	2011	1,768,800		2,220,109	1,801,626	418,483	3.86%	63,313	1.0594	67,074
	Disposal		2011	83,725	1.135	95,028						
			2012	83,725	1.156	96,786						
			2012	29,550	1.156	34,160						
	Total Disposal	197,000	2011	197,000		225,974	183,379	42,595	2.31%	6,700	1.0353	6,937
	Scrap (incl. Materials @ 40% of Labor)		2011	187,510	1.144	214,511						
			2012	187,510	1.168	219,012						
			2012	66,180	1.168	77,298						
	Total Scrap	(738,000)	2011	441,200		510,821	414,533	96,288	2.47%	15,084	1.0377	15,653
	Total Unit 2	2,407,000		2,407,000		2,956,904	2,399,538	557,366		85,097		89,664

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE		COMPOUND MULT.	FUTURE COST ESTIMATE	ALLOCATED RESERVE 12/31/05	UN- RECOVERED COST	AVERAGE INFLATION RATE	2006 ANNUAL EXPENSE	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE
			DATE	AMOUNT								
										(J)		
Common												
	Labor		2011	1,590,180	1.231	1,957,512						
			2012	1,590,180	1.273	2,024,299						
			2012	<u>561,240</u>	1.273	<u>714,459</u>						
	Total Labor	6,236,000	2011	<u>3,741,600</u>		<u>4,696,270</u>	3,386,658	1,309,612	3.86%	<u>198,134</u>	1.0594	<u>209,903</u>
	Disposal		2011	5,950	1.135	6,753						
			2012	5,950	1.156	6,878						
			2012	<u>2,100</u>	1.156	<u>2,428</u>						
	Total Disposal	14,000	2011	<u>14,000</u>		<u>16,059</u>	11,581	4,478	2.31%	<u>704</u>	1.0352	<u>729</u>
	Scrap		2011	999,345	1.144	1,143,251						
	(incl. Materials @ 40% of Labor)		2012	999,345	1.168	1,167,235						
			2012	<u>352,710</u>	1.168	<u>411,965</u>						
	Total Scrap	(143,000)	2011	<u>2,351,400</u>		<u>2,722,451</u>	1,963,263	759,188	2.47%	<u>118,934</u>	1.0377	<u>123,418</u>
	Total Common	<u>6,107,000</u>		<u>6,107,000</u>		<u>7,434,780</u>	5,361,502	2,073,278		<u>317,772</u>		<u>334,050</u>
Total Plant Scholz												
	Labor			3,111,765		3,830,583						
				3,111,765		3,961,277						
				<u>1,098,270</u>		<u>1,398,098</u>						
	Total Labor	12,203,000		<u>7,321,800</u>		<u>9,189,958</u>	7,035,996	2,153,962		<u>325,877</u>		<u>345,234</u>
	Disposal			169,575		192,468						
				169,575		196,028						
				<u>59,850</u>		<u>69,187</u>						
	Total Disposal	399,000		<u>399,000</u>		<u>457,883</u>	370,216	87,467		<u>13,757</u>		<u>14,243</u>
	Scrap			1,374,535		1,572,468						
	(incl. Materials @ 40% of Labor)			1,374,535		1,605,457						
				<u>485,130</u>		<u>566,631</u>						
	Total Scrap	(1,647,000)		<u>3,234,200</u>		<u>3,744,556</u>	2,793,311	951,245		<u>149,021</u>		<u>154,640</u>
	Total Plant Scholz	<u>10,955,000</u>		<u>10,955,000</u>		<u>13,392,197</u>	10,199,523	3,192,674		<u>488,655</u>		<u>514,117</u>

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE DATE	AMOUNT	COMPOUND MULT.	FUTURE COST ESTIMATE	ALLOCATED RESERVE 12/31/05	UN- RECOVERED COST	AVERAGE INFLATION RATE	2006 ANNUAL EXPENSE	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE
					Sch. 3	(E)×(F)	% of (G)	(G)-(H)	$G \div E \times (1 - (D - 2004) - 1)$	$1 + (J) \times (D - 2005) - 1$		(K)×(L)
Plant Daniel (Gulf %)												
Unit 1												
	Labor		2032	1,483,845	2.480	3,679,936						
			2033	1,483,845	2.565	3,806,062						
			2037	523,710	2.935	1,537,089						
	Total Labor	5,819,000	2032	3,491,400		9,023,087	3,101,437	5,921,650	3.58%	133,773	1.0550	141,131
	Disposal		2032	0	1.644	0						
			2033	0	1.672	0						
			2037	0	1.788	0						
	Total Disposal	0	2032	0		0	0	0	0.00%	0	0.0000	0
	Scrap		2032	460,105	1.781	819,447						
	(incl. Materials @ 40% of Labor)		2033	460,105	1.819	836,931						
			2037	162,390	1.983	322,019						
	Total Scrap	(1,245,000)	2032	1,082,600		1,978,397	680,019	1,298,378	2.26%	35,434	1.0344	36,653
	Total Unit 1	4,574,000		4,574,000		11,001,484	3,781,456	7,220,028		169,207		177,784
Unit 2												
	Labor		2036	1,505,903	2.838	4,273,753						
			2037	1,505,903	2.935	4,419,825						
			2037	531,495	2.935	1,559,938						
	Total Labor	5,905,500	2036	3,543,301		10,253,516	3,287,800	6,965,716	3.49%	128,261	1.0535	135,123
	Disposal		2036	0	1.758	0						
			2037	0	1.788	0						
			2037	0	1.788	0						
	Total Disposal	0	2036	0		0	0	0	0.00%	0	0.0000	0
	Scrap		2036	462,910	1.941	898,508						
	(incl. Materials @ 40% of Labor)		2037	462,910	1.983	917,951						
			2037	163,380	1.983	323,983						
	Total Scrap	(1,273,000)	2036	1,089,200		2,140,442	686,335	1,454,107	2.20%	33,193	1.0335	34,305
	Total Unit 2	4,632,500		4,632,501		12,393,958	3,974,135	8,419,823		161,454		169,428

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE		COMPOUND MULT. Sch. 3	FUTURE COST ESTIMATE (E)×(F)	ALLOCATED RESERVE 12/31/05 % of (G)	UN- RECOVERED COST (G)-(H)	AVERAGE INFLATION RATE G+E×(1-(D-2004)-1) + (J)×(D-2005)-1 (J)	2006 ANNUAL EXPENSE 1-(J)×(D-2005)-1 (J)	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE (K)×(L)
			DATE	AMOUNT								
Common												
	Labor		2036	2,736,660	2.838	7,766,641						
			2037	2,736,660	2.935	8,032,097						
			2037	965,880	2.935	2,834,858						
	Total Labor	10,732,000	2036	6,439,200		18,633,596	4,898,900	13,734,696	3.49%	252,899	1.0535	266,429
	Disposal		2036	52,913	1.758	93,021						
			2037	52,913	1.788	94,608						
			2037	18,675	1.788	33,391						
	Total Disposal	124,500	2036	124,501		221,020	58,108	162,912	1.87%	3,927	1.0283	4,038
	Scrap		2036	1,670,378	1.941	3,242,204						
	(incl. Materials @ 40% of Labor)		2037	1,670,378	1.983	3,312,360						
			2037	589,545	1.983	1,169,068						
	Total Scrap	(362,500)	2036	3,930,301		7,723,632	2,030,596	5,693,036	2.20%	129,956	1.0335	134,310
	Total Common	10,494,000		10,494,002		26,578,248	6,987,603	19,590,644		386,782		404,777
Total Plant Daniel												
	Labor			5,726,408		15,720,330						
				5,726,408		16,257,984						
				2,021,085		5,931,885						
	Total Labor	22,456,500		13,473,901		37,910,199	11,288,137	26,622,062		514,933		542,683
	Disposal			52,913		93,021						
				52,913		94,608						
				18,675		33,391						
	Total Disposal	124,500		124,501		221,020	58,108	162,912		3,927		4,038
	Scrap			2,593,393		4,960,159						
	(incl. Materials @ 40% of Labor)			2,593,393		5,067,242						
				915,315		1,815,070						
	Total Scrap	(2,880,500)		6,102,101		11,842,471	3,396,950	8,445,521		198,583		205,268
	Total Plant Daniel	19,700,500		19,700,503		49,973,690	14,743,195	35,230,495		717,443		751,989

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE		COMPOUND MULT. Sch. 3	FUTURE COST ESTIMATE (E)x(F)	ALLOCATED RESERVE 12/31/05 % of (G)	UN- RECOVERED COST (G)-(H)	AVERAGE INFLATION RATE G:(E)^(1-(D-2004)+1 1+(J)^(D-2005)-1 (J)	2006 ANNUAL EXPENSE	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE (K)x(L)
			DATE	AMOUNT								
Plant Scherer												
Unit 3												
	Labor		2042	922,590	3.474	3,205,078						
			2043	922,590	3.593	3,314,866						
			2043	325,620	3.593	1,169,953						
	Total Labor	3,618,000	2042	2,170,800		7,689,897	3,032,108	4,657,789	3.48%	63,709	1.0534	67,111
	Disposal		2042	0	1.945	0						
			2043	0	1.978	0						
			2043	0	1.978	0						
	Total Disposal	0	2042	0		0	0	0	0.00%	0	0.0000	0
	Scrap		2042	73,185	2.208	161,592						
	(incl. Materials @ 40% of Labor)		2043	73,185	2.256	165,105						
			2043	25,830	2.256	58,272						
	Total Scrap	(1,275,000)	2042	172,200		384,969	151,792	233,177	2.20%	4,148	1.0334	4,287
	Total Unit 3	2,343,000		2,343,000		8,074,866	3,183,900	4,890,966		67,857		71,398
Common												
	Labor		2042	369,017	3.474	1,281,965						
			2043	369,017	3.593	1,325,878						
			2043	130,241	3.593	467,956						
	Total Labor	1,447,125	2042	868,275		3,075,799	1,472,957	1,602,842	3.48%	21,924	1.0534	23,095
	Disposal		2042	30,334	1.945	59,000						
			2043	30,334	1.978	60,001						
			2043	10,706	1.978	21,176						
	Total Disposal	71,375	2042	71,374		140,177	67,129	73,048	1.84%	1,395	1.0281	1,434
	Scrap		2042	236,714	2.208	522,665						
	(incl. Materials @ 40% of Labor)		2043	236,714	2.256	534,027						
			2043	83,546	2.256	188,480						
	Total Scrap	(21,875)	2042	556,974		1,245,172	596,295	648,877	2.20%	11,544	1.0335	11,931
	Total Common	1,496,625		1,496,623		4,461,148	2,136,381	2,324,767		34,863		36,460

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE DATE	AMOUNT	COMPOUND MULT.	FUTURE COST ESTIMATE	ALLOCATED RESERVE 12/31/05	UN- RECOVERED COST	AVERAGE INFLATION RATE	2006 ANNUAL EXPENSE	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE (K)(L)
					Sch. 3	(E)(F)	% of (G)	(G)-(H)	$G+E \times (1+(D-2004)-1)$	$\frac{1+(D-2005)-1}{(J)}$		
Total Plant Scherer												
	Labor			1,291,607		4,487,043						
				1,291,607		4,640,744						
				455,861		1,637,909						
	Total Labor	5,065,125		<u>3,039,075</u>		<u>10,765,696</u>	4,505,065	6,260,631		<u>85,633</u>		<u>90,206</u>
	Disposal			30,334		59,000						
				30,334		60,001						
				10,706		21,176						
	Total Disposal	71,375		<u>71,374</u>		<u>140,177</u>	67,129	73,048		<u>1,395</u>		<u>1,434</u>
	Scrap			309,899		684,257						
	(incl. Materials @ 40% of Labor)			309,899		699,132						
				109,376		246,752						
	Total Scrap	(1,296,875)		<u>729,174</u>		<u>1,630,141</u>	748,087	882,054		<u>15,632</u>		<u>16,218</u>
	Total Plant Scherer	<u>3,839,625</u>		<u>3,839,623</u>		<u>12,536,014</u>	5,320,281	7,215,733		<u>102,720</u>		<u>107,858</u>

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE DATE	AMOUNT	COMPOUND MULT. Sch. 3	FUTURE COST ESTIMATE (E)x(F)	ALLOCATED RESERVE 12/31/05 % of (G)	UN- RECOVERED COST (G)-(H)	AVERAGE INFLATION RATE G+E*(1+(D-2004)-1)	2006 ANNUAL EXPENSE 1+(J)*(D-2005)-1 (J)	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE (K)x(L)
Plant Smith Combustion Turbine												
	Labor	157,000	2017	94,200	1.505	141,771	98,992	42,779	3.47%	2,935	1.0532	3,091
	Disposal	0	2017	0	1.266	0	0	0	0.00%	0	0.0000	0
	Scrap (incl. Materials @ 40% of Labor)	(14,000)	2017	48,800	1.294	63,147	44,092	19,055	2.17%	1,407	1.0332	1,454
Total Smith CT		<u>143,000</u>		<u>143,000</u>		<u>204,918</u>	<u>143,084</u>	<u>61,834</u>		<u>4,342</u>		<u>4,545</u>
Pace (Poa Ridge) Plant												
Unit 1												
	Labor	47,000	2018	28,200	1.556	43,879	22,997	20,882	3.46%	1,299	1.0529	1,368
	Disposal	0	2018	0	1.289	0	0	0	0.00%	0	0.0000	0
	Scrap (incl. Materials @ 40% of Labor)	(4,000)	2018	14,800	1.320	19,536	10,239	9,297	2.16%	627	1.0335	648
Total Unit 1		<u>43,000</u>		<u>43,000</u>		<u>63,415</u>	<u>33,236</u>	<u>30,179</u>		<u>1,926</u>		<u>2,016</u>
Unit 2												
	Labor	47,000	2018	28,200	1.556	43,879	22,997	20,882	3.46%	1,299	1.0529	1,368
	Disposal	0	2018	0	1.289	0	0	0	0.00%	0	0.0000	0
	Scrap (incl. Materials @ 40% of Labor)	(4,000)	2018	14,800	1.320	19,536	10,239	9,297	2.16%	627	1.0335	648
Total Unit 2		<u>43,000</u>		<u>43,000</u>		<u>63,415</u>	<u>33,236</u>	<u>30,179</u>		<u>1,926</u>		<u>2,016</u>
Unit 3												
	Labor	47,000	2018	28,200	1.556	43,879	22,997	20,882	3.46%	1,299	1.0529	1,368
	Disposal	0	2018	0	1.289	0	0	0	0.00%	0	0.0000	0
	Scrap (incl. Materials @ 40% of Labor)	(4,000)	2018	14,800	1.320	19,536	10,239	9,297	2.16%	627	1.0335	648
Total Unit 3		<u>43,000</u>		<u>43,000</u>		<u>63,415</u>	<u>33,236</u>	<u>30,179</u>		<u>1,926</u>		<u>2,016</u>

**ANNUAL FOSSIL DISMANTLEMENT COST
LEVELIZED EXPENSE CALCULATION
GULF POWER COMPANY**

SCHEDULE 2

(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M)
PLANT/UNIT	ITEM	COST ESTIMATE 12/31/05	EXPENDITURE DATE	AMOUNT	COMPOUND MULT.	FUTURE COST ESTIMATE	ALLOCATED RESERVE 12/31/05	UN- RECOVERED COST	AVERAGE INFLATION RATE	2006 ANNUAL EXPENSE	AVG. MULT.	FOUR YEAR AVERAGE EXPENSE
					Sch. 3	(E)x(F)	% of (G)	(G)-(H)	$G+E*(1+(D-2004)-1)$	$1+(J)*(D-2005)-1$		(K)x(L)
										(J)		
Total Pace (Pea Ridge) Plant												
	Labor	141,000	2018	84,600		131,837	68,991	62,646		3,897		4,104
	Disposal	0	2018	0		0	0	0		0		0
	Scrap (incl. Materials @ 40% of Labor)	(12,000)	2018	44,400		58,608	30,717	27,891		1,881		1,944
	Total Pace (Pea Ridge)	129,000		129,000		190,245	99,708	90,537		5,778		6,048
Smith Unit 3												
	Labor	5,043,000	2027	3,025,800	2.098	6,348,128	610,242	5,737,886	3.43%	179,007	1.0526	188,423
	Disposal	246,000	2027	246,000	1.511	371,706	35,732	335,974	1.89%	12,452	1.0288	12,811
	Scrap (incl. Materials @ 40% of Labor)	(227,000)	2027	1,790,200	1.601	2,866,110	275,518	2,590,592	2.16%	93,204	1.0329	96,270
	Total Smith Unit 3	5,062,000		5,062,000		9,585,944	921,492	8,664,452		284,663		297,504
	Total Dismantlement Costs	133,052,125		133,052,126		255,343,611	101,186,419	154,157,191		5,554,358		5,836,672

