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February 28, 2006

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

Dear Ms. Bayo:

Re: Docket No. 060001-EI

Enclosed for filing in Docket No. 060001-EI are an original and ten copies of the following:

1. Prepared Direct Testimony of H. R. Ball
2. Prepared Direct Testimony of Terry A. Davis.

Sincerely,

A handwritten signature in cursive script that reads "Susan D. Peterson".

bh

Enclosures

cc: Beggs and Lane  
Jeffrey A. Stone, Esq.

*BALL*  
DOCUMENT NUMBER-DATE

01780 MAR-1 06

FPSC-COMMISSION CLERK

*DAVIS*  
DOCUMENT NUMBER-DATE

01781 MAR-1 06

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Fuel and Purchased Power Cost )  
Recovery Clause with Generating )  
Performance Incentive Factor )  
\_\_\_\_\_ )

Docket No. 060001-EI

Certificate of Service

I HEREBY CERTIFY that a true copy of the foregoing was furnished by hand delivery or the U. S. Mail this 28th day of February, 2006, on the following:

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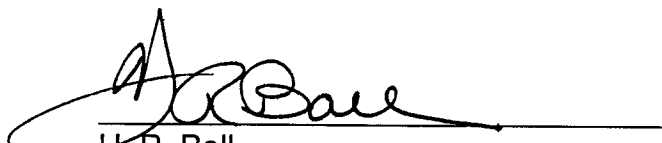
Attorneys for Gulf Power Company

AFFIDAVIT


STATE OF FLORIDA     )  
                                  )  
COUNTY OF ESCAMBIA )

Docket No. 060001-EI

Before me the undersigned authority, personally appeared H. R. Ball, who being first duly sworn, deposes, and says that he is the Fuel Manager at Gulf Power Company, a FloridaMaine corporation, and that the foregoing is true and correct to the best of his knowledge, information, and belief. He is personally known to me.

  
H. R. Ball  
Fuel Manager

Sworn to and subscribed before me this 28th day of February, 2006

  
Notary Public, State of Florida at Large

Commission Number:

Commission Expires:



**GULF POWER COMPANY**

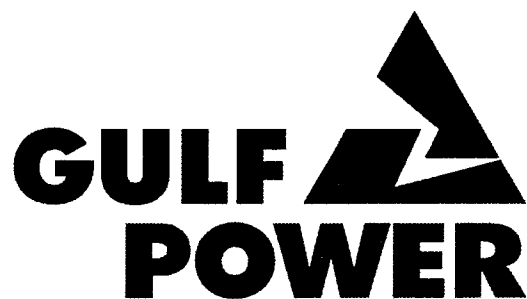
**Before the Florida Public Service  
Commission**

**Prepared Direct Testimony & Exhibit of**

**H. R. Ball**

**Docket No. 060001-EI**

**Date of Filing: March 1, 2006**



**A SOUTHERN COMPANY**

DOCUMENT NUMBER-DATE

01780 MAR-1 8

FPSC-COMMISSION CLERK

1 GULF POWER COMPANY

2 Before the Florida Public Service Commission

3 Prepared Direct Testimony and Exhibit of

4 H. R. Ball

Docket No. 060001-EI

Date of Filing: March 1, 2006

5 Q. Please state your name, business address and occupation.

6 A. My name is H. R. Ball. My business address is One Energy Place,  
7 Pensacola, Florida 32520-0780. I am the Fuel Manager for Gulf Power  
8 Company.

9  
10 Q. Please briefly describe your educational background and business  
11 experience.

12 A. I graduated from the University of Southern Mississippi in Hattiesburg,  
13 Mississippi in 1978 with a Bachelor of Science Degree in Chemistry and  
14 graduated from the University of Southern Mississippi in Long Beach,  
15 Mississippi in 1988 with a Masters of Business Administration. My  
16 employment with the Southern Company began in 1978 at Mississippi  
17 Power's (MPC) Plant Daniel as a Plant Chemist. In 1982, I transferred to  
18 MPC's Fuel Department as a Fuel Business Analyst. I was promoted in  
19 1987 to Supervisor of Chemistry and Regulatory Compliance at Plant  
20 Daniel. In 1988, I assumed the role of Supervisor of Coal Logistics with  
21 Southern Company Fuel Services in Birmingham, Alabama. My  
22 responsibilities included administering coal supply and transportation  
23 agreements and managing the coal inventory program for the Southern  
24 Electric System. I transferred to my current position as Fuel Manager for  
25 Gulf Power Company in 2003.

DOCUMENT NUMBER-DATE

01780 MAR-1 06

FPSC-COMMISSION CLEARING

1 Q. What are your duties as Fuel Manager for Gulf Power Company?

2 A. My responsibilities include the management of the Company's fuel  
3 procurement, inventory, transportation, budgeting, contract administration,  
4 and quality assurance programs to ensure that the generating plants  
5 operated by Gulf Power are supplied with an adequate quantity of fuel in a  
6 timely manner and at the lowest practical cost. I also have responsibility  
7 for the administration of Gulf's Intercompany Interchange Contract (IIC).

8

9 Q. What is the purpose of your testimony in this docket?

10 A. The purpose of my testimony is to summarize Gulf Power Company's fuel  
11 expenses, net power transaction expense, and purchased power capacity  
12 cost, and to certify that these expenses were properly incurred during the  
13 period January 1, 2005 through December 31, 2005. Also, it is my intent  
14 to be available to answer questions that may arise among the parties to  
15 this docket concerning Gulf Power Company's fuel expenses.

16

17 Q. Have you prepared an exhibit that contains information to which you will  
18 refer in your testimony?

19 A. Yes, I have.

20 Counsel: We ask that Mr. Ball's Exhibit consisting of two schedules be  
21 marked as Exhibit No. \_\_\_\_\_(HRB-1).

22

23 Q. During the period January, 2005 through December, 2005 how did Gulf  
24 Power Company's recoverable total fuel and net power transaction  
25 expenses compare with the projected expenses?

1 A. Gulf's recoverable total fuel cost and net power transaction expense was  
2 \$352,566,865 or 12.60% above the projected amount of \$313,107,510.  
3 Actual net energy was 12,307,374,624 KWH compared to the projected  
4 net energy of 12,205,476,000 KWH or 0.83% above projections. The  
5 resulting actual average cost of 2.8647 cents per KWH was 11.67%  
6 above the projected cost of 2.5653 cents per KWH. The higher total fuel  
7 and net power transaction expense is attributed to higher market fuel  
8 prices on all fuel types for the period and a greater amount of purchased  
9 power at higher cost than projected for the period. The higher fuel cost is  
10 reflected in both the fuel cost of generation and the cost of purchased  
11 power. This information is from Schedule A-1, period to date, of the  
12 Monthly Fuel Filing for the month of December, 2005.

13  
14 Q. During the period January, 2005 through December, 2005 how did Gulf  
15 Power Company's recoverable fuel expenses compare with the projected  
16 expenses?

17 A. Gulf's recoverable fuel cost of net generation was \$432,955,311 or 1.54%  
18 above the projected amount of \$426,383,424. Actual generation was  
19 15,024,296 MWH compared to the projected generation of 16,049,720  
20 MWH or 6.39% below projections. The resulting actual average fuel cost  
21 of 2.8817 cents per KWH was 8.47% above the projected cost of 2.6566  
22 cents per KWH. The higher total fuel expense is attributed to the higher  
23 market fuel prices on all fuel types for the period. Fuel costs for coal on a  
24 \$/ton basis were 6.70% higher than forecasted. Fuel cost for gas on a  
25 \$/MCF basis was 23.48% higher than forecasted. The higher average per

1 KWH fuel cost is attributed to higher than projected fuel costs. This  
2 information is from Schedule A-3 of the Monthly Fuel Filing for the month  
3 of December, 2005.

