

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ENVIRONMENTAL COST RECOVERY
CLAUSE**

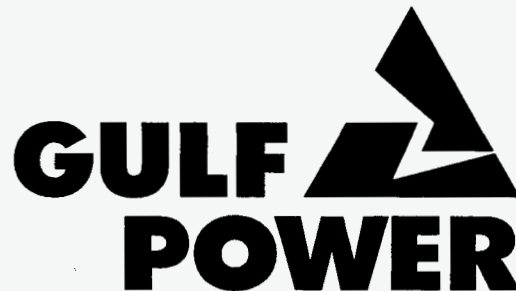
DOCKET NO. 050007-EI

**PREPARED DIRECT TESTIMONY AND
EXHIBIT OF
TERRY A. DAVIS**

ESTIMATED TRUE-UP FILING FOR THE PERIOD

JANUARY 2005 – DECEMBER 2005

AUGUST 12, 2005



A SOUTHERN COMPANY

DOCUMENT NUMBER - DATE

07849 AUG 12 05

FPSC-COMMISSION CLERK

1 GULF POWER COMPANY

2 Before the Florida Public Service Commission
3 Direct Testimony and Exhibit of

4 Terry A. Davis

5 Docket No. 050007-EI

6 Date of Filing: August 12, 2005

7

8 Q. Please state your name, business address and
9 occupation.

10 A. My name is Terry Davis. My business address is One
11 Energy Place, Pensacola, Florida 32520-0780. I am the
12 Supervisor of Treasury and Regulatory Matters at Gulf
13 Power Company.

14

15 Q. Please briefly describe your educational background and
16 business experience.

17 A. I graduated in 1979 from Mississippi College in
18 Clinton, Mississippi with a Bachelor of Science Degree
19 in Business Administration and a major in Accounting.
20 Prior to joining Gulf Power, I was an accountant for a
21 seismic survey firm, Geophysical Field Surveys in
22 Jackson, Mississippi. In that capacity, I was
23 responsible for accounts receivable, accounts payable,
24 sales, use, and fuel tax returns, and various other
accounting activities. In 1986, I joined Gulf Power as
an Associate Accountant in the Plant Accounting
Department. Since then, I have held various positions

1 of increasing responsibility with Gulf Power in
2 Accounts Payable, Financial Reporting, and Cost
3 Accounting. In 1993, I joined the Rates and
4 Regulatory Matters area, where I have participated
5 with increasing responsibility in activities related
6 to the cost recovery clauses, the rate case,
7 budgeting, and other regulatory functions. In 2004,
8 I was promoted to my current position.

9 My responsibilities now include supervision of:
10 tariff administration, cost of service activities,
11 calculation of cost recovery factors, the regulatory
12 filing function of the Rates and Regulatory Matters
13 Department, and various treasury activities.

14
15 Q. Have you previously filed testimony before this
16 Commission in connection with Gulf's Environmental
17 Cost Recovery Clause (ECRC)?

18 A. Yes, I have.

19

20 Q. Have you prepared an exhibit that contains
21 information to which you will refer in your
22 testimony?

23 A. Yes, I have. My exhibit consists of 8 schedules,
24 each of which was prepared under my direction,
25 supervision, or review.

1 Counsel: We ask that Ms. Davis' Exhibit
2 consisting of 8 schedules be marked
3 as Exhibit No. _____(TAD-2).

4 Q. Have you verified that to the best of your knowledge
5 and belief the information contained in these
6 documents is correct?

7 A. Yes, I have.

8

9 Q. What has Gulf calculated as the estimated true-up for
10 the January 2005 through December 2005 period to be
11 refunded or collected in the period January 2006
12 through December 2006?

13 A. The estimated true-up for the current period is an
14 over-recovery of \$646,587 as shown on Schedule 1E.
15 This is based on six months of actual data and six
16 months of estimated data. This amount will be added
17 to the 2004 final true-up over-recovery amount of
18 \$628,050 (see Schedule 1A to my testimony filed
19 April 1, 2005). The sum of \$1,274,637 will be
20 refunded to the customers during the January 2006
21 through December 2006 period. The detailed
22 calculations supporting the estimated true-up for
23 2005 are contained in Schedules 1E through 8E.

24

25

1 Q. Please describe Schedules 2E and 3E of your exhibit.

2 A. Schedule 2E shows the calculation of the estimated
3 over-recovery of environmental costs for the period
4 January 2005 through December 2005. Schedule 3E of
5 my exhibit is the calculation of the interest
6 provision on the over-recovery. This is the same
7 method of calculating interest that is used in the
8 Fuel Cost Recovery (FCR) and Purchased Power Capacity
9 Cost (PPCC) Recovery clauses.

10

11 Q. Please describe Schedules 4E and 5E of your exhibit.

12 A. Schedule 4E compares the estimated/actual O & M
13 expenses for the period January 2005 through December
14 2005 with the projected O & M expenses approved by
15 the Commission in conjunction with the November 2004
16 hearing. Schedule 5E shows the monthly O & M
17 expenses by activity, along with the calculation of
18 jurisdictional O & M expenses for the current
19 recovery period. Per the Staff's request, emission
20 allowance expenses and the amortization of gains on
21 emission allowances are included with O & M expenses.
22 Mr. Vick describes the main reasons for the expected
23 variances in O & M expenses in his true-up testimony.

24

25

1 Q. Please describe Schedules 6E and 7E of your exhibit.

2 A. Schedule 6E for the period January 2005 through
3 December 2005 compares the estimated/actual carrying
4 costs related to investment with the projected amount
5 approved in conjunction with the November 2004
6 hearing. The recoverable costs include the return on
7 investment, depreciation expense, dismantlement
8 accrual, and property tax associated with each
9 environmental capital project for the current
10 recovery period. Recoverable costs also include a
11 return on working capital associated with emission
12 allowances. Schedule 7E provides the monthly
13 carrying costs associated with each project, along
14 with the calculation of the jurisdictional carrying
15 costs. Mr. Vick describes the major variances in
16 recoverable costs related to environmental investment
17 for this estimated true-up period in his testimony.

18

19 Q. Please describe Schedule 8E of your exhibit.

20 A. Schedule 8E includes 23 pages that provide the
21 monthly calculations of recoverable costs associated
22 with each approved capital project for the current
23 recovery period. As I stated earlier, these costs
24 include return on investment, depreciation expense,
25 dismantlement accrual, property tax, and the return

1 on working capital associated with emission
2 allowances. Pages 1 through 22 of Schedule 8E show
3 the investment and associated costs related to
4 capital projects, while page 23 shows the investment
5 and return related to emission allowances.

6 Q. What capital structure and return on equity were used
7 to develop the rate of return used to calculate the
8 revenue requirements?

9 A. Consistent with Commission policy, the capital
10 structure used in calculating the rate of return for
11 recovery clause purposes is based on the capital
12 structure approved in Gulf's last completed rate
13 case. The rate of return for the ECRC is based on
14 the capital structure approved in Docket No. 010949-
15 EI, Order No. PSC-02-0787-FOF-EI dated June 10,
16 2002. The rate of return used to calculate ECRC
17 revenue requirements includes a jurisdictional return
18 on equity of 12.0% for the period January 2005
19 through December 31, 2005.

20

21 Q. Ms. Davis, does this conclude your testimony?

22 A. Yes, it does.

23

24

25

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

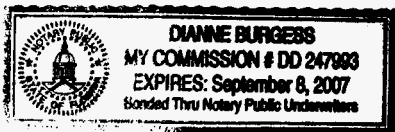
Docket No. 050007-EI

Before me the undersigned authority, personally appeared Terry A. Davis, who being first duly sworn, deposes, and says that she is the Supervisor of Treasury and Regulatory Matters at Gulf Power Company, a Maine corporation, that the foregoing is true and correct to the best of her knowledge, information, and belief. She is personally known to me.

Terry A. Davis
Terry A. Davis
Supervisor of Treasury and Regulatory Matters

Sworn to and subscribed before me this 11th day of August, 2005.

Dianne Burgess
Notary Public, State of Florida at Large



Schedule 1E

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

<u>Line</u>	<u>Period Amount (\$)</u>
1 Over/(Under) Recovery for the current period (Schedule 2E, Line 5)	562,167
2 Interest Provision (Schedule 2E, Line 6)	71,174
3 Sum of Current Period Adjustments (Schedule 2E, Line 10)	<u>13,246</u>
4 Current Period True-Up Amount to be refunded/(recovered) in the projection period January 2006 - December 2006 (Lines 1 + 2 + 3)	<u><u>646,587</u></u>

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated True-Up Amount
 January 2005 - December 2005

Current Period True-Up Amount
 (in Dollars)