ESCALATION RATES
 "REVIEW OF THE U.S. ECONOMY"
 March, 2001 - 25 Year Forecast

SCHEDULE 3

PERIODS	RET YEAR	COMPENSATION PER HOUR (Labor)		GDP DEFLATOR (Disposal)		INTERMEDIATE MATERIALS, SUPPLIES, AND COMPONENTS (Scrap)	
		ANNUAL RATE OF CHANGE	COMPOUNDED MULTIPLIER	ANNUAL RATE OF CHANGE	COMPOUNDED MULTIPLIER	ANNUAL RATE OF CHANGE	COMPOUNDED MULTIPLIER
		(A)	(B)	(A)	(B)	(A)	(B)
0	2005		1.000		1.000		1.000
1	2006	3.6	1.036	2.6	1.026	1.9	1.019
2	2007	3.5	1.073	2.3	1.049	2.6	1.045
3	2008	3.5	1.111	1.9	1.069	2.9	1.076
4	2009	3.5	1.150	2.1	1.091	2.4	1.101
5	2010	3.5	1.190	2.0	1.113	2.0	1.123
6	2011	3.5	1.231	2.0	1.135	1.9	1.144
7	2012	3.4	1.273	1.9	1.156	2.1	1.168
8	2013	3.4	1.317	1.9	1.178	2.1	1.192
9	2014	3.4	1.362	1.9	1.200	2.1	1.217
10	2015	3.4	1.408	1.8	1.222	2.1	1.242
11	2016	3.4	1.456	1.8	1.244	2.1	1.268
12	2017	3.4	1.505	1.8	1.266	2.1	1.294
13	2018	3.4	1.556	1.8	1.289	2.0	1.320
14	2019	3.4	1.608	1.8	1.312	2.1	1.347
15	2020	3.4	1.662	1.8	1.335	2.2	1.377
16	2021	3.4	1.718	1.8	1.359	2.2	1.408
17	2022	3.4	1.776	1.8	1.384	2.2	1.439
18	2023	3.4	1.836	1.8	1.409	2.2	1.471
19	2024	3.4	1.898	1.8	1.434	2.2	1.503
20	2025	3.4	1.962	1.8	1.459	2.1	1.535
21	2026	3.4	2.029	1.8	1.485	2.1	1.568
22	2027	3.4	2.098	1.7	1.511	2.1	1.601
23	2028	3.4	2.169	1.7	1.537	2.1	1.635
24	2029	3.4	2.243	1.7	1.563	2.2	1.670
25	2030	3.4	2.319	1.7	1.590	2.2	1.706
26	2031	3.4	2.398	1.7	1.617	2.2	1.743
27	2032	3.4	2.480	1.7	1.644	2.2	1.781
28	2033	3.4	2.565	1.7	1.672	2.2	1.819
29	2034	3.4	2.653	1.7	1.700	2.2	1.859
30	2035	3.4	2.744	1.7	1.729	2.2	1.900
31	2036	3.4	2.838	1.7	1.758	2.2	1.941
32	2037	3.4	2.935	1.7	1.788	2.2	1.983
33	2038	3.4	3.036	1.7	1.818	2.2	2.026
34	2039	3.4	3.140	1.7	1.849	2.2	2.070
35	2040	3.4	3.248	1.7	1.880	2.2	2.115
36	2041	3.4	3.359	1.7	1.912	2.2	2.161
37	2042	3.4	3.474	1.7	1.945	2.2	2.208
38	2043	3.4	3.593	1.7	1.978	2.2	2.256
39	2044	3.4	3.716	1.7	2.012	2.2	2.305
40	2045	3.4	3.843	1.7	2.046	2.2	2.355
41	2046	3.4	3.975	1.7	2.081	2.2	2.406
42	2047	3.4	4.111	1.7	2.116	2.2	2.458
43	2048	3.4	4.252	1.7	2.152	2.2	2.512
44	2049	3.4	4.398	1.7	2.189	2.2	2.567
45	2050	3.4	4.549	1.7	2.226	2.2	2.623
46	2051	3.4	4.705	1.7	2.264	2.2	2.680
47	2052	3.4	4.866	1.7	2.302	2.2	2.738
48	2053	3.4	5.033	1.7	2.341	2.2	2.798
49	2054	3.4	5.206	1.7	2.381	2.2	2.859
50	2055	3.4	5.385	1.7	2.421	2.2	2.921
51	2056	3.4	5.570	1.7	2.462	2.2	2.985
52	2057	3.4	5.761	1.7	2.504	2.2	3.050
53	2058	3.4	5.959	1.7	2.547	2.2	3.116
54	2059	3.4	6.163	1.7	2.590	2.2	3.184
55	2060	3.4	6.374	1.7	2.634	2.2	3.253
56	2061	3.4	6.593	1.7	2.679	2.2	3.324
57	2062	3.4	6.819	1.7	2.725	2.2	3.396
58	2063	3.4	7.053	1.7	2.771	2.2	3.470
59	2064	3.4	7.295	1.7	2.818	2.2	3.546

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2001

Sheet 1 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Reclass	Balance End of Year
INTANGIBLE:							
Organization	301	7,417.45	0.00	0.00	0.00	0.00	7,417.45
Franchises and Consents	302	594.15	0.00	0.00	0.00	0.00	594.15
TOTAL INTANGIBLE:		<u>8,011.60</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>8,011.60</u>
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		215,786,243.58	1,252,118.87	(2,020,909.02)	(3,861,707.81)	0.00	211,155,745.62
Land		967,300.94	0.00	0.00	0.00	0.00	967,300.94
Easements		77,160.27	0.00	0.00	0.00	0.00	77,160.27
Cooling Lake, 23 Year		8,954,191.92	0.00	0.00	0.00	0.00	8,954,191.92
Rail Track System		2,741,618.37	0.00	0.00	0.00	0.00	2,741,618.37
TOTAL DANIEL PLANT:		<u>228,526,515.08</u>	<u>1,252,118.87</u>	<u>(2,020,909.02)</u>	<u>(3,861,707.81)</u>	<u>0.00</u>	<u>223,896,017.12</u>
CRIST PLANT:							
Plant		392,986,248.24	1,366,418.78	(657,192.89)	0.00	0.00	393,695,474.13
Land		1,791,827.81	0.00	0.00	0.00	0.00	1,791,827.81
Easements		0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year		141,840.00	0.00	0.00	0.00	0.00	141,840.00
- 5 Year		22,978.59	6,385.06	(3,501.98)	0.00	0.00	25,861.67
- 7 Year		1,510,693.67	314,215.12	(95,749.38)	0.00	0.00	1,729,159.41
TOTAL CRIST PLANT:		<u>396,453,588.31</u>	<u>1,687,018.96</u>	<u>(756,444.25)</u>	<u>0.00</u>	<u>0.00</u>	<u>397,384,163.02</u>
SCHOLZ PLANT:							
Plant		29,470,697.73	178,462.13	(71,027.50)	0.00	0.00	29,578,132.36
Land		44,578.61	0.00	0.00	0.00	0.00	44,578.61
Base Coal, 5 Year		71,300.00	0.00	0.00	0.00	0.00	71,300.00
- 5 Year		3,012.92	0.00	0.00	0.00	0.00	3,012.92
- 7 Year		81,198.23	0.00	0.00	0.00	0.00	81,198.23
TOTAL SCHOLZ PLANT:		<u>29,670,787.49</u>	<u>178,462.13</u>	<u>(71,027.50)</u>	<u>0.00</u>	<u>0.00</u>	<u>29,778,222.12</u>
SMITH PLANT:							
Plant		113,122,517.83	3,242,804.09	(673,858.44)	0.00	0.00	115,691,463.48
Land		620,484.10	0.00	0.00	0.00	0.00	620,484.10
Base Coal, 5 Year		108,300.00	0.00	0.00	0.00	0.00	108,300.00
- 5 Year		2,814.28	0.00	0.00	0.00	0.00	2,814.28
- 7 Year		488,500.94	92,198.76	(103,743.65)	0.00	0.00	476,956.05
TOTAL SMITH PLANT:		<u>114,342,617.15</u>	<u>3,335,002.85</u>	<u>(777,602.09)</u>	<u>0.00</u>	<u>0.00</u>	<u>116,900,017.91</u>
SCHERER PLANT:							
Plant		175,507,792.73	104,950.16	(603,503.01)	0.00	0.00	175,009,239.88
Land		804,165.16	0.00	0.00	(137.14)	0.00	804,028.02
- 7 Year		39,583.01	306.58	0.00	0.00	0.00	39,889.59
TOTAL SCHERER PLANT:		<u>176,351,540.90</u>	<u>105,256.74</u>	<u>(603,503.01)</u>	<u>(137.14)</u>	<u>0.00</u>	<u>175,853,157.49</u>
TOTAL STEAM PRODUCTION:		<u>945,345,048.93</u>	<u>6,557,859.55</u>	<u>(4,229,485.87)</u>	<u>(3,861,844.95)</u>	<u>0.00</u>	<u>943,811,577.66</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2001

Sheet 2 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Reclass	Balance End of Year
OTHER PRODUCTION:							
SMITH PLANT:							
Structures and Improvements	341	780,582.98	0.00	0.00	0.00	0.00	780,582.98
Fuel Holders and Accessories	342	283,273.55	0.00	0.00	0.00	0.00	283,273.55
Prime Movers	343	83,106.40	0.00	0.00	0.00	0.00	83,106.40
Generators	344	3,063,475.80	0.00	0.00	0.00	0.00	3,063,475.80
Accessory Electric Equipment	345	126,764.86	0.00	0.00	0.00	0.00	126,764.86
Miscellaneous Equipment	346	4,331.80	0.00	0.00	0.00	0.00	4,331.80
TOTAL SMITH PLANT:		4,341,535.39	0.00	0.00	0.00	0.00	4,341,535.39
PACE PLANT:							
Prime Movers	343	6,790,595.44	0.00	0.00	0.00	0.00	6,790,595.44
Generators	344	3,107,233.23	0.00	0.00	0.00	0.00	3,107,233.23
Accessory Electric Equipment	345	584,090.42	0.00	0.00	0.00	0.00	584,090.42
Miscellaneous Equipment	346	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL PACE PLANT:		10,481,919.09	0.00	0.00	0.00	0.00	10,481,919.09
TOTAL OTHER PRODUCTION:		14,823,454.48	0.00	0.00	0.00	0.00	14,823,454.48
TOTAL PRODUCTION:		960,168,503.41	6,557,859.55	(4,229,485.87)	(3,861,844.95)	0.00	958,635,032.14
TRANSMISSION:							
Land	350.0	1,191,773.76	48,335.69	0.00	0.00	0.00	1,240,109.45
Easements	350.2	9,632,194.16	21,290.33	0.00	0.00	0.00	9,653,484.49
Structures and Improvements	352	4,161,282.61	11,905.05	(3,214.67)	0.00	0.00	4,169,972.99
Station Equipment	353	56,361,676.96	11,207,583.36	(691,932.53)	0.00	0.00	66,877,327.79
Towers and Fixtures	354	25,174,075.63	3,760,304.36	(403,450.44)	0.00	0.00	28,530,929.55
Poles and Fixtures	355	34,469,221.00	4,724,209.37	(239,259.33)	0.00	0.00	38,954,171.04
Overhead Conductors & Devices	356	31,153,133.61	3,888,608.93	(481,085.78)	0.00	0.00	34,560,656.76
Underground Conductors & Devices	358	13,612,397.25	0.00	0.00	0.00	0.00	13,612,397.25
Roads and Trails	359	54,560.27	1,126.09	0.00	0.00	0.00	55,686.36
TOTAL TRANSMISSION:		175,810,315.25	23,663,363.18	(1,818,942.75)	0.00	0.00	197,654,735.68
DISTRIBUTION:							
Land	360.0	1,510,601.74	73,133.08	0.00	0.00	0.00	1,583,734.82
Easements	360.2	0.00	0.00	0.00	0.00	0.00	0.00
Structures and Improvements	361	10,042,903.18	18,110.61	(16,724.51)	0.00	0.00	10,044,289.28
Station Equipment	362	109,475,101.18	389,796.07	(602,130.21)	0.00	0.00	109,262,767.04
Poles, Towers & Fixtures	364	81,234,587.48	4,475,853.79	(980,220.24)	3,064.83	0.00	84,733,285.86
Overhead Conductors & Devices	365	94,422,780.34	3,235,761.02	(1,001,781.30)	0.00	(341,896.57)	96,314,863.49
Underground Conduit	366	1,210,865.37	0.00	0.00	0.00	0.00	1,210,865.37
Underground Conductors & Devices	367	55,907,353.00	5,570,671.45	(380,600.44)	(12,490.20)	383,224.96	61,468,158.77
Line Transformers	368	141,236,148.49	7,430,270.58	(3,102,059.14)	12,041.40	(41,328.39)	145,535,072.94
Services:							
- Overhead	369.1	33,750,099.25	2,048,901.98	(334,854.93)	0.00	0.00	35,464,146.30
- Underground	369.2	22,042,075.79	2,066,089.91	(47,420.77)	0.00	0.00	24,060,744.93
- House Power Panel	369.3	5,109,448.84	0.00	(429,192.40)	0.00	0.00	4,680,256.44
Meters	370	31,362,397.64	2,118,387.43	(434,282.33)	0.00	0.00	33,046,502.74
Street Lighting & Signal Systems	373	37,294,680.92	3,507,492.66	(796,837.07)	0.00	0.00	40,005,336.51
TOTAL DISTRIBUTION:		624,599,043.22	30,934,468.58	(8,126,103.34)	2,616.03	0.00	647,410,024.49

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2001

Sheet 3 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Reclass	Balance End of Year
GENERAL PLANT:							
Land	389.0	6,871,552.87	0.00	0.00	0.00	0.00	6,871,552.87
Structures and Improvements:							
-Corporate Office, Third Floor	390	3,840,807.00	0.00	0.00	0.00	0.00	3,840,807.00
-Other	390	50,168,555.62	426,767.35	(183,538.23)	0.00	0.00	50,411,784.74
Office Furniture & Equipment:							
- Computer, 5 Year	391	723,959.23	0.00	(632,957.93)	0.00	0.00	91,001.30
- Non-Computer, 7 Year	391	1,150,531.14	111,064.43	0.00	0.00	0.00	1,261,595.57
Transportation Equipment:							
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00	0.00
- Light Trucks	392.2	4,658,534.75	387,643.46	(274,993.22)	0.00	0.00	4,771,184.99
- Heavy Trucks	392.3	17,363,413.83	606,099.07	(183,812.84)	0.00	0.00	17,785,700.06
- Trailers	392.4	1,192,933.02	48,410.16	(21,391.95)	0.00	0.00	1,219,951.23
- Marine, 5 Year	392	262,383.61	106,935.86	(136,125.45)	0.00	0.00	233,194.02
Stores Equipment - 7 Year	393	1,543,224.54	67,098.00	(37,546.06)	0.00	0.00	1,572,776.48
Tools, Shop & Garage Equip. - 7 Year	394	2,309,737.60	130,007.69	(349,160.29)	0.00	0.00	2,090,585.00
Laboratory Equipment - 7 Year	395	2,269,143.98	310,437.44	(298,826.13)	0.00	0.00	2,280,755.29
Power Operated Equipment	396	539,365.88	0.00	0.00	0.00	0.00	539,365.88
Communication Equipment:							
- Other	397	14,674,381.25	966,463.22	(76,424.32)	(15,455.71)	0.00	15,548,964.44
- 7 Year	397	3,308,319.76	11,873.18	(1,162,647.44)	0.00	0.00	2,157,545.50
Miscellaneous Equipment - 7 Year	398	12,048,594.44	231,218.26	(0.27)	0.00	0.00	12,279,812.43
TOTAL GENERAL:		<u>122,925,438.52</u>	<u>3,404,018.12</u>	<u>(3,357,424.13)</u>	<u>(15,455.71)</u>	<u>0.00</u>	<u>122,956,576.80</u>
TOTAL ELECTRIC PLANT-IN-SERVICE:		<u>1,883,511,312.00</u>	<u>64,559,709.43</u>	<u>(17,531,956.09)</u>	<u>(3,874,684.63)</u>	<u>0.00</u>	<u>1,926,664,380.71</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2002

Sheet 1 of 3

	Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:						
Organization	301 7,417.45	0.00	0.00	0.00	0.00	7,417.45
Franchises and Consents	302 <u>594.15</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>594.15</u>
TOTAL INTANGIBLE:	<u>8,011.60</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>8,011.60</u>
STEAM PRODUCTION:						
DANIEL PLANT:						
Plant	211,155,745.62	10,335,932.88	(6,339,796.42)	0.00	0.00	215,151,882.08
Land	967,300.94	0.00	0.00	0.00	0.00	967,300.94
Easements	77,160.27	0.00	0.00	0.00	0.00	77,160.27
Cooling Lake, 23 Year	8,954,191.92	0.00	0.00	0.00	0.00	8,954,191.92
Rail Track System	<u>2,741,618.37</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>2,741,618.37</u>
TOTAL DANIEL PLANT:	<u>223,896,017.12</u>	<u>10,335,932.88</u>	<u>(6,339,796.42)</u>	<u>0.00</u>	<u>0.00</u>	<u>227,892,153.58</u>
CRIST PLANT:						
Plant	393,695,474.13	33,426,682.55	(12,609,262.33)	0.00	0.00	414,512,894.35
Land	1,791,827.81	2,696,172.93	0.00	0.00	0.00	4,488,000.74
Easements	0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year	141,840.00	0.00	0.00	0.00	0.00	141,840.00
- 5 Year	25,861.67	15,065.00	0.00	0.00	0.00	40,926.67
- 7 Year	<u>1,729,159.41</u>	<u>312,597.04</u>	<u>(83,629.01)</u>	<u>0.00</u>	<u>0.00</u>	<u>1,958,127.44</u>
TOTAL CRIST PLANT:	<u>397,384,163.02</u>	<u>36,450,517.52</u>	<u>(12,692,891.34)</u>	<u>0.00</u>	<u>0.00</u>	<u>421,141,789.20</u>
SCHOLZ PLANT:						
Plant	29,578,132.36	395,559.47	(729,415.86)	0.00	0.00	29,244,275.97
Land	44,578.61	0.00	0.00	0.00	0.00	44,578.61
Base Coal, 5 Year	71,300.00	0.00	0.00	0.00	0.00	71,300.00
- 5 Year	3,012.92	0.00	0.00	0.00	0.00	3,012.92
- 7 Year	<u>81,198.23</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>81,198.23</u>
TOTAL SCHOLZ PLANT:	<u>29,778,222.12</u>	<u>395,559.47</u>	<u>(729,415.86)</u>	<u>0.00</u>	<u>0.00</u>	<u>29,444,365.73</u>
SMITH PLANT:						
Plant	115,691,463.48	3,714,345.82	(2,544,643.10)	0.00	0.00	116,861,166.20
Land	620,484.10	16,421.62	0.00	0.00	0.00	636,905.72
Base Coal, 5 Year	108,300.00	0.00	0.00	0.00	0.00	108,300.00
- 5 Year	2,814.28	0.00	0.00	0.00	0.00	2,814.28
- 7 Year	<u>476,956.05</u>	<u>206,017.60</u>	<u>(159,689.05)</u>	<u>0.00</u>	<u>0.00</u>	<u>523,284.60</u>
TOTAL SMITH PLANT:	<u>116,900,017.91</u>	<u>3,936,785.04</u>	<u>(2,704,332.15)</u>	<u>0.00</u>	<u>0.00</u>	<u>118,132,470.80</u>
SCHERER PLANT:						
Plant	175,009,239.88	3,117,635.26	(123,061.39)	0.00	0.00	178,003,813.75
Land	804,028.02	0.00	0.00	(881.81)	0.00	803,146.21
- 7 Year	<u>39,889.59</u>	<u>2,980.58</u>	<u>(554.62)</u>	<u>0.00</u>	<u>0.00</u>	<u>42,315.55</u>
TOTAL SCHERER PLANT:	<u>175,853,157.49</u>	<u>3,120,615.84</u>	<u>(123,616.01)</u>	<u>(881.81)</u>	<u>0.00</u>	<u>178,849,275.51</u>
TOTAL STEAM PRODUCTION:	<u>943,811,577.66</u>	<u>54,239,410.75</u>	<u>(22,590,051.78)</u>	<u>(881.81)</u>	<u>0.00</u>	<u>975,460,054.82</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2002