4  
5 Q. How much spot coal did Gulf Power Company purchase during the  
6 period?

7 A. Excluding Plant Scherer Unit 3, Gulf purchased 2,686,488 tons of coal or  
8 50% of its total coal purchased on the spot market. Schedule 1 of my  
9 exhibit consists of a list of contract and spot coal purchases for the period.

10  
11 Q. How did the total projected cost of coal purchased compare with the  
12 actual cost?

13 A. The total actual cost of coal purchased was \$281,750,159 (sum of lines  
14 17 & 30 period to date on the December 2005, Schedule A-5) compared  
15 to the projected cost of \$268,277,899 or 5.02% above projected. The  
16 higher cost was due to a higher per unit cost (\$/ton) of coal purchases  
17 than projected for the period. The higher per unit cost of coal is attributed  
18 to higher than anticipated coal prices for spot coal purchases.

19  
20 Q. How did the total projected cost of coal burned compared to the actual  
21 cost?

22 A. The total cost of coal burned was \$273,891,971 (the sum of lines 21 and  
23 34 period to date on the December 2005, Schedule A-5). This is 6.92%  
24 higher than our projection of \$260,026,321. On a fuel cost per MMBTU  
25 basis, the actual cost of coal plus boiler lighter fuel was \$2.04 per MMBTU



1 which is 6.25% greater than the projected cost of \$1.92 per MMBTU.

2

3 Q. How did the total projected cost of natural gas burned compare to the  
4 actual cost?

5 A. The total cost of natural gas burned for generation was \$156,367,744 (line  
6 47 period to date on the December 2005, Schedule A-5). This is 4.30%  
7 below our projection of \$163,386,306. The increase can be attributed to  
8 lower than forecasted generation on gas fired units. On a natural gas cost  
9 per unit basis, the actual burn cost was \$10.22 per MMBTU which is  
10 17.61% higher than the projected burn cost of \$8.69 per MMBTU.

11

12 Q. For the period in question, what volume of natural gas was actually  
13 hedged using a fixed price contract or instrument?

14 A. Gulf Power hedged 9,270,000 MMBTU of natural gas in 2005 using fixed  
15 price financial swaps.

16

17 Q. What types of hedging instruments were used by Gulf Power Company  
18 and what type and volume of fuel was hedged by each type of  
19 instrument?

20 A. Natural gas was hedged using financial swaps that fixed the price of gas  
21 to a certain price. These swaps settled against either a NYMEX Last Day  
22 price or Gas Daily price. The entire amount (9,270,000 MMBTU) of gas  
23 hedged was hedged using these financial instruments as reflected on  
24 Schedule 2 of my exhibit.

25

1 Q. What was the actual total cost (e.g., fees, commissions, option premiums,  
2 futures gains and losses, swap settlements) associated with each type of  
3 hedging instrument?

4 A. Schedule 2 of my exhibit consists of a table of all natural gas hedge  
5 transactions and associated costs. No fees, commissions, or option  
6 premiums were paid. Gulf's 2005 hedging program resulted in a net  
7 financial gain of \$22,528,337 (settlement gains less support costs from  
8 lines 2 and 3 of Schedule A-1 December period-to-date).

9  
10 Q. Did fuel procurement activity during the period in question follow Gulf  
11 Power's Risk Management Plan for Fuel Procurement filed with the  
12 Florida Public Service Commission on April 1, 2005?

13 A. Yes, Gulf Power's fuel strategy in 2005 complied with the Risk  
14 Management Plan, and the actual results achieved compared favorably  
15 with the projected results in the plan. Supply of all fuel types and  
16 associated transportation to Gulf's generating plants are secured through  
17 a combination of long term contracts and spot purchase orders as  
18 specified in the plan. The result was that Gulf's generating plants had an  
19 adequate supply of fuel available at all times to meet the electric  
20 generation demands of its customers. Fuel cost volatility was mitigated by  
21 compliance with the Risk Management Plan. In 2005, Gulf's average cost  
22 of fuel consumed was \$2.88 per MMBTU. This was 5.11% higher than  
23 the original projection of \$2.74 per MMBTU. However, the actual cost of  
24 fuel was reduced to \$2.73 per MMBTU when gas hedging and other fuel  
25 cost credits are considered. Gulf was able to hold per unit fuel costs to

1 very reasonable levels for its customers during a period of volatile market  
2 fuel prices by following its Fuel Risk Management Plan.

3

4 Q. Were there any other significant developments in Gulf's fuel procurement  
5 program during the period?

6 A. No.

7

8 Q. Should Gulf's fuel purchases for the period be accepted as reasonable  
9 and prudent?

10 A. Yes, Gulf's coal supply program is based on a mixture of long term  
11 contracts and spot purchases at market prices. Coal suppliers are  
12 selected using procedures that assure reliable coal supply, consistent  
13 quality, and competitive delivered pricing. The terms and conditions of  
14 coal supply agreements have been administered appropriately. Natural  
15 gas is purchased using agreements that tie price to published market  
16 index schedules and is transported using a combination of firm and  
17 interruptible gas transportation agreements. Natural gas storage is  
18 utilized to assure that supply is available during times when gas supply is  
19 otherwise curtailed or unavailable. Gulf's fuel oil purchases were made  
20 from qualified vendors using an open bid process to assure competitive  
21 pricing and reliable supply.

22

23 Q. During the period January 2005 through December 2005, how did Gulf's  
24 actual net purchased power capacity cost compare with the net projected  
25 cost?

1 A. The actual net capacity cost for the January 2005 through December  
2 2005 recovery period, shown on line 5 of Schedule CCA-2, was  
3 \$23,700,121. Gulf's projected net purchased power capacity cost for the  
4 same period was \$24,009,955, as indicated on Line 4 of Schedule CCE-1  
5 filed September 9, 2004. The difference between the actual net capacity  
6 cost and the projected net capacity cost for the recovery period is  
7 \$309,834, or a decrease of 1.3%.

8  
9 Q. Please explain the reason for the decrease in Gulf's capacity cost.

10 A. The capacity cost decrease for the 2005 recovery period is due to Gulf's  
11 lower IIC reserve sharing cost of \$23,667,221 that is shown on Line 36 of  
12 Schedule CCA-4 in Witness Davis' testimony exhibit and higher actual  
13 transmission revenues. Gulf's actual IIC reserve sharing cost was  
14 \$198,504 less than the \$23,865,725 projected amount due to a greater  
15 decrease in owned capacity of other SES operating companies as  
16 compared to Gulf's owned capacity. This caused other SES operating  
17 companies to purchase a greater share of SES reserves and Gulf's IIC  
18 reserve sharing capacity cost was reduced. Also, Gulf's transmission  
19 revenues associated with energy sales were \$100,008 above the  
20 projected amount for this period. Together , these increased transmission  
21 revenues and Gulf's lower IIC reserve sharing cost resulted in Gulf's  
22 overall lower capacity cost for the January 2005 through December 2005  
23 cost recovery period.

1 Q. Was Gulf's actual 2005 IIC capacity cost prudently incurred and properly  
2 allocated to Gulf?

3 A. Yes. Gulf's capacity costs were incurred in accordance with the reserve  
4 sharing provisions of the IIC, a Federal Energy Regulatory Commission  
5 approved contract in which Gulf has been a participant for many years.  
6 Gulf's participation in the integrated SES that is governed by the IIC has  
7 produced substantial benefits for Gulf's territorial customers and has been  
8 recognized as being prudent by the Florida Public Service Commission in  
9 previous proceedings and reviews.

10 Per contractual agreement, Gulf and the other SES operating  
11 companies are obligated to provide for the continued operation of its  
12 electric facilities in the most economical manner that achieves the highest  
13 possible service reliability. The coordinated planning of future SES  
14 generation resource additions that produce adequate reserve margins for  
15 the benefit of all SES operating companies' customers facilitates this  
16 "continued operation" in the most economical manner.