Line	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1 ECRC Revenues (net of Revenue Taxes)	2,057,048	1,663,372	1,824,504	1,711,654	2,142,472	2,575,309	2,652,525	2,691,121	2,249,615	1,906,680	1,751,143	1,975,127	25,200,570
2 True-Up Provision (Order No. PSC-04-1187-FOF-EI)	43,123	43,124	43,123	43,123	43,124	43,123	43,124	43,124	43,124	43,124	43,124	43,124	517,484
3 ECRC Revenues Applicable to Period (Lines 1 + 2)	2,100,171	1,706,496	1,867,627	1,754,777	2,185,596	2,618,432	2,695,649	2,734,245	2,292,739	1,949,804	1,794,267	2,018,251	25,718,054
4 Jurisdictional ECRC Costs													
a O & M Activities (Schedule 5E, Line 9)	56,371	772,802	194,669	174,931	195,304	74,120	196,773	400,635	328,564	299,139	296,181	323,544	3,313,033
b Capital Investment Projects (Schedule 7E, Line 9)	1,135,726	1,149,001	1,165,123	1,586,451	2,021,978	2,055,861	2,074,810	2,079,816	2,077,525	2,073,576	2,164,737	2,258,250	21,842,854
c Total Jurisdictional ECRC Costs	1,192,097	1,921,803	1,359,792	1,761,382	2,217,282	2,129,981	2,271,583	2,480,451	2,406,089	2,372,715	2,460,918	2,581,794	25,155,887
5 Over/(Under) Recovery (Line 3 - Line 4c)	908,074	(215,307)	507,835	(6,605)	(31,686)	488,451	424,066	253,794	(113,350)	(422,911)	(666,651)	(563,543)	562,167
6 Interest Provision (Schedule 3E, Line 10)	3,210	4,073	4,537	5,321	5,437	6,201	7,548	8,375	8,472	7,647	6,065	4,288	71,174
7 Beginning Balance True-Up & Interest Provision													
a Final True-Up from January 2004 - December 2004	514,399	1,395,806	1,141,448	1,610,697	1,566,290	1,496,917	1,948,446	2,336,936	2,555,981	2,407,979	1,949,591	1,245,881	514,399
b Final True-Up from January 2003 - December 2003 (Order No. PSC-04-1187-FOF-EI)	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135	631,135
8 True-Up Collected/(Refunded) (see Line 2)	(43,123)	(43,124)	(43,123)	(43,123)	(43,124)	(43,123)	(43,124)	(43,124)	(43,124)	(43,124)	(43,124)	(43,124)	(517,484)
9 End of Period Total True-Up (Lines 5 + 6 + 7 + 7a + 8)	2,013,695	1,772,583	2,241,832	2,197,425	2,128,052	2,579,581	2,968,071	3,187,116	3,039,114	2,580,726	1,877,016	1,274,637	1,261,391
10 Adjustments to Period Total True-Up Including Interest *	13,246												13,246
11 Current Period Total Net True-Up (Lines 9 + 10)	2,026,941	1,772,583	2,241,832	2,197,425	2,128,052	2,579,581	2,968,071	3,187,116	3,039,114	2,580,726	1,877,016	1,274,637	1,274,637

Schedule 4E

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Variance Report of O & M Activities
(in Dollars)

<u>Line</u>	(1)	(2)	(3) (4)	
	<u>Estimated/ Actual</u>	<u>Original Projection</u>	<u>Amount</u>	<u>Percent</u>
1 Description of O & M Activities				
.1 Sulfur	0	0	0	100.0 %
.2 Air Emission Fees	779,874	779,874	0	0.0 %
.3 Title V	87,232	87,232	0	0.0 %
.4 Asbestos Fees	2,000	2,000	0	0.0 %
.5 Emission Monitoring	534,249	534,249	0	0.0 %
.6 General Water Quality	528,790	600,140	(71,350)	(11.9) %
.7 Groundwater Contamination Investigation	927,218	927,218	0	0.0 %
.8 State NPDES Administration	765	34,500	(33,735)	(97.8) %
.9 Lead and Copper Rule	4,061	12,000	(7,939)	(66.2) %
.10 Env Auditing/Assessment	8,800	8,800	0	0.0 %
.11 General Solid & Hazardous Waste	284,766	214,773	69,993	32.6 %
.12 Above Ground Storage Tanks	106,200	106,200	0	0.0 %
.13 Low Nox	0	0	0	0.0 %
.14 Ash Pond Diversion Curtains	0	0	0	0 %
.15 Mercury Emissions	0	0	0	0 %
.16 Sodium Injection	210,791	0	210,791	100.0 %
.17 Gulf Coast Ozone Study	20,000	20,000	0	0.0 %
.18 SPCC Substation Project	0	0	0	0.0 %
.19 FDEP NOX Reduction Agreement	593,426	757,241	(163,815)	(21.6) %
.20 SO2 Allowances	<u>(655,769)</u>	<u>(93,036)</u>	<u>(562,733)</u>	604.9 %
2 Total O & M Activities	<u>3,432,403</u>	<u>3,991,191</u>	<u>(558,788)</u>	(14.0) %
3 Recoverable Costs Allocated to Energy	1,569,803	2,085,560	(515,757)	(24.7) %
4 Recoverable Costs Allocated to Demand	1,862,600	1,905,631	(43,031)	(2.3) %

Notes:

Column (1) is the End of Period Totals on Schedule 5E

Column (2) is the approved Projected amount in accordance with FPSC Order No. PSC-04-1187-FOF-EI

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

O & M Activities
(in Dollars)

Line	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period 12-Month	Method of Classification Demand	Energy
1 Description of O & M Activities															
.1 Sulfur	-	-	-	-	1,108	3,870	-	(4,978)	-	-	-	-	0		0
.2 Air Emission Fees	-	656,850	-	-	-	-	-	123,024	-	-	-	-	779,874		779,874
.3 Title V	6,401	3,708	6,222	9,932	4,794	3,636	5,670	7,170	13,191	8,170	7,941	10,397	87,232		87,232
.4 Asbestos Fees	-	100	1,500	-	-	-	-	-	-	-	-	400	2,000	2,000	
.5 Emission Monitoring	18,689	22,852	32,351	31,558	39,068	33,187	65,000	98,414	55,501	44,428	44,748	48,453	534,249		534,249
.6 General Water Quality	10,537	16,879	23,542	23,927	19,267	22,357	39,698	40,814	92,288	76,896	70,513	39,072	528,790	528,790	
.7 Groundwater Contamination Investigation	21,635	48,356	40,594	24,382	147,844	31,002	84,000	88,578	92,249	118,297	116,105	114,176	927,218	927,218	
.8 State NPDES Administration	-	250	-	515	-	-	-	-	-	-	-	-	765		765
.9 Lead and Copper Rule	60	413	59	-	429	-	-	-	1,500	-	-	1,600	4,061	4,061	
.10 Env Auditing/Assessment	145	(46)	-	-	392	-	1,083	2,583	3,240	1,083	83	237	8,800	8,800	
.11 General Solid & Hazardous Waste	8,578	37,571	55,383	26,860	27,294	18,828	16,921	16,923	20,985	17,844	18,124	19,455	284,766	284,766	
.12 Above Ground Storage Tanks	-	25,786	4,682	5,431	1,125	1,387	-	-	26,250	5,089	-	26,250	106,200	106,200	
.13 Low Nox	-	-	-	-	-	-	-	-	-	-	-	-	0		0
.14 Ash Pond Diversion Curtains	-	-	-	-	-	-	-	-	-	-	-	-	0		0
.15 Mercury Emissions	-	-	-	-	-	-	-	-	-	-	-	-	0		0
.16 Sodium Injection	-	-	41,580	20,350	20,527	14,834	17,500	20,000	18,000	20,000	18,000	20,000	210,791		210,791
.17 Gulf Coast Ozone Study	-	-	106	-	1,044	5,823	500	2,100	2,100	2,100	2,827	3,400	20,000		20,000
.18 SPCC Substation Project	-	-	-	-	-	-	-	-	-	-	-	-	0	0	
.19 FDEP NOX Reduction Agreement	-	-	3,339	45,820	25,061	8,465	50,000	96,097	91,463	92,649	105,233	75,299	593,426		593,426
.20 SO2 Allowances	(7,694)	(7,885)	(7,917)	(7,903)	(85,886)	(76,882)	(76,910)	(76,796)	(76,911)	(77,029)	(77,049)	(76,907)	(655,769)		(655,769)
2 Total of O & M Activities	<u>58,351</u>	<u>804,834</u>	<u>201,441</u>	<u>180,872</u>	<u>202,067</u>	<u>76,707</u>	<u>203,462</u>	<u>413,929</u>	<u>339,856</u>	<u>309,527</u>	<u>306,525</u>	<u>334,832</u>	<u>3,432,403</u>	<u>1,862,600</u>	<u>1,569,803</u>
3 Recoverable Costs Allocated to Energy	17,396	675,525	75,681	99,757	5,716	(7,067)	61,760	265,031	103,344	90,318	101,700	80,642	1,569,803		
4 Recoverable Costs Allocated to Demand	40,955	129,309	125,760	81,115	196,351	83,774	141,702	148,898	236,512	219,209	204,825	254,190	1,862,600		
5 Retail Energy Jurisdictional Factor	0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838			
6 Retail Demand Jurisdictional Factor	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872			
7 Jurisdictional Energy Recoverable Costs (A)	16,789	647,827	73,124	96,534	5,533	(6,846)	59,820	256,727	99,978	87,276	98,220	77,873	1,512,855		
8 Jurisdictional Demand Recoverable Costs (B)	<u>39,582</u>	<u>124,975</u>	<u>121,545</u>	<u>78,397</u>	<u>189,771</u>	<u>80,966</u>	<u>136,953</u>	<u>143,908</u>	<u>228,586</u>	<u>211,863</u>	<u>197,961</u>	<u>245,671</u>	<u>1,800,178</u>		
9 Total Jurisdictional Recoverable Costs for O & M Activities (Lines 7 + 8)	<u>56,371</u>	<u>772,802</u>	<u>194,669</u>	<u>174,931</u>	<u>195,304</u>	<u>74,120</u>	<u>196,773</u>	<u>400,635</u>	<u>328,564</u>	<u>299,139</u>	<u>296,181</u>	<u>323,544</u>	<u>3,313,033</u>		

Notes:

(A) Line 3 x Line 5 x line loss multiplier

(B) Line 4 x Line 6

Schedule 6E

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Current Period Estimated True-Up Amount
 January 2005 - December 2005

Variance Report of Capital Investment Projects - Recoverable Costs
 (in Dollars)