Sheet 2 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	<u>0.00</u>	<u>337,695.94</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>337,695.94</u>
TOTAL LAND - NON-DEPRECIABLE:		<u>0.00</u>	<u>337,695.94</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>337,695.94</u>
SMITH PLANT CT:							
Structures and Improvements	341	780,582.98	1,989.79	0.00	0.00	0.00	782,572.77
Fuel Holders and Accessories	342	283,273.55	0.00	0.00	0.00	0.00	283,273.55
Prime Movers	343	83,106.40	0.00	0.00	0.00	0.00	83,106.40
Generators	344	3,063,475.80	0.00	0.00	0.00	0.00	3,063,475.80
Accessory Electric Equipment	345	126,764.86	0.00	0.00	0.00	0.00	126,764.86
Miscellaneous Equipment	346	<u>4,331.80</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4,331.80</u>
TOTAL SMITH PLANT CT:		<u>4,341,535.39</u>	<u>1,989.79</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4,343,525.18</u>
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	0.00	17,891,150.08	0.00	0.00	0.00	17,891,150.08
Fuel Holders and Accessories	342	0.00	2,588,487.20	0.00	0.00	0.00	2,588,487.20
Prime Movers	343	0.00	169,595,320.14	0.00	0.00	0.00	169,595,320.14
Generators	344	0.00	3,669,695.96	0.00	0.00	0.00	3,669,695.96
Accessory Electric Equipment	345	0.00	11,181,186.89	0.00	0.00	0.00	11,181,186.89
Miscellaneous Equipment	346	<u>0.00</u>	<u>232,094.36</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>232,094.36</u>
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		<u>0.00</u>	<u>205,157,934.63</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>205,157,934.63</u>
PACE PLANT:							
Prime Movers	343	6,790,595.44	0.00	0.00	0.00	0.00	6,790,595.44
Generators	344	3,107,233.23	0.00	0.00	0.00	0.00	3,107,233.23
Accessory Electric Equipment	345	584,090.42	0.00	0.00	0.00	0.00	584,090.42
Miscellaneous Equipment	346	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL PACE PLANT:		<u>10,481,919.09</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>10,481,919.09</u>
TOTAL OTHER PRODUCTION:		<u>14,823,454.48</u>	<u>205,497,620.36</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>220,321,074.84</u>
TOTAL PRODUCTION:		<u>958,635,032.14</u>	<u>259,737,031.11</u>	<u>(22,590,051.78)</u>	<u>(881.81)</u>	<u>0.00</u>	<u>1,195,781,129.66</u>
TRANSMISSION:							
Land	350.0	1,240,109.45	799,007.25	0.00	0.00	0.00	2,039,116.70
Easements	350.2	9,653,484.49	606,992.07	0.00	0.00	0.00	10,260,476.56
Structures and Improvements	352	4,169,972.99	1,652,296.94	(14,805.50)	0.00	0.00	5,807,464.43
Station Equipment	353	66,877,327.79	9,249,703.50	(222,962.59)	0.00	0.00	75,904,068.70
Towers and Fixtures	354	28,530,929.55	2,321,332.89	(73,540.31)	0.00	0.00	30,778,722.13
Poles and Fixtures	355	38,954,171.04	12,295,912.24	(676,972.17)	0.00	0.00	50,573,111.11
Overhead Conductors & Devices	356	34,560,656.76	10,385,430.75	(326,727.44)	0.00	0.00	44,619,360.07
Underground Conductors & Devices	358	13,612,397.25	0.00	0.00	0.00	0.00	13,612,397.25
Roads and Trails	359	<u>55,686.36</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>55,686.36</u>
TOTAL TRANSMISSION:		<u>197,654,735.68</u>	<u>37,310,675.64</u>	<u>(1,315,008.01)</u>	<u>0.00</u>	<u>0.00</u>	<u>233,650,403.31</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2002

Sheet 3 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	1,583,734.82	224,858.51	0.00	0.00	0.00	1,808,593.33
Easements	360.2	0.00	0.00	0.00	0.00	0.00	0.00
Structures and Improvements	361	10,044,289.28	977,234.24	(65,146.25)	0.00	0.00	10,956,377.27
Station Equipment	362	109,262,767.04	12,987,692.64	(872,475.37)	0.00	5,908.11	121,383,892.42
Poles, Towers & Fixtures	364	84,733,285.86	5,837,134.30	(746,983.05)	0.00	0.00	89,823,437.11
Overhead Conductors & Devices	365	96,314,863.49	4,388,258.55	(916,214.75)	0.00	(308,594.71)	99,478,312.58
Underground Conduit	366	1,210,865.37	0.00	0.00	0.00	0.00	1,210,865.37
Underground Conductors & Devices	367	61,468,158.77	6,284,464.60	(521,004.99)	0.00	308,594.71	67,540,213.09
Line Transformers	368	145,535,072.94	8,135,658.06	(3,712,919.20)	0.00	(5,908.11)	149,951,903.69
Services:							
- Overhead	369.1	35,464,146.30	1,505,447.04	(242,882.30)	0.00	0.00	36,726,711.04
- Underground	369.2	24,060,744.93	3,169,178.69	(36,118.16)	0.00	0.00	27,193,805.46
- House Power Panel	369.3	4,680,256.44	0.00	(429,926.47)	0.00	0.00	4,250,329.97
Meters	370	33,046,502.74	3,162,875.05	(555,576.08)	0.00	0.00	35,653,801.71
Street Lighting & Signal Systems	373	40,005,336.51	2,618,133.38	(675,994.26)	0.00	0.00	41,947,475.63
TOTAL DISTRIBUTION:		<u>647,410,024.49</u>	<u>49,290,935.06</u>	<u>(8,775,240.88)</u>	<u>0.00</u>	<u>(0.00)</u>	<u>687,925,718.67</u>
GENERAL PLANT:							
Land	389.0	6,871,552.87	(8,845.78)	0.00	0.00	0.00	6,862,707.09
Structures and Improvements	390	54,252,591.74	1,128,322.25	(554,790.47)	0.00	0.00	54,826,123.52
Office Furniture & Equipment:							
- Computer, 5 Year	391	91,001.30	124,439.46	(2,550.11)	0.00	0.00	212,890.65
- Non-Computer, 7 Year	391	1,261,595.57	167,427.45	(257,530.53)	0.00	0.00	1,171,492.49
Transportation Equipment:							
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00	0.00
- Light Trucks	392.2	4,771,184.99	205,150.25	(332,534.72)	0.00	0.00	4,643,800.52
- Heavy Trucks	392.3	17,785,700.06	886,826.89	(1,511,132.03)	0.00	0.00	17,161,394.92
- Trailers	392.4	1,219,951.23	21,811.60	(6,707.26)	0.00	0.00	1,235,055.57
- Marine, 5 Year	392	233,194.02	36,245.28	0.00	0.00	0.00	269,439.30
Stores Equipment - 7 Year	393	1,572,776.48	(61.41)	(28,924.31)	0.00	0.00	1,543,790.76
Tools, Shop & Garage Equip. - 7 Year	394	2,090,585.00	1,187,270.69	(252,370.89)	0.00	0.00	3,025,484.80
Laboratory Equipment - 7 Year	395	2,280,755.29	642,214.96	(172,444.67)	0.00	0.00	2,750,525.58
Power Operated Equipment	396	539,365.88	45,903.70	0.00	0.00	0.00	585,269.58
Communication Equipment:							
- Other	397	15,548,964.44	230,233.83	(669,895.90)	0.00	0.00	15,109,302.37
- 7 Year	397	2,157,545.50	46,194.75	(823,131.37)	0.00	0.00	1,380,608.88
Miscellaneous Equipment - 7 Year	398	12,279,812.43	971,314.78	(1,240,337.02)	0.00	0.00	12,010,790.19
TOTAL GENERAL:		<u>122,956,576.80</u>	<u>5,694,448.70</u>	<u>(5,852,349.28)</u>	<u>0.00</u>	<u>0.00</u>	<u>122,788,676.22</u>
TOTAL ELECTRIC PLANT-IN-SERVICE:		<u>1,926,664,380.71</u>	<u>352,023,090.51</u>	<u>(38,532,649.95)</u>	<u>(881.81)</u>	<u>(0.00)</u>	<u>2,240,153,939.46</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2003

Sheet 1 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7,417.45	0.00	0.00	0.00	0.00	7,417.45
Franchises and Consents	302	594.15	0.00	0.00	0.00	0.00	594.15
TOTAL INTANGIBLE:		<u>8,011.60</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>8,011.60</u>
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		215,151,882.08	5,211,977.35	(3,011,908.74)	0.00	16,434.65	217,368,385.34
Land		967,300.94	0.00	0.00	0.00	0.00	967,300.94
Easements		77,160.27	0.00	0.00	0.00	0.00	77,160.27
Cooling Lake, 23 Year		8,954,191.92	0.00	0.00	0.00	0.00	8,954,191.92
Rail Track System		2,741,618.37	0.00	0.00	0.00	0.00	2,741,618.37
Asset Retirement Obligation		0.00	427,728.34	0.00	0.00	0.00	427,728.34
TOTAL DANIEL PLANT:		<u>227,892,153.58</u>	<u>5,639,705.69</u>	<u>(3,011,908.74)</u>	<u>0.00</u>	<u>16,434.65</u>	<u>230,536,385.18</u>
CRIST PLANT:							
Plant		414,512,894.35	2,697,347.69	(5,882,893.25)	(168,226.95)	0.00	411,159,121.84
Land		4,488,000.74	0.00	0.00	0.00	0.00	4,488,000.74
Easements		0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year		141,840.00	0.00	0.00	0.00	0.00	141,840.00
- 5 Year		40,926.67	2,837.50	0.00	0.00	0.00	43,764.17
- 7 Year		1,958,127.44	541,246.25	(27,394.54)	0.00	0.00	2,471,979.15
Asset Retirement Obligation		0.00	156,571.10	0.00	0.00	0.00	156,571.10
TOTAL CRIST PLANT:		<u>421,141,789.20</u>	<u>3,398,002.54</u>	<u>(5,910,287.79)</u>	<u>(168,226.95)</u>	<u>0.00</u>	<u>418,461,277.00</u>
SCHOLZ PLANT:							
Plant		29,244,275.97	353,712.70	(288,284.92)	0.00	0.00	29,309,703.75
Land		44,578.61	0.00	0.00	0.00	0.00	44,578.61
Base Coal, 5 Year		71,300.00	0.00	0.00	0.00	0.00	71,300.00
- 5 Year		3,012.92	0.00	0.00	0.00	0.00	3,012.92
- 7 Year		81,198.23	21,847.17	(20,130.29)	0.00	0.00	82,915.11
TOTAL SCHOLZ PLANT:		<u>29,444,365.73</u>	<u>375,559.87</u>	<u>(308,415.21)</u>	<u>0.00</u>	<u>0.00</u>	<u>29,511,510.39</u>
SMITH PLANT:							
Plant		116,861,166.20	12,497,189.88	(1,629,481.09)	0.00	0.00	127,728,874.99
Land		636,905.72	766,897.24	0.00	0.00	0.00	1,403,802.96
Base Coal, 5 Year		108,300.00	0.00	0.00	0.00	0.00	108,300.00
- 5 Year		2,814.28	22,345.20	0.00	0.00	0.00	25,159.48
- 7 Year		523,284.60	115,263.20	(26,140.60)	0.00	0.00	612,407.20
Asset Retirement Obligation		0.00	132,732.30	0.00	0.00	0.00	132,732.30
TOTAL SMITH PLANT:		<u>118,132,470.80</u>	<u>13,534,427.82</u>	<u>(1,655,621.69)</u>	<u>0.00</u>	<u>0.00</u>	<u>130,011,276.93</u>
SCHERER PLANT:							
Plant		178,003,813.75	1,990,392.95	(110,005.37)	0.00	0.00	179,884,201.33
Land		803,146.21	22,499.65	0.00	(714.81)	0.00	824,931.05
- 7 Year		42,315.55	2,983.96	554.62	0.00	0.00	45,854.13
Asset Retirement Obligation		0.00	78,221.09	0.00	0.00	0.00	78,221.09
TOTAL SCHERER PLANT:		<u>178,849,275.51</u>	<u>2,094,097.65</u>	<u>(109,450.75)</u>	<u>(714.81)</u>	<u>0.00</u>	<u>180,833,207.60</u>
TOTAL STEAM PRODUCTION:		<u>975,460,054.82</u>	<u>25,041,793.57</u>	<u>(10,995,684.18)</u>	<u>(168,941.76)</u>	<u>16,434.65</u>	<u>989,353,657.10</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2003

Sheet 2 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	<u>337,695.94</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>337,695.94</u>
TOTAL LAND - NON-DEPRECIABLE:		<u>337,695.94</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>337,695.94</u>
SMITH PLANT CT:							
Structures and Improvements	341	782,572.77	10,655.06	0.00	0.00	0.00	793,227.83
Fuel Holders and Accessories	342	283,273.55	0.00	0.00	0.00	0.00	283,273.55
Prime Movers	343	83,106.40	0.00	0.00	0.00	0.00	83,106.40
Generators	344	3,063,475.80	0.00	0.00	0.00	0.00	3,063,475.80
Accessory Electric Equipment	345	126,764.86	1,682.01	0.00	0.00	0.00	128,446.87
Miscellaneous Equipment	346	<u>4,331.80</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4,331.80</u>
TOTAL SMITH PLANT CT:		<u>4,343,525.18</u>	<u>12,337.07</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4,355,862.25</u>
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	17,891,150.08	(8,669,211.38)	0.00	0.00	0.00	9,221,938.70
Fuel Holders and Accessories	342	2,588,487.20	(2,047,287.35)	0.00	0.00	0.00	541,199.85
Prime Movers	343	169,595,320.14	(60,075,391.00)	0.00	0.00	0.00	109,519,929.14
Generators	344	3,669,695.96	71,477,506.33	0.00	0.00	0.00	75,147,202.29
Accessory Electric Equipment	345	11,181,186.89	(314,390.03)	0.00	0.00	0.00	10,866,796.86
Miscellaneous Equipment	346	<u>232,094.36</u>	<u>255,069.28</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>487,163.64</u>
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		<u>205,157,934.63</u>	<u>626,295.85</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>205,784,230.48</u>
PACE PLANT:							
Prime Movers	343	6,790,595.44	0.00	0.00	0.00	0.00	6,790,595.44
Generators	344	3,107,233.23	0.00	0.00	0.00	0.00	3,107,233.23
Accessory Electric Equipment	345	<u>584,090.42</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>584,090.42</u>
Miscellaneous Equipment	346	0.00	0.00	0.00	0.00	0.00	0.00
Asset Retirement Obligation		<u>0.00</u>	<u>397,194.35</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>397,194.35</u>
TOTAL PACE PLANT:		<u>10,481,919.09</u>	<u>397,194.35</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>10,879,113.44</u>
TOTAL OTHER PRODUCTION:		<u>220,321,074.84</u>	<u>1,035,827.27</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>221,356,902.11</u>
TOTAL PRODUCTION:		<u>1,195,781,129.66</u>	<u>26,077,620.84</u>	<u>(10,995,684.18)</u>	<u>(168,941.76)</u>	<u>16,434.65</u>	<u>1,210,710,559.21</u>
TRANSMISSION:							
Land	350.0	2,039,116.70	(86,949.45)	0.00	27,299.65	0.00	1,979,466.90
Easements	350.2	10,260,476.56	(290,460.37)	(4,250.00)	0.00	0.00	9,965,766.19
Structures and Improvements	352	5,807,464.43	349,568.11	0.00	0.00	0.00	6,157,032.54
Station Equipment	353	75,904,068.70	3,040,873.89	(2,403,129.86)	0.00	(59,602.82)	76,482,209.91
Towers and Fixtures	354	30,778,722.13	2,789,572.23	(189,870.20)	0.00	(44,259.11)	33,334,165.05
Poles and Fixtures	355	50,573,111.11	1,819,254.54	(194,122.07)	0.00	27,105.47	52,225,349.05
Overhead Conductors & Devices	356	44,619,360.07	4,455,573.29	(162,713.52)	0.00	35,410.45	48,947,630.29
Underground Conductors & Devices	358	13,612,397.25	0.00	0.00	0.00	0.00	13,612,397.25
Roads and Trails	359	<u>55,686.36</u>	<u>9,230.23</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>64,916.59</u>
TOTAL TRANSMISSION:		<u>233,650,403.31</u>	<u>12,086,662.47</u>	<u>(2,954,085.65)</u>	<u>27,299.65</u>	<u>(41,346.01)</u>	<u>242,768,933.77</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2003