17 Furthermore, the IIC provides for mechanisms to facilitate the  
18 equitable sharing of the costs associated with the operation of facilities  
19 that exist for the mutual benefit of all the operating companies. In 2005,  
20 Gulf's reserve sharing cost represents the equitable sharing of the costs  
21 that the SES operating companies incurred to ensure that adequate  
22 generation reserve levels are available to provide reliable electric service  
23 to territorial customers. This cost has been properly allocated to Gulf per  
24 the terms of the IIC.

25

1 Q. Mr. Ball, does this complete your testimony?

2 A. Yes.

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**GULF POWER COMPANY  
COAL SUPPLIERS  
January 1, 2005 – December 31, 2005**

<u>Contract Coal Suppliers</u>	<u>Tons Purchased</u> <u>(1)</u>	
Peabody Coal Sales	1,103,836	
ICG, LLC	205,371	
Arch Coal Sales - West Elk	186,990	
Twenty Mile Coal Company	617,829	
Peabody Coal Trade	216,596	
Powder River Coal Co.	296,473	
Interocean Coal Sales	91,021	
TOTAL Contract Coal		<u>2,718,116</u>
<u>Spot Coal Suppliers</u>	<u>Tons Purchased</u> <u>(1)</u>	
Peabody Coaltrade	595,934	
Glencore	74,316	
Interocean Coal Sales	1,278,744	
Coal Marketing Company	70,105	
Arch Coal Sales	33,230	
Twenty Mile Coal Company	189,147	
Oxbow	134,683	
Powder River Coal Co.	310,329	
TOTAL Spot Coal		<u>2,686,488</u>
<b>GRAND TOTAL COAL PURCHASES</b>		<u><u>5,404,604</u></u>

(1) Excludes Plant Scherer: Coal purchases at Plant Scherer are reported on a MMBTU basis. Coal purchases by owner expressed in tons is not

Florida Public Service Commission  
Docket No. 060001-EI  
GULF POWER COMPANY  
Witness: H. R. Ball  
Exhibit No. \_\_\_\_\_ (HRB-1)  
Schedule 2  
Page 1 of 13

This information has been provided pursuant to the Request for Confidential  
Classification filed on March 1, 2006.



Florida Public Service Commission  
Docket No. 060001-EI  
GULF POWER COMPANY  
Witness: H. R. Ball  
Exhibit No. \_\_\_\_\_ (HRB□1)  
Schedule 2  
Page 2 of 13

A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
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Invoice for Totals by	GULF for the	NYMEX	Settlement	for Jan 2005	1/3/2005
Counter Party	Swap Total	Option Total	Counter Party Total		
BANKAMER	114,140.00	0	114,140.00		
BARCLAYS	48,100.00	0	48,100.00		
CHASE	0	0	0		
CIBC	93,770.00	0	93,770.00		
DETM	0	0	0		
DEUTSCHE	53,640.00	0	53,640.00		
EPPS	0	0	0		
MITSUI	-119,500.00	0	-119,500.00		
MORGAN	0	0	0		
<b>Total for GULF</b>	<b>190,150.00</b>	<b>0</b>	<b>190,150.00</b>		

\$190,150.00 SCS Payable to GULF  
Southern Co. Services Bank Account Info  
Bank of America Account # 3751935269  
Dallas, Texas ABA # 111000012

OpCo	ContractID	DealType	DealNumber	TransactionDate	ContractMonth	HedgeMonth	Quantity	CPPrice	CPNdx	CPSSettlePrice	SoCoPrice	SoCoNdx	SoCoSettlePrice	SoCoSettleAmount
GULF	50	Swap	2004.3369	8/2/2004 17:10	5-Jan	4-Dec	50000	0	NYMEX LD	6.213	6.7		6.7	-24,350.00
GULF	50	Swap	2004.34338	11/30/2004 15:25	5-Jan	4-Dec	20000	7.7		7.7		NYMEX LD		29,740.00
GULF	50	Swap	2004.3439	12/10/2004 16:04	5-Jan	4-Dec	60000	6.92		6.92		NYMEX LD		42,420.00
GULF	50	Swap	2004.34411	12/16/2004 15:48	5-Jan	4-Dec	30000	7.07		7.07		NYMEX LD		25,710.00
GULF	50	Swap	2004.34423	12/20/2004 15:32	5-Jan	4-Dec	10000	7.09		7.09		NYMEX LD		8,770.00
GULF	50	Swap	2004.34428	12/20/2004 17:25	5-Jan	5-Jan	50000	6.85		6.85		NYMEX LD		31,850.00
														<b>114,140.00</b>
GULF	50	Swap	2004.33462	6/28/2004 18:34	5-Jan	4-Dec	50000	0	NYMEX LD	6.213	6.745		6.745	-26,600.00
GULF	50	Swap	2004.33515	7/8/2004 15:46	5-Jan	4-Dec	50000	0	NYMEX LD	6.213	6.8		6.8	-29,350.00
GULF	50	Swap	2004.33756	8/12/2004 15:51	5-Jan	5-Jan	50000	0	NYMEX LD	6.213	6.8		6.8	-29,350.00
GULF	50	Swap	2004.33965	9/3/2004 17:02	5-Jan	5-Jan	50000	0	NYMEX LD	6.213	6.555		6.555	-17,100.00
GULF	50	Swap	2004.34341	12/1/2004 17:31	5-Jan	4-Dec	20000	7.74		7.74		NYMEX LD		30,540.00
GULF	50	Swap	2004.34368	12/7/2004 15:46	5-Jan	4-Dec	20000	6.87		6.87		NYMEX LD		13,140.00
GULF	50	Swap	2004.34401	12/14/2004 15:39	5-Jan	4-Dec	20000	7.26		7.26		NYMEX LD		20,940.00
GULF	50	Swap	2004.34439	12/22/2004 15:33	5-Jan	5-Jan	50000	6.91		6.91		NYMEX LD		34,850.00
GULF	50	Swap	2004.34447	12/23/2004 15:35	5-Jan	4-Dec	90000	6.78		6.78		NYMEX LD		51,030.00
														<b>48,100.00</b>
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GULF	50	Swap	2004.33793	8/16/2004 19:10	5-Jan	5-Jan	50000	0	NYMEX LD	6.213	6.6		6.6	-19,350.00
GULF	50	Swap	2004.34348	12/2/2004 16:36	5-Jan	4-Dec	20000	7.38		7.38		NYMEX LD		23,340.00
GULF	50	Swap	2004.34418	12/17/2004 15:30	5-Jan	4-Dec	80000	7.32		7.32		NYMEX LD		88,560.00
GULF	50	Swap	2004.34434	12/21/2004 17:22	5-Jan	5-Jan	50000	6.8		6.8		NYMEX LD		29,350.00
GULF	50	Swap	2004.34452	12/28/2004 19:32	5-Jan	4-Dec	60000	6.2		6.2		NYMEX LD		-780
														<b>93,770.00</b>
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GULF	50	Swap	2004.34406	12/15/2004 15:20	5-Jan	4-Dec	20000	7.28		7.28		NYMEX LD		21,340.00
GULF	50	Swap	2004.34441	12/22/2004 15:39	5-Jan	4-Dec	30000	6.885		6.885		NYMEX LD		20,160.00
														<b>53,640.00</b>
GULF	50	Swap	2004.33342	6/8/2004 18:56	5-Jan	4-Dec	100000	0	NYMEX LD	6.213	6.65		6.65	-43,700.00
GULF	50	Swap	2004.33486	7/1/2004 15:28	5-Jan	4-Dec	50000	0	NYMEX LD	6.213	6.6		6.6	-19,350.00
GULF	50	Swap	2004.33554	7/15/2004 16:02	5-Jan	4-Dec	100000	0	NYMEX LD	6.213	6.59		6.59	-37,700.00
GULF	50	Swap	2004.33624	7/26/2004 17:39	5-Jan	4-Dec	50000	0	NYMEX LD	6.213	6.7		6.7	-24,350.00
GULF	50	Swap	2004.33747	8/11/2004 19:13	5-Jan	4-Dec	50000	0	NYMEX LD	6.213	6.8		6.8	-29,350.00
GULF	50	Swap	2004.34396	12/13/2004 15:36	5-Jan	4-Dec	20000	7.08		7.08		NYMEX LD		17,340.00
GULF	50	Swap	2004.3443	12/21/2004 17:13	5-Jan	4-Dec	30000	6.8		6.8		NYMEX LD		17,610.00
														<b>-119,500.00</b>

