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August 27, 2009

Ms. Ann Cole, Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee FL 32399-0850

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COMMISSION
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Dear Ms. Cole:

Enclosed for official filing in Docket No. 090007-E1 are an original and fifteen copies of the following:

1. Petition of Gulf Power Company.
2. Prepared direct testimony of James O. Vick.
3. Prepared direct testimony and exhibit of Richard W. Dodd.

Also enclosed is a CD containing the Petition in Microsoft Word and Excel Spreadsheets of Richard Dodd's exhibits for Windows format as prepared on a NT computer.

Sincerely,

mr
Enclosures

COM
ECP 2
GCL 2
OPC
ECP 2
SSC
SGA 1
ADM
CLK

cc w/encl.: Squire, Sanders, & Dempsey, L.L.P.
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Beggs & Lane
Jeffrey A. Stone, Esq.

DOCUMENT NUMBER DATE

08923 AUG 28 08

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: **Environmental Cost**)
Recovery Clause)
_____)

Docket No.: **090007-EI**

CERTIFICATE OF SERVICE

27th I HEREBY CERTIFY that a copy of the foregoing has been furnished this day of August, 2009, by regular U. S. Mail to the following:

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost Recovery Clause)
)
)
)
)

Docket No.: 090007-EI
Filed: August 27, 2009

**PETITION OF GULF POWER COMPANY FOR APPROVAL OF
FINAL ENVIRONMENTAL COST RECOVERY TRUE-UP AMOUNT FOR
JANUARY 2008 THROUGH DECEMBER 2008; ESTIMATED ENVIRONMENTAL
COST RECOVERY TRUE-UP AMOUNT FOR JANUARY 2009 THROUGH
DECEMBER 2009; PROJECTED ENVIRONMENTAL COST RECOVERY AMOUNTS
FOR JANUARY 2010 THROUGH DECEMBER 2010 INCLUDING NEW
ENVIRONMENTAL ACTIVITIES/PROJECTS; AND ENVIRONMENTAL COST
RECOVERY FACTORS TO BE APPLIED BEGINNING WITH THE PERIOD
JANUARY 2010 THROUGH DECEMBER 2010**

Notices and communications with respect to this petition and docket should be addressed to:

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GULF POWER COMPANY ("Gulf Power", "Gulf", or "the Company"), by and through its undersigned counsel, and pursuant to section 366.8255, Florida Statutes and various orders of the Florida Public Service Commission ("Commission") implementing and defining the Environmental Cost Recovery Clause ("ECRC"), hereby petitions the Commission for approval of the Company's final environmental cost recovery true-up amount for the period January 2008 through December 2008; for approval of the Company's estimated environmental cost recovery true-up amount for the period January 2009 through December 2009; for approval of the Company's projected environmental cost recovery amounts for the period January 2010 through December 2010 including new environmental activities/projects; and for approval of environmental cost recovery factors to be applied in customer billings beginning with the period January 2010 through December 2010. As grounds for the relief requested by this petition, the Company would respectfully show:

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BACKGROUND

(1) Section 366.8255, Florida Statutes, (the “Statute”) authorizes the Commission to review and decide whether Gulf’s environmental compliance costs are recoverable through an environmental cost recovery factor. Pursuant to the Statute, environmental compliance costs include “. . . all costs or expenses incurred by an electric utility in complying with environmental laws or regulations. . .”. The term “environmental laws or regulations” is defined in the Statute to include “all federal, state, or local statutes, administrative regulations, orders, ordinances, resolutions, or other requirements that apply to electric utilities and are designed to protect the environment.” Pursuant to the Statute, the Commission shall allow a utility to recover its prudently incurred environmental compliance costs through the ECRC which is separate and apart from the utility’s base rates. Only prudently incurred environmental compliance costs may be recovered through the ECRC. In Order No. PSC-94-0044-FOF-EI, issued January 12, 1994, the Commission identified three criteria for eligibility for cost recovery through the ECRC: 1) the costs must have been incurred after April 13, 1993; 2) the activity is legally required to comply with a governmentally imposed environmental regulation which was enacted, or became effective, or whose effect was triggered after the company’s last test year upon which rates are based; and, 3) the costs are not recovered through some other cost recovery mechanism or through base rates.

(2) Gulf Power initially petitioned the Commission to establish the ECRC in Docket No. 930613-EI. The Commission considered Gulf’s petition at hearings held in December 1993 and ultimately issued Order No. PSC-94-0044-FOF-EI which established the ECRC for Gulf Power and approved the commencement of recovery through initial factors effective with the first billing cycle for February 1994. Since that initial order, Gulf has periodically petitioned for and received Commission approval for recovery of the Company’s revenue requirements associated with new environmental compliance activities consistent with the ECRC statutes and

Commission precedent. Also since that initial order and subsequent orders of the Commission approving the Company's environmental compliance activities for recovery through the ECRC, Gulf has periodically submitted true-up and projection filings to the Commission with updated actual and projected costs for the various environmental compliance activities recovered through the ECRC pursuant to Commission authorization.

(3) Recently, pursuant to a process set out in Commission Order No. PSC-06-0972-FOF-EI, Gulf submitted its plan to achieve and maintain compliance with the Clean Air Interstate Rule ("CAIR"), the Clean Air Mercury Rule ("CAMR") and the Clean Air Visibility Rule ("CAVR") containing 13 specific components planned for implementation through 2017. On June 22, 2007, the Office of Public Counsel ("OPC"), the Florida Industrial Power Users' Group ("FIPUG") and Gulf filed a petition for approval of a stipulation regarding the substantive provisions of Gulf's CAIR/CAMR/CAVR Compliance Plan (the "Plan"). That stipulation identified 10 specific components of Gulf's Plan as being reasonable and prudent for implementation and set forth a process for review in connection with the three remaining components of the Plan. On August 14, 2007, the Commission voted to approve the stipulation with the proviso that Gulf provide an annual status report regarding cost-effectiveness and prudence of the phases in its Plan into which the Company is moving.

(4) Consistent with the foregoing, Gulf submits its petition, supporting schedules, testimony and exhibits as the Company's request herein for approval of ECRC factors to be effective in calendar year 2010. As detailed in the following paragraphs and accompanying supporting schedules, testimony and exhibits, Gulf's environmental compliance activities are consistent with the ECRC statutes and Commission precedent for recovery of eligible activities through the ECRC subject to the ongoing audit, review and true-up processes established by the Commission.

FINAL ENVIRONMENTAL COST RECOVERY TRUE-UP

(5) By vote of the Commission following hearings in November 2008, estimated true-up environmental cost recovery amounts were approved by the Commission for the period January 2008 through December 2008, subject to establishing the final environmental cost recovery true-up amounts. Gulf has calculated its final environmental cost recovery true-up amounts for the period January 2008 through December 2008 in accordance with the principles and policies for environmental cost recovery established by the Commission. According to the data filed by Gulf for the period ending December 31, 2008, the final environmental cost recovery true-up amount for the period ending December 31, 2008, should be an actual over-recovery of \$1,381,411. This amount is submitted for approval by the Commission to be refunded in the next period. The supporting data has been prepared in accordance with the uniform system of accounts as applicable to the Company's environmental cost recovery and fairly presents the Company's environmental costs to be considered for recovery through the ECRC for the period. The environmental activities and related expenditures reflected in the true-up amounts shown for the period ending December 31, 2008 are reasonable and necessary to achieve or maintain compliance with environmental requirements applicable to Gulf Power Company and, therefore, the amounts identified are prudent expenditures which have been incurred for utility purposes.

ESTIMATED ENVIRONMENTAL COST RECOVERY TRUE-UP

(6) Gulf has calculated its estimated environmental cost recovery true-up amounts for the period January 2009 through December 2009 in accordance with the principles and policies for environmental cost recovery established by the Commission. Based on six months actual and six months projected data, the Company's estimated environmental cost recovery true-up amount for the period January 2009 through December 2009 is an over-recovery of \$405,127. The estimated environmental cost recovery true-up is combined with the final environmental cost recovery true-up for the period ending December 31, 2008 to reach the total environmental cost recovery true-up that is to be addressed in the next cost recovery period (January 2010 through

December 2010). Gulf is requesting that the Commission approve this total environmental cost recovery true-up amount excluding revenue taxes, \$1,786,538 for refund during the January 2010 through December 2010 recovery period.

PROJECTED ENVIRONMENTAL COST RECOVERY AMOUNTS

(7) Gulf has calculated its projected environmental cost recovery amounts for the months January 2010 through December 2010 in accordance with the principles and policies for environmental cost recovery found in §366.8255 of the Florida Statutes and Commission Order No. PSC-94-0044-FOF-EI. The calculated factors reflect the recovery of the projected environmental cost recovery amount of \$155,938,965 for the period January 2010 through December 2010, less the net true-up amount adjusted for revenue taxes.

The computations and supporting data for the Company's environmental cost recovery factors are set forth on true-up and projection schedules that are attached as part of the exhibits to the final true-up testimony and actual/estimated true-up testimony of R.W. Dodd filed previously in this docket (*See* DN 02878-09, 03614-09, and 07931-09) and the projection testimony of Mr. Dodd filed herewith. Additional supporting data for the environmental cost recovery factors is provided in the final true-up testimony and estimated/actual true-up testimony of J. O. Vick also previously filed in this docket (*See* DN 02877-09 and 07931-09) and the projection testimony of Mr. Vick also filed herewith. Gulf's 2009 Compliance Plan Update (*See* DN 03614-09 and 02882-09) provides further support for the Company's environmental cost recovery factors. The data and other information set forth in these schedules, the 2009 Compliance Plan Update and sponsored and/or supported by the testimony of Gulf witnesses Dodd and Vick are an integral part of this petition and are hereby incorporated herein by reference. The methodology used by Gulf in determining the amounts to include in these factors and the allocation to rate classes is in accordance with the requirements of the Commission as set forth in Order No. PSC-94-0044-FOF-EI. The amounts included in the calculated factors for the projection period are based on reasonable projections of the costs for environmental compliance activities that are expected to

be incurred during the period January 2010 through December 2010. The calculated factors and supporting data have been prepared in accordance with the uniform system of accounts and fairly present the Company's best estimate of environmental compliance costs for the projected period. The activities described in the testimony of Mr. Vick are reasonable and necessary to achieve or maintain compliance with environmental requirements applicable to Gulf Power Company and the actual or projected costs resulting from the described compliance activities are also reasonable and necessary. Therefore, the costs identified are prudent expenditures that have been or will be incurred for utility purposes and for which the Company should be allowed to recover the associated revenue requirements.

NEW ENVIRONMENTAL ACTIVITIES/PROJECTS

(8) Gulf seeks approval of the following new activity/project for cost recovery through the Environmental Cost Recovery Clause¹:

(A.) **Plant Crist 5, 6, & 7 Precipitator Projects:** The Plant Crist Unit 6 and Unit 7 precipitator upgrades are part of a project that was approved for environmental cost recovery in Docket No. 930613-EI. These upgrades were required and continue to be needed to comply with the Clean Air Act Amendments (CAAA) of 1990. During the 2010 recovery period, Plant Crist plans to begin incurring preliminary engineering and design costs to rebuild portions of the Plant Crist Unit 6 precipitator. Recent inspections of the Crist Unit 6 precipitator have indicated that the internals will need to be replaced by 2013. The 2010 projected expenditures for the Plant Crist Unit 6 precipitator project are \$1.1 million and the total project cost is estimated to be \$39 million. Because of the magnitude of the total projected activity in this previously approved program, Gulf is listing this project as a new activity.

¹ Plant Crist 5, 6, & 7 Precipitator Projects and the Smith Reclaimed Water Project are not new projects, however, Gulf has listed them here because of the magnitude of the total project costs.

(B.) **Smith Reclaimed Water Project:** The Smith Reclaimed Water Project is part of the existing Smith Water Conservation and consumptive use efficiency program required by the Plant Smith consumptive water use permit. Specific Condition nine of Plant Smith's consumptive use permit, issued by the North West Florida Water Management District (NFWMD), requires the plant to implement measures to increase water conservation and efficiency at the facility. Utilizing reclaimed water would increase groundwater and surface water conservation as required in the consumptive use permit. On October 20, 2008, the NFWMD issued a letter stating that re-use of reclaimed water clearly meets the requirements listed in Specific Condition nine of the permit. Gulf is currently investigating the feasibility of utilizing reclaimed water at Plant Smith in Bay County, FL. Gulf has begun initial discussions with several potential reclaimed water suppliers in the Bay County area. The design portion of the project will begin after the preliminary investigation and feasibility study is complete. Feasibility will be based on which domestic wastewater treatment facilities agree to participate in the water use project and how the project will be permitted. Gulf has incurred approximately \$62,000 of preliminary investigation expenses to evaluate utilizing reclaimed water in the existing Plant Smith Unit 3 cooling tower which would reduce surface water consumption by 5 to 6 million gallons per day. If it is feasible to move forward with the project, approximately \$1.5 million is projected to be incurred in 2010 for engineering and design of the infrastructure required to re-use this beneficial water source. The total project cost is estimated to be \$20-30 million. Because of the magnitude of the total projected activity in this previously approved program, Gulf is listing this project as a new activity.

(C.) EPA's Maximum Achievable Control Technology (MACT) Information Collection

Request (ICR): EPA recently proposed an extensive Information Collection Request (ICR) for coal- and oil-fired steam electric generating units to support Maximum Achievable Control Technology (MACT) rulemaking under section 112 of the Clean Air Act (CAA). EPA is currently accepting comments on this proposal and is expected to finalize the ICR in January 2010. The ICR will require submission of information on control equipment efficiencies, emissions, capital and O&M costs, and fuel data for all coal and oil-fired generating units greater than 25 MW. The proposed ICR also requires each of Gulf's facilities to conduct a broad range of emissions testing. The 2010 cost for this program is projected to be \$541,000.

(D.) The remaining activities/projects discussed in the projection testimony of Mr. Vick, filed herewith, are expansions or continuations of existing Commission-approved programs and are incorporated herein by reference.

CAIR/CAMR/CAVR STATUS

(9) Gulf has begun implementation of all stipulated components of the Company's CAIR/CAMR/CAVR Compliance Plan set forth in the Stipulation between OPC, FIPUG and Gulf approved by the Commission on August 14, 2007. The remaining components of the Company's Plan remain in the planning stage for possible future implementation.

ENVIRONMENTAL COST RECOVERY FACTORS

(10) The calculated environmental cost recovery factors by rate class, including true-up, are:

RATE CLASS	ENVIRONMENTAL COST RECOVERY FACTORS ¢/KWH
RS, RSVP	1.391
GS	1.384
GSD, GSDT, GSTOU	1.372
LP, LPT	1.343
PX, PXT, RTP, SBS	1.322
OS-I/II	1.327
OSIII	1.358

WHEREFORE, Gulf Power Company respectfully requests the Commission to approve the final environmental cost recovery true-up amounts for the period January 2008 through December 2008; estimated environmental cost recovery true-up amounts for the period January 2009 through December 2009; the projected environmental cost recovery amounts for the period January 2010 through December 2010; the reasonableness and prudence of new and/or expansions of other environmental projects consistent with this petition; and the environmental cost recovery factors to be applied in customer billings beginning with the period January 2010 through December 2010.

Dated the 27th day of August, 2009.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ENVIRONMENTAL COST RECOVERY
CLAUSE**

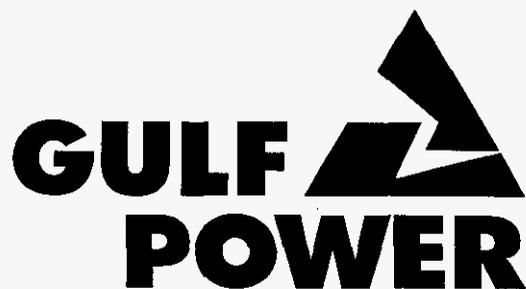
DOCKET NO. 090007-EI

**PREPARED DIRECT TESTIMONY
OF
JAMES O. VICK**

**PROJECTION FILING
FOR THE PERIOD**

JANUARY 2010 – DECEMBER 2010

AUGUST 28, 2009



A SOUTHERN COMPANY

DOCUMENT NUMBER - DATE

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1 GULF POWER COMPANY

2 Before the Florida Public Service Commission

3 Prepared Direct Testimony and Exhibit of

4 James O. Vick

5 Docket No. 090007-EI

6 August 28, 2009

7

8 Q. Please state your name and business address.

9 A. My name is James O. Vick, and my business address is One Energy
10 Place, Pensacola, Florida, 32520.

11

12 Q. By whom are you employed and in what capacity?

13 A. I am employed by Gulf Power Company as the Director of Environmental
14 Affairs.

15

16 Q. Mr. Vick, will you please describe your education and experience?

17 A. I graduated from Florida State University, Tallahassee, Florida, in 1975
18 with a Bachelor of Science Degree in Marine Biology. I also hold a
19 Bachelor's Degree in Civil Engineering from the University of South
20 Florida in Tampa, Florida. In addition, I have a Masters of Science
21 Degree in Management from Troy State University, Pensacola, Florida. I
22 joined Gulf Power Company in August 1978 as an Associate Engineer. I
23 have since held various engineering positions with increasing
24 responsibilities such as Air Quality Engineer, Senior Environmental
25 Licensing Engineer, and Manager of Environmental Affairs. In 2003,

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1 I assumed my present position as Director of Environmental Affairs.

2

3 Q. What are your responsibilities with Gulf Power Company?

4 A. As Director of Environmental Affairs, my primary responsibility is
5 overseeing the activities of the Environmental Affairs section to ensure the
6 Company is, and remains, in compliance with environmental laws and
7 regulations, i.e., both existing laws and such laws and regulations that
8 may be enacted or amended in the future. In performing this function, I
9 have the responsibility for numerous environmental activities.

10

11 Q. Are you the same James O. Vick who has previously testified before this
12 Commission on various environmental matters?

13 A. Yes.

14

15 Q. Mr. Vick, what is the purpose of your testimony?

16 A. The purpose of my testimony is to support Gulf Power Company's
17 projection of environmental compliance costs recoverable through the
18 Environmental Cost Recovery Clause (ECRC) for the period from January
19 2010 through December 2010.

20

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

23 A. Yes, I have. My exhibit includes the following documents:

- 24 • Plant Smith Consumptive Use Permit
25 • Northwest Florida Water Management District (NFWFMD)

1 correspondence regarding the proposed Smith Reclaimed Water
2 project.

- 3 • Federal Register Notice of Agency Information Collection Request
4 dated July 2, 2009 (Vol. 74, No. 126 Pages 31725-31728)

5
6 Counsel: We ask that Mr. Vick's' Exhibit
7 consisting of three documents be
8 marked as Exhibit No. ____ (JOV-1).

9
10 Q. Mr. Vick, please identify the capital projects included in Gulf's ECRC
11 projection filing.

12 A. The environmental capital projects for which Gulf seeks recovery through
13 the ECRC are described in Schedules 3P, 4P, and 5P. I am supporting
14 the expenditures, clearings, retirements, salvage and cost of removal
15 currently projected for each of these projects and the costs for emission
16 allowances. Mr. Dodd compiled these schedules and has calculated the
17 associated revenue requirements for Gulf's requested recovery. Of the
18 projects shown on Mr. Dodd's schedules, there are four projects that were
19 previously approved by the Commission with expanded activities that
20 have projected capital expenditures during 2010. Two of the projects are
21 related to Gulf's existing Air Quality programs: the Crist 5, 6, & 7
22 Precipitator Projects and the CAIR/CAMR/CAVR Compliance Program.
23 The Crist Water Conservation project and the Plant NPDES Permit
24 Compliance projects are also projected to have additional capital
25 expenditures during 2010.

1 Q. Mr. Vick, please describe the project included in the 2010 projection for
2 (Line 1.2) the Crist 5, 6, & 7 Precipitator Projects.

3 A. The Plant Crist Unit 6 and Unit 7 precipitator upgrades were originally
4 undertaken in the early 1990's and approved for environmental cost
5 recovery in Docket No. 930613-EI. These upgrades were required and
6 continue to be needed to comply with the Clean Air Act Amendments
7 (CAAA) of 1990. During the 2010 recovery period, Plant Crist will begin
8 incurring preliminary engineering and design costs to rebuild portions of
9 the Plant Crist Unit 6 precipitator. Recent inspections of the Crist Unit 6
10 precipitator have indicated that the internals will need to be replaced by
11 2013. The 2010 projected expenditures for the Plant Crist Unit 6
12 precipitator project are \$1.1 million.

13
14 Q. Mr. Vick, please describe the capital projects included in Gulf's
15 CAIR/CAMR/CAVR Compliance Program (Line Item 1.26) that will impact
16 the 2010 projected ECRC revenue requirements.

17 A. For the purpose of the 2010 projection of ECRC revenue requirements in
18 Mr. Dodd's testimony, \$8.7 million is projected to be cleared to plant-in-
19 service for the CAIR/CAMR/CAVR Compliance Program. This placed-in-
20 service amount includes expenditures that will be made during 2010 as
21 well as previous years. The two capital projects included in the
22 Compliance Program that will impact the 2010 ECRC revenue
23 requirements are the Plant Crist Units 4 through 7 scrubber project (\$4.8
24 million) and the Plant Daniel Unit 1 Low NOx burners (\$3.9 million).

25

1 Q. Mr. Vick, please provide an update on the Crist Units 4 through 7 scrubber
2 project and describe the projected 2010 expenditures.

3 A. The Commission approved the Plant Crist Units 4 through 7 scrubber
4 project for ECRC recovery in Order No. PSC-07-0721-S-EI in September
5 2007. The Crist scrubber project is currently in the final stages of
6 construction and numerous elements of the project have already been
7 placed in-service such as the tractor garage and substation/transmission
8 upgrades. The Crist scrubber is scheduled to become operational during
9 December of 2009 when Crist Units 4 through 7 will be connected to the
10 scrubber. The Plant Crist scrubber costs are projected to be \$592 million
11 through December of 2009. Additional expenditures totaling \$4.8 million
12 are projected to be placed in-service during 2010 for the scrubber project.
13 These expenditures include costs for the gypsum barges, site restoration,
14 and modifications that may be necessary after start-up.

15 During 2010 Gulf will incur approximately \$14.8 million of
16 expenditures associated with the Crist Unit 7 LP and Crist Unit 6 HP/IP
17 turbine upgrades that will be placed in-service after 2010. As a remaining
18 part of the scrubber project these expenditures continue to qualify for
19 Allowance for Funds Used During Construction (AFUDC) treatment;
20 therefore these remaining expenditures will not impact the ECRC factor
21 until the projects are placed in service after 2010. A phased approach for
22 the turbine upgrades has been adopted due to parts availability and the
23 outage schedule.

24
25

1 Q. Mr. Vick, please discuss any changes to the projected Plant Crist scrubber
2 costs since Gulf's April 2009 Environmental Compliance Program Update.

3 A. The total budget for the Plant Crist scrubber project has increased by
4 approximately \$40 million since Gulf's April 2009 Environmental
5 Compliance Program update. As explained in Gulf's Estimated True-Up
6 filing, projected expenditures for the Plant Crist scrubber project increased
7 by approximately \$26 million due to an increase in the structural steel and
8 engineering costs as well as increased costs associated with the Crist Unit
9 7 turbine upgrades. Approximately \$23 million of the cost increase is due
10 to the need to upgrade the Plant Crist Unit 6 HP/IP turbine to further offset
11 increased station service due to the scrubber installation. These
12 increases are projected to be partially offset by various budget reductions
13 in other aspects of the scrubber project.

14
15 Q. Please address the projected 2010 capital expenditures for the Plant
16 Daniel Low NOx burners project under Gulf's approved
17 CAIR/CAMR/CAVR Compliance Program.

18 A. Gulf is a co-owner of Plant Daniel Units 1 and 2 with Mississippi Power
19 Company. Low NOx burners for Plant Daniel Units 1 and 2 were included
20 in Gulf's original CAIR/CAMR/CAVR Compliance Program that was
21 approved by the Commission in Order No. PSC-07-0721-S-EI. The
22 Daniel Unit 2 Low NOx burners were installed during 2008. The Daniel
23 Unit 1 Low NOx burner project that was originally scheduled to be placed
24 in-service during 2009 was delayed, pending the outcome of the CAIR
25 court decision. Now that the CAIR rule has been remanded to EPA and

1 remains in effect, the Daniel Unit 1 Low NOx burner project has been
2 rescheduled to be placed in-service during June 2010. The 2010
3 projected capital expenditures for this project are approximately \$2.4
4 million.

5
6 Q. Mr. Vick, please discuss the previously approved Plant Crist Unit 6 SCR
7 and Plant Daniel Scrubber projects that are included in Gulf's
8 CAIR/CAMR/CAVR Compliance Program.

9 A. Gulf will be moving forward with engineering and design for the Plant Crist
10 Unit 6 SCR and the Daniel Units 1 and 2 scrubber during 2010. As
11 discussed in Gulf's April 2009 Environmental Compliance Program
12 Update, the retrofit of Plant Crist Unit 6 and Plant Daniel Units 1 and 2
13 with an SCR and a single flue gas desulphurization scrubber, respectively,
14 are the best options for compliance with CAIR, CAVR, and the ozone
15 ambient air quality standard. Capital expenditures for these projects will
16 not impact the 2010 ECRC factor because both projects qualify for
17 AFUDC treatment. As portions of the project are cleared to plant in
18 service they will be included in ECRC.