Sheet 3 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	1,808,593.33	(12,599.63)	0.00	(5,209.18)	0.00	1,790,784.52
Easements	360.2	0.00	0.00	0.00	0.00	0.00	0.00
Structures and Improvements	361	10,956,377.27	877,984.48	(33,601.86)	(21,349.94)	0.00	11,779,409.95
Station Equipment	362	121,383,892.42	7,874,505.12	(1,404,144.82)	(0.09)	(305,392.98)	127,548,859.65
Poles, Towers & Fixtures	364	89,823,437.11	3,737,613.15	(638,431.22)	0.00	0.00	92,922,619.04
Overhead Conductors & Devices	365	99,478,312.58	2,959,423.50	(633,603.30)	0.00	(585,604.15)	101,218,528.63
Underground Conduit	366	1,210,865.37	0.00	0.00	0.00	0.00	1,210,865.37
Underground Conductors & Devices	367	67,540,213.09	4,837,568.26	(404,525.26)	0.00	607,318.25	72,580,574.34
Line Transformers	368	149,951,903.69	7,084,818.89	(2,818,592.15)	0.00	332,991.62	154,551,122.05
Services:							
- Overhead	369.1	36,726,711.04	2,298,578.72	(367,630.20)	0.00	0.00	38,657,659.56
- Underground	369.2	27,193,805.46	2,540,855.64	(55,822.02)	0.00	0.00	29,678,839.08
- House Power Panel	369.3	4,250,329.97	0.00	(424,972.54)	0.00	0.00	3,825,357.43
Meters	370	35,653,801.71	2,609,216.91	(521,266.42)	0.00	0.00	37,741,752.20
Street Lighting & Signal Systems	373	41,947,475.63	3,055,646.91	(1,221,177.25)	0.00	(4,416.32)	43,777,528.97
TOTAL DISTRIBUTION:		<u>687,925,718.67</u>	<u>37,863,611.95</u>	<u>(8,523,767.04)</u>	<u>(26,559.21)</u>	<u>44,896.42</u>	<u>717,283,900.79</u>
GENERAL PLANT:							
Land	389.0	6,862,707.09	0.00	0.00	0.00	0.00	6,862,707.09
Structures and Improvements	390	54,826,123.52	910,846.09	(301,325.81)	0.00	0.00	55,435,643.80
Office Furniture & Equipment:							
- Computer, 5 Year	391	212,890.65	595,577.13	0.00	0.00	0.00	808,467.78
- Non-Computer, 7 Year	391	1,171,492.49	814,874.13	(50,060.44)	0.00	0.00	1,936,306.18
Transportation Equipment:							
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00	0.00
- Light Trucks	392.2	4,643,800.52	422,221.89	(137,513.93)	0.00	0.00	4,928,508.48
- Heavy Trucks	392.3	17,161,394.92	2,342,549.26	(148,315.69)	0.00	0.00	19,355,628.49
- Trailers	392.4	1,235,055.57	11,416.57	(7,067.14)	0.00	0.00	1,239,405.00
- Marine, 5 Year	392	269,439.30	10,851.87	(116,389.84)	0.00	0.00	163,901.33
Stores Equipment - 7 Year	393	1,543,790.76	2,063.57	(4,280.00)	0.00	0.00	1,541,574.33
Tools, Shop & Garage Equip. - 7 Year	394	3,025,484.80	98,726.84	(131,556.37)	0.00	0.00	2,992,655.27
Laboratory Equipment - 7 Year	395	2,750,525.58	129,466.44	(139,968.20)	0.00	0.00	2,740,023.82
Power Operated Equipment	396	585,269.58	0.00	0.00	0.00	0.00	585,269.58
Communication Equipment:							
- Other	397	15,109,302.37	1,477,587.58	(391,686.72)	0.00	(19,985.06)	16,175,218.17
- 7 Year	397	1,380,608.88	340,423.51	(99,913.98)	0.00	0.00	1,621,118.41
Miscellaneous Equipment - 7 Year	398	12,010,790.19	218,274.81	(173,787.46)	0.00	0.00	12,055,277.54
TOTAL GENERAL:		<u>122,788,676.22</u>	<u>7,374,879.69</u>	<u>(1,701,865.58)</u>	<u>0.00</u>	<u>(19,985.06)</u>	<u>128,441,705.27</u>
TOTAL ELECTRIC PLANT-IN-SERVICE:		<u>2,240,153,939.46</u>	<u>83,402,774.95</u>	<u>(24,175,402.45)</u>	<u>(168,201.32)</u>	<u>0.00</u>	<u>2,299,213,110.64</u>

* Note:
The credit YTD additions in Smith Plant Unit 3 - Combined Cycle are a result of the re-allocation of charges during unitization.

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2004

Sheet 1 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7,417.45	0.00	0.00	0.00	0.00	7,417.45
Franchises and Consents	302	594.15	0.00	0.00	0.00	0.00	594.15
TOTAL INTANGIBLE:		<u>8,011.60</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>8,011.60</u>
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		217,368,385.34	4,631,376.99	(1,467,236.08)	0.00	0.00	220,532,526.25
Land		967,300.94	0.00	0.00	0.00	0.00	967,300.94
Easements		77,160.27	0.00	0.00	0.00	0.00	77,160.27
Cooling Lake, 23 Year		8,954,191.92	0.00	0.00	0.00	0.00	8,954,191.92
Rail Track System		2,741,618.37	0.00	0.00	0.00	0.00	2,741,618.37
Asset Retirement Obligation		427,728.34	1,201,727.98	0.00	0.00	0.00	1,629,456.32
TOTAL DANIEL PLANT:		<u>230,536,385.18</u>	<u>5,833,104.97</u>	<u>(1,467,236.08)</u>	<u>0.00</u>	<u>0.00</u>	<u>234,902,254.07</u>
CRIST PLANT:							
Plant		411,159,121.84	51,209,285.70	(32,569,311.74)	0.00	0.00	429,799,095.80
Land		4,488,000.74	0.00	0.00	0.00	0.00	4,488,000.74
Easements		0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year		141,840.00	0.00	0.00	0.00	0.00	141,840.00
- 5 Year		43,764.17	0.00	(8,221.75)	0.00	0.00	35,542.42
- 7 Year		2,471,979.15	493,541.50	(242,520.53)	0.00	0.00	2,723,000.12
Asset Retirement Obligation		156,571.10	0.00	0.00	0.00	0.00	156,571.10
TOTAL CRIST PLANT:		<u>418,461,277.00</u>	<u>51,702,827.20</u>	<u>(32,820,054.02)</u>	<u>0.00</u>	<u>0.00</u>	<u>437,344,050.18</u>
SCHOLZ PLANT:							
Plant		29,309,703.75	125,551.38	(88,718.56)	0.00	0.00	29,346,536.57
Land		44,578.61	0.00	0.00	0.00	0.00	44,578.61
Base Coal, 5 Year		71,300.00	0.00	0.00	0.00	0.00	71,300.00
- 5 Year		3,012.92	0.00	0.00	0.00	0.00	3,012.92
- 7 Year		82,915.11	67,791.38	(1,333.94)	0.00	0.00	149,372.55
TOTAL SCHOLZ PLANT:		<u>29,511,510.39</u>	<u>193,342.76</u>	<u>(90,052.50)</u>	<u>0.00</u>	<u>0.00</u>	<u>29,614,800.65</u>
SMITH PLANT:							
Plant		127,728,874.99	4,639,769.66	(1,784,354.68)	0.00	0.00	130,584,289.97
Land		1,403,802.96	0.00	0.00	0.00	0.00	1,403,802.96
Base Coal, 5 Year		108,300.00	0.00	0.00	0.00	0.00	108,300.00
- 5 Year		25,159.48	22.19	(2,814.28)	0.00	0.00	22,367.39
- 7 Year		612,407.20	103,740.75	(25,957.03)	0.00	0.00	690,190.92
Asset Retirement Obligation		132,732.30	0.00	0.00	0.00	0.00	132,732.30
TOTAL SMITH PLANT:		<u>130,011,276.93</u>	<u>4,743,532.60</u>	<u>(1,813,125.99)</u>	<u>0.00</u>	<u>0.00</u>	<u>132,941,683.54</u>
SCHERER PLANT:							
Plant		179,884,201.33	832,487.75	(64,279.94)	0.00	0.00	180,652,409.14
Land		824,931.05	0.12	0.00	(1,016.24)	0.00	823,914.93
- 7 Year		45,854.13	8,310.45	(17,578.91)	0.00	0.00	36,585.67
Asset Retirement Obligation		78,221.09	0.00	0.00	0.00	0.00	78,221.09
TOTAL SCHERER PLANT:		<u>180,833,207.60</u>	<u>840,798.32</u>	<u>(81,858.85)</u>	<u>(1,016.24)</u>	<u>0.00</u>	<u>181,591,130.83</u>
TOTAL STEAM PRODUCTION:		<u>989,353,657.10</u>	<u>63,313,605.85</u>	<u>(36,272,327.44)</u>	<u>(1,016.24)</u>	<u>0.00</u>	<u>1,016,393,919.27</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2004

Sheet 2 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	<u>337,695.94</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>337,695.94</u>
TOTAL LAND - NON-DEPRECIABLE:		<u>337,695.94</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>337,695.94</u>
SMITH PLANT CT:							
Structures and Improvements	341	793,227.83	0.00	0.00	0.00	0.00	793,227.83
Fuel Holders and Accessories	342	283,273.55	0.00	0.00	0.00	0.00	283,273.55
Prime Movers	343	83,106.40	0.00	0.00	0.00	0.00	83,106.40
Generators	344	3,063,475.80	0.00	0.00	0.00	0.00	3,063,475.80
Accessory Electric Equipment	345	128,446.87	0.00	(1,300.65)	0.00	0.00	127,146.22
Miscellaneous Equipment	346	<u>4,331.80</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4,331.80</u>
TOTAL SMITH PLANT CT:		<u>4,355,862.25</u>	<u>0.00</u>	<u>(1,300.65)</u>	<u>0.00</u>	<u>0.00</u>	<u>4,354,561.60</u>
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	9,221,938.70	2,511.09	0.00	(201,050.97)	0.00	9,023,398.82
Fuel Holders and Accessories	342	541,199.85	0.00	0.00	(11,798.91)	0.00	529,400.94
Prime Movers	343	109,519,929.14	3,749,638.54	(2,911,960.20)	(2,376,924.40)	0.00	107,980,683.08
Generators	344	75,147,202.29	0.00	(122,367.04)	(1,635,588.33)	0.00	73,389,246.92
Accessory Electric Equipment	345	10,866,796.86	0.00	0.00	(236,859.39)	0.00	10,629,937.47
Miscellaneous Equipment	346	<u>487,163.64</u>	<u>27,970.28</u>	<u>0.00</u>	<u>(10,448.00)</u>	<u>0.00</u>	<u>504,685.92</u>
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		<u>205,784,230.48</u>	<u>3,780,119.91</u>	<u>(3,034,327.24)</u>	<u>(4,472,670.00)</u>	<u>0.00</u>	<u>202,057,353.15</u>
PACE PLANT:							
Prime Movers	343	6,790,595.44	0.00	0.00	0.00	0.00	6,790,595.44
Generators	344	3,107,233.23	0.00	0.00	0.00	0.00	3,107,233.23
Accessory Electric Equipment	345	584,090.42	0.00	0.00	0.00	0.00	584,090.42
Miscellaneous Equipment	346	0.00	0.00	0.00	0.00	0.00	0.00
Asset Retirement Obligation		<u>397,194.35</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>397,194.35</u>
TOTAL PACE PLANT:		<u>10,879,113.44</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>10,879,113.44</u>
TOTAL OTHER PRODUCTION:		<u>221,356,902.11</u>	<u>3,780,119.91</u>	<u>(3,035,627.89)</u>	<u>(4,472,670.00)</u>	<u>0.00</u>	<u>217,628,724.13</u>
TOTAL PRODUCTION:		<u>1,210,710,559.21</u>	<u>67,093,725.76</u>	<u>(39,307,955.33)</u>	<u>(4,473,686.24)</u>	<u>0.00</u>	<u>1,234,022,643.40</u>
TRANSMISSION:							
Land	350.0	1,979,466.90	11,226.81	0.00	(941.84)	0.00	1,989,751.87
Easements	350.2	9,965,766.19	1,298,815.61	0.00	0.00	0.00	11,264,581.80
Structures and Improvements	352	6,157,032.54	10,129.59	0.00	0.00	0.00	6,167,162.13
Station Equipment	353	76,482,209.91	3,290,372.23	(220,914.39)	0.00	(246,068.19)	79,305,599.56
Towers and Fixtures	354	33,334,165.05	1,928,486.69	(48,923.79)	0.00	0.00	35,213,727.95
Poles and Fixtures	355	52,225,349.05	4,503,699.61	(271,506.76)	0.00	(3,290.52)	56,454,251.38
Overhead Conductors & Devices	356	48,947,630.29	1,706,696.93	(224,236.45)	0.00	3,676.60	50,433,767.37
Underground Conductors & Devices	358	13,612,397.25	0.00	0.00	0.00	0.00	13,612,397.25
Roads and Trails	359	<u>64,916.59</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>64,916.59</u>
TOTAL TRANSMISSION:		<u>242,768,933.77</u>	<u>12,749,427.47</u>	<u>(765,581.39)</u>	<u>(941.84)</u>	<u>(245,682.11)</u>	<u>254,506,155.90</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
ACTUAL: DECEMBER, 2004

Sheet 3 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	1,790,784.52	45,776.71	0.00	0.00	0.00	1,836,561.23
Easements	360.2	0.00	0.00	0.00	0.00	0.00	0.00
Structures and Improvements	361	11,779,409.95	942,305.02	(29,780.81)	0.00	0.00	12,691,934.16
Station Equipment	362	127,548,859.65	4,221,422.66	(805,412.70)	0.00	293,058.36	131,257,927.97
Poles, Towers & Fixtures	364	92,922,619.04	7,529,414.27	(2,477,953.44)	0.00	3,290.52	97,977,370.39
Overhead Conductors & Devices	365	101,218,528.63	9,763,681.08	(5,770,299.96)	0.00	(509,878.54)	104,702,031.21
Underground Conduit	366	1,210,865.37	0.00	0.00	0.00	0.00	1,210,865.37
Underground Conductors & Devices	367	72,580,574.34	4,809,632.31	(866,253.70)	0.00	500,954.07	77,024,907.02
Line Transformers	368	154,551,122.05	14,066,211.51	(3,093,669.10)	0.00	(41,742.30)	165,481,922.16
Services:							
- Overhead	369.1	38,657,659.56	1,869,323.91	(246,407.87)	0.00	0.00	40,280,575.60
- Underground	369.2	29,678,839.08	2,170,005.70	(37,323.60)	0.00	0.00	31,811,521.18
- House Power Panel	369.3	3,825,357.43	0.00	(413,681.63)	0.00	0.00	3,411,675.80
Meters	370	37,741,752.20	3,706,703.16	(1,801,443.92)	0.00	0.00	39,647,011.44
Street Lighting & Signal Systems	373	43,777,528.97	3,643,263.80	(1,833,330.85)	0.00	0.00	45,587,461.92
TOTAL DISTRIBUTION:		<u>717,283,900.79</u>	<u>52,767,740.13</u>	<u>(17,375,557.58)</u>	<u>0.00</u>	<u>245,682.11</u>	<u>752,921,765.45</u>
GENERAL PLANT:							
Land	389.0	6,862,707.09	0.00	0.00	0.00	0.00	6,862,707.09
Structures and Improvements	390	55,435,643.80	798,444.81	(511,537.90)	0.00	0.00	55,722,550.71
Office Furniture & Equipment:							
- Computer, 5 Year	391	808,467.78	89,567.08	0.00	0.00	0.00	898,034.86
- Non-Computer, 7 Year	391	1,936,306.18	294,346.38	(106,705.58)	0.00	0.00	2,123,946.98
Transportation Equipment:							
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00	0.00
- Light Trucks	392.2	4,928,508.48	478,453.48	(338,320.24)	0.00	0.00	5,068,641.72
- Heavy Trucks	392.3	19,355,628.49	2,718,723.80	(3,455,161.30)	0.00	0.00	18,619,190.99
- Trailers	392.4	1,239,405.00	35,138.17	(121,473.97)	0.00	0.00	1,153,069.20
- Marine, 5 Year	392	163,901.33	7,786.78	(14,812.19)	0.00	0.00	156,875.92
Stores Equipment - 7 Year	393	1,541,574.33	92,342.76	(1,323,251.54)	0.00	0.00	310,665.55
Tools, Shop & Garage Equip. - 7 Year	394	2,992,655.27	251,982.60	(1,065,273.64)	0.00	0.00	2,179,364.23
Laboratory Equipment - 7 Year	395	2,740,023.82	513,482.41	(740,337.81)	0.00	0.00	2,513,168.42
Power Operated Equipment	396	585,269.58	8,391.31	0.00	0.00	0.00	593,660.89
Communication Equipment:							
- Other	397	16,175,218.17	126,436.37	(159,968.84)	0.00	0.00	16,141,685.70
- 7 Year	397	1,621,118.41	382,567.04	(677,106.56)	0.00	0.00	1,326,578.89
Miscellaneous Equipment - 7 Year	398	12,055,277.54	194,469.74	(9,728,771.75)	0.00	0.00	2,520,975.53
TOTAL GENERAL:		<u>128,441,705.27</u>	<u>5,992,132.73</u>	<u>(18,242,721.32)</u>	<u>0.00</u>	<u>0.00</u>	<u>116,191,116.68</u>
TOTAL ELECTRIC PLANT-IN-SERVICE:		<u>2,299,213,110.64</u>	<u>138,603,026.09</u>	<u>(75,691,815.62)</u>	<u>(4,474,628.08)</u>	<u>0.00</u>	<u>2,357,649,693.03</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
2005 BUDGET (000's)