Florida Public Service Commission  
Docket No. 060001-EI  
GULF POWER COMPANY  
Witness: H. R. Ball  
Exhibit No. \_\_\_\_\_ (HRB 1)  
Schedule 2  
Page 3 of 13

Invoice for GULF for the NYMEX Settlement for Feb 2005 1/31/2005

Counter Party	Swap Total	Option Total	Counter Party Total
BANKAMER	\$ (41,760.00)	\$ -	\$ (41,760.00)
BARCLAYS	\$ (126,670.00)	\$ -	\$ (126,670.00)
CIBC	\$ (53,970.00)	\$ -	\$ (53,970.00)
DEUTSCHE	\$ 4,600.00	\$ -	\$ 4,600.00
MITSUMI	\$ (105,180.00)	\$ -	\$ (105,180.00)
System - PPLR	\$ 908.46	\$ -	\$ 908.46
<b>Total for GULF</b>	<b>\$ (322,071.54)</b>	<b>\$ -</b>	<b>\$ (322,071.54)</b>

SCS Receivable from GULF Southern Co. Services Bank Account Info  
Bank of America Account # 3751935269  
Dallas, Texas ABA # 111000012

OpCo	ContractID	DealType	DealNumber	TransactionDate	ContractMonth	HedgeMonth	Quantity	CPPrice	CPNdx	CPSettlePrice	SoCoPrice	SoCoNdx	SoCoSettlePrice	SoCoSettleAmount
GULF	50	Swap	2004.3369	8/2/2004 17:10	5-Feb	5-Jan	50000	0	NYMEX LD	6.288	6.7	6.7		-20,600.00
GULF	50	Swap	2004.34428	12/20/2004 17:25	5-Feb	5-Jan	50000	0	NYMEX LD	6.288	6.94	6.94		-32,600.00
GULF	50	Swap	2005.34506	1/11/2005 15:40	5-Feb	5-Jan	40000	6.025		6.025		NYMEX LD		-10,520.00
GULF	50	Swap	2005.34545	1/21/2005 15:28	5-Feb	5-Jan	120000	6.441		6.441		NYMEX LD		18,360.00
GULF	50	Swap	2005.34567	1/25/2005 17:04	5-Feb	5-Jan	50000	6.36		6.36		NYMEX LD		3,600.00
														<b>-41,760.00</b>
GULF	50	Swap	2004.33462	6/28/2004 18:34	5-Feb	5-Jan	50000	0	NYMEX LD	6.288	6.745	6.745		-22,850.00
GULF	50	Swap	2004.33515	7/8/2004 15:46	5-Feb	5-Jan	50000	0	NYMEX LD	6.288	6.8	6.8		-25,600.00
GULF	50	Swap	2004.33756	8/12/2004 15:51	5-Feb	5-Feb	50000	0	NYMEX LD	6.288	6.8	6.8		-25,600.00
GULF	50	Swap	2004.33965	9/3/2004 17:02	5-Feb	5-Feb	50000	0	NYMEX LD	6.288	6.555	6.555		-13,350.00
GULF	50	Swap	2004.34439	12/22/2004 15:33	5-Feb	5-Jan	50000	0	NYMEX LD	6.288	6.955	6.955		-33,350.00
GULF	50	Swap	2005.34462	1/3/2005 17:24	5-Feb	5-Jan	30000	5.78		5.78		NYMEX LD		-15,240.00
GULF	50	Swap	2005.34501	1/10/2005 20:03	5-Feb	5-Jan	40000	6.315		6.315		NYMEX LD		1,080.00
GULF	50	Swap	2005.34541	1/20/2005 15:19	5-Feb	5-Jan	40000	6.175		6.175		NYMEX LD		-4,520.00
GULF	50	Swap	2005.34564	1/24/2005 17:45	5-Feb	5-Feb	50000	6.44		6.44		NYMEX LD		7,600.00
GULF	50	Swap	2005.34589	1/27/2005 15:57	5-Feb	5-Jan	30000	6.46		6.46		NYMEX LD		5,160.00
														<b>-126,670.00</b>
GULF	50	Swap	2004.33467	6/28/2004 18:45	5-Feb	5-Jan	50000	0	NYMEX LD	6.288	6.76	6.76		-23,600.00
GULF	50	Swap	2004.33793	8/16/2004 19:10	5-Feb	5-Feb	50000	0	NYMEX LD	6.288	6.6	6.6		-15,600.00
GULF	50	Swap	2004.34434	12/21/2004 17:22	5-Feb	5-Jan	50000	0	NYMEX LD	6.288	6.875	6.875		-29,350.00
GULF	50	Swap	2005.34531	1/18/2005 17:03	5-Feb	5-Jan	40000	6.6		6.6		NYMEX LD		12,480.00
GULF	50	Swap	2005.34573	1/25/2005 17:13	5-Feb	5-Feb	50000	6.33		6.33		NYMEX LD		2,100.00
														<b>-53,970.00</b>
GULF	50	Swap	2005.34553	1/24/2005 17:19	5-Feb	5-Jan	50000	6.38		6.38		NYMEX LD		4,600.00
														<b>4,600.00</b>
GULF	50	Swap	2004.33342	6/8/2004 18:56	5-Feb	5-Jan	100000	0	NYMEX LD	6.288	6.65	6.65		-36,200.00
GULF	50	Swap	2004.33486	7/1/2004 15:28	5-Feb	5-Jan	50000	0	NYMEX LD	6.288	6.6	6.6		-15,600.00
GULF	50	Swap	2004.33554	7/15/2004 16:02	5-Feb	5-Jan	100000	0	NYMEX LD	6.288	6.59	6.59		-30,200.00
GULF	50	Swap	2004.33624	7/26/2004 17:39	5-Feb	5-Jan	50000	0	NYMEX LD	6.288	6.7	6.7		-20,600.00
GULF	50	Swap	2004.33747	8/11/2004 19:13	5-Feb	5-Jan	50000	0	NYMEX LD	6.288	6.8	6.8		-25,600.00
GULF	50	Swap	2005.34524	1/14/2005 16:11	5-Feb	5-Jan	200000	6.38		6.38		NYMEX LD		18,400.00
GULF	50	Swap	2005.34537	1/19/2005 15:20	5-Feb	5-Jan	40000	6.22		6.22		NYMEX LD		-2,720.00
GULF	50	Swap	2005.3456	1/24/2005 17:33	5-Feb	5-Feb	50000	6.39		6.39		NYMEX LD		5,100.00
GULF	50	Swap	2005.34581	1/26/2005 16:33	5-Feb	5-Jan	20000	6.4		6.4		NYMEX LD		2,240.00
														<b>-105,180.00</b>