Line	(1)	(2)	(3) Variance		
	Estimated/ Actual	Original Projected	Amount	Percent	
1	Description of Investment Projects				
.1	Air Quality Assurance Testing	20,716	33,193	(12,477)	(37.6) %
.2	Crist 5, 6 & 7 Precipitator Projects	2,287,697	2,249,122	38,575	1.7 %
.3	Crist 7 Flue Gas Conditioning	196,173	230,382	(34,209)	(14.8) %
.4	Low NOx Burners, Crist 6 & 7	2,331,760	2,267,134	64,626	2.9 %
.5	CEMS - Crist, Scholz, Smith, & Daniel	744,639	752,297	(7,658)	(1.0) %
.6	Sub. Contam. Mobile Groundwater Treat. Sys.	112,866	112,676	190	0.2 %
.7	Raw Water Well Flowmeters - Plants Crist & Smith	32,382	32,382	0	0.0 %
.8	Crist Cooling Tower Cell	96,025	96,025	0	0.0 %
.9	Crist 1-5 Dechlorination	34,156	34,156	0	0.0 %
.10	Crist Diesel Fuel Oil Remediation	8,424	8,288	136	1.6 %
.11	Crist Bulk Tanker Unload Sec Contain Struc	11,364	11,364	0	0.0 %
.12	Crist IWW Sampling System	6,636	6,636	0	0.0 %
.13	Smith Sodium Injection System	13,392	13,392	0	0.0 %
.14	Smith Stormwater Collection System	310,661	310,661	0	0.0 %
.15	Smith Waste Water Treatment Facility	35,540	37,470	(1,930)	(5.2) %
.16	Daniel Ash Management Project	1,830,803	1,805,565	25,238	1.4 %
.17	Smith Water Conservation	7,653	19,238	(11,585)	(60.2) %
.18	Underground Fuel Tank Replacement	0	0	0	0.0 %
.19	Crist FDEP Agreement for Ozone Attainment	13,847,068	13,556,893	290,175	2.1 %
.20	Crist Storm Water Projects - Switchyard & Other Areas	12,468	37,460	(24,992)	(66.7) %
.21	Crist Common FTIR Monitor	9,312	8,935	377	4.2 %
.22	Precipitator Upgrades for CAM Compliance	752,342	952,805	(200,463)	(21.0) %
.23	SO2 Allowances	(108,423)	(79,969)	(28,454)	36.0 %
2	Total Investment Projects - Recoverable Costs	<u>22,593,654</u>	<u>22,496,105</u>	<u>97,549</u>	0.4 %
3	Recoverable Costs Allocated to Energy	20,286,905	20,177,412	109,493	0.5 %
4	Recoverable Costs Allocated to Demand	2,306,749	2,318,693	(11,944)	(0.5) %

Notes:

Column (1) is the End of Period Totals on Schedule 7E

Column (2) is the approved Projected amount in accordance with FPSC Order No. PSC-04-1187-FOF-EI

Column (3) = Column (1) - Column (2)

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Capital Investment Projects - Recoverable Costs
(in Dollars)

Line	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount	Method of Demand	Classification Energy
1 Description of Investment Projects (A)															
.1 Air Quality Assurance Testing	1,748	1,738	1,727	1,717	1,708	1,676	1,645	1,635	1,625	1,614	1,604	2,274	20,716	0	20,716
.2 Crist 5, 6 & 7 Precipitator Projects	189,150	189,261	189,603	189,449	191,393	193,095	192,434	191,843	191,254	190,662	190,071	189,482	2,287,697	0	2,287,697
.3 Crist 7 Flue Gas Conditioning	19,579	19,510	19,440	19,372	16,983	14,535	14,435	14,455	14,473	14,469	14,463	14,459	196,173	0	196,173
.4 Low NOx Burners, Crist 6 & 7	197,545	197,735	197,661	196,640	195,622	195,206	194,790	194,374	193,958	193,542	189,395	185,292	2,331,760	0	2,331,760
.5 CEMS - Crist, Scholz, Smith, & Daniel	60,969	60,858	61,110	61,360	61,247	61,630	61,961	61,798	62,095	63,102	63,724	64,785	744,639	0	744,639
.6 Sub. Contam. Mobile Groundwater Treat. Sys.	9,504	9,487	9,468	9,451	9,433	9,414	9,397	9,379	9,360	9,343	9,324	9,306	112,866	104,184	8,682
.7 Raw Water Well Flowmeters - Plants Crist & Smith	2,737	2,731	2,723	2,715	2,709	2,701	2,695	2,688	2,682	2,674	2,667	2,660	32,382	29,891	2,491
.8 Crist Cooling Tower Cell	8,166	8,136	8,107	8,076	8,046	8,016	7,988	7,958	7,928	7,899	7,867	7,838	96,025	88,638	7,387
.9 Crist 1-5 Dechlorination	2,898	2,889	2,879	2,869	2,860	2,851	2,842	2,832	2,823	2,814	2,804	2,795	34,156	31,529	2,627
.10 Crist Diesel Fuel Oil Remediation	713	712	709	707	705	703	701	699	697	695	693	690	8,424	7,776	648
.11 Crist Bulk Tanker Unload Sec Contain Struc	964	961	958	955	952	949	945	942	939	936	933	930	11,364	10,490	874
.12 Crist IWW Sampling System	563	561	560	557	556	554	552	550	548	547	545	543	6,636	6,126	510
.13 Smith Sodium Injection System	1,131	1,129	1,125	1,123	1,120	1,117	1,115	1,112	1,110	1,106	1,103	1,101	13,392	0	13,392
.14 Smith Stormwater Collection System	26,286	26,213	26,141	26,069	25,997	25,924	25,852	25,780	25,708	25,636	25,563	25,492	310,661	286,764	23,897
.15 Smith Waste Water Treatment Facility	2,959	2,956	2,955	2,942	2,933	2,928	2,924	2,920	2,916	2,912	2,908	2,904	35,540	32,804	2,736
.16 Daniel Ash Management Project	154,435	154,047	153,679	153,292	152,951	152,619	152,290	152,000	151,729	151,479	151,245	151,037	1,830,803	1,689,973	140,830
.17 Smith Water Conservation	537	535	534	533	531	530	529	528	526	525	525	525	7,653	7,065	588
.18 Underground Fuel Tank Replacement	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
.19 Crist FDEP Agreement for Ozone Attainment	487,264	490,062	489,134	905,359	1,348,041	1,384,935	1,404,165	1,410,068	1,410,417	1,407,591	1,505,956	1,604,076	13,847,068	0	13,847,068
.20 Crist Storm Water Projects - Switchyard & Other Area	650	659	700	745	779	823	868	914	962	1,080	1,646	2,642	12,468	11,509	959
.21 Crist Common FTIR Monitor	787	784	783	781	779	777	775	773	771	769	768	765	9,312	0	9,312
.22 Precipitator Upgrades for CAM Compliance	14,244	31,886	41,975	61,040	73,670	74,623	75,505	75,438	75,579	76,128	76,206	76,048	752,342	0	752,342
.23 SO2 Allowances	<u>(6,310)</u>	<u>(6,236)</u>	<u>(6,161)</u>	<u>(6,087)</u>	<u>(9,840)</u>	<u>(12,972)</u>	<u>(11,950)</u>	<u>(11,225)</u>	<u>(10,500)</u>	<u>(9,774)</u>	<u>(9,047)</u>	<u>(8,321)</u>	<u>(108,423)</u>	0	<u>(108,423)</u>
2 Total Investment Projects - Recoverable Costs	<u>1,176,519</u>	<u>1,196,614</u>	<u>1,205,810</u>	<u>1,639,665</u>	<u>2,089,175</u>	<u>2,122,664</u>	<u>2,142,518</u>	<u>2,147,521</u>	<u>2,147,660</u>	<u>2,145,807</u>	<u>2,241,303</u>	<u>2,338,393</u>	<u>22,593,654</u>	<u>2,306,749</u>	<u>20,286,905</u>
3 Recoverable Costs Allocated to Energy	982,291	1,002,872	1,012,507	1,446,823	1,896,758	1,930,626	1,950,849	1,956,212	1,956,695	1,955,100	2,050,172	2,145,995	20,286,905		
4 Recoverable Costs Allocated to Demand	194,228	193,742	193,303	192,842	192,417	192,038	191,669	191,309	190,965	190,707	191,131	192,398	2,306,749		
5 Retail Energy Jurisdictional Factor	0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838			
6 Retail Demand Jurisdictional Factor	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872			
7 Jurisdictional Energy Recoverable Costs (B)	948,007	961,752	978,298	1,400,072	1,836,009	1,870,259	1,889,564	1,894,918	1,892,960	1,889,260	1,980,011	2,072,300	19,613,410		
8 Jurisdictional Demand Recoverable Costs (C)	<u>187,719</u>	<u>187,249</u>	<u>186,825</u>	<u>186,379</u>	<u>185,969</u>	<u>185,602</u>	<u>185,246</u>	<u>184,898</u>	<u>184,565</u>	<u>184,316</u>	<u>184,726</u>	<u>185,950</u>	<u>2,229,444</u>		
9 Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	<u>1,135,726</u>	<u>1,149,001</u>	<u>1,165,123</u>	<u>1,586,451</u>	<u>2,021,978</u>	<u>2,055,861</u>	<u>2,074,810</u>	<u>2,079,816</u>	<u>2,077,525</u>	<u>2,073,576</u>	<u>2,164,737</u>	<u>2,258,250</u>	<u>21,842,854</u>		

Notes:

- (A) Pages 1-22 of Schedule 8E, Line 9, Page 23 of Schedule 8E, Line 6
(B) Line 3 x Line 5 x Line loss multiplier