19
20 Q. Mr. Vick, please describe the 2010 projected expenditures for the Crist
21 Water Conservation program (Line Item 1.24).

22 A. The Crist Water Conservation program is part of Gulf's water conservation
23 and consumptive use efficiency program required by the Plant Crist
24 consumptive water use permit. Plant Crist's consumptive use permit,
25 issued by the Northwest Florida Water Management District (NFWMD),

1 requires the plant to implement measures to increase water conservation
2 and efficiency at the facility. Gulf Power has entered into an agreement
3 with Emerald Coast Utilities Authority (ECUA) to utilize reclaimed water
4 from its proposed wastewater treatment plant. The reclaimed water will
5 be used as makeup water for the Plant Crist scrubber project and the
6 Plant Crist Units 6 and 7 cooling towers. Gulf expects \$7.8 million of
7 equipment to be placed in-service during December of 2009.
8 Expenditures totaling \$8.7 million are projected for portions of the Plant
9 Crist water conservation project that will be placed in-service during 2010.

10
11 Q. Mr. Vick, please describe the 2010 projected expenditures for the Plant
12 NPDES Permit Compliance Projects (Line 1.25).

13 A. The Plant NPDES Compliance program encompasses projects necessary
14 to meet more stringent water quality standards required by Gulf's NPDES
15 industrial wastewater permits. As has been discussed in previous
16 testimony, the water quality-based copper effluent limitations included in
17 Chapter 62 Part 302, Florida Administrative Code, became effective in
18 May of 2002. The more stringent hardness-based standard is included by
19 reference in the Plant Crist NPDES industrial wastewater permit.

20 Surface water studies were conducted from 2003 through 2005 to
21 determine the source of aqueous copper in the effluent. The results of
22 the study concluded that the Crist Unit 6 condenser was the main source
23 of the incremental copper in the Plant Crist discharge. The condenser
24 tubes were replaced with stainless steel condenser tubes during 2006 in
25 an effort to meet the revised water quality standards. Although Plant Crist

1 eliminated the Unit 6 condenser tubes as the main source of aqueous
2 copper in the discharge, the plant has continued to encounter problems
3 meeting the copper water quality standard. An additional study was
4 conducted during 2008 that recommended including chemical treatment
5 and/or aeration of either the oil skimmer pond or ash pond to further
6 reduce copper concentrations. During 2008 Plant Crist completed the first
7 phase of the project which involved installing a chemical treatment system
8 in the ash pond. For 2010, Gulf expects to incur approximately \$50,000
9 of expenditures for the second phase of the project that includes installing
10 an aeration system in the ash pond.

11
12 Q. Mr. Vick, please describe the project included in the 2010 projection
13 entitled Smith Reclaimed Water Project for which Gulf is seeking cost
14 recovery through the ECRC.

15 A. The Smith Reclaimed Water Project is part of the Smith Water
16 Conservation and consumptive use efficiency program (Line Item 1.17)
17 required by the Plant Smith consumptive water use permit. Specific
18 Condition nine of Plant Smith's consumptive use permit, issued by the
19 NFWFMD, requires the plant to implement measures to increase water
20 conservation and efficiency at the facility. Utilizing reclaimed water would
21 increase groundwater and surface water conservation as required in the
22 consumptive use permit. On October 20, 2008, the NFWFMD issued a
23 letter stating that re-use of reclaimed water clearly meets the
24 requirements listed in Specific Condition nine of the permit. The Plant
25 Smith consumptive use permit and correspondence from the NFWFMD

1 regarding the Smith Reclaimed Water project is included in my Exhibit,
2 JOV-1.

3 Gulf is currently investigating the feasibility of utilizing reclaimed
4 water at Plant Smith in Bay County, FL. Gulf has begun initial discussions
5 with several potential reclaimed water suppliers in the Bay County area.
6 The design portion of the project will begin after the preliminary
7 investigation and feasibility study is complete. Feasibility will be based on
8 which domestic wastewater treatment facilities agree to participate in the
9 water use project and how the project will be permitted.

10 Gulf has incurred approximately \$62,000 of preliminary
11 investigation expenses to evaluate utilizing reclaimed water in the existing
12 Plant Smith Unit 3 cooling tower which would reduce surface water
13 consumption by 5 to 6 million gallons per day. The project expenses have
14 been and will continue to be booked to a preliminary investigation account
15 until Gulf determines whether or not it is able to move forward with the
16 project. If it is feasible to move forward with the project, approximately
17 \$1.5 million is projected to be incurred for engineering and design of the
18 infrastructure required to re-use this beneficial water source.

19
20 Q. Mr. Vick, are you including the purchase of allowances in your 2010
21 projection filing?

22 A. Yes. We currently have forward contracts in place to purchase annual
23 NOx allowances and are also projecting the need to purchase additional
24 seasonal NOx allowances during 2010. Gulf's compliance strategy
25 continues to include forward contracts, swaps, and spot market purchases

1 of allowances depending on market prices.

2

3 Q. Please compare the Environmental Operation and Maintenance (O&M)
4 activities listed on Schedule 2P of Mr. Dodd's Exhibit to the O&M activities
5 approved for cost recovery in past ECRC proceedings.

6 A. All of the O&M activities listed on Schedule 2P have been approved for
7 recovery through the ECRC in past proceedings, except for one new
8 activity. The Maximum Achievable Control Technology (MACT)
9 Information Collection Request (ICR) (Line Item 1.21) is being included in
10 the ECRC O&M projection for the first time.

11

12 Q. Mr. Vick, please describe EPA's Maximum Achievable Control Technology
13 (MACT) Information Collection Request (ICR).

14 A. EPA recently proposed an extensive Information Collection Request (ICR)
15 in the Federal Register for coal- and oil-fired steam electric generating
16 units to support Maximum Achievable Control Technology (MACT)
17 rulemaking under section 112 of the Clean Air Act (CAA). EPA is
18 currently accepting comments on this proposal and is expected to finalize
19 the ICR in January 2010. The ICR will require submission of information
20 on control equipment efficiencies, emissions, capital and O&M costs, and
21 fuel data for all coal and oil-fired generating units greater than 25 MW.
22 The proposed ICR also requires each of Gulf's facilities to conduct a
23 broad range of emissions testing. The 2010 cost for this program is
24 projected to be \$541,000. The Federal Register Notice of Agency
25 Information Collection Request is included in my Exhibit, JOV-1.

1 Q. Please describe the O&M activities included in the air quality category that
2 have projected expenses during 2010.

3 A. There are five O&M activities included in the air quality category that have
4 projected expenses in 2010. On Schedule 2P, Air Emission Fees (Line
5 Item 1.2), represents the expenses projected for the annual fees required
6 by the CAAA that are payable to the FDEP and Mississippi Department of
7 Environmental Quality. The expenses projected for the 2010 recovery
8 period total \$916,374.

9 Included in the air quality category, Title V (Line Item 1.3)
10 represents projected expenses associated with implementation of the Title
11 V permits. The total 2010 estimated expenses for the Title V Program are
12 \$126,436.

13 On Schedule 2P, Asbestos Fees (Line Item 1.4) consists of the
14 fees required to be paid to the FDEP for asbestos abatement projects.
15 The expenses projected for the recovery period total \$2,600.

16 Emission Monitoring (Line Item 1.5) on Schedule 2P reflects an
17 ongoing O&M expense associated with the Continuous Emission
18 Monitoring equipment as required by the CAAA. These expenses are
19 incurred in response to EPA's requirements that the Company perform
20 Quality Assurance/Quality Control (QA/QC) testing for the Continuous
21 Emission Monitoring systems (CEMs), including Relative Accuracy Test
22 Audits (RATAs) and Linearity Tests. The expenses expected to be
23 incurred during the 2010 recovery period for these activities total
24 \$559,914.

25 The FDEP NOx Reduction Agreement (Line Item 1.19) includes

1 O&M costs associated with the Plant Crist Unit 7 SCR and the Crist Units
2 4 through 6 SNCR projects that were included as part of the 2002
3 agreement with FDEP. This line item includes the cost of anhydrous
4 ammonia, urea, air monitoring, and general operation and maintenance
5 expenses related to the activities undertaken in connection with the
6 agreement. Gulf was granted approval for recovery of the costs incurred
7 to complete these activities in FPSC Order No. PSC-02-1396-PAA-EI in
8 Docket No. 020943-EI. The projected expenses for the 2010 recovery
9 period total \$2,647,500.

10
11 Q. What O&M activities are included in water quality category?

12 A. The first activity, General Water Quality (Line Item 1.6), identified in
13 Schedule 2P, includes costs associated with Soil Contamination Studies,
14 Dechlorination, Groundwater Monitoring Plan Revisions, Surface Water
15 Studies, the Cooling Water Intake Program, and the Impaired Waters
16 Rule. The expenses expected to be incurred during the projection period
17 for this line item total \$441,707.

18 The second activity listed in the water quality category,
19 Groundwater Contamination Investigation (Line Item 1.7), was previously
20 approved for environmental cost recovery in Docket No. 930613-EI. This
21 line item includes expenses related to substation investigation and
22 remediation activities. Gulf has projected \$1,630,452 of expenses for this
23 line item during the 2010 recovery period.

24 Line Item 1.8, State NPDES Administration, was previously
25 approved for recovery in the ECRC and reflects expenses associated with

1 NPDES annual and permit renewal fees for Gulf's three generating
2 facilities in Florida. These expenses are expected to be \$42,000 during
3 the projected recovery period.

4 Finally, Line Item 1.9, Lead and Copper Rule, was also previously
5 approved for ECRC recovery and reflects sampling, analytical and
6 chemical costs related to the lead and copper drinking water quality
7 standards. These expenses are expected to total \$21,000 during the
8 2010 projection period.

9
10 Q. What activities are included in the environmental affairs administration
11 Category?

12 A. Only one O&M activity is included in this category on Schedule 2P (Line
13 Item 1.10) of Mr. Dodd's exhibit. This line item refers to the Company's
14 Environmental Audit/Assessment function. This program is an on-going
15 compliance activity previously approved for ECRC recovery. Expenses
16 totaling \$12,000 are expected during the 2010 recovery period.

17
18 Q. What O&M activities are included in the general solid and hazardous
19 waste category?

20 A. This solid and hazardous waste activity involves the proper identification,
21 handling, storage, transportation and disposal of solid and hazardous
22 wastes as required by federal and state regulations. The program
23 includes expenses for Gulf's generating and power delivery facilities. This
24 program is a previously approved program that is projected to incur
25 incremental expenses totaling \$558,133 in 2010.

1 Q. In addition to the four major O&M categories listed above, are there any
2 other O&M activities which have been approved for recovery that have
3 projected expenses?

4 A. Yes. There are four other O&M activities that have been approved in past
5 proceedings which have projected expenses during 2010. They are the
6 Above Ground Storage Tanks program, the Sodium Injection System, the
7 CAIR/CAMR/CAVR Compliance Program, and Emission Allowances.

8
9 Q. What O&M activities are included in the Above Ground Storage Tanks line
10 item?

11 A. Above Ground Storage Tanks (Line Item 1.12) includes maintenance
12 activities and fees required by Florida's above ground storage tank
13 regulation, Chapter 62 Part 762, F.A.C. Expenses totaling \$98,387 are
14 projected to be incurred during 2010.

15
16 Q. What activity is included in the Sodium Injection line item?

17 A. The Sodium Injection System (Line Item 1.16) was originally approved for
18 inclusion in the ECRC in Order No. PSC-99-1954-PAA-EI. The activities
19 in this line item involve sodium injection to the coal supply that enhances
20 precipitator efficiencies when burning certain low sulfur coals at Plant Crist
21 and Plant Smith. The expenses projected for the 2010 recovery period
22 total \$242,989.

23

24

25

1 Q. What activities are included in the CAIR/CAMR/CAVR Compliance
2 Program (Line Item 1.20) activity?

3 A. The CAIR/CAMR/CAVR Compliance Program (Line Item 1.20) currently
4 includes O&M expenses associated with the Crist Units 4 through 7
5 scrubber, the Smith Units 1 and 2 SNCRs, and the Scholz mercury
6 monitoring project. All of these projects were included as part of the
7 CAIR/CAMR/CAVR Compliance Program approved by the Commission in
8 FPSC Order No. PSC-07-0721-S-EI. More specifically, this line item
9 includes the cost of urea, limestone, and general operation and
10 maintenance activities included in Gulf's CAIR/CAMR/CAVR Compliance
11 Program. The projected 2010 expenses for the CAIR/CAMR/CAVR
12 Compliance Program total approximately \$20.7 million which includes
13 \$13.8 million for limestone costs associated with operation of the Plant
14 Crist scrubber.

15
16 Q. Please describe the emission allowances line items 1.23 through 1.25.

17 A. These line items include projected allowance expenses for Gulf's
18 generation. Line Items 1.23 and 1.24 include projected expenses for
19 annual and seasonal NOx allowances of approximately \$8.4 and \$0.4
20 million, respectively. Line Item 1.25 includes approximately \$2.8 million of
21 projected expenses for SO₂ allowances expected to be incurred during
22 2010 for both CAIR and Acid Rain compliance.

23
24
25

1 Q. Do each of the capital projects and O&M activities that have
2 projected costs in 2010 meet the ECRC statutory guidelines?

3 A. Yes. The projects included in Gulf's 2010 ECRC projection filing meet the
4 requirements of the ECRC statute and are consistent with the
5 Commission's precedents regarding environmental cost recovery. Each
6 of the capital projects and O&M activities set forth on Mr. Dodd's
7 schedules include only prudent costs that are not recovered through some
8 other cost recovery mechanism or base rates. The projected
9 environmental costs are necessary to achieve and/or maintain compliance
10 with environmental laws, rules, and regulations.

11
12 Q. Mr. Vick, does this conclude your testimony?

13 A. Yes.
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25

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 090007-EI

Before me the undersigned authority, personally appeared James O. Vick, who being first duly sworn, deposes, and says that he is the Director of Environmental Affairs of Gulf Power Company, a Florida corporation, and that the foregoing is true and correct to the best of his knowledge, information, and belief. He is personally known to me.



James O. Vick
Director of Environmental Affairs

Sworn to and subscribed before me this 27th day of August, 2009.



Notary Public, State of Florida at Large

Commission Number:

Commission Expires:

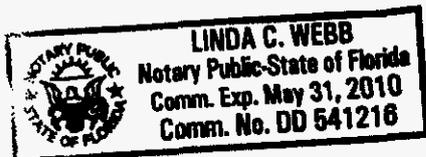


Exhibit to the Testimony of James O. Vick

Exhibit (JOV-1)_____

<u>Enclosed Documentation</u>	<u>Page</u>
Plant Smith Consumptive Use Permit	1
NFWFMD correspondence to Gulf Power dated October 20, 2008	7
Federal Register Notice of Agency Information Collection Request dated July 2, 2009	8



Douglas E. Harr
Executive Director

Northwest Florida Water Management District

152 Water Management Drive, Havana, Florida 32333-4712
(U.S. Highway 90, 10 miles west of Tallahassee)
(850) 539-5099 (Fax) 539-2777

December 4, 2006

Gulf Power, Inc.
Lansing Smith Electric Generating Plant
One Energy Place
Pensacola, FL 32520-0328

NOTICE OF AGENCY ACTION
Individual Water Use Permit No. 19850073
Consumptive Use Permit Application No. 106771

Dear Permittee:

Your Individual Water Use Permit was approved by the Governing Board of the Northwest Florida Water Management District at a public hearing on November 30, 2006. The permit issued is subject to the terms and conditions set forth in the enclosed permit document. As you are legally responsible for compliance with the conditions of the permit please read the document thoroughly. Pay close attention to any condition(s) of the permit which require the one-time or periodic submittal of information to the District. Non-compliance may require the District to initiate enforcement action, including the possible assessment of administrative fines. Please designate an individual as the contact person for compliance. This can be done by sending the person's name, address, phone number and email address in hard-copy to the above address or via email (compliance@nwfwmd.state.fl.us).

If the property where the withdrawal facility is located changes ownership, the permit must be transferred. A permit transfer request must be made on NWFWD Form A2-F (http://www.nwfwmd.state.fl.us/permits/forms/permit_transfer.pdf) and approved by the Executive Director. If the permit is not transferred you may remain responsible for compliance with the conditions of the permit.

If you have any questions concerning the permit document or if the District can be of any other service, please let us know.

Sincerely,

A handwritten signature in black ink, appearing to read "Angela Cherette".

Angela Cherette, Chief
Bureau of Ground Water Regulation
Division of Resource Regulation

Enclosure
cc: Richard M. Markey

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GEORGE ROBERTS
Panama City

**NORTHWEST FLORIDA WATER MANAGEMENT DISTRICT
INDIVIDUAL WATER USE PERMIT**
(NWFWMU Form No. A2-E)

Permit granted to: Gulf Power Company
Lansing Smith
Electric Generating Plant
One Energy Place
Pensacola, Florida 32520-0328
(Legal Name and Address)

Permit No.: 19850073 Renewal/Modification

Date Permit Granted: November 30, 2006

Permit Expires On: December 1, 2011

Source Classification: Floridan Aquifer, North Bay, Recycled Water
Power Generation
Public Supply

Use Classification: Industrial Uses

County: Bay Area: B Location: Section _____ 1/4 Section _____

Application No.: I06771 Township 2 South Range 14, 15 West

Terms and standard conditions of this Permit are as follows:

1. That all statements in the application and in supporting data are true and accurate and based upon the best information available, and that all conditions set forth herein will be complied with. If any of the statements in the application and in the supporting data are found to be untrue and inaccurate, or if the Permittee fails to comply with all of the conditions set forth herein, then this Permit shall be revoked as provided by Chapter 373.243, Florida Statutes.
2. This Permit is predicated upon the assertion by the Permittee that the use of water applied for and granted is and continues to be a reasonable and beneficial use as defined in Section 373.019(4), Florida Statutes, is and continues to be consistent with the public interest, and will not interfere with any legal use of water existing on the date this Permit is granted.
3. This Permit is conditioned on the Permittee having obtained or obtaining all other necessary permit(s) to construct, operate and certify withdrawal facilities and the operation of water system.
4. This Permit is issued to the Permittee contingent upon continued ownership, lease or other present control of property rights in underlying, overlying, or adjacent lands. This Permit may be assigned to a subsequent owner as provided by Chapter 40A-2.351, Florida Administrative Code, and the acceptance by the transferee of all terms and conditions of the Permit.

19850073.106771

5. This Permit authorizes the Permittee to make a combined average annual withdrawal of 275,200,000* gallons of water per day, a maximum combined withdrawal of 276,160,000** gallons during a single day, and a combined monthly withdrawal of 8,531,200,000*** gallons. Withdrawals for the individual facilities are authorized as shown in the table below in paragraph six. However, the total combined amount of water withdrawn by all facilities listed in paragraph six shall not exceed the amounts identified above.
6. Individual Withdrawal Facility Authorization

WITHDRAWAL POINT ID NO.	LOCATION SEC. TWN. RNG	GALLONS/DAY AVERAGE	GALLONS/DAY MAXIMUM
LSGP #1 (AAA6592)	Sec. 36, T2S, R15W		720,000
LSGP #2 (AAA6591)	Sec. 36, T2S, R15W		720,000
LSGP #3 (AAA6590)	Sec. 36, T2S, R15W		Abandoned
LSGP #4 (AAD3491)	Sec. 25, T2S, R15W		720,000
LSGP #5 (AAE0186)	Sec. 19, T2S, R15W		720,000
LSGP #6 (To Be Assigned)	Sec. 17, T2S, R14W		720,000 Proposed
LGSP 1A/NB	Sec. 36, T2S, R15W		68,256,000
LGSP 1B/NB	Sec. 36, T2S, R15W		68,256,000
LGSP 2A/NB	Sec. 36, T2S, R15W		68,256,000
LGSP 2B/NB	Sec. 36, T2S, R15W		68,256,000
* 1,200,000 Ground Water - 274,000,000 Surface Water ** 2,160,000 Ground Water - 274,000,000 Surface Water *** 37,200,000 Ground Water - 8,494,000,000 Surface Water			

7. The use of the permitted water withdrawal is restricted to the use classification set forth by the Permit. Any change in the use of said water shall require a modification of this Permit.
8. The District's staff, upon proper identification, will have permission to enter, inspect and observe permitted and related facilities in order to determine compliance with the approved plans, specifications and conditions of this Permit.
9. The District's staff, upon providing prior notice and proper identification, may request permission to collect water samples for analysis, measure static and/or pumping water levels and collect any other information deemed necessary to protect the water resources of the area.
10. The District reserves the right, at a future date, to require the Permittee to submit pumpage records for any or all withdrawal point(s) covered by this Permit.

19850073-106771

11. Permittee shall mitigate any significant adverse impact caused by withdrawals permitted herein on the resource and legal water withdrawals and uses, and on adjacent land use, which existed at the time of permit application. The District reserves the right to curtail permitted withdrawal rates if the withdrawal causes significant adverse impact on the resource and legal uses of water, or adjacent land use, which existed at the time of permit application.
12. Permittee shall not cause significant saline water intrusion or increased chloride levels. The District reserves the right to curtail permitted withdrawal rates if withdrawals cause significant saline water intrusion or increased chloride levels.
13. The District, pursuant to Section 373.042, Florida Statutes, at a future date, may establish minimum and/or management water levels in the aquifer, aquifers, or surface water hydrologically associated with the permitted withdrawals; these water levels may require the Permittee to limit withdrawal from these water sources at times when water levels are below established levels.
14. Nothing in this Permit should be construed to limit the authority of the Northwest Florida Water Management District to declare water shortages and issue orders pursuant to Section 373.175, Florida Statutes, or to formulate and implement a plan during periods of water shortage pursuant to Section 373.246, Florida Statutes, or to declare Water Resource Caution Areas pursuant to Chapters 40A-2.801, and 62-40.41, Florida Administrative Code
 - (a) In the event of a declared water shortage, water withdrawal reductions shall be made as ordered by the District.
 - (b) In the event of a declared water shortage or an area as a Water Resource Caution Area, the District may alter, modify or inactivate all or parts of this permit.
15. The Permittee shall properly plug and abandon any well determined unsuitable for its intended use, not properly operated and maintained, or removed from service. The well(s) shall be plugged and abandoned to District Standards in accordance with Section 40A-3.531, Florida Administrative Code.
16. Any Specific Permit Condition(s) enumerated in Attachment A are herein made a part of this Permit.



Authorized Signature
Northwest Florida Water Management District

19850073-106771

ATTACHMENT
Gulf Power Company
Lansing Smith Electric Generating Plant

Individual Water Use Permit No. 19850073
Individual Water Use Application No. 106771

1. The Permittee shall include the Individual Water Use Permit number and the well's Florida Unique Identification Number when submitting reports or otherwise corresponding with the District.
2. The Permittee shall not exceed ground water withdrawal amounts of an annual average daily amount of 1.2 million gallons, a maximum daily amount of 2.16 million gallons, and a maximum monthly amount of 37.2 million gallons.
3. The Permittee shall not exceed surface water withdrawal amounts of an annual average daily amount of 274 million gallons, a maximum daily amount of 274 million gallons and a maximum monthly amount of 8,494 million gallons.
4. The Permittee shall record the data required on the Water Use Summary Reporting Form, NFWFMD A2-1, and submit copies to the District by January 31 of each year. The withdrawals shall be reported separately by source (ground water, surface, and reclaimed). The ground and surface water withdrawals shall also be provided as an aggregate. The Permittee, if preferred, may submit the report electronically by downloading the correct form from the District website, filling it out properly, and e-mailing it to compliance@nwfwm.state.fl.us. The next report is due January 31, 2007.
5. The Permittee, by January 31, April 30, July 31, and October 31 of each year, shall report the following information as specified below:
 - a. Water quality results from tests conducted on each production well of the system during the first two weeks of the months of January, April, July, and October as appropriate to the reporting period. The water quality analysis shall test for the following chemical concentrations: chloride, sodium, sulfate, bicarbonate, carbonate, calcium, magnesium, potassium, and total dissolved solids. Prior to sampling, the Permittee shall purge approximately three to five well volumes from each well, and shall report with each set of test results, the duration of purging, purge volume, and purge rates used.
 - b. Static water level data for each production well as recorded during the first two weeks of January, April, July, and October as appropriate to the reporting period. The water level data shall be referenced to mean sea level.

The next water use, water quality and water level reports are due by January 31, 2007.

19850073-106771

6. The Permittee shall continue to return approximately 95 percent or more of the surface water withdrawn.
7. The Permittee, at the time of construction, shall install an in-line totaling flow meter at the well head of proposed well LSGP #6. The Permittee shall maintain in working order in-line totaling flow meters on all other ground water wells.
8. The Permittee shall not exceed a withdrawal rate of 2,000 gallons per minute from the Floridan aquifer. The Permittee, at the time that LSGP #6 is operational, shall implement the pumping scenario identified in the ground water modeling analysis whereby LSGP #4, LSGP #5, and LSGP #6 are operated as primary wells and LSGP #1 and #2 are operated as backup and emergency supply wells.
9. The Permittee shall develop a plan to continue and expand implementation of water conservation and efficiency measures at the plant. The findings of the plan, along with a timetable for implementation, shall be submitted to the District no later than July 31, 2009.
10. The Permittee shall mitigate impacts attributable to the authorized withdrawal that interfere with users of water in the vicinity of Gulf Power's wells. The Permittee shall report the occurrence of any such impacts to the District and shall identify the mitigation action undertaken to address the impacts.