Sheet 1 of 3

		Balance First of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
INTANGIBLE:							
Organization	301	7.42	0.00	0.00	0.00	0.00	7.42
Franchises and Consents	302	0.59	0.00	0.00	0.00	0.00	0.59
TOTAL INTANGIBLE:		<u>8.01</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>8.01</u>
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant		220,532.53	7,383.95	(2,714.67)	0.00	0.00	225,201.81
Land		967.30	0.00	0.00	0.00	0.00	967.30
Easements		77.16	250.00	0.00	0.00	0.00	327.16
Cooling Lake, 23 Year		8,954.19	0.00	0.00	0.00	0.00	8,954.19
Rail Track System		2,741.62	0.00	0.00	0.00	0.00	2,741.62
Asset Retirement Obligation		1,629.46	0.00	0.00	0.00	0.00	1,629.46
TOTAL DANIEL PLANT:		<u>234,902.26</u>	<u>7,633.95</u>	<u>(2,714.67)</u>	<u>0.00</u>	<u>0.00</u>	<u>239,821.54</u>
CRIST PLANT:							
Plant		429,799.10	85,634.77	(3,743.80)	0.00	0.00	511,690.07
Land		4,488.00	0.00	0.00	0.00	0.00	4,488.00
Easements		0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year		141.84	0.00	0.00	0.00	0.00	141.84
- 5 Year		35.54	0.00	(11.25)	0.00	0.00	24.29
- 7 Year		2,723.00	1,357.37	(663.40)	0.00	0.00	3,416.97
Asset Retirement Obligation		156.57	0.00	0.00	0.00	0.00	156.57
TOTAL CRIST PLANT:		<u>437,344.05</u>	<u>86,992.14</u>	<u>(4,418.45)</u>	<u>0.00</u>	<u>0.00</u>	<u>519,917.74</u>
SCHOLZ PLANT:							
Plant		29,346.54	640.60	(256.65)	0.00	0.00	29,730.49
Land		44.58	0.00	0.00	0.00	0.00	44.58
Base Coal, 5 Year		71.30	0.00	0.00	0.00	0.00	71.30
- 5 Year		3.01	0.00	(3.01)	0.00	0.00	0.00
- 7 Year		149.37	0.00	0.00	0.00	0.00	149.37
TOTAL SCHOLZ PLANT:		<u>29,614.80</u>	<u>640.60</u>	<u>(259.66)</u>	<u>0.00</u>	<u>0.00</u>	<u>29,995.74</u>
SMITH PLANT:							
Plant		130,584.29	17,650.13	(5,125.89)	0.00	0.00	143,108.53
Land		1,403.80	0.00	0.00	0.00	0.00	1,403.80
Base Coal, 5 Year		108.30	0.00	0.00	0.00	0.00	108.30
- 5 Year		22.37	0.00	0.00	0.00	0.00	22.37
- 7 Year		690.19	115.00	(97.83)	0.00	0.00	707.36
Asset Retirement Obligation		132.73	0.00	0.00	0.00	0.00	132.73
TOTAL SMITH PLANT:		<u>132,941.68</u>	<u>17,765.13</u>	<u>(5,223.72)</u>	<u>0.00</u>	<u>0.00</u>	<u>145,483.09</u>
SCHERER PLANT:							
Plant		180,652.41	558.64	(76.66)	0.00	0.00	181,134.39
Land		823.91	0.00	0.00	0.00	0.00	823.91
- 7 Year		36.59	0.00	(1.33)	0.00	0.00	35.26
Asset Retirement Obligation		78.22	0.00	0.00	0.00	0.00	78.22
TOTAL SCHERER PLANT:		<u>181,591.13</u>	<u>558.64</u>	<u>(77.99)</u>	<u>0.00</u>	<u>0.00</u>	<u>182,071.78</u>
TOTAL STEAM PRODUCTION:		<u>1,016,393.92</u>	<u>113,590.46</u>	<u>(12,694.49)</u>	<u>0.00</u>	<u>0.00</u>	<u>1,117,289.89</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
2005 BUDGET (000's)

Sheet 2 of 3

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
OTHER PRODUCTION:							
LAND - NON-DEPRECIABLE:							
Land - Non-Depreciable	340	337.70	0.00	0.00	0.00	0.00	337.70
TOTAL LAND - NON-DEPRECIABLE:		<u>337.70</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>337.70</u>
SMITH PLANT CT:							
Structures and Improvements	341	793.23	0.00	0.00	0.00	0.00	793.23
Fuel Holders and Accessories	342	283.27	0.00	0.00	0.00	0.00	283.27
Prime Movers	343	83.11	0.00	0.00	0.00	0.00	83.11
Generators	344	3,063.48	0.00	0.00	0.00	0.00	3,063.48
Accessory Electric Equipment	345	127.15	0.00	0.00	0.00	0.00	127.15
Miscellaneous Equipment	346	4.33	0.00	0.00	0.00	0.00	4.33
TOTAL SMITH PLANT CT:		<u>4,354.57</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4,354.57</u>
SMITH PLANT UNIT 3 COMBINED CYCLE:							
Structures and Improvements	341	9,023.40	6.00	(0.30)	0.00	0.00	9,029.10
Fuel Holders and Accessories	342	529.40	6.00	(0.30)	0.00	0.00	535.10
Prime Movers	343	107,980.68	40.00	(2.00)	0.00	0.00	108,018.68
Generators	344	73,389.25	37.00	(1.85)	0.00	0.00	73,424.40
Accessory Electric Equipment	345	10,629.94	8.00	(0.40)	0.00	0.00	10,637.54
Miscellaneous Equipment	346	504.69	179.67	(0.15)	0.00	0.00	684.21
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		<u>202,057.36</u>	<u>276.67</u>	<u>(5.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>202,329.03</u>
PACE PLANT:							
Prime Movers	343	6,790.60	0.00	0.00	0.00	0.00	6,790.60
Generators	344	3,107.23	0.00	0.00	0.00	0.00	3,107.23
Accessory Electric Equipment	345	584.09	0.00	0.00	0.00	0.00	584.09
Miscellaneous Equipment	346	0.00	0.00	0.00	0.00	0.00	0.00
Asset Retirement Obligation		397.19	0.00	0.00	0.00	0.00	397.19
TOTAL PACE PLANT:		<u>10,879.11</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>10,879.11</u>
TOTAL OTHER PRODUCTION:		<u>217,628.74</u>	<u>276.67</u>	<u>(5.00)</u>	<u>0.00</u>	<u>0.00</u>	<u>217,900.41</u>
TOTAL PRODUCTION:		<u>1,234,022.66</u>	<u>113,867.13</u>	<u>(12,699.49)</u>	<u>0.00</u>	<u>0.00</u>	<u>1,335,190.30</u>
TRANSMISSION:							
Land	350.0	1,989.75	80.00	0.00	0.00	0.00	2,069.75
Easements	350.2	11,264.58	80.00	0.00	0.00	0.00	11,344.58
Structures and Improvements	352	6,167.16	0.00	0.00	0.00	0.00	6,167.16
Station Equipment	353	79,305.60	9,543.38	(601.00)	0.00	0.00	88,247.98
Towers and Fixtures	354	35,213.73	0.00	0.00	0.00	0.00	35,213.73
Poles and Fixtures	355	56,454.25	3,252.23	(680.00)	0.00	0.00	59,026.48
Overhead Conductors & Devices	356	50,433.77	1,018.72	(1,088.12)	0.00	0.00	50,364.37
Underground Conductors & Devices	358	13,612.40	0.00	0.00	0.00	0.00	13,612.40
Roads and Trails	359	64.92	0.00	0.00	0.00	0.00	64.92
TOTAL TRANSMISSION:		<u>254,506.16</u>	<u>13,974.33</u>	<u>(2,369.12)</u>	<u>0.00</u>	<u>0.00</u>	<u>266,111.37</u>

GULF POWER COMPANY
ELECTRIC PLANT IN SERVICE
2005 BUDGET (000's)

Sheet 3 of 3

		Balance End of Year	Additions	Retirements	Adjustments	Transfers	Balance End of Year
DISTRIBUTION:							
Land	360.0	1,836.56	143.16	0.00	0.00	0.00	1,979.72
Easements	360.2	0.00	0.00	0.00	0.00	0.00	0.00
Structures and Improvements	361	12,691.93	0.00	0.00	0.00	0.00	12,691.93
Station Equipment	362	131,257.93	4,894.90	(281.00)	0.00	0.00	135,871.83
Poles, Towers & Fixtures	364	97,977.37	15,591.68	(1,033.50)	0.00	0.00	112,535.55
Overhead Conductors & Devices	365	104,702.03	6,395.84	(908.00)	0.00	0.00	110,189.87
Underground Conduit	366	1,210.87	0.00	0.00	0.00	0.00	1,210.87
Underground Conductors & Devices	367	77,024.91	6,056.69	(658.00)	0.00	0.00	82,423.60
Line Transformers	368	165,481.92	8,422.52	(1,877.49)	0.00	0.00	172,026.95
Services:							
- Overhead	369.1	40,280.58	1,526.44	0.00	0.00	0.00	41,807.02
- Underground	369.2	31,811.52	1,205.50	0.00	0.00	0.00	33,017.02
- House Power Panel	369.3	3,411.68	0.00	0.00	0.00	0.00	3,411.68
Meters	370	39,647.01	6,036.06	(542.00)	0.00	0.00	45,141.07
Street Lighting & Signal Systems	373	45,587.46	4,208.23	(791.00)	0.00	0.00	49,004.69
TOTAL DISTRIBUTION:		<u>752,921.77</u>	<u>54,481.02</u>	<u>(6,090.99)</u>	<u>0.00</u>	<u>0.00</u>	<u>801,311.80</u>
GENERAL PLANT:							
Land	389.0	6,862.71	0.00	0.00	0.00	0.00	6,862.71
Structures and Improvements	390	55,722.55	532.00	(432.81)	0.00	0.00	55,821.74
Office Furniture & Equipment:							
- Computer, 5 Year	391	898.03	270.88	(88.45)	0.00	0.00	1,080.46
- Non-Computer, 7 Year	391	2,123.95	88.00	(359.25)	0.00	0.00	1,852.70
Transportation Equipment:							
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00	0.00
- Light Trucks	392.2	5,068.64	741.71	(526.17)	0.00	0.00	5,284.18
- Heavy Trucks	392.3	18,619.19	2,724.59	(1,932.82)	0.00	0.00	19,410.96
- Trailers	392.4	1,153.07	168.73	(119.70)	0.00	0.00	1,202.10
- Marine, 5 Year	392	156.88	22.96	(16.28)	0.00	0.00	163.56
Stores Equipment - 7 Year	393	310.67	64.16	(98.44)	0.00	0.00	276.39
Tools, Shop & Garage Equip. - 7 Year	394	2,179.36	192.02	(151.41)	0.00	0.00	2,219.97
Laboratory Equipment - 7 Year	395	2,513.17	432.48	(498.91)	0.00	0.00	2,446.74
Power Operated Equipment	396	593.66	0.00	0.00	0.00	0.00	593.66
Communication Equipment:							
- Other	397	16,141.69	1,873.65	(479.41)	0.00	0.00	17,535.93
- 7 Year	397	1,326.58	153.98	(39.40)	0.00	0.00	1,441.16
Miscellaneous Equipment - 7 Year	398	2,520.98	188.36	(546.78)	0.00	0.00	2,162.56
TOTAL GENERAL:		<u>116,191.13</u>	<u>7,453.52</u>	<u>(5,289.83)</u>	<u>0.00</u>	<u>0.00</u>	<u>118,354.82</u>
TOTAL ELECTRIC PLANT-IN-SERVICE:		<u>2,357,649.73</u>	<u>189,776.00</u>	<u>(26,449.43)</u>	<u>0.00</u>	<u>0.00</u>	<u>2,520,976.30</u>

GULF POWER COMPANY
 ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
 ACTUAL: DECEMBER, 2001

Sheet 1 of 3

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage	Adjustments	Balance End of Year
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	96,240,070.80	5,118,056.45	(2,020,909.02)	(11,994.70)	0.00	(2,263,860.57)	97,061,362.96
Easements	44,421.57	1,080.51	0.00	0.00	0.00	0.00	45,502.08
Cooling Lake, 23 Year	7,857,310.58	386,953.74	0.00	0.00	0.00	0.00	8,244,264.32
Rail Track System	1,653,626.36	35,630.04	0.00	0.00	0.00	0.00	1,689,256.40
Dismantlement - Fixed	11,050,968.12	792,938.04	0.00	0.00	0.00	0.00	11,843,906.16
TOTAL DANIEL PLANT:	116,846,397.43	6,334,658.78	(2,020,909.02)	(11,994.70)	0.00	(2,263,860.57)	118,884,291.92
CRIST PLANT:							
Plant	186,618,851.74	13,757,596.49	(657,192.89)	(2,603,587.28)	36,100.00	0.00	197,151,768.06
Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year	141,840.00	0.00	0.00	0.00	0.00	0.00	141,840.00
- 5 Year	4,445.95	4,595.82	(3,501.98)	0.00	0.00	0.00	5,539.79
- 7 Year	486,325.69	215,813.34	(95,749.38)	0.00	0.00	0.00	606,389.65
Dismantlement - Fixed	35,536,527.24	2,825,841.96	0.00	0.00	0.00	0.00	38,362,369.20
TOTAL CRIST PLANT:	222,787,990.62	16,803,847.61	(756,444.25)	(2,603,587.28)	36,100.00	0.00	236,267,906.70
SCHOLZ PLANT:							
Plant	21,252,558.43	737,700.39	(71,027.50)	(10,464.96)	1,850.00	0.00	21,910,616.36
Base Coal, 5 Year	71,300.00	0.00	0.00	0.00	0.00	0.00	71,300.00
- 5 Year	0.00	602.64	0.00	0.00	0.00	0.00	602.64
- 7 Year	20,608.15	11,599.80	0.00	0.00	0.00	0.00	32,207.95
Dismantlement - Fixed	7,578,621.64	511,320.96	0.00	0.00	0.00	0.00	8,089,942.60
TOTAL SCHOLZ PLANT:	28,923,088.22	1,261,223.79	(71,027.50)	(10,464.96)	1,850.00	0.00	30,104,669.55
SMITH PLANT:							
Plant	61,323,242.18	3,640,614.13	(673,858.44)	(41,850.00)	2,050.00	0.00	64,250,197.87
Base Coal, 5 Year	108,300.00	0.00	0.00	0.00	0.00	0.00	108,300.00
- 5 Year	562.86	562.89	0.00	0.00	0.00	0.00	1,125.75
- 7 Year	267,641.13	69,785.80	(103,743.65)	0.00	0.00	0.00	233,683.28
Dismantlement - Fixed	13,761,953.00	1,208,663.04	0.00	0.00	0.00	0.00	14,970,616.04
TOTAL SMITH PLANT:	75,461,699.17	4,919,625.86	(777,602.09)	(41,850.00)	2,050.00	0.00	79,563,922.94
SCHERER PLANT:							
Plant	64,169,987.58	3,681,036.02	(603,503.01)	(37,024.57)	10,995.55	0.00	67,221,491.57
Dismantlement - Fixed	4,264,173.12	312,723.00	0.00	0.00	0.00	0.00	4,576,896.12
- 7 Year	16,673.45	5,654.67	0.00	0.00	0.00	0.00	22,328.12
TOTAL SCHERER PLANT:	68,450,834.15	3,999,413.69	(603,503.01)	(37,024.57)	10,995.55	0.00	71,820,715.81
TOTAL STEAM PRODUCTION:	512,470,009.59	33,318,769.73	(4,229,485.87)	(2,704,921.51)	50,995.55	(2,263,860.57)	536,641,506.92

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2001

Sheet 2 of 3

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage	Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT:								
Structures and Improvements	341	587,524.66	6,247.71	0.00	0.00	0.00	0.00	593,772.37
Fuel Holders and Accessories	342	221,723.83	2,267.28	0.00	0.00	0.00	0.00	223,991.11
Prime Movers	343	60,468.45	665.16	0.00	0.00	0.00	0.00	61,133.61
Generators	344	3,014,608.95	24,519.99	0.00	0.00	0.00	0.00	3,039,128.94
Accessory Electric Equipment	345	111,439.01	1,014.60	0.00	0.00	0.00	0.00	112,453.61
Miscellaneous Equipment	346	4,301.55	34.59	0.00	0.00	0.00	0.00	4,336.14
Smith C.T. Dismantlement - Fixed		88,203.00	9,845.04	0.00	0.00	0.00	0.00	98,048.04
TOTAL SMITH PLANT:		4,088,269.45	44,594.37	0.00	0.00	0.00	0.00	4,132,863.82
PACE PLANT:								
Prime Movers	343	862,131.38	339,556.92	0.00	0.00	0.00	0.00	1,201,688.30
Generators	344	394,493.28	155,374.08	0.00	0.00	0.00	0.00	549,867.36
Accessory Electric Equipment	345	73,667.32	29,206.80	0.00	0.00	0.00	0.00	102,874.12
Miscellaneous Equipment	346	0.00	0.00	0.00	0.00	0.00	0.00	0.00
TOTAL PACE PLANT:		1,330,291.98	524,137.80	0.00	0.00	0.00	0.00	1,854,429.78
TOTAL OTHER PRODUCTION:		5,418,561.43	568,732.17	0.00	0.00	0.00	0.00	5,987,293.60
TOTAL PRODUCTION:		517,888,571.02	33,887,501.90	(4,229,485.87)	(2,704,921.51)	50,995.55	(2,263,860.57)	542,628,800.52
TRANSMISSION:								
Easements	350.2	4,171,986.32	231,627.66	0.00	0.00	0.00	0.00	4,403,613.98
Structures and Improvements	352	1,603,396.94	91,525.07	(3,214.67)	0.12	0.00	0.00	1,691,707.46
Station Equipment	353	20,683,406.93	1,560,515.42	(691,932.53)	(26,841.86)	125,176.90	0.00	21,650,324.86
Towers and Fixtures	354	17,223,486.75	673,203.57	(403,450.44)	(15,809.95)	0.00	0.00	17,477,429.93
Poles and Fixtures	355	10,764,007.33	1,521,196.32	(239,259.33)	(276,226.76)	0.00	0.00	11,769,717.56
Overhead Conductors & Devices	356	16,506,147.82	987,045.96	(481,085.78)	(183,363.30)	74,742.44	0.00	16,903,487.14
Underground Conductors & Devices	358	3,554,543.77	381,092.64	0.00	0.00	0.00	0.00	3,935,636.41
Roads and Trails	359	19,085.96	1,480.39	0.00	0.00	0.00	0.00	20,566.35
TOTAL TRANSMISSION:		74,526,061.82	5,447,687.03	(1,818,942.75)	(502,241.75)	199,919.34	0.00	77,852,483.69
DISTRIBUTION:								
Easements	360.2	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Structures and Improvements	361	3,701,010.90	291,264.07	(16,724.51)	(381.04)	0.00	0.00	3,975,169.42
Station Equipment	362	33,171,162.68	3,274,933.69	(602,130.21)	(7,549.56)	3,118.46	8,070.55	35,847,605.61
Poles, Towers & Fixtures	364	32,984,088.86	4,294,513.16	(980,220.24)	(1,301,443.07)	157,311.80	1,257.03	35,155,507.54
Overhead Conductors & Devices	365	38,103,459.95	3,049,729.78	(1,001,781.30)	(531,739.69)	203,269.76	(278,086.07)	39,544,852.43
Underground Conduit	366	674,306.39	23,001.51	0.00	0.00	0.00	0.00	697,307.90
Underground Conductors & Devices	367	16,011,405.16	1,989,939.34	(380,600.44)	(119,771.19)	83,526.49	281,743.98	17,866,243.34
Line Transformers	368	52,640,140.88	5,296,879.64	(3,102,059.14)	(1,133,285.97)	74,744.55	(10,983.44)	53,765,436.52
Services:								
- Overhead	369.1	18,515,372.28	1,071,226.02	(334,854.93)	(299,545.89)	101,210.38	997.60	19,054,405.46
- Underground	369.2	6,000,003.00	837,968.33	(47,420.77)	(91,715.41)	4,985.38	0.00	6,703,820.53
- House Power Panel	369.3	3,982,277.97	161,805.81	(429,192.40)	0.00	0.00	0.00	3,714,891.38
Meters	370	13,260,425.33	963,022.31	(434,282.33)	(37,148.99)	40,330.02	0.00	13,792,346.34
Street Lighting & Signal Systems	373	13,948,076.32	2,845,166.08	(796,837.07)	(127,659.13)	127,516.78	65.18	15,996,328.16
TOTAL DISTRIBUTION:		232,991,729.72	24,099,449.74	(8,126,103.34)	(3,650,239.94)	796,013.62	3,064.83	246,113,914.63

GULF POWER COMPANY
 ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
 ACTUAL: DECEMBER, 2001

Sheet 3 of 3

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage	Adjustments	Balance End of Year
GENERAL PLANT:								
Structures and Improvements:								
-Corporate Office, Third Floor	390	0.00	0.00	0.00	0.00	0.00	0.00	0.00
-Other	390	17,756,535.77	1,208,172.86	(183,538.23)	(14,035.11)	513.86	0.00	18,767,649.15
Office Furniture & Equipment:								
- Computer, 5 Year	391	507,896.42	144,791.91	(632,957.93)	0.00	0.00	0.00	19,730.40
- Non-Computer, 7 Year	391	402,339.15	164,280.57	0.00	0.00	81.03	0.00	566,700.75
Transportation Equipment:								
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Light Trucks	392.2	1,985,810.42	219,274.22	(274,993.22)	0.00	48,790.83	0.00	1,978,882.25
- Heavy Trucks	392.3	5,498,258.14	1,211,342.76	(183,812.84)	0.00	101,760.36	0.00	6,627,548.42
- Trailers	392.4	317,645.32	60,904.39	(21,391.95)	0.00	5,400.00	0.00	362,557.76
- Marine, 5 Year	392	184,155.46	26,739.95	(136,125.45)	0.00	0.00	0.00	74,769.96
Stores Equipment - 7 Year	393	1,235,243.38	74,279.75	(37,546.06)	0.00	0.00	0.00	1,271,977.07
Tools, Shop & Garage Equip. - 7 Year	394	1,136,905.49	313,325.75	(349,160.29)	0.00	0.00	0.00	1,101,070.95
Laboratory Equipment - 7 Year	395	1,100,126.44	286,220.43	(298,826.13)	0.00	0.00	0.00	1,087,520.74
Power Operated Equipment	396	103,901.99	17,799.03	0.00	0.00	0.00	0.00	121,701.02
Communication Equipment:								
- Other	397	4,192,776.64	1,386,029.45	(76,424.32)	(1,842.05)	49,486.14	(7,985.72)	5,542,040.14
- 7 Year	397	2,070,413.71	472,334.45	(1,162,647.44)	0.00	282.62	0.00	1,380,383.34
Miscellaneous Equipment - 7 Year	398	5,362,446.10	1,721,227.68	(0.27)	0.00	0.00	0.00	7,083,673.51
TOTAL GENERAL:		<u>41,854,454.43</u>	<u>7,306,723.20</u>	<u>(3,357,424.13)</u>	<u>(15,877.16)</u>	<u>206,314.84</u>	<u>(7,985.72)</u>	<u>45,986,205.46</u>
TOTAL ELECTRIC PLANT-IN-SERVICE:		<u>867,260,816.99</u>	<u>70,741,361.87</u>	<u>(17,531,956.09)</u>	<u>(6,873,280.36)</u>	<u>1,253,243.35</u>	<u>(2,268,781.46)</u>	<u>912,581,404.30</u>

GULF POWER COMPANY
 ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
 ACTUAL: DECEMBER, 2002

Sheet 1 of 3

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	97,061,362.96	6,035,298.05	(6,339,796.42)	(1,931,985.83)	0.00	0.00	94,824,878.76
Easements	45,502.08	1,311.72	0.00	0.00	0.00	0.00	46,813.80
Cooling Lake, 23 Year	8,244,264.32	387,233.24	0.00	0.00	0.00	0.00	8,631,497.56
Rail Track System	1,689,256.40	43,865.88	0.00	0.00	0.00	0.00	1,733,122.28
Dismantlement - Fixed	11,843,906.16	724,821.96	0.00	0.00	0.00	0.00	12,568,728.12
TOTAL DANIEL PLANT:	118,884,291.92	7,192,530.85	(6,339,796.42)	(1,931,985.83)	0.00	0.00	117,805,040.52
CRIST PLANT:							
Plant	197,151,768.06	15,998,294.18	(12,609,262.33)	(1,232,328.11)	3,600.00	0.00	199,312,071.80
Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year	141,840.00	0.00	0.00	0.00	0.00	0.00	141,840.00
- 5 Year	5,539.79	5,172.36	0.00	0.00	0.00	17.61	10,729.76
- 7 Year	606,389.65	252,620.07	(83,629.01)	0.00	0.00	(17.61)	775,363.10
Dismantlement - Fixed	38,362,369.20	2,866,326.00	0.00	0.00	0.00	0.00	41,228,695.20
TOTAL CRIST PLANT:	236,267,906.70	19,122,412.61	(12,692,891.34)	(1,232,328.11)	3,600.00	0.00	241,468,699.86
SCHOLZ PLANT:							
Plant	21,910,616.36	854,249.43	(729,415.86)	(14,387.95)	0.00	0.00	22,021,061.98
Base Coal, 5 Year	71,300.00	0.00	0.00	0.00	0.00	0.00	71,300.00
- 5 Year	602.64	602.64	0.00	0.00	0.00	0.00	1,205.28
- 7 Year	32,207.95	11,599.80	0.00	0.00	0.00	0.00	43,807.75
Dismantlement - Fixed	8,089,942.60	527,394.96	0.00	0.00	0.00	0.00	8,617,337.56
TOTAL SCHOLZ PLANT:	30,104,669.55	1,393,846.83	(729,415.86)	(14,387.95)	0.00	0.00	30,754,712.57
SMITH PLANT:							
Plant	64,250,197.87	3,838,961.96	(2,544,643.10)	(1,039,492.50)	166,813.08	0.00	64,671,837.31
Base Coal, 5 Year	108,300.00	0.00	0.00	0.00	0.00	0.00	108,300.00
- 5 Year	1,125.75	562.80	0.00	0.00	0.00	0.00	1,688.55
- 7 Year	233,683.28	71,780.07	(159,689.05)	0.00	0.00	0.00	145,774.30
Dismantlement - Fixed	14,970,616.04	1,240,212.00	0.00	0.00	0.00	0.00	16,210,828.04
TOTAL SMITH PLANT:	79,563,922.94	5,151,516.83	(2,704,332.15)	(1,039,492.50)	166,813.08	0.00	81,138,428.20
SCHERER PLANT:							
Plant	67,221,491.57	3,528,704.55	(123,061.39)	(7,560.07)	140,060.77	0.00	70,759,635.43
Dismantlement - Fixed	4,576,896.12	185,846.04	0.00	0.00	0.00	0.00	4,762,742.16
- 7 Year	22,328.12	5,698.56	(554.62)	0.00	0.00	0.00	27,472.06
TOTAL SCHERER PLANT:	71,820,715.81	3,720,249.15	(123,616.01)	(7,560.07)	140,060.77	0.00	75,549,849.65
TOTAL STEAM PRODUCTION:	536,641,506.92	36,580,556.27	(22,590,051.78)	(4,225,754.46)	310,473.85	0.00	546,716,730.80

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2002

Sheet 2 of 3

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	593,772.37	7,026.02	0.00	0.00	0.00	0.00	600,798.39
Fuel Holders and Accessories	342	223,991.11	2,549.52	0.00	0.00	0.00	0.00	226,540.63
Prime Movers	343	61,133.61	747.96	0.00	0.00	0.00	0.00	61,881.57
Generators	344	3,039,128.94	27,571.32	0.00	0.00	0.00	0.00	3,066,700.26
Accessory Electric Equipment	345	112,453.61	1,140.84	0.00	0.00	0.00	0.00	113,594.45
Miscellaneous Equipment	346	4,336.14	39.00	0.00	0.00	0.00	0.00	4,375.14
Smith C.T. Dismantlement - Fixed		98,048.04	11,259.00	0.00	0.00	0.00	0.00	109,307.04
TOTAL SMITH PLANT CT:		4,132,863.82	50,333.66	0.00	0.00	0.00	0.00	4,183,197.48
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	0.00	488,640.36	0.00	0.00	0.00	0.00	488,640.36
Fuel Holders and Accessories	342	0.00	70,528.48	0.00	0.00	0.00	0.00	70,528.48
Prime Movers	343	0.00	4,673,058.53	0.00	0.00	0.00	0.00	4,673,058.53
Generators	344	0.00	101,486.61	0.00	0.00	0.00	0.00	101,486.61
Accessory Electric Equipment	345	0.00	303,686.28	0.00	0.00	0.00	0.00	303,686.28
Miscellaneous Equipment	346	0.00	6,381.54	0.00	0.00	0.00	0.00	6,381.54
Smith C.T. Dismantlement - Fixed		0.00	167,544.00	0.00	0.00	0.00	0.00	167,544.00
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		0.00	5,811,325.80	0.00	0.00	0.00	0.00	5,811,325.80
PACE PLANT:								
Prime Movers	343	1,201,688.30	339,529.80	0.00	0.00	0.00	0.00	1,541,218.10
Generators	344	549,867.36	155,361.72	0.00	0.00	0.00	0.00	705,229.08
Accessory Electric Equipment	345	102,874.12	29,204.52	0.00	0.00	0.00	0.00	132,078.64
Pace Plant Dismantlement - Fixed		0.00	24,927.00	0.00	0.00	0.00	0.00	24,927.00
TOTAL PACE PLANT:		1,854,429.78	549,023.04	0.00	0.00	0.00	0.00	2,403,452.82
TOTAL OTHER PRODUCTION:		5,987,293.60	6,410,662.50	0.00	0.00	0.00	0.00	12,397,976.10
TOTAL PRODUCTION:		542,628,800.52	42,991,238.77	(22,590,051.78)	(4,225,754.46)	310,473.85	0.00	559,114,706.90
TRANSMISSION:								
Easements	350.2	4,403,613.98	165,225.27	0.00	0.00	0.00	0.00	4,568,839.25
Structures and Improvements	352	1,691,707.46	116,164.72	(14,805.50)	(307.91)	0.00	0.00	1,792,758.77
Station Equipment	353	21,650,324.86	1,553,171.91	(222,962.59)	(48,239.99)	0.00	0.00	22,932,294.19
Towers and Fixtures	354	17,477,429.93	706,620.90	(73,540.31)	(59,342.47)	0.00	0.00	18,051,168.05
Poles and Fixtures	355	11,769,717.56	1,864,786.04	(676,972.17)	(906,677.00)	0.00	0.00	12,050,854.43
Overhead Conductors & Devices	356	16,903,487.14	984,156.69	(326,727.44)	(806,899.78)	40,608.90	0.00	16,794,625.51
Underground Conductors & Devices	358	3,935,636.41	299,472.72	0.00	0.00	0.00	0.00	4,235,109.13
Roads and Trails	359	20,566.35	1,392.24	0.00	0.00	0.00	0.00	21,958.59
TOTAL TRANSMISSION:		77,852,483.69	5,690,990.49	(1,315,008.01)	(1,821,467.15)	40,608.90	0.00	80,447,607.92

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2002

Sheet 3 of 3

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:								
Easements	360.2	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Structures and Improvements	361	3,975,169.42	226,569.47	(65,146.25)	(4,781.11)	0.00	0.00	4,131,811.53
Station Equipment	362	35,847,605.61	2,906,745.29	(872,475.37)	(112,232.01)	0.00	3,416.28	37,773,059.80
Poles, Towers & Fixtures	364	35,155,507.54	5,057,852.08	(746,983.05)	(965,934.80)	(178,970.92)	0.00	38,321,470.85
Overhead Conductors & Devices	365	39,544,852.43	2,458,979.86	(916,214.75)	(620,388.08)	253,781.33	(121,617.15)	40,599,393.64
Underground Conduit	366	697,307.90	14,530.44	0.00	0.00	0.00	0.00	711,838.34
Underground Conductors & Devices	367	17,866,243.34	1,941,753.23	(521,004.99)	(136,261.39)	138,863.07	121,617.15	19,411,210.41
Line Transformers	368	53,765,436.52	6,220,039.45	(3,712,919.20)	(830,651.81)	100,393.77	(3,416.28)	55,538,882.45
Services:								
- Overhead	369.1	19,054,405.46	1,084,109.84	(242,882.30)	(118,096.31)	61,091.30	0.00	19,838,627.99
- Underground	369.2	6,703,820.53	624,344.16	(36,118.16)	(6,305.12)	0.00	0.00	7,285,741.41
- House Power Panel	369.3	3,714,891.38	138,795.45	(429,926.47)	0.00	0.00	0.00	3,423,760.36
Meters	370	13,792,346.34	783,510.69	(555,576.08)	(58,549.89)	42,584.10	0.00	14,004,315.16
Street Lighting & Signal Systems	373	15,996,328.16	2,383,629.34	(675,994.26)	(144,956.51)	139,388.22	0.00	17,698,394.95
TOTAL DISTRIBUTION:		<u>246,113,914.63</u>	<u>23,840,859.30</u>	<u>(8,775,240.88)</u>	<u>(2,998,157.03)</u>	<u>557,130.87</u>	<u>(0.00)</u>	<u>258,738,506.89</u>
GENERAL PLANT:								
Structures and Improvements	390	18,767,649.15	1,165,010.85	(554,790.47)	(101,208.48)	(3,405.20)	0.00	19,273,255.85
Office Furniture & Equipment:								
- Computer, 5 Year	391	19,730.40	21,172.53	(2,550.11)	0.00	0.00	0.04	38,352.86
- Non-Computer, 7 Year	391	566,700.75	180,698.75	(257,530.53)	0.00	(224.79)	(0.04)	489,644.14
Transportation Equipment:								
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00	0.00	0.00
- Light Trucks	392.2	1,978,882.25	378,113.00	(332,534.72)	0.00	42,234.00	0.00	2,066,694.53
- Heavy Trucks	392.3	6,627,548.42	1,684,164.24	(1,511,132.03)	0.00	223,142.27	0.00	7,023,722.90
- Trailers	392.4	362,557.76	69,073.13	(6,707.26)	0.00	1,375.00	0.00	426,298.63
- Marine, 5 Year	392	74,769.96	48,197.01	0.00	0.00	0.00	0.00	122,966.97
Stores Equipment - 7 Year	393	1,271,977.07	77,701.06	(28,924.31)	0.00	0.00	0.00	1,320,753.82
Tools, Shop & Garage Equip. - 7 Year	394	1,101,070.95	322,562.28	(252,370.89)	0.00	0.00	0.00	1,171,262.34
Laboratory Equipment - 7 Year	395	1,087,520.74	305,447.54	(172,444.67)	0.00	0.00	0.00	1,220,523.61
Power Operated Equipment	396	121,701.02	33,251.34	0.00	0.00	0.00	0.00	154,952.36
Communication Equipment:								
- Other	397	5,542,040.14	1,456,800.95	(669,895.90)	(21,816.92)	21,775.16	0.00	6,328,903.43
- 7 Year	397	1,380,383.34	312,360.50	(823,131.37)	0.00	(2,983.62)	0.00	866,628.85
Miscellaneous Equipment - 7 Year	398	7,083,673.51	1,759,491.23	(1,240,337.02)	0.00	0.00	0.00	7,602,827.72
TOTAL GENERAL:		<u>45,986,205.46</u>	<u>7,814,044.41</u>	<u>(5,852,349.28)</u>	<u>(123,025.40)</u>	<u>281,912.82</u>	<u>0.00</u>	<u>48,106,788.01</u>
TOTAL ELECTRIC PLANT-IN-SERVICE:		<u>912,581,404.30</u>	<u>80,337,132.97</u>	<u>(38,532,649.95)</u>	<u>(9,168,404.04)</u>	<u>1,190,126.44</u>	<u>(0.00)</u>	<u>946,407,609.72</u>