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Air Quality Assurance Testing
P.E.s 1006 & 1244
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	(4,502)	0	0	0	0	0	144,000	
b	Clearings to Plant		0	0	0	0	0	(4,502)	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	328,697	328,697	328,697	328,697	328,697	328,697	324,195	324,195	324,195	324,195	324,195	324,195	324,195	
3	Less: Accumulated Depreciation ©	(255,904)	(256,970)	(258,037)	(259,103)	(260,170)	(261,236)	(262,303)	(263,369)	(264,436)	(265,502)	(266,569)	(267,635)	(268,701)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	144,000	
5	Net Investment (Lines 2 - 3 + 4)	72,793	71,727	70,660	69,594	68,527	67,461	61,892	60,826	59,759	58,693	57,626	56,560	199,494	
6	Average Net Investment		72,260	71,194	70,127	69,061	67,994	64,677	61,359	60,293	59,226	58,160	57,093	128,027	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		531	523	515	507	500	475	451	443	435	427	419	941	6,167
b	Debt Component (Line 6 x Debt Component x 1/12)		151	149	146	144	142	135	128	126	124	121	119	267	1,752
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	1,066	12,797
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		1,748	1,738	1,727	1,717	1,708	1,676	1,645	1,635	1,625	1,614	1,604	2,274	20,716
a	Recoverable Costs Allocated to Energy		1,748	1,738	1,727	1,717	1,708	1,676	1,645	1,635	1,625	1,614	1,604	2,274	20,716
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		1,687	1,667	1,669	1,662	1,654	1,624	1,594	1,584	1,573	1,560	1,550	2,196	20,020
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		1,687	1,667	1,669	1,662	1,654	1,624	1,594	1,584	1,573	1,560	1,550	2,196	20,020

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Applicable depreciation rate or rates.
- (F) 7 year amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist 5, 6 & 7 Precipitator Projects
P.E.s 1119, 1216, 1243
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	(2,102,038)	0	0	0	0	0	0	0	0
d	Cost of Removal		0	135,049	49,153	29,490	(226,746)	(14,791)	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	12,577,916	12,577,916	12,577,916	12,577,916	12,577,916	14,679,954	14,679,954	14,679,954	14,679,954	14,679,954	14,679,954	14,679,954	14,679,954	14,679,954
3	Less: Accumulated Depreciation ©	1,588,416	1,532,648	1,611,929	1,605,314	1,579,036	(808,933)	(886,325)	(948,925)	(1,011,525)	(1,074,126)	(1,136,726)	(1,199,326)	(1,261,927)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	14,166,332	14,110,564	14,189,845	14,183,230	14,156,952	13,871,021	13,793,629	13,731,029	13,668,429	13,605,828	13,543,228	13,480,628	13,418,027	
6	Average Net Investment		14,138,448	14,150,205	14,186,538	14,170,091	14,013,987	13,832,325	13,762,329	13,699,729	13,637,129	13,574,528	13,511,928	13,449,328	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		103,875	103,962	104,228	104,108	102,961	101,626	101,112	100,652	100,192	99,732	99,272	98,812	1,220,532
b	Debt Component (Line 6 x Debt Component x 1/12)		29,507	29,531	29,607	29,573	29,247	28,868	28,722	28,591	28,461	28,330	28,199	28,069	346,705
8	Investment Expenses														
a	Depreciation (E)		40,878	40,878	40,878	40,878	44,294	47,710	47,710	47,710	47,710	47,710	47,710	47,710	541,776
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		14,890	14,890	14,890	14,890	14,891	14,891	14,890	14,890	14,891	14,890	14,890	14,891	178,684
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		189,150	189,261	189,603	189,449	191,393	193,095	192,434	191,843	191,254	190,662	190,071	189,482	2,287,697
a	Recoverable Costs Allocated to Energy		189,150	189,261	189,603	189,449	191,393	193,095	192,434	191,843	191,254	190,662	190,071	189,482	2,287,697
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		182,548	181,501	183,197	183,327	185,263	187,057	186,389	185,832	185,024	184,241	183,566	182,975	2,210,920
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		182,548	181,501	183,197	183,327	185,263	187,057	186,389	185,832	185,024	184,241	183,566	182,975	2,210,920

Notes:

- (A) Retirement & Cost of Removal activity in May is a correction between PE 1216 and PE 1228.
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist 7 Flue Gas Conditioning
P.E. 1228
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	2,102,038	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	229,309	(19,948)	0	4,978	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	2,179,245	2,179,245	2,179,245	2,179,245	2,179,245	77,207	77,207	77,207	77,207	77,207	77,207	77,207	77,207	77,207
3	Less: Accumulated Depreciation ©	(878,150)	(885,489)	(892,829)	(900,168)	(907,508)	1,419,916	1,399,460	1,398,953	1,403,423	1,402,916	1,402,408	1,401,901	1,401,393	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	1,301,095	1,293,756	1,286,416	1,279,077	1,271,737	1,497,123	1,476,667	1,476,160	1,480,630	1,480,123	1,479,615	1,479,108	1,478,600	
6	Average Net Investment		1,297,426	1,290,086	1,282,747	1,275,407	1,384,430	1,486,895	1,476,414	1,478,395	1,480,377	1,479,869	1,479,362	1,478,854	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		9,532	9,478	9,424	9,370	10,171	10,924	10,847	10,862	10,876	10,873	10,869	10,865	124,091
b	Debt Component (Line 6 x Debt Component x 1/12)		2,708	2,692	2,677	2,662	2,889	3,103	3,081	3,085	3,090	3,088	3,087	3,086	35,248
8	Investment Expenses														
a	Depreciation (E)		7,083	7,083	7,083	7,083	3,667	251	251	251	251	251	251	251	33,756
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		256	257	256	257	256	257	256	257	256	257	256	257	3,078
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		19,579	19,510	19,440	19,372	16,983	14,535	14,435	14,455	14,473	14,469	14,463	14,459	196,173
a	Recoverable Costs Allocated to Energy		19,579	19,510	19,440	19,372	16,983	14,535	14,435	14,455	14,473	14,469	14,463	14,459	196,173
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		18,896	18,710	18,783	18,746	16,439	14,081	13,982	14,002	14,002	13,982	13,968	13,962	189,553
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		18,896	18,710	18,783	18,746	16,439	14,081	13,982	14,002	14,002	13,982	13,968	13,962	189,553

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Low NOx Burners, Crist 6 & 7
P.E.s 1234, 1236, and 1242
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		41,440	54,236	0	(94,907)	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		41,440	54,236	0	(94,907)	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	2,700,000	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	200,000	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	65,000	0	0
2	Plant-in-Service/Depreciation Base (B)	13,564,077	13,605,517	13,659,753	13,659,753	13,564,846	13,564,846	13,564,846	13,564,846	13,564,846	13,564,846	13,564,846	10,864,846	10,864,846	10,864,846
3	Less: Accumulated Depreciation ©	2,696,980	2,652,829	2,608,523	2,564,128	2,519,888	2,475,802	2,431,716	2,387,630	2,343,544	2,299,458	2,255,372	5,050,674	5,015,363	5,015,363
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	16,261,057	16,258,346	16,268,276	16,223,881	16,084,734	16,040,648	15,996,562	15,952,476	15,908,390	15,864,304	15,820,218	15,915,520	15,880,209	15,880,209
6	Average Net Investment		16,259,702	16,263,311	16,246,079	16,154,308	16,062,691	16,018,605	15,974,519	15,930,433	15,886,347	15,842,261	15,867,869	15,897,865	15,897,865
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		119,460	119,487	119,360	118,686	118,013	117,689	117,365	117,041	116,717	116,393	116,581	116,802	1,413,594
b	Debt Component (Line 6 x Debt Component x 1/12)		33,934	33,942	33,906	33,714	33,523	33,431	33,339	33,247	33,155	33,063	33,116	33,179	401,549
8	Investment Expenses														
a	Depreciation (E)		44,151	44,306	44,395	44,240	44,086	44,086	44,086	44,086	44,086	44,086	39,698	35,311	516,617
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		197,545	197,735	197,661	196,640	195,622	195,206	194,790	194,374	193,958	193,542	189,395	185,292	2,331,760
a	Recoverable Costs Allocated to Energy		197,545	197,735	197,661	196,640	195,622	195,206	194,790	194,374	193,958	193,542	189,395	185,292	2,331,760
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	0.9649838
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872
12	Retail Energy-Related Recoverable Costs (H)		190,650	189,627	190,983	190,286	189,357	189,102	188,671	188,284	187,640	187,024	182,913	178,929	2,253,466
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		190,650	189,627	190,983	190,286	189,357	189,102	188,671	188,284	187,640	187,024	182,913	178,929	2,253,466