Douglas E. Barr
Executive Director

Northwest Florida Water Management District

152 Water Management Drive, Havana, Florida 32333-4712
(U.S. Highway 90, 10 miles west of Tallahassee)

(850) 539-5999 • (Fax) 539-2777

October 20, 2008

Mr. Mike Markey
Gulf Power Company
One Energy Place
Pensacola, Florida 32520-0328

RE: Individual Water Use Permit No. 19850073
Specific Condition No. 9

Dear Mr. Markey:

The District understands that Gulf Power is working to obtain reuse water as part of Gulf Power's water conservation effort in accordance with Specific Condition No. 9 of the Individual Water Use Permit. Obtaining and utilizing reuse water to directly reduce demand for ground water and surface water would result in a significant benefit to the water resources of the area. This activity clearly meets the intent of the permit condition. If I can provide any other information or endorsement in support of this effort, please contact me.

Sincerely,

Angela Chelette, P.G.
Chief, Bureau of Ground Water Regulation

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local and Tribal governments, the general public and international community to comment on the scope of the EIS, including identification of reasonable alternatives and specific issues to be addressed.

DOE will hold public scoping meetings from 5:30 p.m.–9:30 p.m. on the following dates and locations:

- July 21, 2009 Two Rivers Convention Center, 159 Main Street, Grand Junction, CO 81501.
- July 23, 2009 Embassy Suites Kansas City—Plaza, 220 West 43rd Street, Kansas City, MO 64111.
- July 28, 2009 Clarion Hotel and Conference Center, 1515 George Washington Way, Richland, WA 99352.
- July 30, 2009 North Augusta Municipal Center, 100 Georgia Avenue, North Augusta, SC 29841.
- August 4, 2009 El Capitan Resort, 540 F Street, Hawthorne, NV 89415.
- August 6, 2009 James Roberts Civic Center, 855 E. Broadway, Andrews, TX 79714.
- August 11, 2009 Shilo Inn/O'Callahans Convention Center, 780 Lindsay Blvd., Idaho Falls, ID 83402.

Additional details on the scoping meetings will be provided in local media and at <http://www.mercurystorageeis.com>.

At each scoping meeting, DOE plans to hold an open house one hour prior to the formal portion of the meetings to allow participants to register to provide oral comments, view informational materials, and engage project staff. The registration table will have an oral comment registration form as well as a sign up sheet for those who do not wish to give oral comments but who would like to be included on the mailing list to receive future information. The public may provide written and/or oral comments at the scoping meetings.

Analysis of all public comments provided during the scoping meetings as well as those submitted as described in ADDRESSES above, will be considered in helping DOE further develop the scope of the EIS and potential issues to be addressed. DOE expects to issue a Draft EIS in the fall of 2009.

Issued in Washington, DC, on June 24, 2009.

Scott Blake Harris,
General Counsel.

[FR Doc. E9-15704 Filed 7-1-09; 8:45 am]

BILLING CODE 6450-01-P

DEPARTMENT OF ENERGY

Basic Energy Sciences Advisory Committee

AGENCY: Department of Energy, Office of Science.

ACTION: Notice of open meeting.

SUMMARY: This notice announces a meeting of the Basic Energy Sciences Advisory Committee (BESAC). Federal Advisory Committee Act (Pub. L. 92-463, 86 Stat. 770) requires that public notice of these meetings be announced in the Federal Register.

DATES: Thursday, July 9, 2009, 8:30 a.m.–5:30 p.m., and Friday, July 10, 2009, 8:30 a.m. to 12 noon.

ADDRESSES: Bethesda North Marriott Hotel and Conference Center, 5701 Marinelli Road, North Bethesda, MD 20852.

FOR FURTHER INFORMATION CONTACT: Katie Perine; Office of Basic Energy Sciences; U. S. Department of Energy; Germantown Building, Independence Avenue, Washington, DC 20585; Telephone: (301) 903-6529.

SUPPLEMENTARY INFORMATION: *Purpose of the Meeting:* The purpose of this meeting is to provide advice and guidance with respect to the basic energy sciences research program.

Tentative Agenda: Agenda will include discussions of the following:

- News from Office of Science/DOE;
- News from the Office of Basic Energy Sciences;
- Report from the New Era Subcommittee's Photon Workshop;
- Energy Frontier Research Center Update;
- COV Report for Materials Science and Engineering Division;
- New BESAC Charge.

Public Participation: The meeting is open to the public. If you would like to file a written statement with the Committee, you may do so either before or after the meeting. If you would like to make oral statements regarding any of the items on the agenda, you should contact Katie Perine at 301-903-6594 (fax) or katie.perine@science.doe.gov (e-mail). Reasonable provision will be made to include the scheduled oral statements on the agenda. The Chairperson of the Committee will conduct the meeting to facilitate the orderly conduct of business. Public comment will follow the 10-minute rule. This notice is being published less than 15 days before the date of the meeting due to programmatic issues that had to be resolved.

Minutes: The minutes of this meeting will be available for public review and

copying within 30 days at the Freedom of Information Public Reading Room; 1E-190, Forrestal Building; 1000 Independence Avenue, SW.; Washington, D.C. 20585; between 9 a.m. and 4 p.m., Monday through Friday, except holidays.

Issued in Washington, DC, on June 30, 2009.

Rachel M. Samuel,

Deputy Committee Management Officer.

[FR Doc. E9-15779 Filed 7-1-09; 8:45 am]

BILLING CODE 6450-01-P

ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OAR-2009-0234; FRL-8925-7]

Agency Information Collection Activities: Proposed Collection; Comment Request; Information Request for National Emission Standards for Coal- and Oil-fired Electric Utility Steam Generating Units; EPA ICR No. 2362.01

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (PRA) (44 U.S.C. 3501 *et seq.*), this action announces that EPA is planning to submit a request for a new Information Collection Request (ICR) to the Office of Management and Budget (OMB). Before submitting the ICR to OMB for review and approval, EPA is soliciting comments on the proposed information collection as described below.

DATES: Comments must be submitted on or before August 31, 2009.

ADDRESSES: Submit your comments, identified by Docket ID No. EPA-HQ-OAR-2009-0234, by one of the following methods:

- www.regulations.gov: Follow the on-line instructions for submitting comments.
- E-mail: a-and-r-docket@epa.gov.
- Fax: (202) 566-1741.
- Mail: Air and Radiation Docket and Information Center, Environmental Protection Agency, Mailcode: 22821T, 1200 Pennsylvania Ave., NW., Washington, DC 20460.
- Hand Delivery: Air and Radiation Docket and Information Center, U.S. EPA, Room 3334, EPA West Building, 1301 Constitution Avenue, NW., Washington, DC. Such deliveries are only accepted during the Docket's normal hours of operation, and special arrangements should be made for deliveries of boxed information.

Instructions: Direct your comments to Docket ID No. EPA-HQ-OAR-2009-0234. EPA's policy is that all comments received will be included in the public docket without change and may be made available online at www.regulations.gov, including any personal information provided, unless the comment includes information claimed to be Confidential Business Information (CBI) or other information whose disclosure is restricted by statute. Do not submit information that you consider to be CBI or otherwise protected through www.regulations.gov or e-mail. The www.regulations.gov Web site is an "anonymous access" system, which means EPA will not know your identity or contact information unless you provide it in the body of your comment. If you send an e-mail comment directly to EPA without going through www.regulations.gov your e-mail address will be automatically captured and included as part of the comment that is placed in the public docket and made available on the Internet. If you submit an electronic comment, EPA recommends that you include your name and other contact information in the body of your comment and with any disk or CD-ROM you submit. If EPA cannot read your comment due to technical difficulties and cannot contact you for clarification, EPA may not be able to consider your comment. Electronic files should avoid the use of special characters, any form of encryption, and be free of any defects or viruses. For additional information about EPA's public docket, visit the EPA Docket Center homepage at <http://www.epa.gov/epahome/dockets.htm>.

FOR FURTHER INFORMATION CONTACT: William Maxwell, Energy Strategies Group, Sector Policies and Program Division, (D243-01), Environmental Protection Agency, Research Triangle Park, North Carolina 27711; telephone number: (919) 541-5430; fax number: (919) 541-5450; e-mail address: maxwell.bill@epa.gov.

SUPPLEMENTARY INFORMATION:

How Can I Access the Docket and/or Submit Comments?

EPA has established a public docket for this ICR under Docket ID No. EPA-HQ-OAR-2009-0234, which is available for online viewing at www.regulations.gov, or in-person viewing at the Air and Radiation Docket in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Ave., NW., Washington, DC. The EPA/DC Public Reading Room is open from 8 a.m. to 4:30 p.m., Monday through Friday, excluding legal

holidays. The telephone number for the Reading Room is 202-566-1744, and the telephone number for the Air and Radiation Docket is 202-566-1742.

Use www.regulations.gov to obtain a copy of the draft collection of information, submit or view public comments, access the index listing of the contents of the docket, and to access those documents in the public docket that are available electronically. Once in the system, select "search," then key in the docket ID number identified in this document.

What Information Is EPA Particularly Interested in?

Pursuant to PRA section 3506(c)(2)(A), EPA specifically solicits comments and information to enable it to:

- (i) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility;
- (ii) Evaluate the accuracy of the Agency's estimate of the burden of the proposed collection of information, including the validity of the methodology and assumptions used;
- (iii) enhance the quality, utility, and clarity of the information to be collected; and
- (iv) minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated electronic, mechanical, or other technological collection techniques or other forms of information technology (e.g., permitting electronic submission of responses).

What Should I Consider When I Prepare My Comments for EPA?

You may find the following suggestions helpful for preparing your comments.

1. Explain your views as clearly as possible and provide specific examples.
2. Describe any assumptions that you used.
3. Provide copies of any technical information and/or data you used that support your views.
4. If you estimate potential burden or costs, explain how you arrived at the estimate that you provide.
5. Offer alternative ways to improve the collection activity.
6. Make sure to submit your comments by the deadline identified under **DATES**.
7. To ensure proper receipt by EPA, be sure to identify the docket ID number assigned to this action in the subject line on the first page of your response. You may also provide the name, date, and **Federal Register** citation.

What Information Collection Activity or ICR Does This Apply to?

Affected entities: Entities potentially affected by this action are coal- and oil-fired electric utility steam generating units that emit hazardous air pollutants (HAP). Hazardous air pollutant means any pollutant listed pursuant to Clean Air Act (CAA) section 112(b). CAA section 112(a)(8) defines an electric utility steam generating unit as

* * * any fossil fuel-fired combustion unit of more than 25 megawatts that serves a generator that produces electricity for sale. A unit that cogenerates steam and electricity and supplies more than one-third of its potential electric output capacity and more than 25 MWe output to any utility power distribution system for sale is also considered a utility unit.

Title: Information Collection Effort for Coal- and Oil-fired Electric Utility Steam Generating Units.

ICR numbers: EPA ICR No. 2362.01.

ICR status: This ICR is for a new information collection activity. An Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information, unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations in title 40 of the CFR, after appearing in the **Federal Register** when approved, are listed in 40 CFR part 9, are displayed either by publication in the **Federal Register** or by other appropriate means, such as on the related collection instrument or form, if applicable. The display of OMB control numbers in certain EPA regulations is consolidated in 40 CFR part 9.

Abstract: To obtain the information necessary to identify and categorize all coal- and oil-fired electric utility steam generating units potentially affected by the CAA section 112(d) standard, this ICR will solicit information from all potentially affected units under authority of CAA section 114. EPA intends to provide the survey in electronic format; however, written responses will also be accepted. The survey will be submitted to all facilities identified as being coal- or oil-fired electric utility steam generating units through databases available to the Agency. EPA envisions allowing recipients 3 months to respond to the survey. To further define the emission level being achieved by average of the top performing 12 percent of similar sources for the existing population, this ICR requires that certain units conduct emission testing concurrent with the survey. EPA envisions allowing recipients 6 months to respond to the emission testing requirement.

EPA estimates the cost of the information collection will be 100,370 hours and \$104,807,458.

On December 20, 2000 (65 FR 79825, 79831), EPA added coal- and oil-fired electric utility steam generating units to the list of source categories under section 112(c). The CAA requires EPA to establish National Emission Standards for Hazardous Air Pollutants (NESHAP) for the control of HAP from both existing and new coal- and oil-fired electric utility steam generating units. Section 112(d) provides that for major sources, EPA must establish emission standards that reflect the maximum degree of reduction in emissions of HAP that is achievable, taking into consideration the cost of achieving the emission reduction, any non-air quality health and environmental impacts, and energy requirements. This level of control is commonly referred to as the "maximum achievable control technology" (MACT). The minimum level of emission reduction that the MACT standards must achieve is known as the "MACT floor," as defined under CAA section 112(d)(3). The MACT floor for existing sources is the emission limitation achieved by the average of the best-performing 12 percent of existing sources in the category or subcategory. For new sources, the MACT floor cannot be less stringent than the emission control achieved in practice by the best-controlled similar source. For major sources, CAA section 112(d) also requires EPA to consider whether more stringent limits—known as beyond the floor standards—are achievable after taking into consideration the cost of achieving such emission reduction, any non-air health and environmental impacts, and energy impacts.

The Agency acquired unit-specific data and data on mercury from coal-fired units in an ICR approved on November 13, 1998 (OMB Control No. 2060-0396). These data were gathered in advance of the December 20, 2000 regulatory finding. These data sources are now over 10 years old and addressed only coal-fired electric utility steam generating units and only mercury emissions from such units. The Agency is aware that significant changes have been made in the intervening years in the number of operating coal- and oil-fired units, in industry ownership practices, and in emission control configurations. Further, in light of the statutory requirements for establishing emission standards under section 112(d) and the recent case law interpreting those requirements, the Agency believes that it needs additional data from both coal- and oil-fired electric utility steam generating units. We believe that

obtaining updated information will be crucial to informing our decision on the NESHAP for coal- and oil-fired electric utility steam generating units.

The information in this ICR will be collected under authority of CAA section 114. CAA section 114(a) states, in pertinent part:

For the purpose * * * (i) of * * * developing * * * any emission standard under section 7412 of this title * * * or (iii) carrying out any provision of this Chapter * * * (1) the Administrator may require any person who owns or operates any emission source * * * who the Administrator believes may have information necessary for the purposes set forth in this subsection * * * on a one-time, periodic or continuous basis to- * * * (B) make such reports * * *; (E) keep records on control equipment parameters, production variables or other indirect data when direct monitoring of emissions is impractical * * *; and (G) provide such other information as the Administrator may reasonably require * * *

The data collected will be used to confirm the population of potentially affected coal- and oil-fired electric utility steam generating units, and update existing emission test data and fuel analysis information. These data will be used by the Agency to develop the NESHAP for coal- and oil-fired electric utility steam generating units under CAA section 112(d). Specifically, the data will provide the Agency with updated information on the number of potentially affected units, and available emission test data and fuel analysis data to address variability. All data collected will be added to existing emission test databases for coal- and oil-fired electric utility steam generating units; it will also be used to further evaluate the HAP emissions from these sources.

This collection of information is mandatory under CAA section 114 (42 U.S.C. 7414). All information submitted to EPA pursuant to this ICR for which a claim of confidentiality is made is safeguarded according to Agency policies in 40 CFR part 2, subpart B. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. OMB control numbers for EPA's regulations in 40 CFR are listed in 40 CFR part 9.

The EPA would like to solicit comments to:

(i) Evaluate whether the proposed collection of information is necessary for the proper performance of the functions of the Agency, including whether the information will have practical utility;

(ii) Evaluate the accuracy of the Agency's estimate of the burden of the proposed collection of information,

including the methodology and assumptions used;

(iii) Enhance the quality, utility, and clarity of the information to be collected; and

(iv) Minimize the burden of the collection of information on those who are to respond, including through the use of appropriate automated electronic, mechanical, or other technological collection techniques or other forms of information technology (e.g., permitting electronic submission of responses).

Burden Statement: The projected cost and hour burden for this one-time collection of information is \$104,807,458 and 100,370 hours. This burden is based on an estimated 555 facilities (1,325 units) being respondents to the survey and required emission testing. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements which have subsequently changed; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

The ICR provides a detailed explanation of the Agency's estimate, which is only briefly summarized here.

Estimated total number of potential respondents: 555 facilities (1,325 units).

Frequency of response: One time.

Estimated total average number of responses for each respondent: 1.

Estimated total annual burden hours: 100,370.

Estimated total annual burden costs: \$104,807,458.

What Is the Next Step in the Process for This ICR?

EPA will consider the comments received and amend the ICR as appropriate. The final ICR package will then be submitted to OMB for review and approval pursuant to 5 CFR 1320.12. At that time, EPA will issue another **Federal Register** notice pursuant to 5 CFR 1320.5(a)(1)(iv) to announce the submission of the ICR to OMB and the opportunity to submit additional comments to OMB. If you have any questions about this ICR or the approval process, please contact the

technical person listed under FOR FURTHER INFORMATION CONTACT.

Dated: June 26, 2009.

Mary E. Henigin,
Acting Director, Sector Policies and Programs
Division.

[FR Doc. E9-15686 Filed 7-1-09; 8:45 am]

BILLING CODE 6560-50-P

ENVIRONMENTAL PROTECTION AGENCY

[EPA-HQ-OECA-2008-0369; FRL-8925-4]

Agency Information Collection Activities; Submission to OMB for Review and Approval; Comment Request; NESHAP for Clay Ceramics Manufacturing (Renewal), EPA ICR Number 2023.04, OMB Control Number 2060-0513

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: In compliance with the Paperwork Reduction Act (44 U.S.C. 3501 *et seq.*), this document announces that an Information Collection Request (ICR) has been forwarded to the Office of Management and Budget (OMB) for review and approval. This is a request to renew an existing approved collection. The ICR, which is abstracted below, describes the nature of the collection and the estimated burden and cost.

DATES: Additional comments may be submitted on or before August 3, 2009.

ADDRESSES: Submit your comments, referencing docket ID number EPA-OECA-2008-0369, to (1) EPA online using <http://www.regulations.gov> (our preferred method), or by e-mail to docket.oeca@epa.gov, or by mail to: EPA Docket Center (EPA/DC), Environmental Protection Agency, Enforcement and Compliance Docket and Information Center, mail code 28221T, 1200 Pennsylvania Avenue, NW., Washington, DC 20460, and (2) OMB at: Office of Information and Regulatory Affairs, Office of Management and Budget (OMB), Attention: Desk Officer for EPA, 725 17th Street, NW., Washington, DC 20503.

FOR FURTHER INFORMATION CONTACT: Sounjay Gairola, Office of Enforcement and Compliance Assurance, Mail Code 2242A, Environmental Protection Agency, 1200 Pennsylvania Avenue, NW., Washington, DC 20460; telephone number: (202) 564-4003; e-mail address: gairola.sounjay@epa.gov.

SUPPLEMENTARY INFORMATION: EPA has submitted the following ICR to OMB for review and approval according to the

procedures prescribed in 5 CFR 1320.12. On May 30, 2008 (73 FR 31088), EPA sought comments on this ICR pursuant to 5 CFR 1320.8(d). EPA received no comments. Any additional comments on this ICR should be submitted to EPA and OMB within 30 days of this notice.

EPA has established a public docket for this ICR under docket ID number EPA-HQ-OECA-2008-0369, which is available for public viewing online at <http://www.regulations.gov>, in person viewing at the Enforcement and Compliance Docket in the EPA Docket Center (EPA/DC), EPA West, Room 3334, 1301 Constitution Avenue, NW., Washington, DC. The EPA Docket Center Public Reading Room is open from 8:30 a.m. to 4:30 p.m., Monday through Friday, excluding legal holidays. The telephone number for the Reading Room is (202) 566-1744, and the telephone number for the Enforcement and Compliance Docket is (202) 566-1752.

Use EPA's electronic docket and comment system at <http://www.regulations.gov>, to submit or view public comments, access the index listing of the contents of the docket, and to access those documents in the docket that are available electronically. Once in the system, select "docket search," then key in the docket ID number identified above. Please note that EPA's policy is that public comments, whether submitted electronically or in paper, will be made available for public viewing at <http://www.regulations.gov>, as EPA receives them and without change, unless the comment contains copyrighted material, Confidential Business Information (CBI), or other information whose public disclosure is restricted by statute. For further information about the electronic docket, go to <http://www.regulations.gov>.

Title: NESHAP for Clay Ceramics Manufacturing (Renewal).

ICR Numbers: EPA ICR Number 2023.04, OMB Control Number 2060-0513.

ICR Status: This ICR is scheduled to expire on August 31, 2009. Under OMB regulations, the Agency may continue to conduct or sponsor the collection of information while this submission is pending at OMB. An Agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number. The OMB control numbers for EPA's regulations in title 40 of the CFR, after appearing in the **Federal Register** when approved, are listed in 40 CFR part 9, and displayed either by publication in the **Federal Register** or by other appropriate means, such as on the

related collection instrument or form, if applicable. The display of OMB control numbers in certain EPA regulations is consolidated in 40 CFR part 9.

Abstract: The National Emission Standards for Hazardous Air Pollutants (NESHAP) for Clay Ceramics Manufacturing (40 CFR part 63, subpart KKKKK) were proposed on July 22, 2002 (67 FR 47893) and promulgated on May 16, 2003 (67 FR 26738).

The affected entities are subject to the General Provisions of the NESHAP at 40 CFR part 63, subpart A, and any changes, or additions to the General Provisions specified at 40 CFR part 63, subpart KKKKK.

Owners or operators of the affected facilities must submit a one-time-only report of any physical or operational changes, initial performance tests, and periodic reports and results. Owners or operators are also required to maintain records of the occurrence and duration of any startup, shutdown, or malfunction in the operation of an affected facility, or any period during which the monitoring system is inoperative. Reports, at a minimum, are required semiannually.

Burden Statement: The annual public reporting and recordkeeping burden for this collection of information is estimated to average 17 hours per response. Burden means the total time, effort, or financial resources expended by persons to generate, maintain, retain, or disclose or provide information to or for a Federal agency. This includes the time needed to review instructions; develop, acquire, install, and utilize technology and systems for the purposes of collecting, validating, and verifying information, processing and maintaining information, and disclosing and providing information; adjust the existing ways to comply with any previously applicable instructions and requirements which have subsequently changed; train personnel to be able to respond to a collection of information; search data sources; complete and review the collection of information; and transmit or otherwise disclose the information.

Respondents/Affected Entities: Clay ceramics manufacturing facilities.

Estimated Number of Respondents: 10.

Frequency of Response: Initially, occasionally, and semiannually.

Estimated Total Annual Hour Burden: 527.

Estimated Total Annual Cost: \$45,702, which includes labor costs of \$42,532, O&M costs of \$2,468, and annualized capital/startup costs of \$702.

Changes in the Estimates: There is no change in the total estimated burden

**ENVIRONMENTAL
COST RECOVERY CLAUSE**

Docket No. 090007-EI

**PROJECTION FILING
FOR THE PERIOD**

January 2010 - December 2010

Richard W. Dodd

August 28, 2009



DOCUMENT NUMBER-DATE
58923 AUG 28 8
FPSC-COMMISSION CLERK

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Gulf Power Company
Before the Florida Public Service Commission
Direct Testimony and Exhibit of
Richard W. Dodd
Docket No. 090007-EI
Date of Filing August 28, 2009

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

A. My name is Richard W. Dodd. My business address is One Energy Place, Pensacola, Florida 32520-0780. I am the Supervisor of Rates and Regulatory Matters at Gulf Power Company.

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

A. I graduated from the University of West Florida in Pensacola, Florida in 1991 with a Bachelor of Arts Degree in Accounting. I also received a Bachelor of Science Degree in Finance in 1998 from the University of West Florida. I joined Gulf Power in 1987 as a Co-op Accountant and worked in various areas until I joined the Rates and Regulatory Matters area in 1990. After spending one year in the Financial Planning area, I transferred to Georgia Power Company in 1994 where I worked in the Regulatory Accounting department and in 1997 I transferred to Mississippi Power Company where I worked in the Rate and Regulation Planning department for six years followed by one year in Financial Planning. In 2004 I returned to Gulf Power Company working in the General Accounting area as Internal Controls Coordinator.

DOCUMENT NUMBER-DATE
08923 AUG 28 8
FPSC-COMMISSION CLERK

1 In 2007 I was promoted to Internal Controls Supervisor and in July
2 2008, I assumed my current position in the Rates and Regulatory Matters
3 area.

4 My responsibilities include supervision of: tariff administration, cost
5 of service activities, calculation of cost recovery factors, and the regulatory
6 filing function of the Rates and Regulatory Matters Department.

7 Q. Have you previously filed testimony before the Commission in the
8 connection with Gulf's Environmental Cost Recovery Clause (ECRC)?

9 A. Yes, I have.

10

11 Q. What is the purpose of your testimony?

12 A. The purpose of my testimony is to present both the calculation of the
13 revenue requirements and the development of the environmental cost
14 recovery factors for the period of January 2010 through December 2010.

15

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

18 A. Yes, I have. My exhibit consists of 7 schedules, each of which was
19 prepared under my direction, supervision, or review.