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2003

Sheet 1 of 3

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	94,824,878.76	6,058,534.59	(3,011,908.74)	(618,772.23)	20,000.00	17,167.84	97,289,900.22
Easements	46,813.80	1,311.72	0.00	0.00	0.00	0.00	48,125.52
Cooling Lake, 23 Year	8,631,497.56	322,694.36	0.00	0.00	0.00	0.00	8,954,191.92
Rail Track System	1,733,122.28	43,865.88	0.00	0.00	0.00	0.00	1,776,988.16
Dismantlement - Fixed	12,568,728.12	696,658.92	0.00	0.00	0.00	(394,516.44)	12,870,870.60
Asset Retirement Obligation	0.00	12,764.38	0.00	0.00	0.00	121,383.23	134,147.61
TOTAL DANIEL PLANT:	117,805,040.52	7,135,829.85	(3,011,908.74)	(618,772.23)	20,000.00	(255,965.37)	121,074,224.03
CRIST PLANT:							
Plant	199,312,071.80	15,875,328.37	(5,882,893.25)	(504,495.33)	0.00	455,621.79	209,255,633.38
Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year	141,840.00	0.00	0.00	0.00	0.00	0.00	141,840.00
- 5 Year	10,729.76	8,185.32	0.00	0.00	0.00	0.00	18,915.08
- 7 Year	775,363.10	279,732.42	(27,394.54)	0.00	0.00	0.00	1,027,700.98
Dismantlement - Fixed	41,228,695.20	2,789,066.04	0.00	0.00	0.00	(1,074,719.00)	42,943,042.24
Asset Retirement Obligation	0.00	3,293.52	0.00	0.00	0.00	105,795.62	109,089.14
TOTAL CRIST PLANT:	241,468,699.86	18,955,605.67	(5,910,287.79)	(504,495.33)	0.00	(513,301.59)	253,496,220.82
SCHOLZ PLANT:							
Plant	22,021,061.98	849,629.59	(288,284.92)	(5,864.80)	0.00	0.00	22,576,541.85
Base Coal, 5 Year	71,300.00	0.00	0.00	0.00	0.00	0.00	71,300.00
- 5 Year	1,205.28	602.64	0.00	0.00	0.00	0.00	1,807.92
- 7 Year	43,807.75	11,599.65	(20,130.29)	0.00	0.00	0.00	35,277.11
Dismantlement - Fixed	8,617,337.56	527,394.96	0.00	0.00	0.00	0.00	9,144,732.52
TOTAL SCHOLZ PLANT:	30,754,712.57	1,389,226.84	(308,415.21)	(5,864.80)	0.00	0.00	31,829,659.40
SMITH PLANT:							
Plant	64,671,837.31	4,038,847.13	(1,629,481.09)	(2,889,713.92)	12,464.33	0.00	64,203,953.76
Base Coal, 5 Year	108,300.00	0.00	0.00	0.00	0.00	0.00	108,300.00
- 5 Year	1,688.55	562.80	0.00	0.00	0.00	0.00	2,251.35
- 7 Year	145,774.30	74,754.76	(26,140.60)	0.00	0.00	0.00	194,388.46
Dismantlement - Fixed	16,210,828.04	1,240,212.00	0.00	0.00	0.00	0.00	17,451,040.04
Asset Retirement Obligation	0.00	4,281.60	0.00	0.00	0.00	71,005.19	75,286.79
TOTAL SMITH PLANT:	81,138,428.20	5,358,658.29	(1,655,621.69)	(2,889,713.92)	12,464.33	71,005.19	82,035,220.40
SCHERER PLANT:							
Plant	70,759,635.43	3,577,730.12	(110,005.37)	(8,192.34)	276,213.53	0.00	74,495,381.37
Dismantlement - Fixed	4,782,742.16	125,813.04	0.00	0.00	0.00	(827,493.00)	4,061,062.20
- 7 Year	27,472.06	6,045.12	554.62	0.00	0.00	0.00	34,071.80
Asset Retirement Obligation	0.00	1,285.80	0.00	0.00	0.00	26,790.00	28,075.80
TOTAL SCHERER PLANT:	75,549,849.65	3,710,874.08	(109,450.75)	(8,192.34)	276,213.53	(800,703.00)	78,618,591.17
TOTAL STEAM PRODUCTION:	546,716,730.80	36,550,194.73	(10,995,684.18)	(4,027,038.62)	308,677.86	(1,498,964.77)	567,053,915.82

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2003

Sheet 2 of 3

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	600,798.39	7,126.42	0.00	0.00	0.00	0.00	607,924.81
Fuel Holders and Accessories	342	226,540.63	2,549.52	0.00	0.00	0.00	0.00	229,090.15
Prime Movers	343	61,881.57	747.96	0.00	0.00	0.00	0.00	62,629.53
Generators	344	3,066,700.26	27,571.32	0.00	0.00	0.00	0.00	3,094,271.58
Accessory Electric Equipment	345	113,594.45	1,142.74	0.00	(821.34)	0.00	0.00	113,915.85
Miscellaneous Equipment	346	4,375.14	39.00	0.00	0.00	0.00	0.00	4,414.14
Smith C.T. Dismantlement - Fixed		109,307.04	11,259.00	0.00	0.00	0.00	0.00	120,566.04
TOTAL SMITH PLANT CT:		4,183,197.48	50,435.96	0.00	(821.34)	0.00	0.00	4,232,812.10
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	488,640.36	655,591.44	0.00	0.00	0.00	0.00	1,144,231.80
Fuel Holders and Accessories	342	70,528.48	63,832.31	0.00	0.00	0.00	0.00	134,360.79
Prime Movers	343	4,673,058.53	6,598,889.75	0.00	0.00	0.00	0.00	11,271,948.28
Generators	344	101,486.61	488,288.86	0.00	(10,077.84)	0.00	0.00	579,697.63
Accessory Electric Equipment	345	303,686.28	424,846.10	0.00	0.00	0.00	0.00	728,532.38
Miscellaneous Equipment	346	6,381.54	(20,273.39)	0.00	0.00	0.00	0.00	(13,891.85)
Smith C.T. Dismantlement - Fixed		167,544.00	251,316.00	0.00	0.00	0.00	0.00	418,860.00
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		5,811,325.80	8,462,491.07	0.00	(10,077.84)	0.00	0.00	14,263,739.03
PACE PLANT:								
Prime Movers	343	1,541,218.10	339,529.80	0.00	0.00	0.00	0.00	1,880,747.90
Generators	344	705,229.08	155,361.72	0.00	0.00	0.00	0.00	860,590.80
Accessory Electric Equipment	345	132,078.64	29,204.52	0.00	0.00	0.00	0.00	161,283.16
Asset Retirement Obligation	347	0.00	19,859.73	0.00	0.00	0.00	91,023.90	110,883.63
Pace Plant Dismantlement - Fixed		24,927.00	(2,613.00)	0.00	0.00	0.00	(27,543.00)	(5,229.00)
TOTAL PACE PLANT:		2,403,452.82	541,342.77	0.00	0.00	0.00	63,480.90	3,008,276.49
TOTAL OTHER PRODUCTION:		12,397,976.10	9,054,269.80	0.00	(10,899.18)	0.00	63,480.90	21,504,827.62
TOTAL PRODUCTION:		559,114,706.90	45,604,464.53	(10,995,684.18)	(4,037,937.80)	308,677.86	(1,435,483.87)	588,558,743.44
TRANSMISSION:								
Easements	350.2	4,568,839.25	172,906.92	(4,250.00)	0.00	0.00	744.32	4,738,240.49
Structures and Improvements	352	1,792,758.77	132,089.93	0.00	0.00	0.00	0.00	1,924,848.70
Station Equipment	353	22,932,294.19	1,613,172.61	(2,403,129.86)	(348,645.35)	0.00	(3,948.48)	21,789,743.11
Towers and Fixtures	354	18,051,168.05	796,359.12	(189,870.20)	(49,818.76)	0.00	(1,182.75)	18,606,655.46
Poles and Fixtures	355	12,050,854.43	2,170,856.44	(194,122.07)	(81,561.85)	0.00	718.49	13,946,745.44
Overhead Conductors & Devices	356	16,794,625.51	1,210,438.33	(162,713.52)	(104,884.44)	0.00	1,222.12	17,738,688.00
Underground Conductors & Devices	358	4,235,109.13	299,472.72	0.00	0.00	0.00	0.00	4,534,581.85
Roads and Trails	359	21,958.59	1,594.26	0.00	0.00	0.00	0.00	23,552.85
TOTAL TRANSMISSION:		80,447,607.92	6,396,890.33	(2,954,085.65)	(584,910.40)	0.00	(2,446.30)	83,303,055.90

GULF POWER COMPANY
 ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
 ACTUAL: DECEMBER, 2003

Sheet 3 of 3

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year	
DISTRIBUTION:								
Easements	360.2	0.00	0.00	0.00	0.00	0.00	0.00	
Structures and Improvements	361	4,131,811.53	247,478.64	(33,601.86)	(1,130.85)	0.00	4,344,557.46	
Station Equipment	362	37,773,059.80	3,134,630.37	(1,404,144.82)	(95,432.34)	(172,253.20)	39,235,859.81	
Poles, Towers & Fixtures	364	38,321,470.85	5,293,653.12	(638,431.22)	(515,784.42)	266,991.73	42,727,900.06	
Overhead Conductors & Devices	365	40,599,393.64	2,513,400.93	(633,603.30)	(525,481.32)	64,619.77	41,777,673.74	
Underground Conduit	366	711,838.34	14,530.44	0.00	0.00	0.00	726,368.78	
Underground Conductors & Devices	367	19,411,210.41	2,079,173.67	(404,525.26)	(86,679.41)	23,475.46	21,269,872.67	
Line Transformers	368	55,538,882.45	6,390,182.11	(2,818,592.15)	(992,870.44)	74,758.76	58,346,820.10	
Services:								
- Overhead	369.1	19,838,627.99	1,129,904.63	(367,630.20)	(408,085.83)	50,964.48	20,243,781.07	
- Underground	369.2	7,285,741.41	677,142.36	(55,822.02)	(8,401.54)	0.00	7,898,660.21	
- House Power Panel	369.3	3,423,760.36	126,978.63	(424,972.54)	0.00	0.00	3,125,766.45	
Meters	370	14,004,315.16	838,280.01	(521,266.42)	(39,245.36)	20,737.19	14,302,820.58	
Street Lighting & Signal Systems	373	17,698,394.95	2,490,637.08	(1,221,177.25)	(237,253.50)	48,140.04	18,776,921.66	
TOTAL DISTRIBUTION:	258,738,506.89	24,935,991.99	(8,523,767.04)	(2,910,365.01)	549,687.43	(13,051.67)	272,777,002.59	
GENERAL PLANT:								
Structures and Improvements	390	19,273,255.85	1,218,560.63	(301,325.81)	(72,194.08)	1,000.00	(1,837.62)	20,117,458.97
Office Furniture & Equipment:								
- Computer, 5 Year	391	38,352.86	42,578.16	0.00	0.00	0.00	80,931.02	
- Non-Computer, 7 Year	391	489,644.14	167,356.03	(50,060.44)	0.00	0.00	606,939.73	
Transportation Equipment:								
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00	0.00	
- Light Trucks	392.2	2,066,694.53	370,071.25	(137,513.93)	0.00	13,451.00	2,312,702.85	
- Heavy Trucks	392.3	7,023,722.90	1,615,297.52	(148,315.69)	0.00	20,957.82	8,511,662.55	
- Trailers	392.4	426,298.63	69,266.09	(7,067.14)	0.00	885.80	489,383.38	
- Marine, 5 Year	392	122,966.97	53,887.92	(116,389.84)	0.00	0.00	60,465.05	
Stores Equipment - 7 Year	393	1,320,753.82	74,360.52	(4,280.00)	0.00	0.00	1,390,834.34	
Tools, Shop & Garage Equip. - 7 Year	394	1,171,262.34	415,575.37	(131,556.37)	0.00	0.00	1,455,281.34	
Laboratory Equipment - 7 Year	395	1,220,523.61	354,988.96	(139,968.20)	0.00	0.00	1,435,544.37	
Power Operated Equipment	396	154,952.36	33,360.36	0.00	0.00	0.00	188,312.72	
Communication Equipment:								
- Other	397	6,328,903.43	1,436,885.81	(391,686.72)	(7,428.97)	29,157.55	(18,011.40)	7,377,819.70
- 7 Year	397	866,628.85	198,888.36	(99,913.98)	0.00	0.00	(1,658.52)	963,944.71
Miscellaneous Equipment - 7 Year	398	7,602,827.72	1,688,981.84	(173,787.46)	0.00	0.00	9,118,022.10	
TOTAL GENERAL:	48,106,788.01	7,740,058.82	(1,701,865.58)	(79,623.05)	65,452.17	(21,507.54)	54,109,302.83	
TOTAL ELECTRIC PLANT-IN-SERVICE:	946,407,609.72	84,677,405.67	(24,175,402.45)	(7,612,836.26)	923,817.46	(1,472,489.38)	998,748,104.76	

* Note:

The debit reserve balance in Pace Plant dismantlement is a result of FAS 143 Asset Retirement Obligation entry.

The debit reserve balance in Smith Plant Unit 3 - Combined Cycle FERC 346 is a result of system allocations in December, 2003. The Smith Unit 3 total balance is correct and the discrepancy between FERC accounts was corrected in January, 2004.

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2004

Sheet 1 of 3

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	97,289,900.22	6,084,428.12	(1,467,236.08)	(215,337.07)	0.00	0.00	101,691,755.19
Easements	48,125.52	1,311.72	0.00	0.00	0.00	0.00	49,437.24
Cooling Lake, 23 Year	8,954,191.92	0.00	0.00	0.00	0.00	0.00	8,954,191.92
Rail Track System	1,776,988.16	43,865.88	0.00	0.00	0.00	0.00	1,820,854.04
Dismantlement - Fixed	12,870,870.60	696,658.92	0.00	0.00	0.00	0.00	13,567,529.52
Asset Retirement Obligation	134,147.61	282,393.76	0.00	0.00	0.00	0.00	416,541.37
TOTAL DANIEL PLANT:	121,074,224.03	7,108,658.40	(1,467,236.08)	(215,337.07)	0.00	0.00	126,500,309.28
CRIST PLANT:							
Plant	209,255,633.38	16,695,958.63	(32,569,311.74)	(2,836,070.58)	1,401.00	0.00	190,547,610.69
Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year	141,840.00	0.00	0.00	0.00	0.00	0.00	141,840.00
- 5 Year	18,915.08	9,505.88	(8,221.75)	0.00	0.00	0.00	20,199.21
- 7 Year	1,027,700.98	353,140.01	(242,520.53)	0.00	0.00	0.00	1,138,320.46
Dismantlement - Fixed	42,943,042.24	2,789,066.04	0.00	0.00	0.00	0.00	45,732,108.28
Asset Retirement Obligation	109,089.14	3,293.52	0.00	0.00	0.00	0.00	112,382.66
TOTAL CRIST PLANT:	253,496,220.82	19,850,964.08	(32,820,054.02)	(2,836,070.58)	1,401.00	0.00	237,692,461.30
SCHOLZ PLANT:							
Plant	22,576,541.85	848,722.66	(88,718.56)	(40,825.74)	0.00	0.00	23,295,720.21
Base Coal, 5 Year	71,300.00	0.00	0.00	0.00	0.00	0.00	71,300.00
- 5 Year	1,807.92	602.64	0.00	0.00	0.00	0.00	2,410.56
- 7 Year	35,277.11	11,845.08	(1,333.94)	0.00	0.00	0.00	45,788.25
Dismantlement - Fixed	9,144,732.52	527,394.96	0.00	0.00	0.00	0.00	9,672,127.48
TOTAL SCHOLZ PLANT:	31,829,659.40	1,388,565.34	(90,052.50)	(40,825.74)	0.00	0.00	33,087,346.50
SMITH PLANT:							
Plant	64,203,953.76	4,264,033.72	(1,784,354.68)	(334,437.66)	7,512.30	0.00	66,356,707.44
Base Coal, 5 Year	108,300.00	0.00	0.00	0.00	0.00	0.00	108,300.00
- 5 Year	2,251.35	5,031.84	(2,814.28)	0.00	0.00	0.00	4,468.91
- 7 Year	194,388.46	87,486.71	(25,957.03)	0.00	0.00	0.00	255,918.14
Dismantlement - Fixed	17,451,040.04	1,240,212.00	0.00	0.00	0.00	0.00	18,691,252.04
Asset Retirement Obligation	75,286.79	4,281.60	0.00	0.00	0.00	0.00	79,568.39
TOTAL SMITH PLANT:	82,035,220.40	5,601,045.87	(1,813,125.99)	(334,437.66)	7,512.30	0.00	85,496,214.92
SCHERER PLANT:							
Plant	74,495,381.37	3,601,045.97	(64,279.94)	(56,013.07)	79,919.00	0.00	78,056,053.33
Dismantlement - Fixed	4,061,062.20	125,813.04	0.00	0.00	0.00	0.00	4,186,875.24
- 7 Year	34,071.80	6,550.56	(17,578.91)	0.00	0.00	0.00	23,043.45
Asset Retirement Obligation	28,075.80	1,285.80	0.00	0.00	0.00	0.00	29,361.60
TOTAL SCHERER PLANT:	78,618,591.17	3,734,695.37	(81,858.85)	(56,013.07)	79,919.00	0.00	82,295,333.62
TOTAL STEAM PRODUCTION:	567,053,915.82	37,683,929.06	(36,272,327.44)	(3,482,684.12)	88,832.30	0.00	565,071,665.62

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
ACTUAL: DECEMBER, 2004

Sheet 2 of 3

		Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	607,924.81	7,139.04	0.00	0.00	0.00	0.00	615,063.85
Fuel Holders and Accessories	342	229,090.15	2,549.52	0.00	0.00	0.00	0.00	231,639.67
Prime Movers	343	62,629.53	747.96	0.00	0.00	0.00	0.00	63,377.49
Generators	344	3,094,271.58	27,571.32	0.00	0.00	0.00	0.00	3,121,842.90
Accessory Electric Equipment	345	113,915.85	1,146.77	(1,300.65)	0.00	0.00	0.00	113,761.97
Miscellaneous Equipment	346	4,414.14	39.00	0.00	0.00	0.00	0.00	4,453.14
Smith C.T. Dismantlement - Fixed		120,566.04	11,259.00	0.00	0.00	0.00	0.00	131,825.04
TOTAL SMITH PLANT CT:		<u>4,232,812.10</u>	<u>50,452.61</u>	<u>(1,300.65)</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>4,281,964.06</u>
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	1,144,231.80	363,185.33	0.00	0.00	0.00	16,708.54	1,524,125.67
Fuel Holders and Accessories	342	134,360.79	21,313.69	0.00	0.00	0.00	29,445.21	185,119.69
Prime Movers	343	11,271,948.28	4,341,272.82	(2,911,960.20)	(236,247.31)	0.00	(113,712.39)	12,351,301.20
Generators	344	579,697.63	2,955,671.43	(122,367.04)	0.00	0.00	15,886.90	3,428,888.92
Accessory Electric Equipment	345	728,532.38	427,960.83	0.00	0.00	0.00	20,837.31	1,177,330.52
Miscellaneous Equipment	346	(13,891.85)	19,606.40	0.00	0.00	0.00	30,834.43	36,548.98
Smith C.T. Dismantlement - Fixed		418,860.00	251,316.00	0.00	0.00	0.00	0.00	670,176.00
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		<u>14,263,739.03</u>	<u>8,380,326.50</u>	<u>(3,034,327.24)</u>	<u>(236,247.31)</u>	<u>0.00</u>	<u>0.00</u>	<u>19,373,490.98</u>
PACE PLANT:								
Prime Movers	343	1,880,747.90	339,529.80	0.00	0.00	0.00	0.00	2,220,277.70
Generators	344	860,590.80	155,361.72	0.00	0.00	0.00	0.00	1,015,952.52
Accessory Electric Equipment	345	161,283.16	29,204.52	0.00	0.00	0.00	0.00	190,487.68
Asset Retirement Obligation	347	110,883.63	19,859.71	0.00	0.00	0.00	0.00	130,743.34
Pace Plant Dismantlement - Fixed		(5,229.00)	(2,613.00)	0.00	0.00	0.00	0.00	(7,842.00)
TOTAL PACE PLANT:		<u>3,008,276.49</u>	<u>541,342.75</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>3,549,619.24</u>
TOTAL OTHER PRODUCTION:		<u>21,504,827.62</u>	<u>8,972,121.86</u>	<u>(3,035,627.89)</u>	<u>(236,247.31)</u>	<u>0.00</u>	<u>0.00</u>	<u>27,205,074.28</u>
TOTAL PRODUCTION:		<u>588,558,743.44</u>	<u>46,656,050.92</u>	<u>(39,307,955.33)</u>	<u>(3,718,931.43)</u>	<u>88,832.30</u>	<u>0.00</u>	<u>592,276,739.90</u>
TRANSMISSION:								
Easements	350.2	4,738,240.49	174,391.31	0.00	0.00	0.00	0.00	4,912,631.80
Structures and Improvements	352	1,924,848.70	135,515.21	0.00	(150.88)	0.00	0.00	2,060,213.03
Station Equipment	353	21,789,743.11	1,610,297.85	(220,914.39)	(58,196.55)	40,000.00	(2,562.45)	23,158,367.57
Towers and Fixtures	354	18,606,655.46	811,885.41	(48,923.79)	(26,468.62)	0.00	0.00	19,343,148.46
Poles and Fixtures	355	13,946,745.44	2,256,963.02	(271,506.76)	(278,599.35)	0.00	(2,726.39)	15,650,875.96
Overhead Conductors & Devices	356	17,738,688.00	1,233,692.70	(224,236.45)	(33,481.92)	0.00	122.98	18,714,785.31
Underground Conductors & Devices	358	4,534,581.85	299,472.72	0.00	(8,004.72)	0.00	0.00	4,826,049.85
Roads and Trails	359	23,552.85	1,623.00	0.00	0.00	0.00	0.00	25,175.85
TOTAL TRANSMISSION:		<u>83,303,055.90</u>	<u>6,523,841.22</u>	<u>(765,581.39)</u>	<u>(404,902.04)</u>	<u>40,000.00</u>	<u>(5,165.86)</u>	<u>88,691,247.83</u>