A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P		
														Florida Public Service Commission			
														Docket No. 060001-EI			
														GULF POWER COMPANY			
														Witness: H. R. Ball			
														Exhibit No. _____ (HRB01)			
														Schedule 2			
														Page 6 of 13			
Invoice for		GULF for the		NYMEX		Settlement		for May 2005						5/2/2005			
Totals by		Swap Total		Option Total		Counter Party Total											
11	BANKAMER	\$	298,595.00	\$	-	\$	298,595.00										
12	BARCLAYS	\$	106,680.00	\$	-	\$	106,680.00										
13	CIBC	\$	223,140.00	\$	-	\$	223,140.00										
14	DEUTSCHE	\$	81,180.00	\$	-	\$	81,180.00										
15	MITSUMI	\$	217,660.00	\$	-	\$	217,660.00										
16	System - PPLR Alloc:	\$	2,336.04	\$	-	\$	2,336.04										
17	Total for GULF	\$	929,591.04	\$	-	\$	929,591.04										
18				\$	929,591.04	SCS Payable to	GULF	Southern Co. Services		Bank Account Info							
19						Bank of America		Bank of America		Account # 3751935269							
20						Dallas, Texas		Dallas, Texas		ABA # 111000012							
21																	
22																	
23	OpCo	ContractID	DealType	DealNumber	TransactionDate	ContractMonth	HedgeMonth	Quantity	CPPrice	CPNdx	CPSSettlePrice	SoCoPrice	SoCoNdx	SoCoSettlePrice	SoCoSettleAmount		
24	GULF	50	Swap	2003.3189	7/11/2003 18:34	5-May	5-May	150000	0	NYMEX LD	6.748	4.53		4.53	332,700.00		
25	GULF	50	Swap	2005.34857	3/23/2005 17:24	5-May	5-Apr	100000	0	NYMEX LD	6.748	7.26		7.26	-51,200.00		
26	GULF	50	Swap	2005.34885	3/28/2005 16:51	5-May	5-Apr	100000	0	NYMEX LD	6.748	7.09		7.09	-34,200.00		
27	GULF	50	Swap	2005.34897	3/31/2005 15:41	5-May	5-Apr	20000	7.6		7.6				17,040.00		
28	GULF	50	Swap	2005.34931	4/8/2005 15:37	5-May	5-Apr	50000	7.3075		7.3075				27,975.00		
29	GULF	50	Swap	2005.34969	4/14/2005 16:20	5-May	5-Apr	20000	6.9		6.9				3,040.00		
30	GULF	50	Swap	2005.35013	4/21/2005 16:44	5-May	5-Apr	20000	6.91		6.91				3,240.00		
31															298,595.00		
32																	
33	GULF	50	Swap	2004.33766	8/13/2004 16:39	5-May	5-May	50000	0	NYMEX LD	6.748	6.05		6.05	34,900.00		
34	GULF	50	Swap	2004.33895	8/25/2004 16:19	5-May	5-May	50000	0	NYMEX LD	6.748	6.05		6.05	34,900.00		
35	GULF	50	Swap	2005.34838	3/22/2005 17:18	5-May	5-Apr	100000	0	NYMEX LD	6.748	7.4125		7.4125	66,450.00		
36	GULF	50	Swap	2005.34863	3/24/2005 17:13	5-May	5-Apr	100000	0	NYMEX LD	6.748	7.285		7.285	-53,700.00		
37	GULF	50	Swap	2005.34901	4/1/2005 15:40	5-May	5-Apr	60000	7.63		7.63				52,920.00		
38	GULF	50	Swap	2005.34925	4/7/2005 14:36	5-May	5-Apr	20000	7.54		7.54				15,840.00		
39	GULF	50	Swap	2005.34963	4/13/2005 15:22	5-May	5-Apr	20000	7.05		7.05				6,040.00		
40	GULF	50	Swap	2005.34979	4/18/2005 16:03	5-May	5-Apr	20000	6.97		6.97				4,440.00		
41	GULF	50	Swap	2005.35034	4/22/2005 15:02	5-May	5-May	50000	7.08		7.08				16,600.00		
42	GULF	50	Swap	2005.35049	4/25/2005 15:42	5-May	5-Apr	20000	7.28		7.28				10,640.00		
43	GULF	50	Swap	2005.35072	4/26/2005 14:45	5-May	5-May	150000	7.085		7.085				50,550.00		
44															106,680.00		
45																	
46	GULF	50	Swap	2004.33772	8/13/2004 16:55	5-May	5-May	50000	0	NYMEX LD	6.748	6.05		6.05	34,900.00		
47	GULF	50	Swap	2004.338	8/17/2004 15:10	5-May	5-May	50000	0	NYMEX LD	6.748	5.995		5.995	37,650.00		
48	GULF	50	Swap	2004.33944	8/31/2004 18:11	5-May	5-May	50000	0	NYMEX LD	6.748	5.98		5.98	38,400.00		
49	GULF	50	Swap	2004.34009	9/16/2004 14:32	5-May	5-May	50000	0	NYMEX LD	6.748	5.89		5.89	42,900.00		
50	GULF	50	Swap	2004.34361	12/3/2004 17:51	5-May	5-May	100000	0	NYMEX LD	6.748	6.3		6.3	44,800.00		
51	GULF	50	Swap	2005.34852	3/23/2005 17:10	5-May	5-Apr	100000	0	NYMEX LD	6.748	7.31		7.31	-56,200.00		
52	GULF	50	Swap	2005.34875	3/24/2005 17:29	5-May	5-Apr	50000	0	NYMEX LD	6.748	7.155		7.155	-20,350.00		
53	GULF	50	Swap	2005.34905	4/4/2005 14:23	5-May	5-Apr	20000	7.8		7.8				21,040.00		
54	GULF	50	Swap	2005.34948	4/12/2005 15:12	5-May	5-Apr	20000	7.33		7.33				11,640.00		
55	GULF	50	Swap	2005.35008	4/21/2005 16:37	5-May	5-May	50000	6.94		6.94				9,600.00		
56	GULF	50	Swap	2005.35039	4/22/2005 15:07	5-May	5-Apr	60000	7.103		7.103				21,300.00		
57	GULF	50	Swap	2005.35055	4/25/2005 15:59	5-May	5-May	50000	7.28		7.28				26,600.00		
58	GULF	50	Swap	2005.35083	4/27/2005 15:38	5-May	5-Apr	30000	7.11		7.11				10,860.00		
59															223,140.00		
60																	
61	GULF	50	Swap	2005.3492	4/6/2005 14:56	5-May	5-Apr	20000	7.535		7.535				15,740.00		
62	GULF	50	Swap	2005.34976	4/15/2005 17:43	5-May	5-Apr	50000	6.99		6.99				12,100.00		
63	GULF	50	Swap	2005.34996	4/20/2005 19:07	5-May	5-Apr	20000	7.075		7.075				6,540.00		
64	GULF	50	Swap	2005.35076	4/26/2005 15:45	5-May	5-May	150000	7.06		7.06				46,800.00		
65															81,180.00		
66																	
67	GULF	50	Swap	2004.33836	8/19/2004 18:52	5-May	5-May	50000	0	NYMEX LD	6.748	6.01		6.01	36,900.00		
68	GULF	50	Swap	2005.34658	2/14/2005 17:21	5-May	5-May	100000	0	NYMEX LD	6.748	6.25		6.25	49,800.00		
69	GULF	50	Swap	2005.34914	4/5/2005 14:23	5-May	5-Apr	20000	7.525		7.525				15,540.00		
70	GULF	50	Swap	2005.34943	4/11/2005 14:16	5-May	5-Apr	20000	7.2		7.2				9,040.00		
71	GULF	50	Swap	2005.34989	4/19/2005 14:30	5-May	5-Apr	10000	7.04		7.04				2,920.00		
72	GULF	50	Swap	2005.35018	4/21/2005 16:52	5-May	5-May	100000	6.9		6.9				15,200.00		
73	GULF	50	Swap	2005.3506	4/25/2005 16:07	5-May	5-May	150000	7.27		7.27				78,300.00		
74	GULF	50	Swap	2005.35066	4/26/2005 14:30	5-May	5-Apr	30000	7.08		7.08				9,960.00		
75															217,660.00		
76																	
77	OpCo	ContractID	DealType	BuySell	DealNumber	TransactionDate	ContractMonth	HedgeMonth	Quantity	StrikePrice	SettlePrice	SettlementNdx	StrikeFlag	SettleAmount			
78	GULF	50	Put-mm	Sell	2003.31516	1/13/2003 15:42	5-May	5-May	300000	3.39	6.748	NYMEX.LD	N		0		
79	GULF	50	Put-mm	Buy	2004.32621	1/5/2004 19:18	5-May	5-May	300000	3.39	6.748	NYMEX.LD	N		0		
80															0		
81															0		