20 Counsel: We ask that Mr. Dodd's exhibit consisting of 7
21 schedules be marked as Exhibit No. _____ (RWD-3).

22

23 Q. What environmental costs is Gulf requesting for recovery through the
24 Environmental Cost Recovery Clause?

25

1 A. As discussed in the testimony of J. O. Vick, Gulf is requesting recovery for
2 certain environmental compliance operating expenses and capital costs
3 that are consistent with both the decision of the Commission in
4 Order No. PSC-94-0044-FOF-EI in Docket No. 930613-EI and with past
5 proceedings in this ongoing recovery docket. The costs we have
6 identified for recovery through the ECRC are not currently being
7 recovered through base rates or any other cost recovery mechanism.
8

9 Q. How was the amount of projected O&M expenses to be recovered
10 through the ECRC calculated?

11 A. Mr. Vick has provided me with projected recoverable O&M expenses for
12 January 2010 through December 2010. Schedule 2P of my exhibit shows
13 the calculation of the recoverable O&M expenses broken down between
14 demand-related and energy-related expenses. Also, Schedule 2P
15 provides the appropriate jurisdictional factors and amounts related to
16 these expenses. All O&M expenses associated with compliance with the
17 Clean Air Act Amendments of 1990 (CAAA) were considered to be
18 energy-related, consistent with Commission Order No. PSC-94-0044-
19 FOF-EI. O&M expenses associated with Gulf's Clean Air Interstate Rule
20 (CAIR), Clean Air Mercury Rule (CAMR), and Clean Air Visibility Rule
21 (CAVR) Compliance Program were considered to be energy-related
22 pursuant to FPSC Order No. PSC-06-0972-FOF-EI issued November 22,
23 2006. The remaining expenses were broken down between demand and
24 energy consistent with Gulf's last approved cost-of-service methodology in
25 Docket No. 010949-EI.

1 Q. Please describe Schedules 3P and 4P of your exhibit.

2 A. Schedule 3P summarizes the monthly recoverable revenue requirements
3 associated with each capital investment project for the recovery period.
4 Schedule 4P shows the detailed calculation of the revenue requirements
5 associated with each investment project. These schedules also include
6 the calculation of the jurisdictional amount of recoverable revenue
7 requirements. Mr. Vick has provided me with the expenditures,
8 clearings, retirements, salvage, and cost of removal related to each
9 capital project and the monthly costs for emission allowances. From that
10 information, I calculated plant-in-service and construction work in progress
11 (non interest bearing). Depreciation, amortization and dismantlement
12 expense and the associated accumulated depreciation balances were
13 calculated based on Gulf's approved depreciation rates, amortization
14 periods, and dismantlement accruals. The capital projects identified for
15 recovery through the ECRC are those environmental projects which were
16 not included in the approved June 2002 through May 2003 test year on
17 which present base rates were set.

18

19 Q. How was the amount of property taxes to be recovered through the ECRC
20 derived?

21 A. Property taxes were calculated by applying the applicable tax rate to
22 taxable investment. In Florida, pollution control facilities are taxed based
23 only on their salvage value. For the recoverable environmental
24 investment located in Florida, the amount of property taxes is estimated to
25 be \$0. In Mississippi, there is no such reduction in property taxes for

1 pollution control facilities. Therefore, property taxes related to recoverable
2 environmental investment at Plant Daniel are calculated by applying the
3 applicable millage rate to the assessed value of the property.
4

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

7 A. The rate of return used is based on Gulf's capital structure approved in
8 Gulf's last rate case, Docket No. 010949-EI, Order No. PSC-02-0787-
9 FOF-EI, dated June 10, 2002. This rate of return incorporates a return on
10 equity of 12.0 percent.
11

12 Q. How was the breakdown between demand-related and energy-related
13 investment costs determined?

14 A. The investment costs associated with compliance with the CAAA were
15 considered to be energy-related consistent with Commission Order No.
16 PSC-94-0044-FOF-EI, dated January 12, 1994, in Docket No. 930613-EI.
17 The investment costs associated with Gulf's CAIR, CAMR, and CAVR
18 Compliance Program were considered to be energy-related pursuant to
19 FPSC Order No. PSC-06-0972-FOF-EI issued November 22, 2006. The
20 remaining investment costs of environmental compliance were allocated
21 12/13th based on demand and 1/13th based on energy, consistent with
22 Gulf's last cost-of-service study. The calculation of this breakdown is
23 shown on Schedule 4P and summarized on Schedule 3P.
24
25

1 Q. What is the total amount of projected recoverable costs related to the
2 period January 2010 through December 2010?

3 A. The total projected jurisdictional recoverable costs for the period January
4 2010 through December 2010 is \$155,938,965 as shown on line 1c of
5 Schedule 1P. This includes costs related to O&M activities of
6 \$38,833,311 and costs related to capital projects of \$117,105,654 as
7 shown on lines 1a and 1b of Schedule 1P.

8

9 Q. What is the total recoverable revenue requirement to be recovered in the
10 projection period January 2010 through December 2010 and how was it
11 allocated to each rate class?

12 A. The total recoverable revenue requirement including revenue taxes is
13 \$154,263,417 for the period January 2010 through December 2010 as
14 shown on line 5 of Schedule 1P. This amount includes the
15 recoverable costs related to the projection period and the total true-up
16 cost of \$1,786,538 to be refunded. Schedule 1P also summarizes the
17 energy and demand components of the requested revenue requirement. I
18 allocated these amounts by rate class using the appropriate energy and
19 demand allocators as shown on Schedules 6P and 7P.

20

21 Q. How were the allocation factors calculated for use in the Environmental
22 Cost Recovery Clause?

23 A. The demand allocation factors used in the ECRC were calculated using
24 the 2006 load data filed with the Commission in accordance with FPSC

25

1 Rule 25-6.0437. The energy allocation factors were calculated based on
2 projected KWH sales for the period adjusted for losses. The calculation
3 of the allocation factors for the period is shown in columns 1 through 9 on
4 Schedule 6P.

5
6 Q. How were these factors applied to allocate the requested recovery
7 amount properly to the rate classes?

8 A. As I described earlier in my testimony, Schedule 1P summarizes the
9 energy and demand portions of the total requested revenue requirement.
10 The energy-related recoverable revenue requirement of \$146,835,101 for
11 the period January 2010 through December 2010 was allocated using the
12 energy allocator, as shown in column 3 on Schedule 7P. The demand-
13 related recoverable revenue requirement of \$7,428,316 for the period
14 January 2010 through December 2010 was allocated using the demand
15 allocator, as shown in column 4 on Schedule 7P. The
16 energy-related and demand-related recoverable revenue requirements are
17 added together to derive the total amount assigned to each rate class, as
18 shown in column 5.

19
20 Q. What is the monthly amount related to environmental costs recovered
21 through this factor that will be included on a residential customer's bill for
22 1,000 kwh?

23 A. The environmental costs recovered through the clause from the
24 residential customer who uses 1,000 kwh will be \$13.91 monthly for the
25 period January 2010 through December 2010.

1 Q. When does Gulf propose to collect its environmental cost recovery
2 charges?

3 A. The factors will be effective beginning with Cycle 1 billings in January
4 2010 and will continue through the last billing cycle of December 2010.

5

6 Q. Mr. Dodd, does this conclude your testimony?

7 A. Yes.

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AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 090007-EI

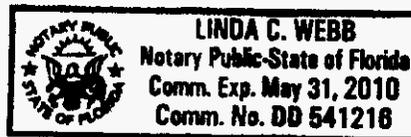
BEFORE me, the undersigned authority, personally appeared Richard W. Dodd, who being first duly sworn, deposes and says that he is the Supervisor of Rates and Regulatory Matters at Gulf Power Company, a Florida corporation, that the foregoing is true and correct to the best of his knowledge, information and belief. He is personally known to me.



Richard W. Dodd
Supervisor of Rates and Regulatory Matters

Sworn to and subscribed before me
this 27th day of August, 2009.


Notary Public, State of Florida at Large



(SEAL)

Schedule 1P

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Total Jurisdictional Amount to be Recovered

For the Projected Period
January 2010 - December 2010

<u>Line No.</u>	<u>Energy (\$)</u>	<u>Demand (\$)</u>	<u>Total (\$)</u>
1 Total Jurisdictional Rev. Req. for the projected period			
a Projected O & M Activities (Schedule 2P, Lines 7, 8 & 9)	36,127,453	2,705,858	38,833,311
b Projected Capital Projects (Schedule 3P, Lines 7, 8 & 9)	<u>112,204,438</u>	<u>4,901,216</u>	<u>117,105,654</u>
c Total Jurisdictional Rev. Req. for the projected period (Lines 1a + 1b)	148,331,891	7,607,074	155,938,965
2 True-Up for Estimated Over/(Under) Recovery for the period January 2009 - December 2009 (Schedule 1E, Line 3)	374,499	30,628	405,127
3 Final True-Up for the period January 2008 - December 2008 (Schedule 1A, Line 3)	<u>1,227,936</u>	<u>153,475</u>	<u>1,381,411</u>
4 Total Jurisdictional Amount to be Recovered/(Refunded) in the projection period January 2010 - December 2010 (Line 1c - Line 2 - Line 3)	<u>146,729,456</u>	<u>7,422,971</u>	<u>154,152,427</u>
5 Total Projected Jurisdictional Amount Adjusted for Taxes (Line 4 x Revenue Tax Multiplier)	<u>146,835,101</u>	<u>7,428,316</u>	<u>154,263,417</u>

Notes:

Allocation to energy and demand in each period are in proportion to the respective period split of costs indicated on Lines 7 & 8 of Schedules 5E & 7E and 5A & 7A.

Gulf Power Company
Environmental Cost Recovery Clause
 Calculation of the Projected Period Amount
 January 2010 - December 2010

Schedule 2P

O & M Activities
 (in Dollars)

Line	Description of O & M Activities	January	February	March	April	May	June	July	August	September	October	November	December	End of	Method of	
														12-Month	Demand	Energy
1	Description of O & M Activities															
2	Sulfur	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Air Emission Fees	0	786,000	6,000	0	0	0	0	0	0	0	124,374	0	916,374	0	916,374
4	Title V	8,885	8,885	9,820	9,458	9,158	10,858	13,719	12,458	9,908	9,658	9,158	14,469	126,436	0	126,436
5	Asbestos Fees	0	0	500	700	300	0	0	300	400	200	0	200	2,600	2,600	0
6	Emission Monitoring	58,133	38,133	43,932	39,030	63,030	43,330	48,800	49,030	45,330	39,030	39,030	53,108	559,914	0	559,914
7	General Water Quality	23,540	23,740	45,760	36,860	24,534	49,034	34,429	34,034	46,034	30,784	30,534	62,425	441,707	441,707	0
8	Groundwater Contamination Investigation	71,928	72,660	76,454	82,841	87,841	414,641	111,957	87,841	408,641	83,841	63,841	67,961	1,630,452	1,630,452	0
9	State NPDES Administration	0	7,500	0	0	0	0	0	0	0	0	0	34,500	42,000	42,000	0
10	Lead and Copper Rule	5,250	0	0	5,250	0	0	5,250	0	0	5,250	0	0	21,000	21,000	0
11	Env Auditing/Assessment	500	0	500	0	5,000	3,000	0	2,000	0	500	500	0	12,000	12,000	0
12	General Solid & Hazardous Waste	32,126	33,183	35,974	43,854	45,283	44,846	53,590	53,949	56,513	50,681	44,682	63,453	558,133	558,133	0
13	Above Ground Storage Tanks	978	978	10,494	994	1,494	10,494	4,240	4,494	41,494	5,494	4,994	12,240	98,387	98,387	0
14	Low Nox	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	Ash Pond Diversion Curtains	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	Mercury Emissions	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Sodium Injection	24,499	15,999	24,499	15,999	24,499	15,999	24,499	15,999	24,499	15,999	24,499	16,000	242,989	0	242,989
18	Gulf Coast Ozone Study	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	SPCC Substation Project	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
20	FDEP NOX Reduction Agreement	218,089	211,596	224,800	232,122	225,629	225,629	279,030	227,859	219,225	159,955	186,757	236,811	2,647,500	0	2,647,500
21	CAIR/CAMR/CAVR Compliance Program	1,691,638	1,739,638	1,692,972	1,692,973	1,708,366	1,708,366	1,753,617	1,694,519	1,695,791	1,695,792	1,796,992	1,858,941	20,729,607	0	20,729,607
22	MACT ICR	13,525	13,525	27,050	64,920	81,150	108,200	129,840	75,740	27,050	0	0	0	541,000	0	541,000
23	Mercury Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Annual NOx Allowances	2,200,537	157,270	201,251	299,594	341,674	549,130	824,904	851,254	767,080	782,451	707,061	731,215	8,413,422	0	8,413,422
25	Seasonal NOx Allowances	0	0	0	0	13,757	14,944	82,480	167,328	150,913	0	0	0	429,422	0	429,422
26	SO ₂ Allowances	334,032	215,996	165,504	169,006	194,491	229,254	250,008	260,078	237,223	243,440	228,991	235,559	2,763,581	0	2,763,581
27	Total of O & M Activities	4,683,661	3,325,103	2,565,509	2,693,601	2,826,206	3,427,725	3,616,363	3,536,883	3,730,101	3,123,076	3,261,413	3,386,883	40,176,524	2,806,278	37,370,246
28	Recoverable Costs Allocated to Energy	4,549,338	3,187,042	2,395,827	2,523,102	2,661,754	2,905,710	3,406,897	3,354,266	3,177,019	2,946,326	3,116,862	3,146,103	37,370,246		
29	Recoverable Costs Allocated to Demand	134,322	138,061	169,682	170,499	164,452	522,015	209,467	182,618	553,082	176,750	144,551	240,780	2,806,278		
30	Retail Energy Jurisdictional Factor	0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030			
31	Retail Demand Jurisdictional Factor	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160			
32	Jurisdictional Energy Recoverable Costs (A)	4,391,792	3,079,160	2,314,230	2,442,573	2,576,902	2,812,956	3,298,502	3,246,005	3,074,436	2,846,770	3,008,206	3,035,921	36,127,453		
33	Jurisdictional Demand Recoverable Costs (B)	129,516	133,121	163,610	164,398	158,567	503,335	201,971	176,083	533,290	170,425	139,378	232,164	2,705,858		
34	Total Jurisdictional Recoverable Costs for O & M Activities (Lines 7 + 8)	4,521,308	3,212,281	2,477,840	2,606,971	2,735,469	3,316,291	3,500,473	3,422,088	3,607,726	3,017,195	3,147,584	3,268,085	38,833,311		

Notes:
 (A) Line 3 x Line 5 x 1.0007 line loss multiplier
 (B) Line 4 x Line 6

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
 January 2010 - December 2010

Capital Investment Projects - Recoverable Costs
 (in Dollars)

Line	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	End of Period Total	Method of Classification Demand	Energy
1 Description of Investment Projects (A)															
1.1 Air Quality Assurance Testing	3,405	3,379	3,355	3,330	3,305	3,280	3,256	3,232	3,206	3,182	3,157	3,133	39,220	0	39,220
2 Crist 5, 6 & 7 Precipitator Projects	154,245	155,188	155,657	156,129	156,362	156,363	156,360	156,358	156,360	156,594	157,063	157,770	1,874,449	0	1,874,449
3 Crist 7 Flue Gas Conditioning	14,022	14,020	14,018	14,017	14,014	14,013	14,010	14,009	14,006	14,005	14,003	14,001	168,138	0	168,138
4 Low NOx Burners, Crist 6 & 7	166,788	166,560	166,332	166,101	165,873	165,643	165,416	165,188	164,956	164,729	164,499	164,272	1,986,357	0	1,986,357
5 CEMs- Plants Crist, Scholz, Smith, and Daniel	81,710	79,264	76,831	76,730	76,628	76,536	76,435	76,338	76,235	76,137	76,038	75,938	924,820	0	924,820
6 Sub. Contam. Mobile Groundwater Treat. Sys.	8,380	8,363	8,346	8,329	8,311	8,294	8,277	8,258	8,242	8,224	8,209	8,190	99,423	91,774	7,649
7 Raw Water Well Flowmeters - Plants Crist & Smith	2,215	2,209	2,204	2,198	2,193	2,187	2,181	2,177	2,170	2,166	2,160	2,154	26,214	24,198	2,016
8 Crist Cooling Tower Cell	4,920	4,918	4,917	4,916	4,914	4,912	4,911	4,909	4,908	4,907	4,905	4,903	58,940	54,407	4,533
9 Crist 1-5 Dechlorination	2,223	2,215	2,207	2,199	2,192	2,184	2,176	2,169	2,161	2,153	2,146	2,138	26,163	24,151	2,012
10 Crist Diesel Fuel Oil Remediation	561	560	558	556	554	553	551	549	547	546	544	542	6,621	6,111	510
11 Crist Bulk Tanker Unload Sec. Contain. Struc.	740	737	735	732	729	727	724	722	719	717	714	711	8,707	8,036	671
12 Crist (IWW) Sampling System	431	430	428	426	425	424	422	421	419	417	416	415	5,074	4,684	390
13 Sodium Injection System	3,990	3,979	3,971	3,961	3,951	3,944	3,933	3,926	3,915	3,906	3,897	3,887	47,260	0	47,260
14 Smith Stormwater Collection System	20,579	20,525	20,470	20,416	20,361	20,306	20,252	20,197	20,143	20,088	20,033	19,978	243,348	224,629	18,719
15 Smith Waste Water Treatment Facility	2,961	2,957	2,954	2,951	2,947	2,942	2,938	2,936	2,933	2,928	2,926	2,922	35,297	32,581	2,716
16 Daniel Ash Management Project	177,286	176,795	176,303	175,812	175,320	174,827	174,335	173,843	173,352	172,861	172,368	171,876	2,094,978	1,933,825	161,153
17 Smith Water Conservation	1,927	3,101	4,274	5,451	6,629	7,803	8,980	10,155	11,332	12,508	13,684	14,865	100,709	92,964	7,745
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	1,462,601	1,458,926	1,455,249	1,451,573	1,447,897	1,444,219	1,440,545	1,436,870	1,433,193	1,429,517	1,425,840	1,422,164	17,308,594	0	17,308,594
20 SPCC Compliance	10,561	10,538	10,514	10,491	10,466	10,443	10,420	10,396	10,372	10,348	10,325	10,302	125,176	115,547	9,629
21 Crist Common FHR Monitor	648	646	644	643	642	640	638	637	635	634	632	630	7,669	0	7,669
22 Precipitator Upgrades for CAM Compliance	330,049	329,384	328,719	328,052	327,388	326,723	326,060	325,392	324,726	324,063	323,397	322,732	3,916,685	0	3,916,685
23 Plant Groundwater Investigation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
24 Crist Water Conservation	99,088	105,918	110,514	113,651	116,325	118,248	119,924	119,508	119,089	118,672	118,254	117,836	1,891,027	1,745,562	145,465
25 Plant NPDES Permit Compliance Projects	65,654	65,506	65,355	65,205	65,054	64,903	64,754	64,604	64,513	64,480	64,449	64,481	778,956	719,039	59,919
26 CAIR/CAMR/CAVR Compliance Program	7,356,729	7,366,291	7,368,291	7,364,268	7,353,334	7,346,054	7,337,668	7,322,976	7,307,493	7,292,009	7,276,525	7,261,513	87,953,156	0	87,953,156
27 General Water Quality	526	522	519	515	511	507	503	500	497	493	489	485	6,067	5,601	466
28 Mercury Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
29 Annual Nox Allowances	23,229	18,393	27,374	31,733	36,208	49,719	53,449	45,543	37,909	30,600	23,574	16,790	394,521	0	394,521
30 Seasonal Nox Allowances	636	636	636	636	636	636	636	636	636	636	636	636	9,869	0	9,869
31 SO2 Allowances	94,895	92,300	90,501	88,923	87,208	85,209	82,949	80,543	78,197	75,929	73,701	71,509	1,001,864	0	1,001,864
2 Total Investment Projects - Recoverable Costs	10,090,999	10,094,260	10,101,876	10,099,944	10,090,317	10,132,896	10,163,606	10,133,569	10,101,939	10,071,813	10,042,948	10,015,137	121,139,304	5,083,109	116,056,195
3 Recoverable Costs Allocated to Energy	9,723,565	9,720,142	9,723,141	9,717,930	9,705,460	9,708,961	9,701,745	9,671,714	9,640,031	9,609,805	9,580,837	9,552,864	116,056,195	0	116,056,195
4 Recoverable Costs Allocated to Demand	367,434	374,118	378,735	382,014	384,857	423,935	461,861	461,855	461,908	462,008	462,111	462,273	5,083,109	0	5,083,109
5 Retail Energy Jurisdictional Factor	0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030			
6 Retail Demand Jurisdictional Factor	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160			
7 Jurisdictional Energy Recoverable Costs (B)	9,386,832	9,391,116	9,391,988	9,407,767	9,396,069	9,399,039	9,393,071	9,359,555	9,328,762	9,285,092	9,246,843	9,218,304	112,204,438	0	112,204,438
8 Jurisdictional Demand Recoverable Costs (C)	354,286	360,741	365,382	368,344	371,085	408,765	445,334	445,328	445,379	445,476	445,575	445,731	4,901,716	0	4,901,716
9 Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	9,741,118	9,751,857	9,757,370	9,776,111	9,767,154	9,807,804	9,838,405	9,804,883	9,774,141	9,730,568	9,692,418	9,664,035	117,106,154	0	117,106,154

Notes:

- (A) Each project's Total System Recoverable Expenses as shown on Schedule 4P, Line 9. Allowances recoverable costs shown on Schedule 4P, Line 6
- (B) Line 3 x Line 5 x 1.0007 line loss multiplier
- (C) Line 4 x Line 6

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2010 - December 2010

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	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	End of Period Amount
1	Investments (A)														
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)	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294	220,294
3	Less: Accumulated Depreciation (C)	(136,158)	(138,781)	(141,404)	(144,027)	(146,650)	(149,273)	(151,896)	(154,519)	(157,142)	(159,765)	(162,388)	(165,011)	(167,634)	(167,634)
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)	84,136	81,513	78,890	76,267	73,644	71,021	68,398	65,775	63,152	60,529	57,906	55,283	52,660	
6	Average Net Investment		82,825	80,202	77,579	74,956	72,333	69,710	67,087	64,464	61,841	59,218	56,595	53,972	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		609	589	570	551	531	512	493	474	454	435	416	397	6,031
b	Debt Component (Line 6 x Debt Component x 1/12)		173	167	162	156	151	145	140	135	129	124	118	113	1,713
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	2,623	31,476
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)		3,405	3,379	3,355	3,330	3,305	3,280	3,256	3,232	3,206	3,182	3,157	3,133	39,220
a	Recoverable Costs Allocated to Energy		3,405	3,379	3,355	3,330	3,305	3,280	3,256	3,232	3,206	3,182	3,157	3,133	39,220
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		3,287	3,265	3,241	3,224	3,200	3,175	3,152	3,128	3,102	3,074	3,047	3,023	37,918
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		3,287	3,265	3,241	3,224	3,200	3,175	3,152	3,128	3,102	3,074	3,047	3,023	37,918

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) PE 1244 7 year amortization; PE 1006 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

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2010 - December 2010

Return on Capital Investments, Depreciation and Taxes
For Project: Crist 5, 6 & 7 Precipitator Projects
P.E.s 1038, 1119, 1216, 1243, 1249
(in Dollars)

Line	Description	Beginning													End of
		of Period	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Period
		Amount													Amount
1	Investments (A)														
a	Expenditures/Additions		200,000	100,000	100,000	100,000	50,000	50,000	50,000	50,000	50,000	100,000	100,000	150,000	
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)	14,531,879	14,531,879	14,531,879	14,531,879	14,531,879	14,531,879	14,531,879	14,531,879	14,531,879	14,531,879	14,531,879	14,531,879	14,531,879	
3	Less: Accumulated Depreciation (C)	(3,570,817)	(3,620,949)	(3,671,081)	(3,721,213)	(3,771,345)	(3,821,477)	(3,871,609)	(3,921,741)	(3,971,873)	(4,022,005)	(4,072,137)	(4,122,269)	(4,172,401)	
4	CWIP - Non Interest Bearing	0	200,000	300,000	400,000	500,000	550,000	600,000	650,000	700,000	750,000	850,000	950,000	1,100,000	
5	Net Investment (Lines 2 + 3 + 4)	10,961,062	11,110,930	11,160,798	11,210,666	11,260,534	11,260,402	11,260,270	11,260,138	11,260,006	11,259,874	11,309,742	11,359,610	11,459,478	
6	Average Net Investment		11,035,996	11,135,864	11,185,732	11,235,600	11,260,468	11,260,336	11,260,204	11,260,072	11,259,940	11,284,808	11,334,676	11,409,544	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		81,081	81,815	82,181	82,548	82,729	82,730	82,728	82,727	82,728	82,910	83,276	83,826	991,279
b	Debt Component (Line 6 x Debt Component x 1/12)		23,032	23,241	23,344	23,449	23,501	23,501	23,500	23,499	23,500	23,552	23,655	23,812	281,586
8	Investment Expenses														
a	Depreciation (E)		38,757	38,757	38,757	38,757	38,757	38,757	38,757	38,757	38,757	38,757	38,757	38,757	465,084
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	11,375	136,500
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)		154,245	155,188	155,657	156,129	156,362	156,363	156,360	156,358	156,360	156,594	157,063	157,770	1,874,449
a	Recoverable Costs Allocated to Energy		154,245	155,188	155,657	156,129	156,362	156,363	156,360	156,358	156,360	156,594	157,063	157,770	1,874,449
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		148,904	149,934	150,355	151,147	151,378	151,373	151,386	151,311	151,311	151,303	151,588	152,245	1,812,235
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		148,904	149,934	150,355	151,147	151,378	151,373	151,386	151,311	151,311	151,303	151,588	152,245	1,812,235