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: CEMS - Crist, Scholz, Smith, & Daniel
P.E.s 1154, 1164, 1240, 1245, 1286, 1289, 1290, 1311, 1316, 1323, 1330, 1440, 1441, 1442, 1454, 1459, 1460 & 1558
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		434	115	76,646	30	248	77,726	18,072	0	82,173	150,000	6,000	154,000	
b	Clearings to Plant		434	115	(63)	(61)	(5)	77,413	0	0	42,173	0	0	350,000	
c	Retirements		0	0	0	0	0	0	82,646	0	20,000	0	0	0	
d	Cost of Removal		0	0	729	(1)	1	732	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	4,125,521	4,125,955	4,126,070	4,126,007	4,125,946	4,125,941	4,203,354	4,120,708	4,120,708	4,142,881	4,142,881	4,142,881	4,492,881	
3	Less: Accumulated Depreciation ©	925,294	913,182	901,069	889,685	877,571	865,460	853,953	924,369	912,273	920,152	908,005	895,858	883,288	
4	CWIP - Non Interest Bearing	(6,583)	(6,583)	(6,583)	70,126	70,217	70,470	70,783	88,855	88,855	128,855	278,855	284,855	88,855	
5	Net Investment (Lines 2 - 3 + 4)	5,044,232	5,032,554	5,020,556	5,085,818	5,073,734	5,061,871	5,128,090	5,133,932	5,121,836	5,191,888	5,329,741	5,323,594	5,465,024	
6	Average Net Investment		5,038,393	5,026,555	5,053,187	5,079,776	5,067,803	5,094,981	5,131,011	5,127,884	5,156,862	5,260,815	5,326,668	5,394,309	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		37,017	36,930	37,126	37,321	37,233	37,433	37,698	37,675	37,887	38,651	39,135	39,632	453,738
b	Debt Component (Line 6 x Debt Component x 1/12)		10,515	10,490	10,546	10,601	10,577	10,633	10,708	10,702	10,762	10,979	11,117	11,258	128,888
8	Investment Expenses														
a	Depreciation (E)		12,112	12,113	12,113	12,113	12,112	12,239	12,230	12,096	12,121	12,147	12,147	12,570	146,113
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	
d	Property Taxes		1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	1,325	15,900
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	
9	Total System Recoverable Expenses (Lines 7 + 8)		60,969	60,858	61,110	61,360	61,247	61,630	61,961	61,798	62,095	63,102	63,724	64,785	744,639
a	Recoverable Costs Allocated to Energy		60,969	60,858	61,110	61,360	61,247	61,630	61,961	61,798	62,095	63,102	63,724	64,785	744,639
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		58,841	58,363	59,045	59,377	59,285	59,703	60,015	59,862	60,072	60,977	61,543	62,560	719,643
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		58,841	58,363	59,045	59,377	59,285	59,703	60,015	59,862	60,072	60,977	61,543	62,560	719,643

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning Balances: Crist, \$2,355,715; Scholz \$486,600; Smith \$685,842; Daniel \$597,364. Ending Balances: Crist, \$2,433,080; Scholz \$566,600; Smith \$685,842; Daniel \$682,956
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Crist: 3.9%; Smith 3.3%; Scholz 2.9%; Daniel 2.8% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

12

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Sub. Contam. Mobile Groundwater Treat. Sys.
P.E. 1007, 3400, & 3412
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394	929,394
3	Less: Accumulated Depreciation ©	(123,652)	(125,564)	(127,476)	(129,388)	(131,300)	(133,212)	(135,124)	(137,036)	(138,948)	(140,860)	(142,772)	(144,684)	(146,595)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	805,742	803,830	801,918	800,006	798,094	796,182	794,270	792,358	790,446	788,534	786,622	784,710	782,799	
6	Average Net Investment		804,786	802,874	800,962	799,050	797,138	795,226	793,314	791,402	789,490	787,578	785,666	783,755	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		5,913	5,899	5,885	5,871	5,857	5,843	5,828	5,814	5,800	5,786	5,772	5,758	70,026
b	Debt Component (Line 6 x Debt Component x 1/12)		1,680	1,676	1,672	1,668	1,664	1,660	1,656	1,652	1,648	1,644	1,640	1,636	19,896
8	Investment Expenses														
a	Depreciation (E)		1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,912	1,911	22,943
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		9,504	9,487	9,468	9,451	9,433	9,414	9,397	9,379	9,360	9,343	9,324	9,306	112,865
a	Recoverable Costs Allocated to Energy		731	730	728	727	726	724	723	721	719	719	718	716	8,682
b	Recoverable Costs Allocated to Demand		8,773	8,757	8,740	8,724	8,707	8,690	8,674	8,658	8,641	8,624	8,606	8,590	104,184
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		705	700	703	704	703	701	700	698	696	695	693	691	8,389
13	Retail Demand-Related Recoverable Costs (I)		8,479	8,464	8,447	8,432	8,415	8,399	8,383	8,368	8,351	8,335	8,318	8,302	100,693
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		9,184	9,164	9,150	9,136	9,118	9,100	9,083	9,066	9,047	9,030	9,011	8,993	109,082

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning and ending balance for depreciable property: \$918,024
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Part of PE 1007 depreciable at 2.5% annually, PEs 3400 and 3412 depreciable at 2.5% annually
- (F) The amortizable portion of PE 1007 is fully amortized
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

10

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Raw Water Well Flowmeters - Plants Crist & Smith
P.E. 1155 & 1606
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943	242,943
3	Less: Accumulated Depreciation ©	(31,207)	(31,950)	(32,693)	(33,436)	(34,179)	(34,922)	(35,665)	(36,408)	(37,151)	(37,894)	(38,637)	(39,380)	(40,123)	(40,123)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	211,736	210,993	210,250	209,507	208,764	208,021	207,278	206,535	205,792	205,049	204,306	203,563	202,820	
6	Average Net Investment		211,365	210,622	209,879	209,136	208,393	207,650	206,907	206,164	205,421	204,678	203,935	203,192	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		1,553	1,547	1,542	1,537	1,531	1,526	1,520	1,515	1,509	1,504	1,498	1,493	18,275
b	Debt Component (Line 6 x Debt Component x 1/12)		441	440	438	436	435	433	432	430	429	427	426	424	5,191
8	Investment Expenses														
a	Depreciation (E)		743	743	743	743	743	743	743	743	743	743	743	743	8,916
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		2,737	2,731	2,723	2,715	2,709	2,701	2,695	2,688	2,682	2,674	2,667	2,660	32,382
a	Recoverable Costs Allocated to Energy		210	210	210	209	208	208	207	207	207	205	205	205	2,491
b	Recoverable Costs Allocated to Demand		2,527	2,521	2,513	2,506	2,501	2,493	2,488	2,481	2,475	2,469	2,462	2,455	29,891
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		203	201	203	202	201	201	200	201	200	198	198	198	2,406
13	Retail Demand-Related Recoverable Costs (I)		2,442	2,437	2,429	2,422	2,417	2,409	2,405	2,398	2,392	2,386	2,379	2,373	28,889
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,645	2,638	2,632	2,624	2,618	2,610	2,605	2,599	2,592	2,584	2,577	2,571	31,295

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning and Ending Balances: Crist, \$149,920 and Smith \$93,023
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Crist 3.9%; Smith 3.3% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist Cooling Tower Cell
P.E. 1232
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659	906,659
3	Less: Accumulated Depreciation ©	(373,585)	(376,737)	(379,888)	(383,040)	(386,191)	(389,342)	(392,493)	(395,645)	(398,797)	(401,948)	(405,100)	(408,251)	(411,402)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	533,074	529,922	526,771	523,619	520,468	517,317	514,166	511,014	507,862	504,711	501,559	498,408	495,257	
6	Average Net Investment		531,498	528,347	525,195	522,044	518,893	515,742	512,590	509,438	506,287	503,135	499,984	496,833	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		3,905	3,882	3,859	3,835	3,812	3,789	3,766	3,743	3,720	3,697	3,673	3,650	45,331
b	Debt Component (Line 6 x Debt Component x 1/12)		1,109	1,103	1,096	1,090	1,083	1,076	1,070	1,063	1,057	1,050	1,043	1,037	12,877
8	Investment Expenses														
a	Depreciation (E)		2,947	2,947	2,947	2,947	2,947	2,947	2,947	2,947	2,947	2,947	2,947	2,947	35,364
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		205	204	205	204	204	204	205	205	204	205	204	204	2,453
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		8,166	8,136	8,107	8,076	8,046	8,016	7,988	7,958	7,928	7,899	7,867	7,838	96,025
a	Recoverable Costs Allocated to Energy		628	626	624	621	619	617	614	612	610	608	605	603	7,387
b	Recoverable Costs Allocated to Demand		7,538	7,510	7,483	7,455	7,427	7,399	7,374	7,346	7,318	7,291	7,262	7,235	88,638
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		606	600	603	601	599	598	595	593	590	588	584	582	7,139
13	Retail Demand-Related Recoverable Costs (I)		7,285	7,258	7,232	7,205	7,178	7,151	7,127	7,100	7,073	7,047	7,019	6,993	85,668
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		7,891	7,858	7,835	7,806	7,777	7,749	7,722	7,693	7,663	7,635	7,603	7,575	92,807

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist 1-5 Dechlorination
P.E. 1248
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323	305,323
3	Less: Accumulated Depreciation ©	(102,806)	(103,798)	(104,790)	(105,782)	(106,774)	(107,766)	(108,758)	(109,750)	(110,742)	(111,734)	(112,726)	(113,718)	(114,710)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	202,517	201,525	200,533	199,541	198,549	197,557	196,565	195,573	194,581	193,589	192,597	191,605	190,613	
6	Average Net Investment		202,021	201,029	200,037	199,045	198,053	197,061	196,069	195,077	194,085	193,093	192,101	191,109	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		1,484	1,477	1,470	1,462	1,455	1,448	1,441	1,433	1,426	1,419	1,411	1,404	17,330
b	Debt Component (Line 6 x Debt Component x 1/12)		422	420	417	415	413	411	409	407	405	403	401	399	4,922
8	Investment Expenses														
a	Depreciation (E)		992	992	992	992	992	992	992	992	992	992	992	992	11,904
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		2,898	2,889	2,879	2,869	2,860	2,851	2,842	2,832	2,823	2,814	2,804	2,795	34,156
a	Recoverable Costs Allocated to Energy		223	222	221	221	220	219	219	218	217	216	216	215	2,627
b	Recoverable Costs Allocated to Demand		2,675	2,667	2,658	2,648	2,640	2,632	2,623	2,614	2,606	2,598	2,588	2,580	31,529
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		215	213	214	214	213	212	212	211	210	209	209	208	2,540
13	Retail Demand-Related Recoverable Costs (I)		2,585	2,578	2,569	2,559	2,552	2,544	2,535	2,526	2,519	2,511	2,501	2,494	30,473
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,800	2,791	2,783	2,773	2,765	2,756	2,747	2,737	2,729	2,720	2,710	2,702	33,013

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

10

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist Diesel Fuel Oil Remediation
P.E. 1270
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923
3	Less: Accumulated Depreciation ©	(16,909)	(17,133)	(17,357)	(17,581)	(17,805)	(18,029)	(18,253)	(18,477)	(18,701)	(18,925)	(19,149)	(19,373)	(19,597)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	52,014	51,790	51,566	51,342	51,118	50,894	50,670	50,446	50,222	49,998	49,774	49,550	49,326	
6	Average Net Investment		51,902	51,678	51,454	51,230	51,006	50,782	50,558	50,334	50,110	49,886	49,662	49,438	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		381	380	378	376	375	373	371	370	368	367	365	363	4,467
b	Debt Component (Line 6 x Debt Component x 1/12)		108	108	107	107	106	106	106	105	105	104	104	103	1,269
8	Investment Expenses														
a	Depreciation (E)		224	224	224	224	224	224	224	224	224	224	224	224	2,688
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		713	712	709	707	705	703	701	699	697	695	693	690	8,424
a	Recoverable Costs Allocated to Energy		55	55	55	54	54	54	54	54	54	53	53	53	648
b	Recoverable Costs Allocated to Demand		658	657	654	653	651	649	647	645	643	642	640	637	7,776
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		53	53	53	52	52	52	52	52	52	51	51	51	624
13	Retail Demand-Related Recoverable Costs (I)		636	635	632	631	629	627	625	623	621	620	619	616	7,514
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		689	688	685	683	681	679	677	675	673	671	670	667	8,138

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist Bulk Tanker Unload Sec Contain Struc
P.E. 1271
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495
3	Less: Accumulated Depreciation ©	(34,110)	(34,440)	(34,770)	(35,100)	(35,430)	(35,760)	(36,090)	(36,420)	(36,750)	(37,080)	(37,410)	(37,740)	(38,070)	(38,070)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	67,385	67,055	66,725	66,395	66,065	65,735	65,405	65,075	64,745	64,415	64,085	63,755	63,425	
6	Average Net Investment		67,220	66,890	66,560	66,230	65,900	65,570	65,240	64,910	64,580	64,250	63,920	63,590	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		494	491	489	487	484	482	479	477	474	472	470	467	5,766
b	Debt Component (Line 6 x Debt Component x 1/12)		140	140	139	138	138	137	136	135	135	134	133	133	1,638
8	Investment Expenses														
a	Depreciation (E)		330	330	330	330	330	330	330	330	330	330	330	330	3,960
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		964	961	958	955	952	949	945	942	939	936	933	930	11,364
a	Recoverable Costs Allocated to Energy		74	74	74	73	73	73	73	72	72	72	72	72	874
b	Recoverable Costs Allocated to Demand		890	887	884	882	879	876	872	870	867	864	861	858	10,490
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		71	71	71	71	71	71	71	70	70	70	70	70	847
13	Retail Demand-Related Recoverable Costs (I)		860	857	854	852	850	847	843	841	838	835	832	829	10,138
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		931	928	925	923	921	918	914	911	908	905	902	899	10,985

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

18

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist IWW Sampling System
P.E. 1275
(in Dollars).

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543
3	Less: Accumulated Depreciation ©	(20,330)	(20,524)	(20,718)	(20,912)	(21,106)	(21,300)	(21,494)	(21,688)	(21,882)	(22,076)	(22,270)	(22,464)	(22,658)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	39,213	39,019	38,825	38,631	38,437	38,243	38,049	37,855	37,661	37,467	37,273	37,079	36,885	
6	Average Net Investment		39,116	38,922	38,728	38,534	38,340	38,146	37,952	37,758	37,564	37,370	37,176	36,982	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		287	286	285	283	282	280	279	277	276	275	273	272	3,355
b	Debt Component (Line 6 x Debt Component x 1/12)		82	81	81	80	80	80	79	79	78	78	78	77	953
8	Investment Expenses														
a	Depreciation (E)		194	194	194	194	194	194	194	194	194	194	194	194	2,328
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		563	561	560	557	556	554	552	550	548	547	545	543	6,636
a	Recoverable Costs Allocated to Energy		43	43	43	43	43	43	42	42	42	42	42	42	510
b	Recoverable Costs Allocated to Demand		520	518	517	514	513	511	510	508	506	505	503	501	6,126
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		41	41	42	42	42	42	41	41	41	41	41	41	496
13	Retail Demand-Related Recoverable Costs (I)		503	501	500	497	496	494	493	491	489	488	486	484	5,922
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		544	542	542	539	538	536	534	532	530	529	527	525	6,418

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

19

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Smith Sodium Injection System
P.E. 1413
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497	106,497
3	Less: Accumulated Depreciation ©	(17,502)	(17,795)	(18,088)	(18,381)	(18,674)	(18,967)	(19,260)	(19,553)	(19,846)	(20,139)	(20,432)	(20,725)	(21,018)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	88,995	88,702	88,409	88,116	87,823	87,530	87,237	86,944	86,651	86,358	86,065	85,772	85,479	
6	Average Net Investment		88,849	88,556	88,263	87,970	87,677	87,384	87,091	86,798	86,505	86,212	85,919	85,626	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		653	651	648	646	644	642	640	638	636	633	631	629	7,691
b	Debt Component (Line 6 x Debt Component x 1/12)		185	185	184	184	183	182	182	181	181	180	179	179	2,185
8	Investment Expenses														
a	Depreciation (E)		293	293	293	293	293	293	293	293	293	293	293	293	3,516
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		1,131	1,129	1,125	1,123	1,120	1,117	1,115	1,112	1,110	1,106	1,103	1,101	13,392
a	Recoverable Costs Allocated to Energy		1,131	1,129	1,125	1,123	1,120	1,117	1,115	1,112	1,110	1,106	1,103	1,101	13,392
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		1,092	1,083	1,087	1,087	1,084	1,082	1,080	1,077	1,074	1,069	1,065	1,063	12,943
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		1,092	1,083	1,087	1,087	1,084	1,082	1,080	1,077	1,074	1,069	1,065	1,063	12,943

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.3% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

20

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Smith Stormwater Collection System
P.E. 1446
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600
3	Less: Accumulated Depreciation ©	(803,610)	(811,262)	(818,914)	(826,566)	(834,218)	(841,870)	(849,522)	(857,174)	(864,826)	(872,478)	(880,130)	(887,782)	(895,434)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	1,978,990	1,971,338	1,963,686	1,956,034	1,948,382	1,940,730	1,933,078	1,925,426	1,917,774	1,910,122	1,902,470	1,894,818	1,887,166	
6	Average Net Investment		1,975,164	1,967,512	1,959,860	1,952,208	1,944,556	1,936,904	1,929,252	1,921,600	1,913,948	1,906,296	1,898,644	1,890,992	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		14,512	14,455	14,399	14,343	14,287	14,230	14,174	14,118	14,062	14,006	13,949	13,893	170,428
b	Debt Component (Line 6 x Debt Component x 1/12)		4,122	4,106	4,090	4,074	4,058	4,042	4,026	4,010	3,994	3,978	3,962	3,947	48,409
8	Investment Expenses														
a	Depreciation (E)		7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	91,824
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		26,286	26,213	26,141	26,069	25,997	25,924	25,852	25,780	25,708	25,636	25,563	25,492	310,661
a	Recoverable Costs Allocated to Energy		2,022	2,016	2,011	2,005	2,000	1,994	1,989	1,983	1,978	1,972	1,966	1,961	23,897
b	Recoverable Costs Allocated to Demand		24,264	24,197	24,130	24,064	23,997	23,930	23,863	23,797	23,730	23,664	23,597	23,531	286,764
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		1,951	1,933	1,943	1,940	1,936	1,932	1,927	1,921	1,914	1,906	1,899	1,894	23,096
13	Retail Demand-Related Recoverable Costs (I)		23,451	23,386	23,321	23,258	23,193	23,128	23,063	22,999	22,935	22,871	22,806	22,742	277,153
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		25,402	25,319	25,264	25,198	25,129	25,060	24,990	24,920	24,849	24,777	24,705	24,636	300,249

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.3% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Smith Waste Water
P.E. 1466 & 1643
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	568	(10)	406	166	4,886	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	143,552	166	4,886	0	0	0	0	0	0	0
c	Retirements		0	0	0	149,951	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	175,200	175,200	175,200	175,200	168,801	168,967	173,853	173,853	173,853	173,853	173,853	173,853	173,853	173,853
3	Less: Accumulated Depreciation ©	(55,071)	(55,553)	(56,035)	(56,517)	92,961	92,496	92,025	91,547	91,069	90,591	90,113	89,635	89,157	89,157
4	CWIP - Non Interest Bearing	142,588	142,588	143,156	143,146	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	262,717	262,235	262,321	261,829	261,762	261,463	265,878	265,400	264,922	264,444	263,966	263,488	263,010	
6	Average Net Investment		262,476	262,278	262,075	261,796	261,613	263,671	265,640	265,162	264,684	264,206	263,728	263,250	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		1,928	1,927	1,925	1,923	1,922	1,937	1,952	1,948	1,945	1,941	1,938	1,934	23,220
b	Debt Component (Line 6 x Debt Component x 1/12)		548	547	547	546	546	550	554	553	552	551	550	549	6,593
8	Investment Expenses														
a	Depreciation (E)		482	482	482	473	465	471	478	478	478	478	478	478	5,723
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		2,959	2,956	2,955	2,942	2,933	2,958	2,984	2,980	2,976	2,970	2,966	2,961	35,536
a	Recoverable Costs Allocated to Energy		227	227	228	226	226	228	230	229	229	229	229	228	2,736
b	Recoverable Costs Allocated to Demand		2,732	2,729	2,727	2,716	2,707	2,730	2,754	2,751	2,747	2,741	2,737	2,733	32,804
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		219	218	220	219	219	221	223	222	222	221	221	220	2,645
13	Retail Demand-Related Recoverable Costs (I)		2,640	2,638	2,636	2,625	2,616	2,639	2,662	2,659	2,655	2,649	2,645	2,641	31,705
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,859	2,856	2,856	2,844	2,835	2,860	2,885	2,881	2,877	2,870	2,866	2,861	34,350