GULF POWER COMPANY
 ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
 ACTUAL: DECEMBER, 2004

Sheet 3 of 3

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:							
Easements	360.2	0.00	0.00	0.00	0.00	0.00	0.00
Structures and Improvements	361	4,344,557.46	270,133.52	(29,780.81)	(3,141.63)	0.00	4,581,768.54
Station Equipment	362	39,235,859.81	3,227,000.96	(805,412.70)	(138,178.22)	21,960.40	41,541,230.25
Poles, Towers & Fixtures	364	42,727,900.06	5,483,810.84	(2,477,953.44)	(2,402,876.29)	2,726.39	43,559,799.64
Overhead Conductors & Devices	365	41,777,673.74	2,560,655.36	(5,770,299.96)	(2,954,754.46)	88,144.46	35,527,707.28
Underground Conduit	366	726,368.78	14,530.44	0.00	0.00	0.00	740,899.22
Underground Conductors & Devices	367	21,269,872.67	2,230,353.07	(866,253.70)	(129,362.77)	32,052.53	22,706,733.64
Line Transformers	368	58,346,820.10	6,663,605.12	(3,093,669.10)	(1,271,614.23)	174,082.10	60,653,943.08
Services:							
- Overhead	369.1	20,243,781.07	1,182,612.89	(246,407.87)	(353,676.00)	69,447.14	20,895,757.23
- Underground	369.2	7,898,660.21	729,749.23	(37,323.60)	(8,163.61)	0.00	8,582,922.23
- House Power Panel	369.3	3,125,766.45	113,209.38	(413,681.63)	0.00	0.00	2,825,294.20
Meters	370	14,302,820.58	885,781.18	(1,801,443.92)	(154,108.37)	102,283.20	13,335,332.67
Street Lighting & Signal Systems	373	18,776,921.66	2,590,551.26	(1,833,330.85)	(471,412.49)	58,969.07	19,121,698.65
TOTAL DISTRIBUTION:		<u>272,777,002.59</u>	<u>25,951,993.25</u>	<u>(17,375,557.58)</u>	<u>(7,887,288.07)</u>	<u>(144,234.14)</u>	<u>274,073,086.63</u>
GENERAL PLANT:							
Structures and Improvements	390	20,117,458.97	1,224,221.31	(511,537.90)	(124,084.17)	0.00	20,704,818.01
Office Furniture & Equipment:							
- Computer, 5 Year	391	80,931.02	161,693.63	0.00	0.00	0.00	242,624.65
- Non-Computer, 7 Year	391	606,939.73	272,939.15	(106,705.58)	0.00	0.00	773,173.30
Transportation Equipment:							
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00	0.00
- Light Trucks	392.2	2,312,702.85	395,550.81	(338,320.24)	0.00	20,910.09	2,390,843.51
- Heavy Trucks	392.3	8,511,662.55	1,781,995.85	(3,455,161.30)	0.00	441,424.13	7,279,921.23
- Trailers	392.4	489,383.38	69,254.37	(121,473.97)	0.00	0.00	437,163.78
- Marine, 5 Year	392	60,465.05	32,780.31	(14,812.19)	0.00	0.00	78,433.17
Stores Equipment - 7 Year	393	1,390,834.34	73,754.65	(1,323,251.54)	0.00	0.00	141,337.45
Tools, Shop & Garage Equip. - 7 Year	394	1,455,281.34	410,099.70	(1,065,273.64)	0.00	0.00	800,107.40
Laboratory Equipment - 7 Year	395	1,435,544.37	304,664.55	(740,337.81)	0.00	0.00	999,871.11
Power Operated Equipment	396	188,312.72	33,460.03	0.00	0.00	0.00	221,772.75
Communication Equipment:							
- Other	397	7,377,819.70	1,519,774.40	(159,968.84)	(17,904.47)	0.00	8,719,603.19
- 7 Year	397	963,944.71	229,611.72	(677,106.56)	0.00	(624.72)	515,825.15
Miscellaneous Equipment - 7 Year	398	9,118,022.10	1,697,794.17	(9,728,771.75)	0.00	0.00	1,087,044.52
TOTAL GENERAL:		<u>54,109,302.83</u>	<u>8,207,594.65</u>	<u>(18,242,721.32)</u>	<u>(141,988.64)</u>	<u>(1,982.52)</u>	<u>44,392,539.22</u>
TOTAL ELECTRIC PLANT-IN-SERVICE:		<u>998,748,104.76</u>	<u>87,339,480.04</u>	<u>(75,691,815.62)</u>	<u>(12,153,110.18)</u>	<u>(151,382.52)</u>	<u>999,433,613.58</u>

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
2005 BUDGET (000's)

Sheet 1 of 3

	Balance First of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
STEAM PRODUCTION:							
DANIEL PLANT:							
Plant	101,691.76	6,248.24	(2,714.67)	(570.00)	0.00	0.00	104,655.33
Easements	49.44	1.31	0.00	0.00	0.00	0.00	50.75
Cooling Lake, 23 Year	8,954.19	0.00	0.00	0.00	0.00	0.00	8,954.19
Rail Track System	1,820.85	43.87	0.00	0.00	0.00	0.00	1,864.72
Dismantlement - Fixed	13,567.53	696.66	0.00	0.00	0.00	0.00	14,264.19
Asset Retirement Obligation	416.54	0.00	0.00	0.00	0.00	0.00	416.54
TOTAL DANIEL PLANT:	126,500.31	6,990.08	(2,714.67)	(570.00)	0.00	0.00	130,205.72
CRIST PLANT:							
Plant	190,547.61	18,954.78	(3,743.80)	(775.00)	0.00	0.00	204,983.59
Easements	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Base Coal, 5 Year	141.84	0.00	0.00	0.00	0.00	0.00	141.84
- 5 Year	20.20	7.11	(11.25)	0.00	0.00	0.00	16.06
- 7 Year	1,138.32	387.93	(663.40)	0.00	0.00	0.00	862.85
Dismantlement - Fixed	45,732.11	2,789.07	0.00	0.00	0.00	0.00	48,521.18
Asset Retirement Obligation	112.38	0.00	0.00	0.00	0.00	0.00	112.38
TOTAL CRIST PLANT:	237,692.46	22,138.89	(4,418.45)	(775.00)	0.00	0.00	254,637.90
SCHOLZ PLANT:							
Plant	23,295.72	858.16	(256.65)	(48.00)	0.00	0.00	23,849.23
Base Coal, 5 Year	71.30	0.00	0.00	0.00	0.00	0.00	71.30
- 5 Year	2.41	0.60	(3.01)	0.00	0.00	0.00	0.00
- 7 Year	45.79	21.34	0.00	0.00	0.00	0.00	67.13
Dismantlement - Fixed	9,672.13	527.39	0.00	0.00	0.00	0.00	10,199.52
TOTAL SCHOLZ PLANT:	33,087.35	1,407.49	(259.66)	(48.00)	0.00	0.00	34,187.18
SMITH PLANT:							
Plant	66,356.71	4,553.53	(5,125.89)	(1,902.60)	0.00	0.00	63,881.75
Base Coal, 5 Year	108.30	0.00	0.00	0.00	0.00	0.00	108.30
- 5 Year	4.47	4.47	0.00	0.00	0.00	0.00	8.94
- 7 Year	255.92	97.32	(97.83)	0.00	0.00	0.00	255.41
Dismantlement - Fixed	18,691.25	1,240.21	0.00	0.00	0.00	0.00	19,931.46
Asset Retirement Obligation	79.57	0.00	0.00	0.00	0.00	0.00	79.57
TOTAL SMITH PLANT:	85,496.22	5,895.53	(5,223.72)	(1,902.60)	0.00	0.00	84,265.43
SCHERER PLANT:							
Plant	78,056.05	3,681.45	(76.66)	(16.00)	0.00	0.00	81,644.84
Dismantlement - Fixed	4,186.88	125.81	0.00	0.00	0.00	0.00	4,312.69
- 7 Year	23.04	2.98	(1.33)	0.00	0.00	0.00	24.69
Asset Retirement Obligation	29.36	0.00	0.00	0.00	0.00	0.00	29.36
TOTAL SCHERER PLANT:	82,295.33	3,810.24	(77.99)	(16.00)	0.00	0.00	86,011.58
TOTAL STEAM PRODUCTION:	565,071.67	40,242.23	(12,694.49)	(3,311.60)	0.00	0.00	589,307.81

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
2005 BUDGET (000's)

Sheet 2 of 3

		Balance End of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
OTHER PRODUCTION:								
SMITH PLANT CT:								
Structures and Improvements	341	615.06	7.15	0.00	0.00	0.00	0.00	622.21
Fuel Holders and Accessories	342	231.64	2.55	0.00	0.00	0.00	0.00	234.19
Prime Movers	343	63.38	0.75	0.00	0.00	0.00	0.00	64.13
Generators	344	3,121.84	27.62	0.00	0.00	0.00	0.00	3,149.46
Accessory Electric Equipment	345	113.76	1.15	0.00	0.00	0.00	0.00	114.91
Miscellaneous Equipment	346	4.45	0.04	0.00	0.00	0.00	0.00	4.49
Smith C.T. Dismantlement - Fixed		131.83	11.26	0.00	0.00	0.00	0.00	143.09
TOTAL SMITH PLANT CT:		4,281.96	50.52	0.00	0.00	0.00	0.00	4,332.48
SMITH PLANT UNIT 3 COMBINED CYCLE:								
Structures and Improvements	341	1,524.13	363.54	(0.30)	0.00	0.00	0.00	1,887.37
Fuel Holders and Accessories	342	185.12	21.48	(0.30)	0.00	0.00	0.00	206.30
Prime Movers	343	12,351.30	4,350.61	(2.00)	0.00	0.00	0.00	16,699.91
Generators	344	3,428.89	2,957.44	(1.85)	0.00	0.00	0.00	6,384.48
Accessory Electric Equipment	345	1,177.33	428.51	(0.40)	0.00	0.00	0.00	1,605.44
Miscellaneous Equipment	346	36.55	20.49	(0.15)	0.00	0.00	0.00	56.89
Smith C.T. Dismantlement - Fixed		670.18	251.32	0.00	0.00	0.00	0.00	921.50
TOTAL SMITH PLANT UNIT 3 COMBINED CYCLE:		19,373.50	8,393.39	(5.00)	0.00	0.00	0.00	27,761.89
PACE PLANT:								
Prime Movers	343	2,220.28	352.99	0.00	0.00	0.00	0.00	2,573.27
Generators	344	1,015.95	161.52	0.00	0.00	0.00	0.00	1,177.47
Accessory Electric Equipment	345	190.49	30.36	0.00	0.00	0.00	0.00	220.85
Asset Retirement Obligation	347	130.74	0.00	0.00	0.00	0.00	0.00	130.74
Pace Plant Dismantlement - Fixed		(7.84)	(2.61)	0.00	0.00	0.00	0.00	(10.45)
TOTAL PACE PLANT:		3,549.62	542.26	0.00	0.00	0.00	0.00	4,091.88
TOTAL OTHER PRODUCTION:		27,205.08	8,986.17	(5.00)	0.00	0.00	0.00	36,186.25
TOTAL PRODUCTION:		592,276.75	49,228.40	(12,699.49)	(3,311.60)	0.00	0.00	625,494.06
TRANSMISSION:								
Easements	350.2	4,912.63	170.55	0.00	0.00	0.00	0.00	5,083.18
Structures and Improvements	352	2,060.21	223.98	0.00	0.00	0.00	0.00	2,284.19
Station Equipment	353	23,158.37	1,093.20	(601.00)	(75.00)	1.00	0.00	23,576.57
Towers and Fixtures	354	19,343.15	1,752.25	0.00	0.00	0.00	0.00	21,095.40
Poles and Fixtures	355	15,650.88	1,172.43	(680.00)	(355.00)	380.00	0.00	16,168.31
Overhead Conductors & Devices	356	18,714.79	1,400.00	(1,088.12)	(40.00)	0.00	0.00	18,986.67
Underground Conductors & Devices	358	4,826.05	818.26	0.00	0.00	0.00	0.00	5,644.31
Roads and Trails	359	25.18	1.75	0.00	0.00	0.00	0.00	26.93
TOTAL TRANSMISSION:		88,691.26	6,632.42	(2,369.12)	(470.00)	381.00	0.00	92,865.56

GULF POWER COMPANY
ACCUMULATED PROVISIONS FOR DEPRECIATION AND AMORTIZATION
2005 BUDGET (000's)

Sheet 3 of 3

	Balance End of Year	Provisions	Retirements	Cost of Removal	Salvage and Other Credits	Transfers and Adjustments	Balance End of Year
DISTRIBUTION:							
Easements	360.2	0.00	0.00	0.00	0.00	0.00	0.00
Structures and Improvements	361	4,581.77	454.73	0.00	0.00	0.00	5,036.50
Station Equipment	362	41,541.23	4,785.38	(281.00)	(156.00)	0.00	45,889.61
Poles, Towers & Fixtures	364	43,559.80	3,718.55	(1,033.50)	(673.01)	0.00	45,723.34
Overhead Conductors & Devices	365	35,527.71	3,849.59	(908.00)	(577.61)	0.00	38,028.89
Underground Conduit	366	740.90	43.38	0.00	0.00	0.00	784.28
Underground Conductors & Devices	367	22,706.73	2,856.37	(658.00)	(190.95)	0.00	24,732.03
Line Transformers	368	60,653.94	6,046.16	(1,877.49)	(453.48)	0.00	64,505.03
Services:							
- Overhead	369.1	20,895.76	1,470.52	0.00	(59.51)	7.44	22,314.21
- Underground	369.2	8,582.92	1,161.34	0.00	(24.44)	3.06	9,722.88
- House Power Panel	369.3	2,825.29	122.23	0.00	(8.05)	1.01	2,940.48
Meters	370	13,335.33	1,518.90	(542.00)	(24.00)	3.00	14,291.23
Street Lighting & Signal Systems	373	19,121.70	1,694.53	(791.00)	(343.95)	88.03	19,769.31
TOTAL DISTRIBUTION:	274,073.08	27,721.68	(6,090.99)	(2,511.00)	545.02	0.00	293,737.79
GENERAL PLANT:							
Structures and Improvements	390	20,704.82	3,516.45	(432.81)	(34.67)	0.00	23,753.79
Office Furniture & Equipment:							
- Computer, 5 Year	391	242.62	62.37	(88.45)	0.00	0.00	216.54
- Non-Computer, 7 Year	391	773.17	125.36	(359.25)	0.00	0.00	539.28
Transportation Equipment:							
- Automobiles	392.1	0.00	0.00	0.00	0.00	0.00	0.00
- Light Trucks	392.2	2,390.84	326.37	(526.17)	0.00	118.59	2,309.63
- Heavy Trucks	392.3	7,279.92	1,198.91	(1,932.82)	0.00	360.11	6,906.12
- Trailers	392.4	437.16	74.25	(119.70)	0.00	21.68	413.39
- Marine, 5 Year	392	78.43	10.10	(16.28)	0.00	3.89	76.14
Stores Equipment - 7 Year	393	141.34	21.61	(98.44)	0.00	0.00	64.51
Tools, Shop & Garage Equip. - 7 Year	394	800.11	143.46	(151.41)	0.00	0.00	792.16
Laboratory Equipment - 7 Year	395	999.87	172.09	(498.91)	0.00	0.00	673.05
Power Operated Equipment	396	221.77	37.43	0.00	0.00	0.00	259.20
Communication Equipment:							
- Other	397	8,719.60	1,061.69	(479.41)	(20.77)	10.39	9,291.50
- 7 Year	397	515.83	87.25	(39.40)	(1.23)	0.61	563.06
Miscellaneous Equipment - 7 Year	398	1,087.04	124.04	(546.78)	0.00	0.00	664.30
TOTAL GENERAL:	44,392.52	6,961.38	(5,289.83)	(56.67)	515.27	0.00	46,522.67
TOTAL ELECTRIC PLANT-IN-SERVICE:	999,433.61	90,543.88	(26,449.43)	(6,349.27)	1,441.29	0.00	1,058,620.09