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010

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	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
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)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)	(0)
3	Less: Accumulated Depreciation (C)	1,464,825	1,464,621	1,464,417	1,464,213	1,464,009	1,463,805	1,463,601	1,463,397	1,463,193	1,462,989	1,462,785	1,462,581	1,462,377	
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)	1,464,825	1,464,621	1,464,417	1,464,213	1,464,009	1,463,805	1,463,601	1,463,397	1,463,193	1,462,989	1,462,785	1,462,581	1,462,377	
6	Average Net Investment		1,464,723	1,464,519	1,464,315	1,464,111	1,463,907	1,463,703	1,463,499	1,463,295	1,463,091	1,462,887	1,462,683	1,462,479	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		10,761	10,760	10,758	10,757	10,755	10,754	10,752	10,751	10,749	10,748	10,746	10,745	129,036
b	Debt Component (Line 6 x Debt Component x 1/12)		3,057	3,056	3,056	3,056	3,055	3,055	3,054	3,054	3,053	3,053	3,053	3,052	36,654
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		204	204	204	204	204	204	204	204	204	204	204	204	2,448
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)		14,022	14,020	14,018	14,017	14,014	14,013	14,010	14,009	14,006	14,005	14,003	14,001	168,138
a	Recoverable Costs Allocated to Energy		14,022	14,020	14,018	14,017	14,014	14,013	14,010	14,009	14,006	14,005	14,003	14,001	168,138
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		13,536	13,545	13,541	13,570	13,567	13,566	13,564	13,557	13,554	13,532	13,515	13,511	162,558
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		13,536	13,545	13,541	13,570	13,567	13,566	13,564	13,557	13,554	13,532	13,515	13,511	162,558

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Low NOx Burners, Crist 6 & 7
P.E.s 1234, 1236, 1242 & 1284
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
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)	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923	9,097,923
3	Less: Accumulated Depreciation (C)	6,021,777	5,997,513	5,973,249	5,948,985	5,924,721	5,900,457	5,876,193	5,851,929	5,827,665	5,803,401	5,779,137	5,754,873	5,730,609	
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)	15,119,700	15,095,436	15,071,172	15,046,908	15,022,644	14,998,380	14,974,116	14,949,852	14,925,588	14,901,324	14,877,060	14,852,796	14,828,532	
6	Average Net Investment		15,107,568	15,083,304	15,059,040	15,034,776	15,010,512	14,986,248	14,961,984	14,937,720	14,913,456	14,889,192	14,864,928	14,840,664	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		110,995	110,817	110,639	110,460	110,282	110,104	109,926	109,748	109,568	109,391	109,212	109,035	1,320,177
b	Debt Component (Line 6 x Debt Component x 1/12)		31,529	31,479	31,429	31,377	31,327	31,275	31,226	31,176	31,124	31,074	31,023	30,973	375,012
8	Investment Expenses														
a	Depreciation (E)		24,264	24,264	24,264	24,264	24,264	24,264	24,264	24,264	24,264	24,264	24,264	24,264	291,168
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)		166,788	166,560	166,332	166,101	165,873	165,643	165,416	165,188	164,956	164,729	164,499	164,272	1,986,357
a	Recoverable Costs Allocated to Energy		166,788	166,560	166,332	166,101	165,873	165,643	165,416	165,188	164,956	164,729	164,499	164,272	1,986,357
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		161,012	160,922	160,667	160,800	160,585	160,355	160,153	159,857	159,629	159,163	158,765	158,519	1,920,427
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		161,012	160,922	160,667	160,800	160,585	160,355	160,153	159,857	159,629	159,163	158,765	158,519	1,920,427

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010

Return on Capital Investments, Depreciation and Taxes

For Project: CEMs- Plants Crist, Scholz, Smith, and Daniel

P.E.s 1001, 1154, 1164, 1217, 1240, 1245, 1283, 1286, 1289, 1290, 1311, 1316, 1323, 1324, 1357, 1364, 1440, 1441, 1442, 1444, 1445, 1454, 1459, 1460, 1558, 1570, 1658, 1829 & 1830
(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
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	1,738,270	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)	5,760,066	5,760,066	4,021,796	4,021,796	4,021,796	4,021,796	4,021,796	4,021,796	4,021,796	4,021,796	4,021,796	4,021,796	4,021,796	4,021,796
3	Less: Accumulated Depreciation (C)	1,162,923	1,147,762	2,873,187	2,862,661	2,852,135	2,841,609	2,831,083	2,820,557	2,810,031	2,799,505	2,788,979	2,778,453	2,767,927	
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)	6,922,989	6,907,828	6,894,983	6,884,457	6,873,931	6,863,405	6,852,879	6,842,353	6,831,827	6,821,301	6,810,775	6,800,249	6,789,723	
6	Average Net Investment		6,915,409	6,901,406	6,889,720	6,879,194	6,868,668	6,858,142	6,847,616	6,837,090	6,826,564	6,816,038	6,805,512	6,794,986	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		50,808	50,706	50,617	50,540	50,461	50,387	50,308	50,234	50,154	50,076	50,000	49,922	604,213
b	Debt Component (Line 6 x Debt Component x 1/12)		14,432	14,404	14,379	14,355	14,332	14,314	14,292	14,269	14,246	14,226	14,203	14,181	171,633
8	Investment Expenses														
a	Depreciation (F)		15,029	12,713	10,394	10,394	10,394	10,394	10,394	10,394	10,394	10,394	10,394	10,394	131,682
b	Amortization (F)		132	132	132	132	132	132	132	132	132	132	132	132	1,584
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	1,309	15,708
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		81,710	79,264	76,831	76,730	76,628	76,536	76,435	76,338	76,235	76,137	76,038	75,938	924,820
a	Recoverable Costs Allocated to Energy		81,710	79,264	76,831	76,730	76,628	76,536	76,435	76,338	76,235	76,137	76,038	75,938	924,820
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor	0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030		
11	Demand Jurisdictional Factor	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160
12	Retail Energy-Related Recoverable Costs (H)		77,890	75,590	73,225	73,293	73,199	73,105	73,016	72,887	72,788	72,583	72,409	72,300	882,285
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		77,890	75,590	73,225	73,293	73,199	73,105	73,016	72,887	72,788	72,583	72,409	72,300	882,285

Notes:

- (A) Description and reason for "Other" adjustments to net investment for this project
- (B) Beginning Balances: Crist, \$2,521,809; Scholz \$916,802; Smith \$1,740,179; Daniel \$581,275. Ending Balances: Crist, \$783,539; Scholz \$916,802; Smith \$1,740,179; Daniel \$581,275.
- (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: 3.2%; Smith 2.5%; Scholz 4.2%; Daniel 3.1% annually
- (F) PE 1364 & 1658 have a 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 Projected Period Amount
January 2010 - December 2010
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	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
a	Expenditures/Additions		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	
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)	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	918,024	
3	Less: Accumulated Depreciation (C)	(223,370)	(225,206)	(227,042)	(228,878)	(230,714)	(232,550)	(234,386)	(236,222)	(238,058)	(239,894)	(241,730)	(243,566)	(245,402)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	694,654	692,818	690,982	689,146	687,310	685,474	683,638	681,802	679,966	678,130	676,294	674,458	672,622	
6	Average Net Investment		693,736	691,900	690,064	688,228	686,392	684,556	682,720	680,884	679,048	677,212	675,376	673,540	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		5,097	5,083	5,070	5,056	5,043	5,029	5,016	5,002	4,989	4,975	4,963	4,949	60,272
b	Debt Component (Line 6 x Debt Component x 1/12)		1,447	1,444	1,440	1,437	1,432	1,429	1,425	1,420	1,417	1,413	1,410	1,405	17,119
8	Investment Expenses														
a	Depreciation (E)		1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	1,836	22,032
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)		8,380	8,363	8,346	8,329	8,311	8,294	8,277	8,258	8,242	8,224	8,209	8,190	99,423
a	Recoverable Costs Allocated to Energy		644	643	642	641	640	637	637	636	634	633	632	630	7,649
b	Recoverable Costs Allocated to Demand		7,736	7,720	7,704	7,688	7,671	7,657	7,640	7,622	7,608	7,591	7,577	7,560	91,774
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		622	622	620	621	620	617	617	616	614	612	610	608	7,399
13	Retail Demand-Related Recoverable Costs (I)		7,459	7,443	7,429	7,413	7,396	7,383	7,367	7,350	7,336	7,319	7,305	7,289	88,489
14	Total Juris. Recoverable Costs (Lines 12 + 13)		8,081	8,065	8,049	8,034	8,016	8,000	7,984	7,966	7,950	7,931	7,915	7,897	95,888

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) Part of PE 1007 depreciable at 2.4% annually, PEs 3400 and 3412 depreciable at 2.4% 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

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2010 - December 2010
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	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
a	Expenditures/Additions		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	
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)	242,972	242,972	242,972	242,972	242,972	242,972	242,972	242,972	242,972	242,972	242,972	242,972	242,972	
3	Less: Accumulated Depreciation (C)	(70,824)	(71,418)	(72,012)	(72,606)	(73,200)	(73,794)	(74,388)	(74,982)	(75,576)	(76,170)	(76,764)	(77,358)	(77,952)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	172,148	171,554	170,960	170,366	169,772	169,178	168,584	167,990	167,396	166,802	166,208	165,614	165,020	
6	Average Net Investment		171,851	171,257	170,663	170,069	169,475	168,881	168,287	167,693	167,099	166,505	165,911	165,317	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,262	1,258	1,254	1,249	1,245	1,240	1,236	1,233	1,228	1,224	1,219	1,215	14,863
b	Debt Component (Line 6 x Debt Component x 1/12)		359	357	356	355	354	353	351	350	348	348	347	345	4,223
8	Investment Expenses														
a	Depreciation (E)		594	594	594	594	594	594	594	594	594	594	594	594	7,128
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)		2,215	2,209	2,204	2,198	2,193	2,187	2,181	2,177	2,170	2,166	2,160	2,154	26,214
a	Recoverable Costs Allocated to Energy		170	170	169	169	169	168	168	168	167	166	166	166	2,016
b	Recoverable Costs Allocated to Demand		2,045	2,039	2,035	2,029	2,024	2,019	2,013	2,009	2,003	2,000	1,994	1,988	24,198
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		164	164	163	164	164	163	163	163	162	160	160	160	1,950
13	Retail Demand-Related Recoverable Costs (I)		1,972	1,966	1,962	1,956	1,952	1,947	1,941	1,937	1,931	1,928	1,922	1,916	23,330
14	Total Juris. Recoverable Costs (Lines 12 + 13)		2,136	2,130	2,125	2,120	2,116	2,110	2,104	2,100	2,093	2,088	2,082	2,076	25,280

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning and Ending Balances: Crist, \$149,949 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 3.2%; Smith 2.5% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Cooling Tower Cell
P.E. 1232
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
a	Expenditures/Additions		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	
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	0	
3	Less: Accumulated Depreciation (C)	504,424	504,262	504,100	503,938	503,776	503,614	503,452	503,290	503,128	502,966	502,804	502,642	502,480	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	504,424	504,262	504,100	503,938	503,776	503,614	503,452	503,290	503,128	502,966	502,804	502,642	502,480	
6	Average Net Investment		504,343	504,181	504,019	503,857	503,695	503,533	503,371	503,209	503,047	502,885	502,723	502,561	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		3,705	3,704	3,703	3,702	3,701	3,699	3,698	3,697	3,696	3,695	3,694	3,692	44,386
b	Debt Component (Line 6 x Debt Component x 1/12)		1,053	1,052	1,052	1,052	1,051	1,051	1,051	1,050	1,050	1,050	1,049	1,049	12,610
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		162	162	162	162	162	162	162	162	162	162	162	162	1,944
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)		4,920	4,918	4,917	4,916	4,914	4,912	4,911	4,909	4,908	4,907	4,905	4,903	58,940
a	Recoverable Costs Allocated to Energy		378	378	378	378	378	378	378	378	378	377	377	377	4,533
b	Recoverable Costs Allocated to Demand		4,542	4,540	4,539	4,538	4,536	4,534	4,533	4,531	4,530	4,530	4,528	4,526	54,407
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		365	365	365	366	366	366	366	366	366	364	364	364	4,383
13	Retail Demand-Related Recoverable Costs (I)		4,379	4,378	4,377	4,376	4,374	4,372	4,371	4,369	4,368	4,368	4,366	4,364	52,462
14	Total Juris. Recoverable Costs (Lines 12 + 13)		4,744	4,743	4,742	4,742	4,740	4,738	4,737	4,735	4,734	4,732	4,730	4,728	56,845

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Crist 1-5 Dechlorination
P.E. 1248
(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
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 (C)	(155,627)	(156,441)	(157,255)	(158,069)	(158,883)	(159,697)	(160,511)	(161,325)	(162,139)	(162,953)	(163,767)	(164,581)	(165,395)	
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)	149,696	148,882	148,068	147,254	146,440	145,626	144,812	143,998	143,184	142,370	141,556	140,742	139,928	
6	Average Net Investment		149,289	148,475	147,661	146,847	146,033	145,219	144,405	143,591	142,777	141,963	141,149	140,335	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,097	1,091	1,085	1,079	1,073	1,067	1,061	1,055	1,049	1,043	1,037	1,031	12,768
b	Debt Component (Line 6 x Debt Component x 1/12)		312	310	308	306	305	303	301	300	298	296	295	293	3,627
8	Investment Expenses														
a	Depreciation (E)		814	814	814	814	814	814	814	814	814	814	814	814	9,768
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)		2,223	2,215	2,207	2,199	2,192	2,184	2,176	2,169	2,161	2,153	2,146	2,138	26,163
a	Recoverable Costs Allocated to Energy		171	170	170	169	169	168	167	167	166	166	165	164	2,012
b	Recoverable Costs Allocated to Demand		2,052	2,045	2,037	2,030	2,023	2,016	2,009	2,002	1,995	1,987	1,981	1,974	24,151
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		165	164	164	164	164	163	162	162	161	160	159	158	1,946
13	Retail Demand-Related Recoverable Costs (I)		1,979	1,972	1,964	1,957	1,951	1,944	1,937	1,930	1,924	1,916	1,910	1,903	23,287
14	Total Juris. Recoverable Costs (Lines 12 + 13)		2,144	2,136	2,128	2,121	2,115	2,107	2,099	2,092	2,085	2,076	2,069	2,061	25,233

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Diesel Fuel Oil Remediation
P.E. 1270
(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
a	Expenditures/Additions		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	
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)	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 (C)	(28,832)	(29,016)	(29,200)	(29,384)	(29,568)	(29,752)	(29,936)	(30,120)	(30,304)	(30,488)	(30,672)	(30,856)	(31,040)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	40,091	39,907	39,723	39,539	39,355	39,171	38,987	38,803	38,619	38,435	38,251	38,067	37,883	
6	Average Net Investment		39,999	39,815	39,631	39,447	39,263	39,079	38,895	38,711	38,527	38,343	38,159	37,975	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		294	293	291	290	288	287	286	284	283	282	280	279	3,437
b	Debt Component (Line 6 x Debt Component x 1/12)		83	83	83	82	82	82	81	81	80	80	80	79	976
8	Investment Expenses														
a	Depreciation (E)		184	184	184	184	184	184	184	184	184	184	184	184	2,208
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)		561	560	558	556	554	553	551	549	547	546	544	542	6,621
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		518	517	515	513	511	510	509	507	505	504	502	500	6,111
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		42	42	42	42	42	42	41	41	41	41	41	41	498
13	Retail Demand-Related Recoverable Costs (I)		499	498	497	495	493	492	491	489	487	486	484	482	5,893
14	Total Juris. Recoverable Costs (Lines 12 + 13)		541	540	539	537	535	534	532	530	528	527	525	523	6,391

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Bulk Tanker Unload Sec Contain Struc
P.E. 1271
(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
a	Expenditures/Additions		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	
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)	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 (C)	(51,671)	(51,942)	(52,213)	(52,484)	(52,755)	(53,026)	(53,297)	(53,568)	(53,839)	(54,110)	(54,381)	(54,652)	(54,923)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	49,824	49,553	49,282	49,011	48,740	48,469	48,198	47,927	47,656	47,385	47,114	46,843	46,572	
6	Average Net Investment		49,689	49,418	49,147	48,876	48,605	48,334	48,063	47,792	47,521	47,250	46,979	46,708	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		365	363	361	359	357	355	353	351	349	347	345	343	4,248
b	Debt Component (Line 6 x Debt Component x 1/12)		104	103	103	102	101	101	100	100	99	99	98	97	1,207
8	Investment Expenses														
a	Depreciation (E)		271	271	271	271	271	271	271	271	271	271	271	271	3,252
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)		740	737	735	732	729	727	724	722	719	717	714	711	8,707
a	Recoverable Costs Allocated to Energy		57	57	57	56	56	56	56	56	55	55	55	55	671
b	Recoverable Costs Allocated to Demand		683	680	678	676	673	671	668	666	664	662	659	656	8,036
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		55	55	55	54	54	54	54	54	53	53	53	53	647
13	Retail Demand-Related Recoverable Costs (I)		659	656	654	652	649	647	644	642	640	638	635	633	7,749
14	Total Juris. Recoverable Costs (Lines 12 + 13)		714	711	709	706	703	701	698	696	693	691	688	686	8,396

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Crist IWW Sampling System
P.E. 1275
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
a	Expenditures/Additions		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	
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)	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 (C)	(30,632)	(30,791)	(30,950)	(31,109)	(31,268)	(31,427)	(31,586)	(31,745)	(31,904)	(32,063)	(32,222)	(32,381)	(32,540)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	28,911	28,752	28,593	28,434	28,275	28,116	27,957	27,798	27,639	27,480	27,321	27,162	27,003	
6	Average Net Investment		28,832	28,673	28,514	28,355	28,196	28,037	27,878	27,719	27,560	27,401	27,242	27,083	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		212	211	209	208	207	206	205	204	202	201	200	199	2,464
b	Debt Component (Line 6 x Debt Component x 1/12)		60	60	60	59	59	59	58	58	58	57	57	57	702
8	Investment Expenses														
a	Depreciation (E)		159	159	159	159	159	159	159	159	159	159	159	159	1,908
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)		431	430	428	426	425	424	422	421	419	417	416	415	5,074
a	Recoverable Costs Allocated to Energy		33	33	33	33	33	33	32	32	32	32	32	32	390
b	Recoverable Costs Allocated to Demand		398	397	395	393	392	391	390	389	387	385	384	383	4,684
10	Energy Jurisdictional Factor		0.9646941	0.9654732	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		32	32	32	32	32	32	31	31	31	31	31	31	378
13	Retail Demand-Related Recoverable Costs (I)		384	383	381	379	378	377	376	375	373	371	370	369	4,516
14	Total Juris. Recoverable Costs (Lines 12 + 13)		416	415	413	411	410	409	407	406	404	402	401	400	4,894

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Sodium Injection System
P.E. 1214 & 1413
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
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)	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119	391,119
3	Less: Accumulated Depreciation (C)	(71,763)	(72,744)	(73,725)	(74,706)	(75,687)	(76,668)	(77,649)	(78,630)	(79,611)	(80,592)	(81,573)	(82,554)	(83,535)	(83,535)
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)	319,356	318,375	317,394	316,413	315,432	314,451	313,470	312,489	311,508	310,527	309,546	308,565	307,584	307,584
6	Average Net Investment		318,866	317,885	316,904	315,923	314,942	313,961	312,980	311,999	311,018	310,037	309,056	308,075	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		2,343	2,335	2,329	2,321	2,313	2,307	2,299	2,293	2,285	2,278	2,271	2,263	27,637
b	Debt Component (Line 6 x Debt Component x 1/12)		666	663	661	659	657	656	653	652	649	647	645	643	7,851
8	Investment Expenses														
a	Depreciation (E)		981	981	981	981	981	981	981	981	981	981	981	981	11,772
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)		3,990	3,979	3,971	3,961	3,951	3,944	3,933	3,926	3,915	3,906	3,897	3,887	47,260
a	Recoverable Costs Allocated to Energy		3,990	3,979	3,971	3,961	3,951	3,944	3,933	3,926	3,915	3,906	3,897	3,887	47,260
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		3,851	3,844	3,836	3,834	3,825	3,818	3,808	3,799	3,789	3,774	3,761	3,751	45,690
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		3,851	3,844	3,836	3,834	3,825	3,818	3,808	3,799	3,789	3,774	3,761	3,751	45,690

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning and Ending Balances: Crist, \$284,622 and Smith \$106,497.
- (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 3.2% annually; Smith 2.5% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Smith Stormwater Collection System
P.E. 1446
(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
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 (C)	(1,212,623)	(1,218,419)	(1,224,215)	(1,230,011)	(1,235,807)	(1,241,603)	(1,247,399)	(1,253,195)	(1,258,991)	(1,264,787)	(1,270,583)	(1,276,379)	(1,282,175)	
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)	1,569,977	1,564,181	1,558,385	1,552,589	1,546,793	1,540,997	1,535,201	1,529,405	1,523,609	1,517,813	1,512,017	1,506,221	1,500,425	
6	Average Net Investment		1,567,079	1,561,283	1,555,487	1,549,691	1,543,895	1,538,099	1,532,303	1,526,507	1,520,711	1,514,915	1,509,119	1,503,323	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		11,513	11,471	11,428	11,386	11,343	11,300	11,258	11,215	11,173	11,130	11,087	11,045	135,349
b	Debt Component (Line 6 x Debt Component x 1/12)		3,270	3,258	3,246	3,234	3,222	3,210	3,198	3,186	3,174	3,162	3,150	3,137	38,447
8	Investment Expenses														
a	Depreciation (E)		5,796	5,796	5,796	5,796	5,796	5,796	5,796	5,796	5,796	5,796	5,796	5,796	69,552
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)	20,579	20,525	20,470	20,416	20,361	20,306	20,252	20,197	20,143	20,088	20,033	19,978	19,923	243,348
a	Recoverable Costs Allocated to Energy	1,583	1,579	1,575	1,570	1,566	1,562	1,558	1,554	1,549	1,545	1,541	1,537	1,533	18,719
b	Recoverable Costs Allocated to Demand	18,996	18,946	18,895	18,846	18,795	18,744	18,694	18,643	18,594	18,543	18,492	18,441	18,390	224,629
10	Energy Jurisdictional Factor	0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030		
11	Demand Jurisdictional Factor	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		1,528	1,526	1,521	1,520	1,516	1,512	1,508	1,504	1,499	1,493	1,487	1,483	18,097
13	Retail Demand-Related Recoverable Costs (I)		18,316	18,268	18,219	18,172	18,122	18,073	18,025	17,976	17,929	17,879	17,830	17,781	216,590
14	Total Juris. Recoverable Costs (Lines 12 + 13)		19,844	19,794	19,740	19,692	19,638	19,585	19,533	19,480	19,428	19,372	19,317	19,264	234,687

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) 2.5% 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 Projected Period Amount
January 2010 - December 2010

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

Line	Description	Beginning of Period Amount	Month												End of Period Amount	
			January	February	March	April	May	June	July	August	September	October	November	December		
1	Investments (A)															
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)	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	
3	Less: Accumulated Depreciation (C)	95,527	95,154	94,781	94,408	94,035	93,662	93,289	92,916	92,543	92,170	91,797	91,424	91,051		
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)	274,489	274,116	273,743	273,370	272,997	272,624	272,251	271,878	271,505	271,132	270,759	270,386	270,013		
6	Average Net Investment		274,303	273,930	273,557	273,184	272,811	272,438	272,065	271,692	271,319	270,946	270,573	270,200		
7	Return on Average Net Investment															
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		2,016	2,012	2,010	2,008	2,004	2,002	1,998	1,996	1,994	1,990	1,988	1,985	24,003	
b	Debt Component (Line 6 x Debt Component x 1/12)		572	572	571	570	570	569	567	567	566	565	565	564	6,818	
8	Investment Expenses															
a	Depreciation (E)		373	373	373	373	373	373	373	373	373	373	373	373	4,476	
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)		2,961	2,957	2,954	2,951	2,947	2,944	2,938	2,936	2,933	2,928	2,926	2,922	35,297	
a	Recoverable Costs Allocated to Energy		228	228	228	227	227	227	226	225	225	225	225	225	2,716	
b	Recoverable Costs Allocated to Demand		2,733	2,729	2,726	2,724	2,720	2,717	2,712	2,711	2,708	2,703	2,701	2,697	32,581	
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030		
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160		
12	Retail Energy-Related Recoverable Costs (H)		220	220	220	220	220	220	219	218	218	217	217	217	2,626	
13	Retail Demand-Related Recoverable Costs (I)		2,635	2,631	2,628	2,626	2,622	2,620	2,615	2,614	2,611	2,606	2,604	2,600	31,412	
14	Total Juris. Recoverable Costs (Lines 12 + 13)		2,855	2,851	2,848	2,846	2,842	2,840	2,834	2,832	2,829	2,823	2,821	2,817	34,038	