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Smith 3.3% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

29

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Daniel Ash Management Project
P.E. 1535 & 1555
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		(4,218)	3,338	58	(636)	9,684	1,578	10,000	10,000	14,000	14,400	17,500	19,768	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	13,242,469	
3	Less: Accumulated Depreciation ©	(4,306,292)	(4,347,010)	(4,387,728)	(4,428,446)	(4,469,164)	(4,509,882)	(4,550,600)	(4,591,318)	(4,632,036)	(4,672,754)	(4,713,472)	(4,754,190)	(4,794,908)	
4	CWIP - Non Interest Bearing	291,412	287,194	290,532	290,590	289,954	299,638	301,216	311,216	321,216	335,216	349,616	367,116	386,884	
5	Net Investment (Lines 2 - 3 + 4)	9,227,589	9,182,653	9,145,273	9,104,613	9,063,259	9,032,225	8,993,085	8,962,367	8,931,649	8,904,931	8,878,613	8,855,395	8,834,445	
6	Average Net Investment		9,205,121	9,163,963	9,124,943	9,083,936	9,047,742	9,012,655	8,977,726	8,947,008	8,918,290	8,891,772	8,867,004	8,844,920	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		67,630	67,328	67,041	66,740	66,474	66,216	65,959	65,734	65,523	65,328	65,146	64,984	794,103
b	Debt Component (Line 6 x Debt Component x 1/12)		19,211	19,125	19,044	18,958	18,883	18,809	18,737	18,672	18,612	18,557	18,505	18,459	225,572
8	Investment Expenses														
a	Depreciation (E)		30,895	30,895	30,895	30,895	30,895	30,895	30,895	30,895	30,895	30,895	30,895	30,895	370,740
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		9,823	9,823	9,823	9,823	9,823	9,823	9,823	9,823	9,823	9,823	9,823	9,823	117,876
d	Property Taxes		26,876	26,876	26,876	26,876	26,876	26,876	26,876	26,876	26,876	26,876	26,876	26,876	322,512
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		154,435	154,047	153,679	153,292	152,951	152,619	152,290	152,000	151,729	151,479	151,245	151,037	1,830,803
a	Recoverable Costs Allocated to Energy		11,880	11,850	11,821	11,792	11,765	11,740	11,715	11,692	11,671	11,652	11,634	11,618	140,830
b	Recoverable Costs Allocated to Demand		142,555	142,197	141,858	141,500	141,186	140,879	140,575	140,308	140,058	139,827	139,611	139,419	1,689,973
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		11,465	11,364	11,422	11,411	11,388	11,373	11,347	11,326	11,291	11,260	11,236	11,219	136,102
13	Retail Demand-Related Recoverable Costs (I)		137,778	137,432	137,104	136,758	136,454	136,158	135,864	135,606	135,364	135,141	134,932	134,747	1,633,338
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		149,243	148,796	148,526	148,169	147,842	147,531	147,211	146,932	146,655	146,401	146,168	145,966	1,769,440

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 2.8% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

23

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Smith Water Conservation
P.E. 1620, 1638
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	60,000	60,000	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	120,000	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	47,906	167,906	
3	Less: Accumulated Depreciation ©	(4,940)	(5,072)	(5,204)	(5,336)	(5,468)	(5,600)	(5,732)	(5,864)	(5,996)	(6,128)	(6,260)	(6,392)	(6,689)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	60,000	0
5	Net Investment (Lines 2 - 3 + 4)	42,966	42,834	42,702	42,570	42,438	42,306	42,174	42,042	41,910	41,778	41,646	101,514	161,217	
6	Average Net Investment		42,900	42,768	42,636	42,504	42,372	42,240	42,108	41,976	41,844	41,712	71,580	131,366	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		315	314	313	312	311	310	309	308	307	306	525	966	4,596
b	Debt Component (Line 6 x Debt Component x 1/12)		90	89	89	89	88	88	88	88	87	87	150	275	1,308
8	Investment Expenses														
a	Depreciation (E)		132	132	132	132	132	132	132	132	132	132	132	297	1,749
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		537	535	534	533	531	530	529	528	526	525	807	1,538	7,653
a	Recoverable Costs Allocated to Energy		41	41	41	41	41	41	41	41	40	40	62	118	588
b	Recoverable Costs Allocated to Demand		496	494	493	492	490	489	488	487	486	485	745	1,420	7,065
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		40	39	40	40	40	40	40	40	39	39	60	114	571
13	Retail Demand-Related Recoverable Costs (I)		479	477	476	476	474	473	472	471	470	469	720	1,372	6,829
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		519	516	516	516	514	513	512	511	509	508	780	1,486	7,400

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.3% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

24

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Underground Fuel Tank Replacement
P.E. 4397
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919	457,919
3	Less: Accumulated Depreciation ©	(457,919)	(457,919)	(457,919)	(457,919)	(457,919)	(457,919)	(457,919)	(457,919)	(457,919)	(457,919)	(457,919)	(457,919)	(457,919)	(457,919)
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Average Net Investment		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 6 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	0
a	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Applicable depreciation rate or rates.
- (F) 7 year amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist FDEP Agreement for Ozone Attainment
P.E. 1199 & 1287
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		1,272	630,497	(585,559)	66,486,807	3,750,402	2,595,310	977,000	500,000	103,959	0	16,079,434	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	39,264,606	39,265,878	39,896,375	39,310,816	105,797,623	109,548,025	112,143,335	113,120,335	113,620,335	113,724,294	113,724,294	129,803,728	129,803,728	
3	Less: Accumulated Depreciation ©	(1,078,479)	(1,206,091)	(1,334,730)	(1,463,442)	(1,699,243)	(2,049,180)	(2,409,428)	(2,775,482)	(3,143,936)	(3,513,371)	(3,882,975)	(4,278,708)	(4,700,570)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	<u>38,186,127</u>	<u>38,059,787</u>	<u>38,561,645</u>	<u>37,847,374</u>	<u>104,098,380</u>	<u>107,498,845</u>	<u>109,733,907</u>	<u>110,344,853</u>	<u>110,476,399</u>	<u>110,210,923</u>	<u>109,841,319</u>	<u>125,525,020</u>	<u>125,103,158</u>	
6	Average Net Investment		38,122,957	38,310,716	38,204,510	70,972,877	105,798,613	108,616,376	110,039,380	110,410,626	110,343,661	110,026,121	117,683,170	125,314,089	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		280,089	281,469	280,689	521,438	777,302	798,005	808,459	811,187	810,695	808,362	864,618	920,683	7,962,996
b	Debt Component (Line 6 x Debt Component x 1/12)		79,563	79,954	79,733	148,120	220,802	226,682	229,652	230,427	230,287	229,625	245,605	261,531	2,261,981
8	Investment Expenses														
a	Depreciation (E)		127,612	128,639	128,712	235,801	349,937	360,248	366,054	368,454	369,435	369,604	395,733	421,862	3,622,091
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		487,264	490,062	489,134	905,359	1,348,041	1,384,935	1,404,165	1,410,068	1,410,417	1,407,591	1,505,956	1,604,076	13,847,068
a	Recoverable Costs Allocated to Energy		487,264	490,062	489,134	905,359	1,348,041	1,384,935	1,404,165	1,410,068	1,410,417	1,407,591	1,505,956	1,604,076	13,847,068
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		470,258	469,968	472,608	876,104	1,304,866	1,341,630	1,360,053	1,365,886	1,364,476	1,360,188	1,454,419	1,548,991	13,389,447
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		<u>470,258</u>	<u>469,968</u>	<u>472,608</u>	<u>876,104</u>	<u>1,304,866</u>	<u>1,341,630</u>	<u>1,360,053</u>	<u>1,365,886</u>	<u>1,364,476</u>	<u>1,360,188</u>	<u>1,454,419</u>	<u>1,548,991</u>	<u>13,389,447</u>

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) Applicable depreciation rate or rates.
- (F) Crist: 3.9%
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist Storm Water Projects - Switchyard & Other Areas
P.E. 1272
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		137	1,803	6,883	2,715	4,629	4,483	5,000	5,000	5,000	20,000	100,000	25,554	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	250,000	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	250,000	
3	Less: Accumulated Depreciation ©	0	0	0	0	0	0	0	0	0	0	0	0	(406)	
4	CWIP - Non Interest Bearing	68,796	68,933	70,736	77,619	80,334	84,963	89,446	94,446	99,446	104,446	124,446	224,446	0	
5	Net Investment (Lines 2 - 3 + 4)	68,796	68,933	70,736	77,619	80,334	84,963	89,446	94,446	99,446	104,446	124,446	224,446	249,594	
6	Average Net Investment		68,865	69,835	74,178	78,977	82,649	87,205	91,946	96,946	101,946	114,446	174,446	237,020	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		506	513	545	580	607	641	676	712	749	841	1,282	1,741	9,393
b	Debt Component (Line 6 x Debt Component x 1/12)		144	146	155	165	172	182	192	202	213	239	364	495	2,669
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	406	406
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	650	659	700	745	779	823	868	914	962	1,080	1,646	2,642	12,468	
a	Recoverable Costs Allocated to Energy	50	51	54	57	60	63	67	70	74	83	127	203	959	
b	Recoverable Costs Allocated to Demand	600	608	646	688	719	760	801	844	888	997	1,519	2,439	11,509	
10	Energy Jurisdictional Factor	0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838		
11	Demand Jurisdictional Factor	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872		
12	Retail Energy-Related Recoverable Costs (H)	48	49	52	55	58	61	65	68	72	80	123	196	927	
13	Retail Demand-Related Recoverable Costs (I)	580	588	624	665	695	735	774	816	858	964	1,468	2,357	11,124	
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	628	637	676	720	753	796	839	884	930	1,044	1,591	2,553	12,051	

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

27

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Crist Common FTIR Monitor
P.E. 1297
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	62,871	62,871	62,871	62,871	62,871	62,871	62,871	62,871	62,871	62,871	62,871	62,871	62,871	62,871
3	Less: Accumulated Depreciation ©	(1,042)	(1,246)	(1,450)	(1,654)	(1,858)	(2,062)	(2,266)	(2,470)	(2,674)	(2,878)	(3,082)	(3,286)	(3,490)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 - 3 + 4)	61,829	61,625	61,421	61,217	61,013	60,809	60,605	60,401	60,197	59,993	59,789	59,585	59,381	
6	Average Net Investment		61,727	61,523	61,319	61,115	60,911	60,707	60,503	60,299	60,095	59,891	59,687	59,483	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		454	452	451	449	448	446	445	443	442	440	439	437	5,346
b	Debt Component (Line 6 x Debt Component x 1/12)		129	128	128	128	127	127	126	126	125	125	125	124	1,518
8	Investment Expenses														
a	Depreciation (E)		204	204	204	204	204	204	204	204	204	204	204	204	2,448
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		787	784	783	781	779	777	775	773	771	769	768	765	9,312
a	Recoverable Costs Allocated to Energy		787	784	783	781	779	777	775	773	771	769	768	765	9,312
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		760	752	757	756	754	753	751	749	746	743	742	739	9,002
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		760	752	757	756	754	753	751	749	746	743	742	739	9,002

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.9% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

28

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Capital Investments, Depreciation and Taxes
For Project: Precipitator Upgrades for CAM Compliance
P.E. 1462
(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Expenditures/Additions		2,925,705	129,155	1,464,763	951,905	503,958	122,376	50,000	100,000	100,000	50,023	0	0	
b	Clearings to Plant		0	0	0	5,471,528	503,958	122,376	0	0	0	0	0	0	
c	Retirements		0	0	0	0	2,147,877	0	0	(2,147,877)	0	0	0	0	
d	Cost of Removal		94,021	591,287	(46,403)	84,107	42,140	557	0	(765,709)	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	5,471,528	3,827,609	3,949,985	3,949,985	6,097,862	6,097,862	6,097,862	6,097,862	6,097,862	
3	Less: Accumulated Depreciation ©	0	94,021	685,308	638,905	715,489	2,892,720	2,882,583	2,871,721	(55,681)	(72,450)	(89,219)	(105,988)	(122,757)	
4	CWIP - Non Interest Bearing	0	2,925,705	3,054,860	4,519,623	0	0	0	50,000	150,000	250,000	300,023	300,023	300,023	
5	Net Investment (Lines 2 - 3 + 4)	0	3,019,726	3,740,168	5,158,528	6,187,017	6,720,329	6,832,568	6,871,706	6,192,181	6,275,412	6,308,666	6,291,897	6,275,128	
6	Average Net Investment		1,509,863	3,379,947	4,449,348	5,672,773	6,453,673	6,776,449	6,852,137	6,531,944	6,233,797	6,292,039	6,300,282	6,283,513	
7	Return on Average Net Investment														
a	Equity Component Grossed Up For Taxes (D)		11,093	24,832	32,689	41,678	47,415	49,787	50,343	47,990	45,800	46,228	46,288	46,165	490,308
b	Debt Component (Line 6 x Debt Component x 1/12)		3,151	7,054	9,286	11,839	13,469	14,142	14,300	13,632	13,010	13,131	13,149	13,114	139,277
8	Investment Expenses														
a	Depreciation (E)		0	0	0	7,523	12,786	10,694	10,862	13,816	16,769	16,769	16,769	16,769	122,757
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		14,244	31,886	41,975	61,040	73,670	74,623	75,505	75,438	75,579	76,128	76,206	76,048	752,342
a	Recoverable Costs Allocated to Energy		14,244	31,886	41,975	61,040	73,670	74,623	75,505	75,438	75,579	76,128	76,206	76,048	752,342
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (H)		13,747	30,579	40,557	59,068	71,311	72,290	73,133	73,074	73,117	73,564	73,598	73,436	727,474
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		13,747	30,579	40,557	59,068	71,311	72,290	73,133	73,074	73,117	73,564	73,598	73,436	727,474

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Applicable beginning of period and end of period depreciable base by production plant names (s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 12%.
- (E) 3.3% annually
- (F) Applicable amortization period
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0007 line loss multiplier
- (I) Line 9b x Line 11

29

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Current Period Estimated True-Up Amount
January 2005 - December 2005

Return on Working Capital, SO2 Expenses
For Project: SO2 Allowances

(in Dollars)

Line	Description	Beginning of Period Amount	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Estimated July	Estimated August	Estimated September	Estimated October	Estimated November	Estimated December	End of Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	889,404	(62,753)	0	0	0	0	0	0	0
2	Working Capital														
a	FERC 158.1 Allowance Inventory	11,212	10,701	10,381	10,093	9,791	9,321	8,812	8,330	7,735	7,254	6,891	6,548	6,064	
b	FERC 158.2 Allowances Withheld	0	0	0	0	0	0	0	0	0	0	0	0	0	
c	FERC 182.3 Other Regl. Assets - Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	
d	FERC 254 Regulatory Liabilities - Gains	(683,864)	(675,659)	(667,454)	(659,249)	(651,044)	(1,454,092)	(1,313,948)	(1,236,556)	(1,159,165)	(1,081,773)	(1,004,381)	(926,989)	(849,598)	
3	Total Working Capital Balance	(672,652)	(664,958)	(657,073)	(649,156)	(641,253)	(1,444,771)	(1,305,136)	(1,228,226)	(1,151,430)	(1,074,519)	(997,490)	(920,441)	(843,534)	
4	Average Net Working Capital Balance		(668,805)	(661,016)	(653,115)	(645,205)	(1,043,012)	(1,374,954)	(1,266,681)	(1,189,828)	(1,112,975)	(1,036,005)	(958,966)	(881,988)	
5	Return on Average Net Working Capital Balance														
a	Equity Component Grossed Up For Taxes (A)		(4,914)	(4,856)	(4,798)	(4,740)	(7,663)	(10,102)	(9,306)	(8,742)	(8,177)	(7,612)	(7,046)	(6,480)	(84,436)
b	Debt Component (Line 4 x 3.5137% x 1/12)		(1,396)	(1,380)	(1,363)	(1,347)	(2,177)	(2,870)	(2,644)	(2,483)	(2,323)	(2,162)	(2,001)	(1,841)	(23,987)
6	Total Return Component (D)		(6,310)	(6,236)	(6,161)	(6,087)	(9,840)	(12,972)	(11,950)	(11,225)	(10,500)	(9,774)	(9,047)	(8,321)	(108,423)
7	Expenses														
a	Gains		(8,205)	(8,205)	(8,205)	(8,205)	(86,356)	(77,391)	(77,392)	(77,391)	(77,392)	(77,392)	(77,392)	(77,391)	(660,917)
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	SO2 Allowance Expense		511	320	288	302	470	509	482	595	481	363	343	484	5,148
8	Net Expenses (E)		(7,694)	(7,885)	(7,917)	(7,903)	(85,886)	(76,882)	(76,910)	(76,796)	(76,911)	(77,029)	(77,049)	(76,907)	(655,769)
9	Total System Recoverable Expenses (Lines 6 + 7)		(14,004)	(14,121)	(14,078)	(13,990)	(95,726)	(89,854)	(88,860)	(88,021)	(87,411)	(86,803)	(86,096)	(85,228)	(764,192)
a	Recoverable Costs Allocated to Energy		(14,004)	(14,121)	(14,078)	(13,990)	(95,726)	(89,854)	(88,860)	(88,021)	(87,411)	(86,803)	(86,096)	(85,228)	(764,192)
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9644229	0.9583266	0.9655376	0.9670102	0.9672950	0.9680538	0.9679076	0.9679891	0.9667504	0.9656476	0.9651021	0.9649838	
11	Demand Jurisdictional Factor		0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	0.9664872	
12	Retail Energy-Related Recoverable Costs (B)		(13,515)	(13,542)	(13,602)	(13,538)	(92,660)	(87,044)	(86,068)	(85,263)	(84,564)	(83,880)	(83,150)	(82,301)	(739,127)
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		(13,515)	(13,542)	(13,602)	(13,538)	(92,660)	(87,044)	(86,068)	(85,263)	(84,564)	(83,880)	(83,150)	(82,301)	(739,127)

Notes:

- (A) Line 4 x Equity Component x 1/12. Based on ROE of 12% and weighted income tax rate of 38.575%
- (B) Line 9a x Line 10 x 1.0007 line loss multiplier
- (C) Line 9b x Line 11
- (D) Line 6 is reported on Schedule 6E and 7E
- (E) Line 8 is reported on Schedule 4E and 5E

30