Florida Public Service Commission  
Docket No. 060001-EI  
GULF POWER COMPANY  
Witness: H. R. Ball  
Exhibit No. \_\_\_\_\_ (HRB□1)  
Schedule 2  
Page 8 of 13

Invoice for GULF for the NYMEX Settlement for Jul 2005 7/1/2005

Counter Party	Swap Total	Option Total	Counter Party Total
BANKAMER	\$ 528,370.00	\$ -	\$ 528,370.00
BARCLAYS	\$ 289,837.00	\$ -	\$ 289,837.00
CIBC	\$ 353,570.00	\$ -	\$ 353,570.00
DEUTSCHE	\$ 178,440.00	\$ -	\$ 178,440.00
MITSUBI	\$ 274,690.00	\$ -	\$ 274,690.00
MORGAN	\$ -	\$ -	\$ -
<b>Total for GULF</b>	<b>\$ 1,624,907.00</b>	<b>\$ -</b>	<b>\$ 1,624,907.00</b>

\$ 1,624,907.00 SCS Payable to GULF  
Southern Co. Services  
Bank of America  
Dallas, Texas  
Bank Account Info  
Account # 3751935269  
ABA # 111000012

OpCo	ContractID	DealType	DealNumber	TransactionDate	ContractMonth	HedgeMonth	Quantity	CPPrice	CPNdx	CPSSettlePrice	SoCoPrice	SoCoNdx	SoCoSettlePrice	SoCoSettleAmount
GULF	50	Swap	2003.3189	7/11/2003 18.34	5-Jul	5-Jul	150000	150000	0 NYMEX LD	6.976	4.53	4.53	368,900.00	
GULF	50	Swap	2005.34494	1/6/2005 16.08	5-Jul	5-Jul	100000	100000	0 NYMEX LD	6.976	5.95	5.95	102,600.00	
GULF	50	Swap	2005.35022	4/21/2005 16.57	5-Jul	5-Jul	50000	50000	0 NYMEX LD	6.976	7.4	7.4	-21,200.00	
GULF	50	Swap	2005.3531	6/2/2005 14.36	5-Jul	5-Jun	20000	6.68	6.68	NYMEX LD			-5,920.00	
GULF	50	Swap	2005.35337	6/8/2005 15.26	5-Jul	5-Jun	20000	7.21	7.21	NYMEX LD			4,680.00	
GULF	50	Swap	2005.35363	6/14/2005 14.43	5-Jul	5-Jun	20000	7.235	7.235	NYMEX LD			5,180.00	
GULF	50	Swap	2005.35392	6/20/2005 15.47	5-Jul	5-Jun	20000	7.755	7.755	NYMEX LD			15,580.00	
GULF	50	Swap	2005.35445	6/24/2005 15.49	5-Jul	5-Jul	50000	7.515	7.515	NYMEX LD			26,950.00	
GULF	50	Swap	2005.35477	6/27/2005 18.19	5-Jul	5-Jul	150000	7.2	7.2	NYMEX LD			33,600.00	
													528,370.00	
GULF	50	Swap	2004.33766	8/13/2004 16.39	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	6.05	6.05	6.05	46,300.00	
GULF	50	Swap	2004.33895	8/25/2004 16.19	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	6.05	6.05	6.05	46,300.00	
GULF	50	Swap	2005.34835	4/8/2005 15.46	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	7.755	7.755	7.755	-38,950.00	
GULF	50	Swap	2005.35225	5/20/2005 14.57	5-Jul	5-Jun	100000	0 NYMEX LD	6.976	6.43	6.43	6.43	54,600.00	
GULF	50	Swap	2005.35278	5/23/2005 15.06	5-Jul	5-Jun	200000	0 NYMEX LD	6.976	6.33	6.33	6.33	129,200.00	
GULF	50	Swap	2005.35303	6/11/2005 14.59	5-Jul	5-Jun	20000	6.39	6.39	NYMEX LD			-11,720.00	
GULF	50	Swap	2005.3533	6/17/2005 15.01	5-Jul	5-Jun	20000	7.11	7.11	NYMEX LD			2,680.00	
GULF	50	Swap	2005.35355	6/13/2005 14.31	5-Jul	5-Jun	20000	7.08	7.08	NYMEX LD			2,080.00	
GULF	50	Swap	2005.35439	6/24/2005 15.44	5-Jul	5-Jun	90000	7.4683	7.4683	NYMEX LD			44,307.00	
GULF	50	Swap	2005.35482	6/27/2005 18.27	5-Jul	5-Jul	90000	7.14	7.14	NYMEX LD			14,760.00	
GULF	50	Swap	2005.35486	6/28/2005 15.54	5-Jul	5-Jun	20000	6.99	6.99	NYMEX LD			280	
													289,837.00	
GULF	50	Swap	2004.33772	8/13/2004 16.55	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	6.05	6.05	6.05	46,300.00	
GULF	50	Swap	2004.338	8/17/2004 15.10	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	5.995	5.995	5.995	49,050.00	
GULF	50	Swap	2004.33944	8/31/2004 18.11	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	5.98	5.98	5.98	49,800.00	
GULF	50	Swap	2004.34006	9/16/2004 14.32	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	5.89	5.89	5.89	54,300.00	
GULF	50	Swap	2004.34361	12/3/2004 17.51	5-Jul	5-Jul	100000	0 NYMEX LD	6.976	6.3	6.3	6.3	67,600.00	
GULF	50	Swap	2005.3509	4/27/2005 16.16	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	7.3	7.3	7.3	-16,200.00	
GULF	50	Swap	2005.35255	5/24/2005 15.47	5-Jul	5-Jun	100000	0 NYMEX LD	6.976	6.475	6.475	6.475	50,100.00	
GULF	50	Swap	2005.35299	5/31/2005 14.30	5-Jul	5-Jun	20000	6.3	6.3	NYMEX LD			-13,520.00	
GULF	50	Swap	2005.35349	6/10/2005 15.20	5-Jul	5-Jun	60000	7.07	7.07	NYMEX LD			5,640.00	
GULF	50	Swap	2005.35377	6/16/2005 14.58	5-Jul	5-Jun	30000	7.48	7.48	NYMEX LD			15,120.00	
GULF	50	Swap	2005.35418	6/22/2005 15.57	5-Jul	5-Jun	20000	7.49	7.49	NYMEX LD			10,280.00	
GULF	50	Swap	2005.35472	6/27/2005 18.06	5-Jul	5-Jul	150000	7.21	7.21	NYMEX LD			35,100.00	
													353,570.00	
GULF	50	Swap	2005.34953	4/12/2005 19.20	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	7.565	7.565	7.565	-29,450.00	
GULF	50	Swap	2005.35286	5/25/2005 14.51	5-Jul	5-Jun	150000	0 NYMEX LD	6.976	6.355	6.355	6.355	93,150.00	
GULF	50	Swap	2005.35316	6/3/2005 14.50	5-Jul	5-Jun	60000	6.825	6.825	NYMEX LD			-9,060.00	
GULF	50	Swap	2005.35343	6/9/2005 14.25	5-Jul	5-Jun	20000	7.01	7.01	NYMEX LD			680	
GULF	50	Swap	2005.35369	6/15/2005 14.25	5-Jul	5-Jun	30000	7.39	7.39	NYMEX LD			12,420.00	
GULF	50	Swap	2005.35398	6/21/2005 15.52	5-Jul	5-Jun	20000	7.5	7.5	NYMEX LD			10,460.00	
GULF	50	Swap	2005.35413	6/22/2005 15.40	5-Jul	5-Jul	100000	7.45	7.45	NYMEX LD			47,400.00	
GULF	50	Swap	2005.35459	6/24/2005 16.02	5-Jul	5-Jul	100000	7.41	7.41	NYMEX LD			45,400.00	
GULF	50	Swap	2005.35468	6/27/2005 18.00	5-Jul	5-Jun	30000	7.29	7.29	NYMEX LD			9,420.00	
													178,440.00	
GULF	50	Swap	2004.33836	8/19/2004 16.52	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	6.01	6.01	6.01	48,300.00	
GULF	50	Swap	2005.34658	2/14/2005 17.21	5-Jul	5-Jul	100000	0 NYMEX LD	6.976	6.25	6.25	6.25	72,600.00	
GULF	50	Swap	2005.35107	4/29/2005 19.22	5-Jul	5-Jul	50000	0 NYMEX LD	6.976	7	7	7	-1,200.00	
GULF	50	Swap	2005.3526	5/24/2005 16.03	5-Jul	5-Jun	100000	0 NYMEX LD	6.976	6.485	6.485	6.485	49,100.00	
GULF	50	Swap	2005.35323	6/6/2005 14.39	5-Jul	5-Jun	20000	7.11	7.11	NYMEX LD			2,680.00	
GULF	50	Swap	2005.35384	6/17/2005 14.54	5-Jul	5-Jun	70000	7.675	7.675	NYMEX LD			48,930.00	
GULF	50	Swap	2005.35431	6/23/2005 14.25	5-Jul	5-Jun	20000	7.57	7.57	NYMEX LD			11,880.00	
GULF	50	Swap	2005.3546	6/24/2005 16.08	5-Jul	5-Jul	100000	7.4	7.4	NYMEX LD			42,400.00	
													274,690.00	