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 2.5% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Daniel Ash Management Project
P.E. 1535, 1555, & 1819
(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
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)	16,192,224	16,192,224	16,192,224	16,192,224	16,192,224	16,192,224	16,192,224	16,192,224	16,192,224	16,192,224	16,192,224	16,192,224	16,192,224	16,192,224
3	Less: Accumulated Depreciation (C)	(5,951,027)	(6,003,163)	(6,055,299)	(6,107,435)	(6,159,571)	(6,211,707)	(6,263,843)	(6,315,979)	(6,368,115)	(6,420,251)	(6,472,387)	(6,524,523)	(6,576,659)	
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)	10,241,197	10,189,061	10,136,925	10,084,789	10,032,653	9,980,517	9,928,381	9,876,245	9,824,109	9,771,973	9,719,837	9,667,701	9,615,565	
6	Average Net Investment		10,215,129	10,162,993	10,110,857	10,058,721	10,006,585	9,954,449	9,902,313	9,850,177	9,798,041	9,745,905	9,693,769	9,641,633	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		75,050	74,667	74,284	73,902	73,519	73,135	72,752	72,369	71,986	71,604	71,220	70,837	875,325
b	Debt Component (Line 6 x Debt Component x 1/12)		21,319	21,211	21,102	20,993	20,884	20,775	20,666	20,557	20,449	20,340	20,231	20,122	248,649
8	Investment Expenses														
a	Depreciation (E)		41,824	41,824	41,824	41,824	41,824	41,824	41,824	41,824	41,824	41,824	41,824	41,824	501,888
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	10,312	123,744
d	Property Taxes		28,781	28,781	28,781	28,781	28,781	28,781	28,781	28,781	28,781	28,781	28,781	28,781	345,372
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		177,286	176,795	176,303	175,812	175,320	174,827	174,335	173,843	173,352	172,861	172,368	171,876	2,094,978
a	Recoverable Costs Allocated to Energy		13,638	13,599	13,562	13,524	13,487	13,448	13,410	13,373	13,334	13,297	13,259	13,222	161,153
b	Recoverable Costs Allocated to Demand		163,648	163,196	162,741	162,288	161,833	161,379	160,925	160,470	160,018	159,564	159,109	158,654	1,933,825
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		13,166	13,139	13,100	13,092	13,057	13,019	12,983	12,942	12,904	12,848	12,796	12,759	155,805
13	Retail Demand-Related Recoverable Costs (I)		157,792	157,356	156,917	156,480	156,042	155,604	155,167	154,728	154,292	153,854	153,415	152,977	1,864,624
14	Total Juris. Recoverable Costs (Lines 12 + 13)		170,958	170,495	170,017	169,572	169,099	168,623	168,150	167,670	167,196	166,702	166,211	165,736	2,020,429

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) 3.1% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Smith Water Conservation
P.E. 1601, 1620, & 1638
(in Dollars)

Line	Description	Beginning of Period Amount	Projected Period Amount												End of Period Amount
			January	February	March	April	May	June	July	August	September	October	November	December	
1	Investments (A)														
a	Expenditures/Additions		124,950	124,500	124,950	124,950	124,950	124,950	124,950	124,950	124,950	124,950	124,950	126,000	
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)	134,133	134,133	134,133	134,133	134,133	134,133	134,133	134,133	134,133	134,133	134,133	134,133	134,133	
3	Less: Accumulated Depreciation (C)	(21,927)	(22,207)	(22,487)	(22,767)	(23,047)	(23,327)	(23,607)	(23,887)	(24,167)	(24,447)	(24,727)	(25,007)	(25,287)	
4	CWIP - Non Interest Bearing	0	124,950	249,450	374,400	499,350	624,300	749,250	874,200	999,150	1,124,100	1,249,050	1,374,000	1,500,000	
5	Net Investment (Lines 2 + 3 + 4)	112,206	236,876	361,096	485,766	610,436	735,106	859,776	984,446	1,109,116	1,233,786	1,358,456	1,483,126	1,608,846	
6	Average Net Investment		174,541	298,986	423,431	548,101	672,771	797,441	922,111	1,046,781	1,171,451	1,296,121	1,420,791	1,545,986	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,283	2,196	3,111	4,027	4,944	5,859	6,775	7,691	8,607	9,523	10,439	11,358	75,813
b	Debt Component (Line 6 x Debt Component x 1/12)		364	625	883	1,144	1,405	1,664	1,925	2,184	2,445	2,705	2,965	3,227	21,536
8	Investment Expenses														
a	Depreciation (E)		280	280	280	280	280	280	280	280	280	280	280	280	3,360
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)		1,927	3,101	4,274	5,451	6,629	7,803	8,980	10,155	11,332	12,508	13,684	14,865	100,709
a	Recoverable Costs Allocated to Energy		148	239	329	419	510	599	690	781	871	962	1,053	1,144	7,745
b	Recoverable Costs Allocated to Demand		1,779	2,862	3,945	5,032	6,119	7,204	8,290	9,374	10,461	11,546	12,631	13,721	92,964
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		143	231	318	406	494	580	668	756	843	930	1,017	1,104	7,490
13	Retail Demand-Related Recoverable Costs (I)		1,716	2,760	3,804	4,852	5,901	6,947	7,994	9,039	10,087	11,133	12,179	13,230	89,642
14	Total Juris. Recoverable Costs (Lines 12 + 13)		1,859	2,991	4,122	5,258	6,395	7,527	8,662	9,795	10,930	12,063	13,196	14,334	97,132

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) 2.5% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Underground Fuel Tank Replacement
P.E. 4397
(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
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)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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	0
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (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	0
a	Recoverable Costs Allocated to Energy	0	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	0
10	Energy Jurisdictional Factor	0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030		
11	Demand Jurisdictional Factor	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160		
12	Retail Energy-Related Recoverable Costs (H)	0	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	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)	0	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) PE 4397 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

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Crist FDEP Agreement for Ozone Attainment
P.E. 1031, 1199, 1250, and 1287
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
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) (J)	134,681,113	134,681,113	134,681,113	134,681,113	134,681,113	134,681,113	134,681,113	134,681,113	134,681,113	134,681,113	134,681,113	134,681,113	134,681,113	134,681,113
3	Less: Accumulated Depreciation (C)	(20,754,277)	(21,143,930)	(21,533,583)	(21,923,236)	(22,312,889)	(22,702,542)	(23,092,195)	(23,481,848)	(23,871,501)	(24,261,154)	(24,650,807)	(25,040,460)	(25,430,113)	
4	C/WIP - Non Interest Bearing (I)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4)	113,926,836	113,537,183	113,147,530	112,757,877	112,368,224	111,978,571	111,588,918	111,199,265	110,809,612	110,419,959	110,030,306	109,640,653	109,251,000	
6	Average Net Investment		113,732,009	113,342,356	112,952,703	112,563,050	112,173,397	111,783,744	111,394,091	111,004,438	110,614,785	110,225,132	109,835,479	109,445,826	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		835,589	832,727	829,864	827,001	824,139	821,274	818,412	815,550	812,687	809,824	806,961	804,098	9,838,126
b	Debt Component (Line 6 x Debt Component x 1/12)		237,359	236,546	235,732	234,919	234,105	233,292	232,480	231,667	230,853	230,040	229,226	228,413	2,794,632
8	Investment Expenses														
a	Depreciation (E)		358,681	358,681	358,681	358,681	358,681	358,681	358,681	358,681	358,681	358,681	358,681	358,681	4,304,172
b	Amortization (F)		2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,292	2,292	27,504
c	Dismantlement		28,680	28,680	28,680	28,680	28,680	28,680	28,680	28,680	28,680	28,680	28,680	28,680	344,160
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)		1,462,601	1,458,926	1,455,249	1,451,573	1,447,897	1,444,219	1,440,545	1,436,870	1,433,193	1,429,517	1,425,840	1,422,164	17,308,594
a	Recoverable Costs Allocated to Energy		1,462,601	1,458,926	1,455,249	1,451,573	1,447,897	1,444,219	1,440,545	1,436,870	1,433,193	1,429,517	1,425,840	1,422,164	17,308,594
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		1,411,950	1,409,541	1,405,686	1,405,243	1,401,741	1,398,117	1,394,713	1,390,495	1,386,916	1,381,214	1,376,134	1,372,358	16,734,108
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		1,411,950	1,409,541	1,405,686	1,405,243	1,401,741	1,398,117	1,394,713	1,390,495	1,386,916	1,381,214	1,376,134	1,372,358	16,734,108

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) Crist: 3.2% annually
- (F) Portions of 1287 have 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 Projected Period Amount
January 2010 - December 2010

Return on Capital Investments, Depreciation and Taxes
For Project: SPCC Compliance
P.E.'s 1272 & 1404
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
a	Expenditures/Additions		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	
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)	944,836	944,836	944,836	944,836	944,836	944,836	944,836	944,836	944,836	944,836	944,836	944,836	944,836	
3	Less: Accumulated Depreciation (C)	(89,630)	(92,135)	(94,640)	(97,145)	(99,650)	(102,155)	(104,660)	(107,165)	(109,670)	(112,175)	(114,680)	(117,185)	(119,690)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	855,206	852,701	850,196	847,691	845,186	842,681	840,176	837,671	835,166	832,661	830,156	827,651	825,146	
6	Average Net Investment		853,953	851,448	848,943	846,438	843,933	841,428	838,923	836,418	833,913	831,408	828,903	826,398	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		6,274	6,256	6,237	6,219	6,200	6,182	6,164	6,145	6,127	6,108	6,090	6,072	74,074
b	Debt Component (Line 6 x Debt Component x 1/12)		1,782	1,777	1,772	1,767	1,761	1,756	1,751	1,746	1,740	1,735	1,730	1,725	21,042
8	Investment Expenses														
a	Depreciation (E)		2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	2,505	30,060
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)		10,561	10,538	10,514	10,491	10,466	10,443	10,420	10,396	10,372	10,348	10,325	10,302	125,176
a	Recoverable Costs Allocated to Energy		812	811	809	807	805	803	802	800	798	796	794	792	9,629
b	Recoverable Costs Allocated to Demand		9,749	9,727	9,705	9,684	9,661	9,640	9,618	9,596	9,574	9,552	9,531	9,510	115,547
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		784	784	781	781	779	777	776	774	772	769	766	764	9,307
13	Retail Demand-Related Recoverable Costs (I)		9,400	9,379	9,358	9,337	9,315	9,295	9,274	9,253	9,231	9,210	9,190	9,170	111,412
14	Total Juris. Recoverable Costs (Lines 12 + 13)		10,184	10,163	10,139	10,118	10,094	10,072	10,050	10,027	10,003	9,979	9,956	9,934	120,719

Notes:

- (A) Description and reason for "Other" adjustments to net investment for this project
- (B) Beginning Balances: Crist \$919,836; Smith \$25,000. Ending Balances: Crist \$919,836; Smith \$25,000.
- (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 3.2% annually; Smith 2.5% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Common FTIR Monitor
P.E. 1297
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
a	Expenditures/Additions		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	
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)	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	
3	Less: Accumulated Depreciation (C)	(11,923)	(12,091)	(12,259)	(12,427)	(12,595)	(12,763)	(12,931)	(13,099)	(13,267)	(13,435)	(13,603)	(13,771)	(13,939)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4)	50,947	50,779	50,611	50,443	50,275	50,107	49,939	49,771	49,603	49,435	49,267	49,099	48,931	
6	Average Net Investment		50,863	50,695	50,527	50,359	50,191	50,023	49,855	49,687	49,519	49,351	49,183	49,015	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		374	372	371	370	369	368	366	365	364	363	361	360	4,403
b	Debt Component (Line 6 x Debt Component x 1/12)		106	106	105	105	105	104	104	104	103	103	103	102	1,250
8	Investment Expenses														
a	Depreciation (E)		168	168	168	168	168	168	168	168	168	168	168	168	2,016
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)		648	646	644	643	642	640	638	637	635	634	632	630	7,669
a	Recoverable Costs Allocated to Energy		648	646	644	643	642	640	638	637	635	634	632	630	7,669
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		626	624	622	622	622	620	618	616	614	613	610	608	7,415
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		626	624	622	622	622	620	618	616	614	613	610	608	7,415

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Precipitator Upgrades for CAM Compliance
P.E. 1175, 1191, 1305, 1461, & 1462
(in Dollars)

Line	Description	Beginning													End
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													Amount
1	Investments (A)														
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) (J)	29,839,678	29,839,678	29,839,678	29,839,678	29,839,678	29,839,678	29,839,678	29,839,678	29,839,678	29,839,678	29,839,678	29,839,678	29,839,678	29,839,678
3	Less: Accumulated Depreciation (C) (J)	(2,293,413)	(2,363,923)	(2,434,433)	(2,504,943)	(2,575,453)	(2,645,963)	(2,716,473)	(2,786,983)	(2,857,493)	(2,928,003)	(2,998,513)	(3,069,023)	(3,139,533)	
4	CWIP - Non Interest Bearing (J)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (J)	27,546,265	27,475,755	27,405,245	27,334,735	27,264,225	27,193,715	27,123,205	27,052,695	26,982,185	26,911,675	26,841,165	26,770,655	26,700,145	
6	Average Net Investment		27,511,010	27,440,500	27,369,990	27,299,480	27,228,970	27,158,460	27,087,950	27,017,440	26,946,930	26,876,420	26,805,910	26,735,400	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		202,123	201,605	201,087	200,568	200,051	199,533	199,017	198,497	197,979	197,461	196,944	196,425	2,391,290
b	Debt Component (Line 6 x Debt Component x 1/12)		57,416	57,269	57,122	56,974	56,827	56,680	56,533	56,385	56,237	56,092	55,943	55,797	679,275
8	Investment Expenses														
a	Depreciation (E)		70,510	70,510	70,510	70,510	70,510	70,510	70,510	70,510	70,510	70,510	70,510	70,510	846,120
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)		330,049	329,384	328,719	328,052	327,388	326,723	326,060	325,392	324,726	324,063	323,397	322,732	3,916,685
a	Recoverable Costs Allocated to Energy		330,049	329,384	328,719	328,052	327,388	326,723	326,060	325,392	324,726	324,063	323,397	322,732	3,916,685
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		318,619	318,234	317,523	317,582	316,952	316,294	315,686	314,890	314,241	313,113	312,123	311,429	3,786,686
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		318,619	318,234	317,523	317,582	316,952	316,294	315,686	314,890	314,241	313,113	312,123	311,429	3,786,686

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project
- (B) Beginning Balances: Crist \$13,997,697; Smith \$15,715,200; Scholz \$126,781. Ending Balances: Crist \$13,997,697; Smith \$15,715,200; Scholz \$126,781.
- (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 3.2%; Smith 2.5%; Scholz 4.2% 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 Projected Period Amount
January 2010 - December 2010

Return on Capital Investments, Depreciation and Taxes
For Project: Plant Groundwater Investigation
P.E. 1218 & 1361
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
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)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
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 (Line 6 x Equity Component x 1/12) (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		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
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 Juris. 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) Beginning Balances: Crist \$0; Scholz \$0. Ending Balances: Crist, \$0; Scholz \$0.
- (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 3.2% annually; Scholz 4.2% 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 Projected Period Amount
January 2010 - December 2010

Return on Capital Investments, Depreciation and Taxes
For Project: Plant Crist Water Conservation Project
P.E.s 1227 & 1298
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
a	Expenditures/Additions		633,848	530,343	266,758	290,569	191,322	6,784,914	0	0	0	0	0	0	0
b	Clearings to Plant (J)		633,848	530,343	266,758	290,569	191,322	6,784,914	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)	7,895,220	8,529,068	9,059,411	9,326,169	9,616,738	9,808,060	16,592,974	16,592,974	16,592,974	16,592,974	16,592,974	16,592,974	16,592,974	16,592,974
3	Less: Accumulated Depreciation (C)	(19,551)	(41,453)	(64,907)	(89,424)	(114,684)	(140,587)	(175,793)	(220,046)	(264,299)	(308,552)	(352,805)	(397,058)	(441,311)	
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)	7,875,669	8,487,615	8,994,504	9,236,745	9,502,054	9,667,473	16,417,181	16,372,928	16,328,675	16,284,422	16,240,169	16,195,916	16,151,663	
6	Average Net Investment		8,181,642	8,741,059	9,115,624	9,369,399	9,584,763	13,042,327	16,395,054	16,350,801	16,306,548	16,262,295	16,218,042	16,173,789	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		60,111	64,221	66,973	68,837	70,419	95,822	120,455	120,130	119,804	119,479	119,154	118,828	1,144,233
b	Debt Component (Line 6 x Debt Component x 1/12)		17,075	18,243	19,024	19,554	20,003	27,220	34,216	34,125	34,032	33,940	33,847	33,755	325,034
8	Investment Expenses														
a	Depreciation (E)		21,902	23,454	24,517	25,260	25,903	35,206	44,253	44,253	44,253	44,253	44,253	44,253	421,760
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)		99,088	105,918	110,514	113,651	116,325	158,248	198,924	198,508	198,089	197,672	197,254	196,836	1,891,027
a	Recoverable Costs Allocated to Energy		7,623	8,147	8,501	8,742	8,948	12,173	15,301	15,270	15,238	15,206	15,174	15,142	145,465
b	Recoverable Costs Allocated to Demand		91,465	97,771	102,013	104,909	107,377	146,075	183,623	183,238	182,851	182,466	182,080	181,694	1,745,562
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		7,359	7,871	8,211	8,463	8,662	11,784	14,814	14,777	14,746	14,692	14,645	14,611	140,635
13	Retail Demand-Related Recoverable Costs (I)		88,192	94,272	98,363	101,155	103,535	140,848	177,052	176,681	176,308	175,937	175,564	175,192	1,683,099
14	Total Juris. Recoverable Costs (Lines 12 + 13)		95,551	102,143	106,574	109,618	112,197	152,632	191,866	191,458	191,054	190,629	190,209	189,803	1,823,734

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010

Return on Capital Investments, Depreciation and Taxes
For Project: Plant NPDES Permit Compliance Projects
P.E. 1204 & 1299
(in Dollars)

Line	Description	Beginning of Period Amount	Period												End of Period Amount	
			January	February	March	April	May	June	July	August	September	October	November	December		
1	Investments (A)															
a	Expenditures/Additions		0	0	0	0	0	0	0	0	12,500	12,500	12,500	12,500		
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	50,000	
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)	5,969,275	5,969,275	5,969,275	5,969,275	5,969,275	5,969,275	5,969,275	5,969,275	5,969,275	5,969,275	5,969,275	5,969,275	6,019,275		
3	Less: Accumulated Depreciation (C)	(689,408)	(705,328)	(721,248)	(737,168)	(753,088)	(769,008)	(784,928)	(800,848)	(816,768)	(832,688)	(848,608)	(864,528)	(880,514)		
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	12,500	25,000	37,500	0		
5	Net Investment (Lines 2 + 3 + 4)	5,279,867	5,263,947	5,248,027	5,232,107	5,216,187	5,200,267	5,184,347	5,168,427	5,152,507	5,149,087	5,145,667	5,142,247	5,138,761		
6	Average Net Investment		5,271,907	5,255,987	5,240,067	5,224,147	5,208,227	5,192,307	5,176,387	5,160,467	5,150,797	5,147,377	5,143,957	5,140,504		
7	Return on Average Net Investment															
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		38,732	38,616	38,499	38,382	38,265	38,147	38,031	37,914	37,843	37,818	37,793	37,767	457,807	
b	Debt Component (Line 6 x Debt Component x 1/12)		11,002	10,970	10,936	10,903	10,869	10,836	10,803	10,770	10,750	10,742	10,736	10,728	130,045	
8	Investment Expenses															
a	Depreciation (E)		15,920	15,920	15,920	15,920	15,920	15,920	15,920	15,920	15,920	15,920	15,920	15,986	191,106	
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)		65,654	65,506	65,355	65,205	65,054	64,903	64,754	64,604	64,513	64,480	64,449	64,481	778,958	
a	Recoverable Costs Allocated to Energy		5,050	5,039	5,027	5,016	5,004	4,993	4,981	4,969	4,962	4,960	4,958	4,960	59,919	
b	Recoverable Costs Allocated to Demand		60,604	60,467	60,328	60,189	60,050	59,910	59,773	59,635	59,551	59,520	59,491	59,521	719,039	
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030		
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160		
12	Retail Energy-Related Recoverable Costs (H)		4,876	4,869	4,856	4,856	4,845	4,834	4,823	4,809	4,802	4,792	4,785	4,786	57,933	
13	Retail Demand-Related Recoverable Costs (I)		58,435	58,303	58,169	58,035	57,902	57,767	57,634	57,501	57,420	57,390	57,362	57,392	693,310	
14	Total Juris. Recoverable Costs (Lines 12 + 13)		63,311	63,172	63,025	62,891	62,747	62,601	62,457	62,310	62,222	62,182	62,147	62,178	751,243	

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) 3.2% 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 Projected Period Amount
January 2010 - December 2010

Return on Capital Investments, Depreciation and Taxes
For Project: CAIR/CAMR/CAVR Compliance Program
P.E.s 1034, 1035, 1036, 1037, 1095, 1222, 1362, 1468, 1469, 1512, 1513, 1646, 1647, 1684, 1810, 1824, & 1826
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
a	Expenditures/Additions		2,739,363	1,543,197	1,567,770	517,669	375,543	282,275	131,864	573	423	423	423	423	
b	Clearings to Plant (J)		2,512,374	1,004,536	1,010,500	131,500	54,733	3,834,289	131,864	573	423	423	423	423	
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	100,000
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B) (K)	608,014,996	610,527,370	611,531,906	612,542,406	612,673,906	612,728,639	616,562,928	616,694,792	616,695,365	616,695,788	616,696,211	616,696,634	616,697,057	
3	Less: Accumulated Depreciation (C)	(4,734,904)	(6,357,272)	(7,984,330)	(9,614,075)	(11,245,343)	(12,876,859)	(14,513,403)	(16,155,071)	(17,796,910)	(19,438,750)	(21,080,591)	(22,722,434)	(24,264,278)	
4	CWIP - Non Interest Bearing	2,964,689	3,191,678	3,730,339	4,287,609	4,673,778	4,994,588	1,442,574	1,442,574	1,442,574	1,442,574	1,442,574	1,442,574	1,442,574	
5	Net Investment (Lines 2 + 3 + 4)	606,244,781	607,361,776	607,277,915	607,215,940	606,102,341	604,846,368	603,492,099	601,982,295	600,341,029	598,699,612	597,058,194	595,416,774	593,875,353	
6	Average Net Investment		606,803,279	607,319,846	607,246,928	606,659,141	605,474,355	604,169,234	602,737,197	601,161,662	599,520,321	597,878,903	596,237,484	594,646,064	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		4,458,184	4,461,979	4,461,444	4,457,125	4,448,420	4,438,832	4,428,310	4,416,735	4,404,676	4,392,617	4,380,557	4,368,865	53,117,744
b	Debt Component (Line 6 x Debt Component x 1/12)		1,266,400	1,267,477	1,267,325	1,266,098	1,263,626	1,260,901	1,257,913	1,254,625	1,251,200	1,247,774	1,244,348	1,241,027	15,088,714
8	Investment Expenses														
a	Depreciation (E)		1,613,028	1,617,718	1,620,405	1,621,928	1,622,176	1,627,204	1,632,328	1,632,499	1,632,500	1,632,501	1,632,503	1,632,504	19,517,294
b	Amortization (F)		9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	9,340	112,080
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		9,777	9,777	9,777	9,777	9,777	9,777	9,777	9,777	9,777	9,777	9,777	9,777	117,324
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		7,356,729	7,366,291	7,368,291	7,364,268	7,353,339	7,346,054	7,337,668	7,322,976	7,307,493	7,292,009	7,276,525	7,261,513	87,953,156
a	Recoverable Costs Allocated to Energy		7,356,729	7,366,291	7,368,291	7,364,268	7,353,339	7,346,054	7,337,668	7,322,976	7,307,493	7,292,009	7,276,525	7,261,513	87,953,156
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		7,101,961	7,116,941	7,117,340	7,129,225	7,118,929	7,111,559	7,104,210	7,086,624	7,071,541	7,045,613	7,022,861	7,007,200	85,034,004
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		7,101,961	7,116,941	7,117,340	7,129,225	7,118,929	7,111,559	7,104,210	7,086,624	7,071,541	7,045,613	7,022,861	7,007,200	85,034,004

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable
- (B) Beginning Balances: Crist \$592,369,378; Smith \$11,389,634; Daniel \$3,592,561; Scholz \$663,423. Ending Balances: Crist \$597,134,211; Smith \$11,389,634; Daniel \$7,509,789; Scholz \$663,423.
- (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: 3.2%, Plant Smith Steam 2.5%, Smith CT 0.4%, Daniel 3.1%, Scholz 4.2%. Portion of PE 1222 is transmission 2.2%, 2.3%, 4.1%, 2.6%.
- (F) Portion of PE 1222 has a applicable 7 year amortization period beginning in 2008.
- (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
- (J) Project #1222 qualifies for AFUDC treatment. As portions of the project are moved to P-I-S, they are included in the ECRC.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2010 - December 2010

Return on Capital Investments, Depreciation and Taxes
For Project: General Water Quality
P.E. 1280
(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments (A)														
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)	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654	23,654
3	Less: Accumulated Depreciation (C)	(9,459)	(9,853)	(10,247)	(10,641)	(11,035)	(11,429)	(11,823)	(12,217)	(12,611)	(13,005)	(13,399)	(13,793)	(14,187)	
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)	14,195	13,801	13,407	13,013	12,619	12,225	11,831	11,437	11,043	10,649	10,255	9,861	9,467	
6	Average Net Investment		13,998	13,604	13,210	12,816	12,422	12,028	11,634	11,240	10,846	10,452	10,058	9,664	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		103	100	97	94	91	88	85	83	80	77	74	71	1,043
b	Debt Component (Line 6 x Debt Component x 1/12)		29	28	28	27	26	25	24	23	23	22	21	20	296
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		394	394	394	394	394	394	394	394	394	394	394	394	4,728
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)		526	522	519	515	511	507	503	500	497	493	489	485	6,067
a	Recoverable Costs Allocated to Energy		40	40	40	40	39	39	39	38	38	38	38	37	466
b	Recoverable Costs Allocated to Demand		486	482	479	475	472	468	464	462	459	455	451	448	5,601
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (H)		39	39	39	39	38	38	38	37	37	37	37	36	454
13	Retail Demand-Related Recoverable Costs (I)		469	465	462	458	455	451	447	445	443	439	435	432	5,401
14	Total Juris. Recoverable Costs (Lines 12 + 13)		508	504	501	497	493	489	485	482	480	476	472	468	5,855

Notes:

- (A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
- (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) 5 year amortization beginning 2008.
- (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 Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Mercury Allowances

(in Dollars)

Line	Description	Beginning													End of
		of Period	January	February	March	April	May	June	July	August	September	October	November	December	Period
		Amount													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	0	0	0	0	0	0	0	0	0
2	Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	0
a	FERC 158.1 Allowance Inventory	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	FERC 158.2 Allowances Withheld	0	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	0
d	FERC 254 Regulatory Liabilities - Gains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Total Working Capital Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Average Net Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12)(A)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 4 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Total Return Component (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Expenses:														
a	Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Mercury Allowance Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Net Expenses (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 6 + 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		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (B)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) 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 3P
- (E) Line 8 is reported on Schedule 2P

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Annual NOx Allowances

(in Dollars)															
Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments														
a	Purchases/Transfers		495,000	837,500	1,425,000	0	1,590,000	2,165,000	0	0	0	0	0	0	
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	
2	Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	
a	FERC 158.1 Allowance Inventory	3,315,044	1,609,508	2,289,738	3,513,487	3,213,893	4,462,218	6,078,088	5,253,184	4,401,929	3,634,849	2,852,398	2,145,337	1,414,122	
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	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Total Working Capital Balance	3,315,044	1,609,508	2,289,738	3,513,487	3,213,893	4,462,218	6,078,088	5,253,184	4,401,929	3,634,849	2,852,398	2,145,337	1,414,122	
4	Average Net Working Capital Balance		2,462,276	1,949,623	2,901,612	3,363,690	3,838,056	5,270,153	5,665,636	4,827,557	4,018,389	3,243,623	2,498,867	1,779,729	
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12)(A)		18,090	14,324	21,318	24,713	28,198	38,720	41,625	35,468	29,523	23,831	18,359	13,076	307,245
b	Debt Component (Line 4 x Debt Component x 1/12)		5,139	4,069	6,056	7,020	8,010	10,999	11,824	10,075	8,386	6,769	5,215	3,714	87,276
6	Total Return Component (D)		23,229	18,393	27,374	31,733	36,208	49,719	53,449	45,543	37,909	30,600	23,574	16,790	394,521
7	Expenses:														
a	Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Annual NOx Allowance Expense		2,200,537	157,270	201,251	299,594	341,674	549,130	824,904	851,254	767,080	782,451	707,061	731,215	8,413,422
8	Net Expenses (E)		2,200,537	157,270	201,251	299,594	341,674	549,130	824,904	851,254	767,080	782,451	707,061	731,215	8,413,422
9	Total System Recoverable Expenses (Lines 6 + 8)		2,223,766	175,663	228,625	331,327	377,882	598,849	878,353	896,797	804,989	813,051	730,635	748,005	8,807,943
a	Recoverable Costs Allocated to Energy		2,223,766	175,663	228,625	331,327	377,882	598,849	878,353	896,797	804,989	813,051	730,635	748,005	8,807,943
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (B)		2,146,755	169,716	220,839	320,752	365,836	579,733	850,407	867,853	778,997	785,579	705,164	721,808	8,513,439
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		2,146,755	169,716	220,839	320,752	365,836	579,733	850,407	867,853	778,997	785,579	705,164	721,808	8,513,439

Notes:

- (A) 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 3P
- (E) Line 8 is reported on Schedule 2P

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: Seasonal NOx Allowances

(in Dollars)															
Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	181,272	180,726	0	0	0	0	0	
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	
2	Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	
a	FERC 158.1 Allowance Inventory	67,424	67,424	67,424	67,424	67,424	53,667	219,994	318,241	150,913	(0)	(0)	(0)	(0)	
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	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Total Working Capital Balance	67,424	67,424	67,424	67,424	67,424	53,667	219,994	318,241	150,913	(0)	(0)	(0)	(0)	
4	Average Net Working Capital Balance		67,424	67,424	67,424	67,424	60,545	136,831	269,118	234,577	75,456	0	0	0	
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12)(A)		495	495	495	495	445	1,005	1,977	1,723	554	0	0	0	7,684
b	Debt Component (Line 4 x Debt Component x 1/12)		141	141	141	141	126	286	562	490	157	0	0	0	2,185
6	Total Return Component (D)		636	636	636	636	571	1,291	2,539	2,213	711	0	0	0	9,869
7	Expenses:														
a	Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Seasonal NOx Allowance Expense		0	0	0	0	13,757	14,944	82,480	167,328	150,913	0	0	0	429,422
8	Net Expenses (E)		0	0	0	0	13,757	14,944	82,480	167,328	150,913	0	0	0	429,422
9	Total System Recoverable Expenses (Lines 6 + 8)		636	636	636	636	14,328	16,235	85,019	169,541	151,624	0	0	0	439,291
a	Recoverable Costs Allocated to Energy		636	636	636	636	14,328	16,235	85,019	169,541	151,624	0	0	0	439,291
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (B)		614	614	614	616	13,871	15,717	82,314	164,069	146,728	0	0	0	425,157
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		614	614	614	616	13,871	15,717	82,314	164,069	146,728	0	0	0	425,157

Notes:

- (A) 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 3P
- (E) Line 8 is reported on Schedule 2P

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2010 - December 2010
Return on Capital Investments, Depreciation and Taxes
For Project: SO₂ Allowances

(in Dollars)

Line	Description	Beginning of Period Amount	January	February	March	April	May	June	July	August	September	October	November	December	End of Period Amount
1	Investments														
a	Purchases/Transfers		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	
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	
2	Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	
a	FERC 158.1 Allowance Inventory	11,211,121	10,870,694	10,648,304	10,476,406	10,301,005	10,100,120	9,864,471	9,608,069	9,341,597	9,097,980	8,848,146	8,612,760	8,370,807	
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	(985,309)	(978,915)	(972,521)	(966,126)	(959,732)	(953,337)	(946,943)	(940,549)	(934,154)	(927,760)	(921,366)	(914,971)	(908,577)	
3	Total Working Capital Balance	10,225,812	9,891,779	9,675,783	9,510,280	9,341,273	9,146,782	8,917,528	8,667,521	8,407,443	8,170,220	7,926,780	7,697,789	7,462,230	
4	Average Net Working Capital Balance		10,058,795	9,783,781	9,593,031	9,425,777	9,244,028	9,032,155	8,792,525	8,537,482	8,288,831	8,048,500	7,812,285	7,580,010	
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12)(A)		73,902	71,881	70,480	69,251	67,916	66,359	64,599	62,725	60,898	59,132	57,397	55,690	780,230
b	Debt Component (Line 4 x Debt Component x 1/12)		20,993	20,419	20,021	19,672	19,292	18,850	18,350	17,818	17,299	16,797	16,304	15,819	221,634
6	Total Return Component (D)		94,895	92,300	90,501	88,923	87,208	85,209	82,949	80,543	78,197	75,929	73,701	71,509	1,001,864
7	Expenses:														
a	Gains		(6,394)	(6,394)	(6,394)	(6,394)	(6,394)	(6,394)	(6,394)	(6,394)	(6,394)	(6,394)	(6,394)	(6,394)	(76,733)
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	SO ₂ Allowance Expense		340,427	222,390	171,898	175,401	200,886	235,648	256,402	266,472	243,617	249,834	235,385	241,953	2,840,314
8	Net Expenses (E)		334,032	215,996	165,504	169,006	194,491	229,254	250,008	260,078	237,223	243,440	228,991	235,559	2,763,581
9	Total System Recoverable Expenses (Lines 6 + 8)		428,927	308,296	256,005	257,929	281,699	314,463	332,957	340,621	315,420	319,369	302,692	307,068	3,765,445
a	Recoverable Costs Allocated to Energy		428,927	308,296	256,005	257,929	281,699	314,463	332,957	340,621	315,420	319,369	302,692	307,068	3,765,445
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9646941	0.9654742	0.9652661	0.9674062	0.9674448	0.9674016	0.9675064	0.9670476	0.9670339	0.9655344	0.9644642	0.9643030	
11	Demand Jurisdictional Factor		0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	0.9642160	
12	Retail Energy-Related Recoverable Costs (B)		414,073	297,860	247,285	249,697	272,719	304,425	322,363	329,627	305,235	308,578	292,140	296,314	3,640,316
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Juris. Recoverable Costs (Lines 12 + 13)		414,073	297,860	247,285	249,697	272,719	304,425	322,363	329,627	305,235	308,578	292,140	296,314	3,640,316

Notes:

- (A) 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 3P
- (E) Line 8 is reported on Schedule 2P

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Air Quality Assurance Testing
PEs 1006 and 1244**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

This line item includes the audit test trailer and associated support equipment used to conduct Relative Accuracy Test Audits (RATAs) on the Continuous Emission Monitoring Systems (CEMs) as required by the 1990 Clean Air Act Amendments (CAAA).

Accomplishments:

The RATA test trailer CEM system was replaced during the 2002-2003 recovery period and the trailer was replaced in 2005. These replacements provide Gulf with the accuracy and reliability needed to accurately measure SO₂, NO_x, and CO₂ and to further maintain compliance with CAAA requirements.

Project-to-Date: Plant-in-service of \$220,294 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist 5, 6 & 7 Precipitator Projects
PEs 1038, 1119, 1216, 1243, and 1249

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Crist precipitator projects are necessary to improve particulate removal capabilities as a result of burning low sulfur coal. The larger more efficient precipitators with increased collection areas improve particulate collection efficiency.

Accomplishments:

The precipitators have successfully reduced particulate emissions while burning low sulfur coal. The upgraded Crist Unit 7 precipitator was placed in service during 2004 as part of the FDEP agreement.

Project-to-Date: Plant-in-service of \$14,531,879 projected at December 2010.

Progress Summary: In-Service

Projections: During the 2010 recovery period, Plant Crist plans to begin incurring preliminary engineering and design costs to rebuild portions of the Crist Unit 6 precipitator. Recent inspections of the Plant Crist Unit 6 precipitator have indicated that the internals will need to be replaced by 2013. The 2010 projected expenditures for the Plant Crist Unit 6 precipitator project are \$1.1 million.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist 7 Flue Gas Conditioning
PE 1228**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

This project included the injection of sulfur trioxide into the flue gas to enhance particulate removal and improve the collection characteristics of fly ash. Retirement of the Plant Crist Unit 7 flue gas conditioning system was completed during July 2005.

Accomplishments:

The system enhanced particulate removal in the precipitator.

Project-to-Date: \$0

Progress Summary: Retired

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Low NO_x Burners, Crist 6 & 7
PEs 1234, 1236, 1242, and 1284**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

Low NO_x burners are unique burners installed to decrease the NO_x emissions that are formed in the combustion process. This equipment was installed to meet the requirements of the 1990 Clean Air Act Amendments.

Accomplishments:

The Low NO_x burner system has proven effective in reducing NO_x emissions. The low NO_x burners on Crist Unit 7 were replaced during 2003-2004 time frame and the Crist Unit 6 burners were replaced during December 2005.

Project-to-Date: Plant-in-service of \$9,097,923 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: CEMs – Plant Crist, Scholz, Smith, and Daniel
PEs 1001, 1154, 1164, 1217, 1240, 1245, 1283, 1286, 1289, 1290, 1311, 1316,
1323, 1324, 1357, 1364, 1440, 1441, 1442, 1444, 1445, 1454, 1459, 1460, 1558,
1570, 1658, 1829, and 1830

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Continuous Emission Monitoring (CEM) line item includes dilution extraction emission monitors that measure the concentrations of sulfur dioxide (SO₂), carbon dioxide (CO₂) and nitrogen oxides (NO_x) in the flue gas. Opacity and flow monitors were also installed under this line item. All CEMs monitors were installed pursuant to the 1990 Clean Air Act Amendments (CAAA).

Accomplishments:

The systems at both Gulf and Mississippi Power continue to successfully exceed routine quality assurance/quality control (QA/QC) audits as required by the 1990 CAAA.

Project-to-Date: Plant-in-service of \$4,021,796 projected at December 2010.

Progress Summary:

Crist 4, 5, 6 and 7 CEMS equipment replacements (gas analyzers, opacity monitors, and common CEMS equipment), Scholz 1 & 2 CEMS analyzer replacements, and Smith 1 gas analyzers and opacity monitor replacements were completed in 2001 and 2002. The Plant Crist Unit 6 & 7 and the Plant Scholz Units 1&2 flow monitors were replaced during 2005. The Plant Daniel Units 1&2 gas analyzers were replaced during 2005 and the flow monitors were replaced during 2007. During 2008, the opacity, flow, and gas monitors at Plant Smith and opacity and gas monitors at Plant Scholz were replaced.

During 2009, the CEMs project includes the replacement of opacity monitors at Plant Crist on Units 4 and 5 and the installation of CEMs equipment for the new Plant Crist scrubber stack. CEMs equipment will be installed in the scrubber stack to monitor SO₂, NO_x, CO₂ and flow pursuant to the CAAA. The 2009 scrubber CEMs expenditures include a new CEMs shelter as well as the monitoring equipment.

Projections: N/A

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Substation Contamination Mobile Groundwater Treatment System
PEs 1007, 3400, and 3412**

FPSC Approval: Order No. PSC-95-1051-FOF-EI

Description:

Three groundwater treatment systems were purchased for the treatment of contaminated groundwater at substation sites.

Accomplishments:

Systems have proven effective in groundwater remediation.

Project-to-Date: Plant-in-service of \$918,024 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Raw Water Flow Meters; Crist and Smith
PEs 1155 and 1606**

FPSC Approval: Order No. PSC-96-1171-FOF-EI

Description:

The Raw Water Flow Meters capital project was necessary for Gulf to comply with the Plant Crist and Plant Smith Consumptive Use and Individual Water Use permits issued by the Northwest Florida Water Management District (NFWFMD). These permits require the installation and monitoring of in-line totaling water flow meters on all existing and future water supply wells. Gulf incurred costs related to the installation and operation of new in-line totaling water flow meters at Plant Crist and Plant Smith for implementation of this new activity.

Accomplishments:

The raw water flow meters have been installed at Plant Crist and Plant Smith.

Project-to-Date: Plant-in-service of \$242,972 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist Cooling Tower Cell
PE 1232

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Crist Cooling Tower cell is a pollution control device which allows condenser cooling water to be continually reinjected into the condenser. The cooling tower reduces water discharge temperatures to meet the National Pollution Discharge Elimination System (NPDES) industrial wastewater requirements.

Accomplishments:

Plant Crist has maintained compliance with the temperature discharge limits as required by the facility's NPDES Permit. The original cooling tower cell was retired during July 2007 when the new Crist Unit 7 cooling tower was placed-in-service.

Project-to-Date: \$0

Progress Summary: Retired

Projections: N/A

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist 1-5 Dechlorination
PE 1248**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

State and Federal Pollution Discharge Elimination System permits require significant reductions in chlorine discharge from the plant. The Crist Units 1-5 dechlorination system injects sodium bisulfite into the cooling water canal to chemically eliminate the residual chlorine present in the plant discharge effluent.

Accomplishments:

The system has been effective in maintaining chlorine discharge limits.

Project-to-Date: Plant-in-service of \$305,323 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist Diesel Fuel Oil Remediation
PE 1270**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

Monitoring wells were installed in the vicinity of the Crist diesel tank systems to determine if groundwater contamination was present. The project also included the installation of an impervious cap to reduce migration of contaminants to groundwater.

Accomplishments: Monitoring wells and an impervious cap were installed.

Project-to-Date: Plant-in-service of \$68,923 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist Bulk Tanker Unloading Secondary Containment
PE 1271**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

The Crist Bulk Tanker Unloading Secondary Containment project was necessary to address deficiencies identified during the August 1992 Plant Crist Environmental Audit and to minimize the potential risk of an uncontrolled discharge of pollutants into the waters of the United States. Secondary containment must be installed for tank unloading racks pursuant to the Federal Spill Prevention Control and Countermeasures (SPCC) regulation (40 CFR Part 112).

Accomplishments:

The Plant Crist unloading area secondary containment complies with current SPCC regulatory requirements.

Project-to-Date: Plant-in-service of \$101,495 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist IWW Sampling System
PE 1275

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

The 1993 revision to Plant Crist's National Pollutant Discharge Elimination System (NPDES) industrial wastewater permit moved the compliance point from the end of the discharge canal to a point upstream of Thompson's Bayou. To allow for this sample point modification, an access dock was constructed in the discharge canal. The Crist Industrial Wastewater (IWW) project also included a small building for monitoring and sampling equipment.

Accomplishments:

The dock is complete and samples are being collected at the required compliance point.

Project-to-Date: Plant-in-service of \$59,543 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Sodium Injection System
PEs 1214 and 1413**

FPSC Approval: Order No. PSC-99-1954-FOF-EI

Description:

The Sodium Injection System line item includes silo storage systems and associated components that inject sodium carbonate directly onto the coal feeder belt to enhance precipitator performance when burning low sulfur coal. Sodium injection is used at Plant Smith on Units 1 and 2 and at Plant Crist on Units 4 and 5. The injection of sodium carbonate as an additive to low sulfur coal reduces opacity levels to maintain compliance with the Clean Air Act provisions.

Accomplishments:

The silo storage and injection system components at Plants Smith and Crist have been installed. These systems are fully operational.

Project-to-Date: Plant-in-service of \$391,119 projected at December 2010.

Progress Summary: In Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Smith Stormwater Collection System
PE 1446**

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

The National Pollutant Discharge Elimination System (NPDES) stormwater program requires industrial facilities to install stormwater management systems in order to prevent the unpermitted discharge of contaminated stormwater to the surface waters of the United States.

Accomplishments:

No unpermitted discharges have occurred since system installation.

Project-to-Date: Plant-in-service of \$2,782,600 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Smith Waste Water Treatment Facility
PEs 1466 and 1643**

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

During the 1990's a waste water treatment facility was installed at Plant Smith to replace the septic tank system that was installed in the early 1960's. In April 2004 a new waste water treatment facility with additional capacity was installed to replace the facility installed in the 1990's. The new treatment includes aeration and chlorination of the waste water prior to discharge in the Plant Smith ash pond.

Accomplishments: Plant Smith has maintained compliance with the NPDES industrial wastewater permit domestic wastewater treatment requirements.

Project-to-Date: Plant-in-service of \$178,962 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Daniel Ash Management Project
PEs 1535, 1555, and 1819

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The original Daniel Ash Management project included the installation of a dry ash transport system, lining the bottom of the ash pond, closure and capping of the existing fly ash pond, and the expansion of the landfill area. During 2006 plant Daniel completed construction of a new on-site ash storage facility in preparation for the completion and closure of the existing landfill area.

Accomplishments: No reportable exceedances have occurred since system installation. Construction of the new on-site ash storage facility was completed in 2006.

Project-to-Date: Plant-in-service of \$16,192,224 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Smith Water Conservation
PEs 1601, 1620, and 1638**

FPSC Approval: Order No. PSC-01-1788-FOF-EI

Description:

This project is a water conservation and consumptive use efficiency program to reduce the demand for groundwater and the potential for saltwater intrusion. Plant Smith's individual water use permit issued by the Northwest Florida Water Management District includes a specific condition requesting a 25% reduction in the use of groundwater. Phase I of the Smith Water Conservation project consisted of adding pumps, piping, valves and controls to reclaim water from the ash pond. Phase II, the Smith Closed Loop Cooling System for the laboratory sampling system, was installed during 2005 to further reduce groundwater usage.

Accomplishments: Plant Smith estimated that the closed loop cooling project reduced water consumption by approximately 125,000 gallons per day.

Project-to-Date: Plant-in-service of \$134,133 projected at December 2010.

Progress Summary: In-Service

Projections: Gulf is currently investigating the feasibility of utilizing reclaimed water at Plant Smith for the Unit 3 cooling tower which would reduce surface water consumption by 5 to 6 million gallons per day. The project expenses have been and will continue to be booked to a preliminary investigation account until Gulf determines whether or not it is able to move forward with the project. If it is feasible to move forward with the project, approximately \$1.5 million is projected to be incurred for engineering and design of the infrastructure required to re-use this beneficial water source.

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Underground Fuel Tank Replacement
PE 4397

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Underground Fuel Tank Replacement Program provided for the replacement of Gulf's underground storage tanks with new above ground tanks (ASTs). The installation of ASTs significantly reduced the risk of potential petroleum product discharges, groundwater contamination, and subsequent remediation activities.

Accomplishments:

All underground storage tanks have been replaced with above ground tank systems.

Project-to-Date: \$0

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Crist FDEP Agreement for Ozone Attainment
PEs 1031, 1199, 1250, and 1287**

FPSC Approval: Order No. PSC-02-1396-FOF-EI

Description:

The Florida Department of Environmental Protection (FDEP) and Gulf Power entered into an agreement on August 28, 2002 to support Escambia/Santa Rosa County area's effort to maintain compliance with the 8-hour ozone ambient air quality standards. This agreement included a requirement for Gulf to install Selective Catalytic Reduction (SCR) controls on Crist Unit 7, relocate the Crist Unit 7 precipitator, and install a NO_x reduction technology on Plant Crist Unit 6, and Units 4 and 5 if necessary, to meet the NO_x standard specified in the Agreement.

Accomplishments: The new Crist Unit 7 precipitator and SCR were placed in service during 2004 and 2005, respectively. The Crist Unit 6 Selective Non-Catalytic Reduction (SNCR)/low NO_x burners with Over-Fired Air (OFA) technologies were then placed in service during November 2005. The Crist Unit 4 and Unit 5 SNCRs were subsequently placed in service during April 2006.

Project-to-Date: Plant-in-service of \$134,681,113 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: SPCC Compliance
PEs 1272 & 1401

FPSC Approval: Order No. PSC-03-1348-FOF-EI

Description:

The SPCC Compliance projects were required as the result of a more stringent July 17, 2002 revision to Title 40 Code of Federal Regulation Part 112, which is commonly referred to as the Spill Prevention Control and Countermeasures (SPCC) regulation. The recent regulatory revision specifically included oil-containing electrical equipment within the scope of the regulation. Therefore, oil-filled electrical equipment that has the potential to discharge to navigable waters must be provided with appropriate containment and/or diversionary structures to prevent such a discharge. The 2002 revisions also resulted in oil storage containers having a capacity greater than or equal to 55 gallons being classified as bulk storage containers that are subject to the secondary containment requirements in 40 CFR Part 112.8(c).

Accomplishments: Construction on the Plant Crist switchyard sump was completed during 2006. The sump was designed to route stormwater from the switchyard drains to a new oil skimming sump where any potential spill(s) would be captured, preventing the oil from reaching surface water. During 2009, Plant Smith installed secondary containment for a small fuel tank and a padmount transformer.

Project-to-Date: Plant-in-service of \$944,836 projected at December 2010.

Progress Summary: In-service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Crist Common FTIR Monitor
PE 1297

FPSC Approval: Order No. PSC-03-1348-FOF-EI

Description:

The purchase of a Fourier Transform Infrared (FTIR) spectrometer, a device used to measure and analyze various low concentration stack gas emissions, was required at Plant Crist under Title V regulations. The purchase of this instrument enabled Gulf Power to measure ammonia slip emissions as required by the Crist Unit 7 Selective Catalytic Reduction (SCR) air construction permit.

Accomplishments: The FTIR is fully operational.

Project-to-Date: Plant-in-service of \$62,870 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Precipitator Upgrades for Compliance Assurance Monitoring
PEs 1175, 1191, 1305, 1461, and 1462**

FPSC Approval: Order No. PSC-04-1187-FOF-EI

Description: Compliance Assurance Monitoring (CAM) Precipitator Upgrades are required to comply with the new CAM regulations. CAM requirements are regulated under Title V of the 1990 Clean Air Act Amendments (CAAA) which requires a method of continuously monitoring particulate emissions. Opacity can be used as a surrogate parameter if the precipitator demonstrates a correlation between opacity and particulate matter. Gulf demonstrated this correlation by stack testing in 2003 and 2004, and the results were included as part of the CAM plans in Gulf's Title V Air Permits effective January 2005. Several precipitator upgrades have been necessary to meet the more stringent surrogate opacity standards under CAM.