OpCo	ContractID	DealType	Buy/Sell	DealNumber	TransactionDate	ContractMonth	HedgeMonth	Quantity	StrikePrice	SettlePrice	SettlementNdx	StrikeFlag	SettleAmount	
GULF	50	Put-mm	Sell	2003.31516	1/13/2003 15.42		5-Jul	5-Jul	300000	3.39	6.976	NYMEX LD	N	0
GULF	50	Put-mm	Buy	2004.32621	1/5/2004 19.18		5-Jul	5-Jul	300000	3.39	6.976	NYMEX LD	N	0

8	Invoice for	GULF for the	NYMEX	Settlement	for Aug 2005	8/1/2005
9	Totals by					
10	Counter Party	Swap Total	Option Total	Counter Party Total		
11	BANKAMER	\$ 644,520.00	\$ -	\$ 644,520.00		
12	BARCLAYS	\$ 7,530.00	\$ -	\$ 7,530.00		
13	CIBC	\$ 501,350.00	\$ -	\$ 501,350.00		
14	DEUTSCHE	\$ 48,140.00	\$ -	\$ 48,140.00		
15	MIITSUI	\$ 272,690.00	\$ -	\$ 272,690.00		
16	System - PPLR	\$ 965.82	\$ -	\$ 965.82		
17	<b>Total for GULF</b>	<b>\$ 1,475,195.82</b>	<b>\$ -</b>	<b>\$ 1,475,195.82</b>		

SCS Payable to GULF  
Southern Co. Services  
Bank of America  
Dallas, Texas  
Bank Account Info  
Account # 3751935269  
ABA # 111000012

OpCo	ContractID	DealType	DealNumber	TransactionDate	ContractMonth	HedgeMonth	Quantity	CPPrice	CPNdx	CPSettlePrice	SoCoPrice	SoCoNdx	SoCoSettlePrice	SoCoSettleAmount
GULF	50	Swap	2003.3189	7/11/2003 18.34	5-Aug	5-Aug	150000	0	NYMEX LD	7.647	4.53	4.53	4.53	467,550.00
GULF	50	Swap	2005.34494	1/6/2005 16.08	5-Aug	5-Aug	100000	0	NYMEX LD	7.647	5.95	5.95	5.95	169,700.00
GULF	50	Swap	2005.35022	4/21/2005 16.57	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	7.4	7.4	7.4	12,350.00
GULF	50	Swap	2005.35445	6/24/2005 15.49	5-Aug	5-Jul	50000	0	NYMEX LD	7.647	7.58	7.58	7.58	3,350.00
GULF	50	Swap	2005.35477	6/27/2005 18.19	5-Aug	5-Jul	150000	0	NYMEX LD	7.647	7.27	7.27	7.27	56,550.00
GULF	50	Swap	2005.35495	6/30/2005 14.38	5-Aug	5-Jul	30000	6.99				NYMEX LD		-19,710.00
GULF	50	Swap	2005.35549	7/13/2005 14.25	5-Aug	5-Jul	30000	7.795				NYMEX LD		4,440.00
GULF	50	Swap	2005.35578	7/19/2005 14.38	5-Aug	5-Jul	30000	7.625				NYMEX LD		.660
GULF	50	Swap	2005.35612	7/21/2005 16.44	5-Aug	5-Aug	150000	7.32				NYMEX LD		-49,050.00
														<b>644,520.00</b>
GULF	50	Swap	2004.33766	8/13/2004 16.39	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	6.05	6.05	6.05	79,850.00
GULF	50	Swap	2004.33895	8/25/2004 16.19	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	6.05	6.05	6.05	79,850.00
GULF	50	Swap	2005.34935	4/8/2005 15.46	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	7.755	7.755	7.755	-5,400.00
GULF	50	Swap	2005.35482	6/27/2005 18.27	5-Aug	5-Jul	90000	0	NYMEX LD	7.647	7.215	7.215	7.215	38,880.00
GULF	50	Swap	2005.35501	7/1/2005 14.23	5-Aug	5-Jul	120000	7.04				NYMEX LD		-72,840.00
GULF	50	Swap	2005.35555	7/14/2005 14.23	5-Aug	5-Jul	30000	7.94				NYMEX LD		8,790.00
GULF	50	Swap	2005.35584	7/20/2005 16.40	5-Aug	5-Jul	30000	7.68				NYMEX LD		990
GULF	50	Swap	2005.35624	7/25/2005 14.49	5-Aug	5-Jul	20000	7.21				NYMEX LD		-8,740.00
GULF	50	Swap	2005.35629	7/25/2005 14.54	5-Aug	5-Aug	150000	7.265				NYMEX LD		-57,300.00
GULF	50	Swap	2005.35649	7/26/2005 15.26	5-Aug	5-Aug	150000	7.27				NYMEX LD		-56,550.00
														<b>7,530.00</b>
GULF	50	Swap	2004.33772	8/13/2004 16.55	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	6.05	6.05	6.05	79,850.00
GULF	50	Swap	2004.338	8/17/2004 15.10	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	5.995	5.995	5.995	82,600.00
GULF	50	Swap	2004.33944	8/31/2004 18.11	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	5.98	5.98	5.98	83,350.00
GULF	50	Swap	2004.34009	9/16/2004 14.32	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	5.89	5.89	5.89	87,850.00
GULF	50	Swap	2004.34361	12/3/2004 17.51	5-Aug	5-Aug	100000	0	NYMEX LD	7.647	6.3	6.3	6.3	134,700.00
GULF	50	Swap	2005.3509	4/27/2005 16.16	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	7.3	7.3	7.3	17,350.00
GULF	50	Swap	2005.35472	6/27/2005 18.06	5-Aug	5-Jul	150000	0	NYMEX LD	7.647	7.28	7.28	7.28	55,050.00
GULF	50	Swap	2005.35523	7/17/2005 14.53	5-Aug	5-Jul	40000	7.57				NYMEX LD		-3,080.00
GULF	50	Swap	2005.35535	7/11/2005 15.08	5-Aug	5-Jul	40000	7.37				NYMEX LD		-11,080.00
GULF	50	Swap	2005.35592	7/20/2005 18.31	5-Aug	5-Aug	250000	7.685				NYMEX LD		9,500.00
GULF	50	Swap	2005.35617	7/22/2005 14.51	5-Aug	5-Jul	80000	7.307				NYMEX LD		-27,200.00
GULF	50	Swap	2005.3564	7/26/2005 15.14	5-Aug	5-Jul	20000	7.27				NYMEX LD		-7,540.00
														<b>501,350.00</b>
GULF	50	Swap	2005.34953	4/12/2005 19.20	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	7.565	7.565	7.565	4,100.00
GULF	50	Swap	2005.35413	6/22/2005 15.40	5-Aug	5-Jul	100000	0	NYMEX LD	7.647	7.53	7.53	7.53	11,700.00
GULF	50	Swap	2005.35455	6/24/2005 16.02	5-Aug	5-Jul	100000	0	NYMEX LD	7.647	7.47	7.47	7.47	17,700.00
GULF	50	Swap	2005.35508	7/5/2005 14.34	5-Aug	5-Jul	30000	7.34				NYMEX LD		-9,210.00
GULF	50	Swap	2005.35562	7/15/2005 15.20	5-Aug	5-Jul	90000	8.05				NYMEX LD		36,270.00
GULF	50	Swap	2005.35599	7/21/2005 15.46	5-Aug	5-Jul	20000	7.54				NYMEX LD		-2,140.00
GULF	50	Swap	2005.35654	7/26/2005 16.10	5-Aug	5-Aug	40000	7.39				NYMEX LD		-10,280.00
														<b>48,140.00</b>
GULF	50	Swap	2004.33836	8/19/2004 18.52	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	6.01	6.01	6.01	81,850.00
GULF	50	Swap	2005.34658	2/14/2005 17.21	5-Aug	5-Aug	100000	0	NYMEX LD	7.647	6.25	6.25	6.25	139,700.00
GULF	50	Swap	2005.35107	4/29/2005 19.22	5-Aug	5-Aug	50000	0	NYMEX LD	7.647	7	7	7	32,350.00
GULF	50	Swap	2005.3546	6/24/2005 16.08	5-Aug	5-Jul	100000	0	NYMEX LD	7.647	7.455	7.455	7.455	19,200.00
GULF	50	Swap	2005.35517	7/6/2005 14.34	5-Aug	5-Jul	40000	7.6525				NYMEX LD		220
GULF	50	Swap	2005.35541	7/12/2005 14.50	5-Aug	5-Jul	30000	7.8				NYMEX LD		4,590.00
GULF	50	Swap	2005.35571	7/18/2005 14.42	5-Aug	5-Jul	30000	7.7				NYMEX LD		1,590.00
GULF	50	Swap	2005.35662	7/27/2005 14.23	5-Aug	5-Jul	30000	7.42				NYMEX LD		-6,810.00
														<b>272,690.00</b>
OpCo	ContractID	DealType	BuySell	DealNumber	TransactionDate	ContractMonth	HedgeMonth	Quantity	StrikePrice	SettlePrice	SettlementNdx	StrikeFlag	SettleAmount	
GULF	50	Put-mm	Sell	2003.31516	1/13/2003 15.42		5-Aug	5-Aug	300000	3.39	7.647	NYMEX LD	N	0
GULF	50	Put-mm	Buy	2004.32621	1/5/2004 19.18		5-Aug	5-Aug	300000	3.39	7.647	NYMEX LD	N	0