Accomplishments: The Plant Smith Unit 2 and Unit 1 precipitator upgrades were placed in service during April 2005 and May 2007, respectively. The Plant Scholz Unit 2 precipitator upgrade was completed during December of 2007. The Plant Crist Units 4 and 5 precipitator upgrades were placed in-service during March of 2008.

Project-to-Date: Plant-in-service of \$29,839,678 projected at December 2010.

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Plant Groundwater Investigation
PEs 1218 and 1361**

FPSC Approval: Order No. PSC-05-1251-FOF-EI

Description: The Florida Department of Environmental Protection (FDEP) lowered the arsenic groundwater standard from 0.05 mg/L to 0.01 mg/L effective January 1, 2005. Historical groundwater monitoring data from Plants Crist and Scholz indicated that these facilities may be unable to comply with the lower standard.

Accomplishments: The Plant Scholz project has been delayed until Gulf receives FDEP's formal response to the Plant Scholz groundwater study. The Plant Crist project has been canceled because Gulf has been released from any remedial action at this site.

Project-to-Date: \$0

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Plant Crist Water Conservation Project
PEs 1227 & 1298**

FPSC Approval: Order No. PSC-05-1251-FOF-EI

Description:

This project is part of the Plant Crist water conservation and consumptive use efficiency program to reduce the demand for groundwater and surface water withdrawals. Specific Condition six of the Northwest Florida Water Management District (NFWMD) Individual Water Use Permit Number 19850074 issued January 27, 2005 requires Plant Crist to implement measures to increase water conservation and efficiency at the facility. The first Plant Crist Water Conservation project was placed in service during 2006. This project included installing automatic level controls on the fire water tanks to reduce groundwater usage. Gulf Power has entered into an agreement with the Emerald Coast Utilities Authority (ECUA) to begin utilizing reclaimed water from ECUA's proposed wastewater treatment to reduce the demand for groundwater and surface water withdrawals. The NFWMD has agreed that this is a valid project to pursue for continued implementation of the water conservation effort.

Accomplishments: Level controls were installed on the fire tank system during 2006.

Project-to-Date: Plant-in-service of \$16,592,974 projected at December 2010.

Progress Summary: See Accomplishments

Projections: Gulf expects \$7.9 million of equipment to be placed in-service during December of 2009 to connect the Plant Crist scrubber project to the ECUA potable water system. Expenditures totaling \$8.7 million are projected to be incurred for portions of the Plant Crist Water Conservation project that will be placed-in-service during 2010.

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: Plant NPDES Permit Compliance Projects
PE 1204 and 1299**

FPSC Approval: Order No. PSC-05-1251-FOF-EI

Description: The water quality based copper effluent limitations included in Chapter 62 Part 302, Florida Administrative Code (F.A.C.) were amended in April 2002 with an effective date of May 2002. The more stringent hardness based standard is included by reference in the Plant Crist National Pollution Discharge Elimination System (NPDES) industrial wastewater permit.

Accomplishments: Plant Crist installed stainless steel condenser tubes on Unit 6 during June 2006 in an effort to meet the revised water quality standards during times of lower hardness in the river water. During 2008, Plant Crist also installed a chemical treatment system to reduce iron and copper concentrations in the ash pond discharge.

Project-to-Date: Plant-in-service of \$6,019,275 projected at December 2010.

Progress Summary: In-Service

Projections: Gulf expects to incur approximately \$50,000 of expenditures during 2010 to install an aeration system to reduce copper concentrations in the ash pond discharge.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: CAIR / CAMR/CAVR Compliance Program
PEs 1034, 1035, 1036, 1037, 1095, 1222, 1362, 1468, 1469, 1512, 1513, 1646,
1647, 1684, 1810, 1824, and 1826

FPSC Approval: Order No. PSC-06-0972-FOF-EI

Description: This line item includes the prudently incurred costs for compliance with the Clean Air Interstate Rule (CAIR), Clean Air Mercury Rule (CAMR), and Clean Air Visibility Rule (CAVR).

Accomplishments:

Immediately after passage of EPA's CAIR and CAMR in 2005, Gulf began extensive engineering, design, and other planning activities to determine the most cost effective strategy for compliance with the CAIR, CAMR, and CAVR requirements. On March 29, 2007, Gulf petitioned the Commission for approval of the Company's plan to achieve and maintain compliance with the CAIR, CAMR, and CAVR. On June 22, 2007, the Office of Public Counsel ("OPC"), the Florida Industrial Power Users' Group ("FIPUG") and Gulf filed a petition for approval of a stipulation regarding the substantive provisions of Gulf's CAIR/CAMR/CAVR Compliance Plan (the "Plan"). That stipulation identified 10 specific components of Gulf's Plan as being reasonable and prudent for implementation and set forth a process for review in connection with the three remaining components of the Plan. On August 14, 2007, the Commission voted to approve the stipulation with the provision that Gulf provide an annual status report regarding cost-effectiveness and prudence of the phases in its Plan into which the Company is moving. The approved plan includes a more detailed discussion of the planning process and evaluation utilized by Gulf to select the most reasonable and prudent strategy for compliance with these regulations on a plant and/or unit specific basis.

Project-to-Date: Plant-in-service of \$616,697,057 projected at December 2010.

Progress Summary: See Accomplishments

Projections:

For the purpose of the 2010 projection of ECRC revenue requirements, \$8.7 million is projected to be cleared to plant-in-service for the CAIR/CAMR/CAVR Compliance Program. This placed-in-service amount includes expenditures that will be made during 2010 as well as previous years. The two capital projects included in the Compliance Program that will impact the 2010 ECRC revenue requirements are the Plant Crist Units 4 through 7 scrubber (\$4.8 million) and the Plant Daniel Unit 1 Low NOx burners (\$3.9 million).

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Gulf Power Company
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**Description and Progress Report of
Environmental Compliance Activities and Projects**

**Title: General Water Quality
PE 1280**

FPSC Approval: Order No. PSC-06-0972-FOF-EI

Description: Gulf Power purchased a boat during 2007 for surface water sampling required by the Plants Crist, Smith and Scholz National Pollutant Discharge Elimination System (NPDES) permits. The permits have new conditions which require Gulf to establish a biological evaluation plan and implementation schedule for each plant.

Accomplishments: The General Water Quality sampling boat was purchased during 2007. It is currently being used to conduct Gulf's surface water sampling for Plants Crist, Smith, and Scholz.

Project-to-Date: Plant-in-service of \$23,654 projected at December 2010.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Mercury Allowances

FPSC Approval: Order No. PSC-07-0721-S-EI

Description:

Mercury Allowances were included as part of Gulf's March 2007 CAIR/CAMR/CAVR Compliance Program. The purchase of allowances in conjunction with the retrofit projects comprised the most reasonable, cost-effective means for Gulf to meet the CAIR, CAMR and CAVR requirements. On February 8, 2008, the U.S. Court of Appeals for the District of Columbia Circuit issued an opinion vacating EPA's CAMR. The vacatur became effective with the issuance of the court's mandate on March 14, 2008, nullifying CAMR mercury emission control obligations and monitoring requirements. In response to the CAMR vacatur, mercury allowances have been removed from Gulf's Compliance Plan.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary: N/A

Projections: N/A

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Gulf Power Company
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**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Annual NO_x Allowances

FPSC Approval: Order No. PSC-07-0721-S-EI

Description:

Although the retrofit installations set forth in Gulf's CAIR/CAMR/CAVR Compliance Program significantly reduce emissions, they will not result in Gulf achieving CAIR / CAMR compliance levels without the purchase of some emission allowances. Thus, Gulf's CAIR/CAMR/CAVR Compliance Program calls for the purchase of allowances. The purchase of allowances in conjunction with the retrofit projects comprises the most reasonable, cost-effective means for Gulf to meet CAIR and CAVR requirements.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary:

Gulf began surrendering annual NO_x allowances during 2009.

Projections:

Gulf currently has forward contracts in place to purchase \$6.5 million of annual NO_x allowances during 2010.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: Seasonal NO_x Allowances

FPSC Approval: Order No. PSC-07-0721-S-EI

Description:

Although the retrofit installations set forth in Gulf's CAIR/CAMR/CAVR Compliance Program significantly reduce emissions, they will not result in Gulf achieving CAIR CAMR compliance levels without the purchase of some emission allowances. Thus, Gulf's CAIR/CAMR/CAVR Compliance Program calls for the purchase of allowances. The purchase of allowances in conjunction with the retrofit projects comprises the most reasonable, cost-effective means for Gulf to meet CAIR and CAVR requirements.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary:

Gulf began surrendering seasonal NO_x allowances during 2009.

Projections: Gulf is currently projecting the need to purchase approximately \$362,000 seasonal NO_x allowances during 2010.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects**

Title: SO₂ Allowances

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

Part of Gulf's strategy to comply with the Acid Rain Program under the Clean Air Act Amendments of 1990 was to bring several of Gulf's Phase II generating units into compliance early and bank the SO₂ allowances associated with those units. SO₂ reductions under the CAIR program utilize this program requiring an increased rate of surrender beginning in 2010. Gulf's bank has slowly been drawn down over the years due to more allowances being consumed than are allocated to Gulf by EPA. Gulf proposed to meet this shortfall by executing forward contracts to secure allowances supplemented with forward contracts, swaps, and spot market purchases of allowances as prices dictate.

Accomplishments: Gulf purchased SO₂ allowances during the 2006, 2007 and 2009.

Project-to-Date: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.1**

Title: Sulfur

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Crist Unit 7 sulfur trioxide (SO₃) flue gas system allowed for the injection of SO₃ into the flue gas stream. The addition of sulfur trioxide to the flue gas improved the collection efficiency of the precipitator when burning a low sulfur coal. Sulfur trioxide agglomerated the particles which in turn enhanced the collection efficiency of the precipitator.

Accomplishments:

The flue gas injection system was retired during 2005.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.2**

Title: Air Emission Fees

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

Air Emission Fees are the annual fees required by the Florida Department of Environmental Protection (FDEP) and Mississippi Department of Environmental Quality (MDEQ) under Title IV of the 1990 Clean Air Act Amendments.

Accomplishments:

Fees have been paid by due dates.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$916,374

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Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.3**

Title: Title V

FPSC Approval: Order No. PSC-95-0384-FOF-EI

Description:

Title V expenses are associated with the preparation of the Clean Air Act Amendments (CAAA) Title V permit applications and the subsequent implementation of Title V permits. Renewal of the Title V permits is on a five year cycle (i.e. 2005, 2010, etc).

Accomplishments:

Title V permits for Plants Crist, Smith, and Scholz were issued by FDEP in 1999. The Title V permit for the Pea Ridge generating facility was issued in July, 2000. In May 2009, the Title V renewal applications were submitted for Plant Crist, Smith, Scholz and Pea Ridge. New Title V air operating permits for all of Gulf's generating facilities are expected in December, 2009.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$126,436

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Gulf Power Company
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.4**

Title: Asbestos Fees

FPSC Approval: Order No. PSC-94-1207-FOF-EI

Description:

Asbestos Fees include both annual and individual project fees due to the Florida Department of Environmental Protection (FDEP) for asbestos abatement projects.

Accomplishments:

Fees are paid as required by FDEP.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$2,600

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Gulf Power Company
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.5**

Title: Emission Monitoring

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Emission Monitoring program provides quality assurance/quality control testing for Continuous Emission Monitoring systems, including Relative Accuracy Test Audits and Linearity Tests, as required by the Clean Air Act Amendments (CAAA) of 1990.

Accomplishments:

All systems are in compliance.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$559,914

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.6**

Title: General Water Quality

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The General Water Quality activities are undertaken pursuant to the Company's NPDES permit, soil contamination studies, dechlorination, surface and groundwater monitoring studies. This line item also includes expenses for Gulf's Cooling Water Intake program and the Impaired Waters Rule.

Accomplishments:

All activities are on-going in compliance with all applicable environmental laws, rules, and regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$441,707

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.7**

Title: Groundwater Contamination Investigation

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Groundwater Contamination Investigation project includes sampling and testing to determine possible environmental impacts to soil and groundwater from past herbicide applications at various substation sites. Once possible environmental impacts to groundwater and soils have been identified cleanup operations are initiated.

Accomplishments:

The Florida Department of Environmental Protection has issued a No Further Action (NFA) letter for 50 sites.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$1,630,452

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Gulf Power Company
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.8**

Title: State NPDES Administration

FPSC Approval: Order No. PSC-95-1051-FOF-EI

Description:

The State NPDES Administration fees are required by the State of Florida's National Pollutant Discharge Elimination System (NPDES) program administration. Annual and five year permit renewal fees are required for the NPDES industrial wastewater permits at Plants Crist, Smith and Scholz.

Accomplishments:

Gulf has complied with NPDES program administration fee submittal schedule.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$42,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.9**

Title: Lead & Copper Rule

FPSC Approval: Order No. PSC-95-1051-FOF-EI

Description:

The Lead and Copper Rule expenses include potable water treatment and sampling costs as required by the Florida Department of Environmental Protection (FDEP) regulations.

Accomplishments:

Gulf has complied with all sampling and analytical protocols.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$21,000

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Gulf Power Company
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.10**

Title: Environmental Auditing/Assessment

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The Environmental Auditing/Assessment program ensures continued compliance with environmental laws, rules, and regulations through auditing and/or assessment of company facilities and operations.

Accomplishments:

Audits and assessments completed to date have demonstrated compliance with environmental laws, rules, and regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$12,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.11**

Title: General Solid and Hazardous Waste

FPSC Approval: Order No. PSC-94-0044-FOF-EI

Description:

The General Solid and Hazardous Waste program provides for the proper identification, handling, storage, transportation and disposal of solid and hazardous wastes. This line item also includes O&M expenses associated with Gulf's Spill Prevention Control and Countermeasures (SPCC) compliance plan.

Accomplishments:

Gulf has complied with all hazardous and solid waste regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$558,133

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.12**

Title: Above Ground Storage Tanks

FPSC Approval: Order No. PSC-97-1047-FOF-EI

Description:

The Above Ground Storage Tank projects are required under the provisions of Chapter 62-762, F.A.C. which includes specific performance standards applicable to storage tank systems. These performance standards include installation of secondary containment and cathodic protection systems as well as periodic tank integrity testing.

Accomplishments:

Gulf has complied with all applicable storage tank requirements.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$98,387

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.13**

Title: Low NO_x

FPSC Approval: Order No. PSC-98-0803-FOF-EI

Description:

The Low NO_x activity refers to the maintenance expenses associated with the Low NO_x burner tips on Crist Units 4 & 5 and Smith Unit 1.

Accomplishments:

Burner tips on Plant Crist Units 4 & 5 and Plant Smith Unit 1 have been installed and are in-service.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.14**

Title: Ash Pond Diversion Curtains

FPSC Approval: Order No. PSC-98-1764-FOF-EI

Description:

The installation of additional flow diversion curtains in the Plant Crist ash pond were required to effectively increase water retention time in the ash pond. Diversion curtains allow for the sedimentation/precipitation treatment process to be more effective in reducing levels of suspended particulate from the Plant Crist ash pond outfall. Plant Crist plans to replace the existing ash curtains and dredge the pond during 2009.

Accomplishments:

Ash pond diversion curtains have been installed at Plant Crist.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.15**

Title: Mercury Emissions

FPSC Approval: Order No. PSC-99-0912-FOF-EI

Description: The Mercury Emissions program pertains to requirements for Gulf to periodically analyze coal shipments for mercury and chlorine content. The Environmental Protection Agency (EPA) mandated that shipments of coal would be analyzed for mercury and chlorine only during 1999. No further notices of continued sampling requirements of coal shipments beyond 1999 have been issued by EPA, therefore no expenses have been planned for this activity.

Accomplishments:

Coal shipments were analyzed as required during 1999. Sampling and analytical requirements are not expected during 2010.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

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Gulf Power Company
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.16**

Title: Sodium Injection

FPSC Approval: Order No. PSC-99-1954-FOF-EI

Description:

This project refers to the sodium injection systems at Plant Smith and Plant Crist. The activity involves sodium injection to the coal supply to enhance precipitator efficiencies when burning low sulfur coal.

Accomplishments:

Sodium carbonate injection is used at Plant Smith and Plant Crist as necessary when low sulfur coal is burned.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$242,989

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Gulf Power Company
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.17**

Title: Gulf Coast Ozone Study (GCOS)

FPSC Approval: Order No. PSC-00-0476-FOF-EI

Description:

This project referred to Gulf's participation in the Gulf Coast Ozone Study (GCOS) which was a joint modeling analysis between Gulf Power and the State of Florida to provide an improved basis for assessment of eight-hour ozone air quality for Northwest Florida. The goal of the project was to develop strategies for ozone ambient air attainment to supplement the Florida Department of Environmental Protection (FDEP) studies to the Environmental Protection Agency (EPA) for Escambia and Santa Rosa counties.

Accomplishments: The GCOS project was completed during 2006.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
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**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.18**

Title: SPCC Substation Project

FPSC Approval: Order No. PSC-03-1348-FOF-EI

Description:

On July 17, 2002 EPA published a revision to Title 40 Code of Regulation Part 112, commonly referred to as the Spill Prevention Control and Countermeasures (SPCC) regulation. The revision expanded applicability of the rule to include oil containing electrical transformers and regulators, which had previously been excluded from the SPCC regulations. Gulf was required to install additional containment and/or diversionary structures or equipment at several substations to prevent a potential discharge of mineral oil to navigable waters of the United States or adjoining shorelines.

Accomplishments: Gulf has assessed its substations to determine which are subject to the revised SPCC regulations. Additional containment has been added to the substations that were identified as having a reasonable risk of discharging oil into navigable waters of the United States or adjoining shorelines.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.19**

Title: FDEP NO_x Reduction Agreement

FPSC Approval: Order No. PSC-02-1396-FOF-EI

Description: This line item includes the O&M expenses associated with the Crist Unit 7 Selective Catalytic Reduction (SCR) and Crist Units 4, 5, and 6 Selective Non-Catalytic Reduction (SNCR) projects that were included as part of the Florida Department of Environmental Protection (FDEP) and Gulf Power Agreement entered into on August 28, 2002. Anhydrous ammonia, urea, air monitoring, and general operation and maintenance expenses are included in this line item.

Accomplishments: The Crist Unit 7 SCR and the Crist Units 4, 5, and 6 SNCRs are fully operational.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$2,647,500

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.20**

Title: CAIR/CAMR/CAVR Compliance Plan

FPSC Approval: Order No. PSC-06-0972-FOF-EI

Description: This line item includes the O&M expenses associated with the stipulated portions of Gulf's CAIR, CAMR, and CAVR Compliance program and the Climate Registry. Immediately after the passage of the EPA's CAIR and CAMR in 2005, Gulf began extensive engineering, design, and other planning activities to determine the most cost effective strategy for compliance with the CAIR, CAMR, and CAVR requirements. On March 29, 2007, Gulf petitioned the Commission for approval of the Company's plan to achieve and maintain compliance with the CAIR, CAMR, and CAVR. On June 22, 2007, the Office of Public Counsel ("OPC"), the Florida Industrial Power Users' Group ("FIPUG") and Gulf filed a petition for approval of a stipulation regarding the substantive provisions of Gulf's CAIR/CAMR/CAVR Compliance Plan (the "Plan"). That stipulation identified 10 specific components of Gulf's Plan as being reasonable and prudent for implementation and set forth a process for review in connection with the three remaining components of the Plan. On August 14, 2007, the Commission voted to approve the stipulation with the provision that Gulf provide an annual status report regarding cost-effectiveness and prudence of the phases in its Plan into which the Company is moving. The approved plan includes a more detailed discussion of the planning process and evaluation utilized by Gulf to select the most reasonable and prudent strategy for compliance with these regulations on a plant and/or unit specific basis.

Accomplishments:

Gulf began incurring O&M expenses associated with the Crist Units 4 through 7 scrubber, Smith Units 1 and 2 SNCRs, and Scholz mercury monitoring system during 2009.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$20,729,607

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)
January 2010-December 2010

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.21**

**Title: Maximum Achievable Control Technology (MACT)
Information Collection Request (ICR)**

Description: EPA recently proposed an extensive Information Collection Request (ICR) in the Federal Register for coal- and oil-fired steam electric generating units to support Maximum Achievable Control Technology (MACT) rulemaking under section 112 of the Clean Air Act (CAA). EPA is currently accepting comments on this proposal and is expected to finalize the ICR in January 2010. The ICR will require submission of information on control equipment efficiencies, emissions, capital and O&M costs, and fuel data for all coal and oil-fired generating units greater than 25 MW. The proposed ICR also requires each of Gulf's facilities to conduct a broad range of emissions testing.

Accomplishments: N/A

Fiscal Expenditures: N/A

Progress Summary: N/A

Projections: \$541,000.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % By Rate Class
January 2010 - December 2010

Rate Class	(1) Average 12 CP Load Factor at Meter (%)	(2) Jan - Dec. 2010 Projected Sales at Meter (KWH)	(3) Projected Avg 12 CP at Meter (KW)	(4) Demand Loss Expansion Factor	(5) Energy Loss Expansion Factor	(6) Projected Sales at Generation (KWH)	(7) Projected Avg 12 CP at Generation (KW)	(8) Percentage of KWH Sales at Generation (%)	(9) Percentage of 12 CP Demand at Generation (%)
RS, RSVP	58.020395%	5,571,241,000	1,096,142.86	1.0048648	1.0053010	5,600,773,981	1,101,475.33	49.79563%	58.83889%
GS	63.781436%	313,549,000	56,118.62	1.0048589	1.0052978	315,210,104	56,391.29	2.80248%	3.01232%
GSD, GSDT, GSTOU	75.860452%	2,435,322,000	366,468.68	1.0047057	1.0051660	2,447,902,971	368,193.15	21.76393%	19.66823%
LP, LPT	86.886296%	1,885,643,000	247,744.54	0.9842260	0.9891199	1,865,126,997	243,836.61	16.58256%	13.02532%
PX, PXT, RTP, SBS	104.683592%	883,147,000	96,305.32	0.9744382	0.9805725	865,989,688	93,843.58	7.69938%	5.01296%
OS-I/II	321.885641%	115,537,000	4,097.47	1.0046893	1.0052949	116,148,751	4,116.68	1.03266%	0.21991%
OS-III	99.718369%	<u>36,179,000</u>	<u>4,141.69</u>	1.0051151	1.0052683	<u>36,369,601</u>	<u>4,162.88</u>	<u>0.32336%</u>	<u>0.22237%</u>
TOTAL		<u>11,240,618,000</u>	<u>1,871,019.18</u>			<u>11,247,522,093</u>	<u>1,872,019.52</u>	<u>100.00000%</u>	<u>100.00000%</u>

Notes:

- (1) Average 12 CP load factor based on actual 2006 load research data
- (2) Projected KWH sales for the period January 2010 - December 2010
- (3) Calculated: (Col 2) / (8,760 x Col 1), (8,760 hours = the # of hours in 1 year)
- (4) Based on demand losses identified in Docket No. 010949-EI
- (5) Based on energy losses identified in Docket No. 010949-EI
- (6) Col 2 x Col 5
- (7) Col 3 x Col 4
- (8) Col 6 / total for Col 6
- (9) Col 7 / total for Col 7

Schedule 7P

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % By Rate Class
January 2010 - December 2010

<u>Rate Class</u>	(1) Percentage of KWH Sales at Generation (%)	(2) Percentage of 12 CP Demand at Generation (%)	(3) Energy- Related Costs	(4) Demand- Related Costs	(5) Total Environmental Costs	(6) Projected Sales at Meter (KWH)	(7) Environmental Cost Recovery Factors (¢/KWH)
RS, RSVP	49.79563%	58.83889%	73,117,464	4,370,738	77,488,202	5,571,241,000	1.391
GS	2.80248%	3.01232%	4,115,024	223,765	4,338,789	313,549,000	1.384
GSD, GSDT, GSTOU	21.76393%	19.66823%	31,957,089	1,461,018	33,418,107	2,435,322,000	1.372
LP, LPT	16.58256%	13.02532%	24,349,019	967,562	25,316,581	1,885,643,000	1.343
PX, PXT, RTP, SBS	7.69938%	5.01296%	11,305,392	372,379	11,677,771	883,147,000	1.322
OS-I, OS-II	1.03266%	0.21991%	1,516,307	16,336	1,532,643	115,537,000	1.327
OS-III	<u>0.32336%</u>	<u>0.22237%</u>	<u>474,806</u>	<u>16,518</u>	<u>491,324</u>	<u>36,179,000</u>	1.358
TOTAL	<u>100.00000%</u>	<u>100.00000%</u>	<u>\$146,835,101</u>	<u>\$7,428,316</u>	<u>\$154,263,417</u>	<u>11,240,618,000</u>	<u>1.372</u>

Notes:

- (1) From Schedule 6P, Col 8
- (2) From Schedule 6P, Col 9
- (3) Col 1 x Total Energy \$ from Schedule 1P, line 5
- (4) Col 2 x Total Demand \$ from Schedule 1P, line 5
- (5) Col 3 + Col 4
- (6) Projected KWH sales for the period January 2010 - December 2010
- (7) Col 5 / Col 6 x 100