Florida Public Service Commission  
 Docket No. 060001-EI  
 GULF POWER COMPANY  
 Witness: H. R. Ball  
 Exhibit No. \_\_\_\_\_ (HRB01)  
 Schedule 2  
 Page 11 of 13

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P
1																
2																
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7																
8		Invoice for	GULF for the	NYMEX	Settlement	for Oct 2005										
9		Totals by				10/4/2005										
10		Counter Party	Swap Total	Option Total	Counter Party Total											
11		BANKAMER	145,356.00	\$	\$	145,356.00										
12		BARCLAYS	1,849,340.00	\$	\$	1,849,340.00										
13		CIBC	1,981,330.00	\$	\$	1,981,330.00										
14		DEUTSCHE	62,590.00	\$	\$	62,590.00										
15		MITSUB	1,348,830.00	\$	\$	1,348,830.00										
16		System PPLR	13,701.65	\$	\$	13,701.65										
17		Total for GULF	5,400,947.65	\$	\$	5,400,947.65	SC3 Payable to	GULF	Southern Co. Services Bank of America Dallas, Texas	Bank Account Info Account # 3751935289 ABA # 111000012						
18																
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23	OpCo	ContractID	DealType	DealNumber	TransactionDate	ContractMonth	HedgeMonth	Quantity	CPPrice	CPHdx	CPSettlePrice	SoCoPrice	SoCoNdx	SoCoSettlePrice	SoCoSettleAmount	
24			50	2005-35022	4/21/2005 16:57	5-Oct	5-Oct	50000	0	NYMEX LD	13.907	7.4		7.4	325,350.00	
25			50	2005-35609	8/23/2005 15:37	5-Oct	5-Sep	100000	0	NYMEX LD	13.907	9.84		9.84	406,700.00	
26			50	2005-35893	9/1/2005 15:08	5-Oct	5-Sep	20000	11.285		11.285		NYMEX LD		-52,440.00	
27			50	2005-35923	9/9/2005 16:25	5-Oct	5-Sep	60000	11.3383		11.3383		NYMEX LD		-154,122.00	
28			50	2005-35958	9/15/2005 14:25	5-Oct	5-Sep	30000	11.3		11.3		NYMEX LD		-78,210.00	
29			50	2005-36028	9/23/2005 15:18	5-Oct	5-Sep	60000	12.5533		12.5533		NYMEX LD		-81,222.00	
30			50	2005-36055	9/28/2005 16:01	5-Oct	5-Oct	100000	11.7		11.7		NYMEX LD		-220,700.00	
31															145,356.00	
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84	OpCo	ContractID	DealType	Buy/Sell	DealNumber	TransactionDate	ContractMonth	HedgeMonth	Quantity	StrikePrice	SettlePrice	SettlementNdx	StrikeFlag	SettleAmount		
85			50	Put-rem	2003-31516	1/13/2003 15:42	5-Oct	5-Oct	300000	3.39	13.907	NYMEX LD	N	0		
86			50	Put-rem	2004-32621	1/5/2004 19:18	5-Oct	5-Oct	300000	3.39	13.907	NYMEX LD	N	0		
87														0		



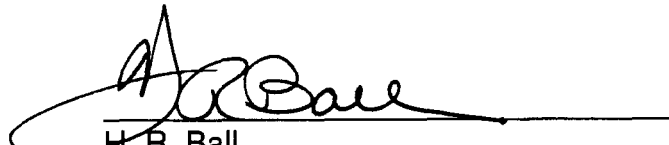


AFFIDAVIT


STATE OF FLORIDA     )  
                                  )  
COUNTY OF ESCAMBIA )

Docket No. 060001-EI

Before me the undersigned authority, personally appeared H. R. Ball, who being first duly sworn, deposes, and says that he is the Fuel Manager at Gulf Power Company, a FloridaMaine corporation, and that the foregoing is true and correct to the best of his knowledge, information, and belief. He is personally known to me.

  
\_\_\_\_\_  
H. R. Ball  
Fuel Manager

Sworn to and subscribed before me this 28th day of February, 2006

  
\_\_\_\_\_  
Notary Public, State of Florida at Large

Commission Number:

Commission Expires:

