

Gulf Power Company
Fin 48 Analysis
As of 06/30/2011

	<u>Tax Impact</u>			
	<u>Permanent</u>	<u>Temporary</u>	<u>Total Tax</u>	<u>Interest</u>
FIN 48 Activity -03/31/2011				
Federal	\$ 1,321,438	\$ 1,942,066	\$ 3,263,504	\$ 172,016
State	543,936	305,182	849,118	74,775
Total - 03/31/2011	1,865,374	2,247,248	4,112,622	246,791

	<u>Tax Impact</u>			
	<u>Permanent</u>	<u>Temporary</u>	<u>Total Tax</u>	<u>Interest</u>
FIN 48 Activity -06/30/2011				
Federal	\$ 1,331,635	\$ 2,117,618	\$ 3,449,253	\$ 204,585
State	573,274	332,769	906,043	92,765
Total - 06/30/2011	1,904,909	2,450,387	4,355,296	297,350
Difference - Federal	10,197	175,552	185,749	32,569
Difference - State	29,338	27,587	56,925	17,990
Total	39,535	203,139	242,674	50,559

<u>Entries at Statutory Rates</u>	<u>Account Numbers</u>	<u>Dr</u>	<u>Cr</u>
FIN 48 Current Income Tax Expense - Federal	409-10481	175,552	
FIN 48 Current Income Tax Expense - State	409-10482	27,587	
Deferred Income Tax Expense - Federal	410-10481		175,552
Deferred Income Tax Expense - State	410-10482		27,587
Deferred Income Tax Liability -Federal	282-00483	175,552	
Deferred Income Tax Liability - State	282-00484	27,587	
FIN 48 Long-term Tax Liability - Federal	236-00483		175,552
FIN 48 Long-term Tax Liability - State	236-00484		27,587
<i>To Record Current Period Fin 48 - Deferred Income Tax</i>			
FIN 48 Current Income Tax Expense – Federal	409-10481	10,197	-
FIN 48 Current Income Tax Expense – State	409-10482	29,338	
FIN 48 Long-term Tax Liability - Federal	236-00483	-	10,197
FIN 48 Long-term Tax Liability - State	236-00484	-	29,338
Interest Expense- Federa	431-00481	32,569	
Interest Expense- State	431-00482	17,990	-
FIN 48 Interest Payable - Federal	237-000483	-	32,569
FIN 48 Interest Payable - State	237-000484	-	17,990
<i>To Record Current Period Fin 48</i>			
Totals		496,372	496,372

Disclosure Tax Audit Report by Entity - The Southern Company

Current Disclosure: 2011 Fin 48 06-30-2011.F48 - Reserve Date: 06/30/2011

Last Disclosure: 2011 Fin 48 03-31-2011.F48 - Reserve Date: 03/31/2011

GUL : Gulf Power Company

Juris	Tax Period	Issue	Type	Old Adjust	New Adjust	Tax
Opening Balance						4,112,621
<u>Additions for Current Year Tax Position</u>						
FED	58-0890070	2011/1 INC	R&D	Tax	10,198 ✓	20,393 ✓ 10,197 ✓
FED	58-0890070	2011/1 INC	Rep. - Curr Gen	Tax	501,575	486,384 (12,317)
FED	58-0890070	2011/1 INC	Rep. - Curr T&D	Tax	-	536,767 187,868
FL	58-0890070	2011/1 INC	Rep. - Curr Gen	Tax	501,575	486,384 (1,936)
FL	58-0890070	2011/1 INC	Rep. - Curr T&D	Tax	-	536,767 29,522
GA	58-0890070	2011/1 INC	Mfg ITC - GULF	Tax	29,338 ✓	58,676 ✓ 29,338 ✓
Subtotal						242,673
<u>Additions for Prior Years' Tax Position</u>						
FED	58-0890070	2009/1 INC	Rep. - Curr T&D	Tax	-	371,018 129,856
FED	58-0890070	2009/1 INC	Repairs 481 T&D	Tax	-	2,278,180 797,363
FED	58-0890070	2010/1 INC	Rep. - Curr T&D	Tax	-	1,050,562 367,697
FL	58-0890070	2009/1 INC	Rep. - Curr T&D	Tax	-	371,018 20,406
FL	58-0890070	2009/1 INC	Repairs 481 T&D	Tax	-	2,278,180 125,300
FL	58-0890070	2010/1 INC	Rep. - Curr T&D	Tax	-	1,050,562 57,781
Subtotal						1,498,403
<u>Reductions for Prior Years' Tax Position</u>						
FED	58-0890070	2009/1 INC	Rep. - Curr Gen	Tax	803,976	432,959 (129,856)
FED	58-0890070	2009/1 INC	Repairs 481 Gen	Tax	2,204,755	(73,425) (797,363)
FED	58-0890070	2010/1 INC	Rep. - Curr Gen	Tax	2,038,454	987,892 (387,697)
FL	58-0890070	2009/1 INC	Rep. - Curr Gen	Tax	803,976	432,959 (20,406)
FL	58-0890070	2009/1 INC	Repairs 481 Gen	Tax	2,204,755	(73,425) (125,300)
FL	58-0890070	2010/1 INC	Rep. - Curr Gen	Tax	2,038,454	987,892 (57,781)
Subtotal						(1,498,402)
<u>Settlements with Taxing Authority</u>						
No Activity						
<u>Reduction Due to Expired Statute of Limitations</u>						
No Activity						
Closing Balance						4,355,295

Federal Permanent Adjustment	-
Federal Credit Adjustment	10,197
Federal Temporary Adjustment	501,576
State Permanent Adjustment	-
State Credit Adjustment	29,338
State Temporary Adjustment	501,576

Disclosure Tax Audit Report by Entity - The Southern Company

Current Disclosure: 2011 Fin 48 06-30-2011.F48 - Reserve Date: 06/30/2011

Last Disclosure: 2011 Fin 48 03-31-2011.F48 - Reserve Date: 03/31/2011

GUL : Gulf Power Company

Juris	Tax Period	Issue	Type	Old Adjust	New Adjust	Tax
Opening Balance						4,112,621
<u>Additions for Current Year Tax Position</u>						
FED	58-0690070 2011/12 INC	R&D	Tax	10,196	20,393	10,197
FED	58-0690070 2011/12 INC	Rep. - Curr Gen	Tax	501,575	466,384	(12,317)
FED	58-0690070 2011/12 INC	Rep. - Curr T&D	Tax	-	536,767	187,868
FL	58-0690070 2011/12 INC	Rep. - Curr Gen	Tax	501,575	466,384	(1,936)
FL	58-0690070 2011/12 INC	Rep. - Curr T&D	Tax	-	536,767	29,522
GA	58-0690070 2011/12 INC	Mfg ITC - GULF	Tax	29,338	58,676	29,338
Subtotal						242,673
<u>Additions for Prior Years' Tax Position</u>						
FED	58-0690070 2009/12 INC	Rep. - Curr T&D	Tax	-	371,018	129,858
FED	58-0690070 2009/12 INC	Repairs 481 T&D	Tax	-	2,278,180	797,363
FED	58-0690070 2010/12 INC	Rep. - Curr T&D	Tax	-	1,050,562	367,697
FL	58-0690070 2009/12 INC	Rep. - Curr T&D	Tax	-	371,018	20,406
FL	58-0690070 2009/12 INC	Repairs 481 T&D	Tax	-	2,278,180	125,300
FL	58-0690070 2010/12 INC	Rep. - Curr T&D	Tax	-	1,050,562	57,781
Subtotal						1,498,403
<u>Reductions for Prior Years' Tax Position</u>						
FED	58-0690070 2009/12 INC	Rep. - Curr Gen	Tax	803,976	432,959	(129,856)
FED	58-0690070 2009/12 INC	Repairs 481 Gen	Tax	2,204,755	(73,425)	(797,363)
FED	58-0690070 2010/12 INC	Rep. - Curr Gen	Tax	2,038,454	987,892	(367,697)
FL	58-0690070 2009/12 INC	Rep. - Curr Gen	Tax	803,976	432,959	(20,406)
FL	58-0690070 2009/12 INC	Repairs 481 Gen	Tax	2,204,755	(73,425)	(125,300)
FL	58-0690070 2010/12 INC	Rep. - Curr Gen	Tax	2,038,454	987,892	(57,781)
Subtotal						(1,498,402)
<u>Settlements with Taxing Authority</u>						
No Activity						
<u>Reduction Due to Expired Statute of Limitations</u>						
No Activity						
Closing Balance						4,355,295

Provision Tax & Penalty Audit Report by Entity (Gross) - The Southern Company

Current Provision: 2011 Fin 48 06-30-2011.F48 - Reserve Date: 06/30/2011
 Last Provision: 2011 Fin 48 03-31-2011.F48 - Reserve Date: 03/31/2011

GUL : Gulf Power Company

Federal

Tax Period	Issue	Change Information	Old Adjust	New Adjust	Tax Temporary	Tax Permanent	Penalty	Deficiency Interest	Overpayment Interest	Total
Opening Balance										
					1,942,066	1,321,438	0	172,016	0	3,435,520
Contingent Tax										
SL LIB CON NO TMP										
FED 58-0690070	2009/12 INCRep. - Curr T&D	New Item	-	371,018	129,856	-	-	6,432	42	136,330
FED 58-0690070	2009/12 INCRepairs 481 T&C	New Item	-	2,278,180	797,363	-	-	39,494	259	837,116
FED 58-0690070	2010/12 INCRep. - Curr T&D	New Item	-	1,050,562	367,697	-	-	4,174	-	371,870
FED 58-0690070	2011/12 INCRep. - Curr T&D	New Item	-	535,767	187,868	-	-	-	-	187,868
SL LIB CON YES PER										
FED 58-0690070	2007/12 INC 199 Indirect	XREF: LT LIB CON YES PEI	-	1,517,412	-	531,084	-	83,151	-	614,245
FED 58-0690070	2007/12 INC R&D	XREF: LT LIB CON YES PEI	-	26	-	26	-	4	-	30
FED 58-0690070	2007/12 INC R&D	XREF: LT LIB CON YES PEI	-	39,830	-	39,830	-	6,236	-	46,066
FED 58-0690070	2008/12 INC 199 Indirect	XREF: LT LIB CON YES PEI	-	1,085,763	-	380,017	-	35,861	-	415,678
FED 58-0690070	2008/12 INC R&D	XREF: LT LIB CON YES PEI	-	42,615	-	42,615	-	3,899	-	46,614
FED 58-0690070	2008/12 INC 199 Indirect	XREF: LT LIB CON YES PEI	-	648,078	-	226,827	-	11,235	74	238,136
FED 58-0690070	2009/12 INC R&D	XREF: LT LIB CON YES PEI	-	44,683	-	44,683	-	2,213	15	46,911
FED 58-0690070	2009/12 INC R&D - ALT	XREF: LT LIB CON YES PEI	-	865	-	865	-	43	-	908
FED 58-0690070	2011/12 INC R&D	XREF: LT LIB CON YES PEI	-	20,393	-	20,393	-	-	-	20,393
Other Interest Charges										
	Various	Rollforward/Allocation	-	-	-	-	-	454	-	454
LT LIB CON NO TMP										
FED 58-0690070	2009/12 INCRep. - Curr Gen	Change Value	803,976	432,959	(129,856)	-	-	(3,769)	49	(133,576)
FED 58-0690070	2009/12 INCRepairs 481 Gen	Change Value	2,204,755	(73,425)	(797,363)	-	-	(30,919)	(439)	(828,720)
FED 58-0690070	2010/12 INCRep. - Curr Gen	Change Value	2,038,454	987,892	(367,697)	-	-	2,986	-	(364,711)
FED 58-0690070	2011/12 INCRep. - Curr Gen	Change Value	501,575	466,384	(12,317)	-	-	-	-	(12,317)

Revision Tax & Penalty Audit Report by Entity (Gross) - The Southern Company

Current Provision: 2011 Fin 48 06-30-2011.F48 - Reserve Date: 06/30/2011
 Last Provision: 2011 Fin 48 03-31-2011.F48 - Reserve Date: 03/31/2011

GUL : Gulf Power Company

Federal

Tax Period	Issue	Change Information	Old Adjust	New Adjust	Tax Temporary	Tax Permanent	Penalty	Deficiency Interest	Overpayment Interest	Total
LI LIB CON YES PER										
FED 58-0690070 2007/12 INC	199 Indirect	XREF: ST LIB CON YES PE	1,517,412	-	-	(531,094)	-	(77,056)	-	(608,150)
FED 58-0690070 2007/12 INC	R&D	XREF: ST LIB CON YES PE	26	-	-	(26)	-	(4)	-	(30)
FED 58-0690070 2007/12 INC	R&D	XREF: ST LIB CON YES PE	39,830	-	-	(39,830)	-	(5,779)	-	(45,609)
FED 58-0690070 2008/12 INC	199 Indirect	XREF: ST LIB CON YES PE	1,085,763	-	-	(380,017)	-	(31,536)	-	(411,553)
FED 58-0690070 2008/12 INC	R&D	XREF: ST LIB CON YES PE	42,615	-	-	(42,615)	-	(3,536)	-	(46,151)
FED 58-0690070 2009/12 INC	199 Indirect	XREF: ST LIB CON YES PE	648,078	-	-	(226,827)	-	(9,088)	-	(235,916)
FED 58-0690070 2009/12 INC	R&D	XREF: ST LIB CON YES PE	44,683	-	-	(44,683)	-	(1,790)	-	(46,473)
FED 58-0690070 2009/12 INC	R&D - ALT	XREF: ST LIB CON YES PE	865	-	-	(865)	-	(35)	-	(900)
FED 58-0690070 2011/12 INC	R&D	XREF: ST LIB CON YES PE	10,196	-	-	(10,196)	-	-	-	(10,196)
Sub Total					175,552	10,197	0	32,669	0	218,318
Closing Balance					2,117,618	1,331,635	0	204,585	0	3,653,838

Provision Tax & Penalty Audit Report by Entity (Gross) - The Southern Company

Current Provision: 2011 Fin 48 06-30-2011.F48 - Reserve Date: 06/30/2011

Last Provision: 2011 Fin 48 03-31-2011.F48 - Reserve Date: 03/31/2011

GUL : Gulf Power Company

US States

Tax Period	Issue	Change Information	Old Adjust	New Adjust	Tax Temporary	Tax Permanent	Penalty	Deficiency Interest	Overpayment Interest	Total
Opening Balance										
					305,182	543,936	0	68,890	5,885	923,893
Contingent Tax										
<u>ST LIB CON NO IMP</u>										
FL 58-0690070	2009/12 INC Rep. - Curr T&D	New Item	-	371,018	20,406	-	-	1,811	36	22,253
FL 58-0690070	2009/12 INC Repairs 481 T&C	New Item	-	2,278,180	125,300	-	-	11,119	223	136,642
FL 58-0690070	2010/12 INC Rep. - Curr T&D	New Item	-	1,050,562	57,781	-	-	987	-	58,778
FL 58-0690070	2011/12 INC Rep. - Curr T&D	New Item	-	538,767	29,522	-	-	-	-	29,522
<u>ST LIB CON YES PER</u>										
FL 58-0690070	2007/12 INC 199 Indirect	XREF: LT LIB CON YES PEI	-	1,517,412	-	83,458	-	17,096	6,277	106,830
FL 58-0690070	2008/12 INC 199 Indirect	XREF: LT LIB CON YES PEI	-	1,085,763	-	58,717	-	10,237	-	68,954
FL 58-0690070	2009/12 INC 199 Indirect	XREF: LT LIB CON YES PEI	-	648,078	-	35,644	-	3,163	64	38,871
<u>LT LIB CON NO IMP</u>										
FL 58-0690070	2009/12 INC Rep. - Curr Gen	Change Value	803,976	432,859	(20,406)	-	-	(1,118)	42	(21,481)
FL 58-0690070	2009/12 INC Repairs 481 Gen	Change Value	2,204,755	(73,425)	(125,300)	-	-	(8,860)	(366)	(134,526)
FL 58-0690070	2010/12 INC Rep. - Curr Gen	Change Value	2,038,454	987,892	(57,781)	-	-	938	-	(56,843)
FL 58-0690070	2011/12 INC Rep. - Curr Gen	Change Value	501,575	466,384	(1,936)	-	-	-	-	(1,936)
<u>LT LIB CON YES PER</u>										
FL 58-0690070	2007/12 INC 199 Indirect	XREF: ST LIB CON YES PE	1,517,412	-	-	(83,458)	-	(16,031)	(5,865)	(105,374)
FL 58-0690070	2008/12 INC 199 Indirect	XREF: ST LIB CON YES PE	1,085,763	-	-	(58,717)	-	(9,195)	-	(68,912)
FL 58-0690070	2009/12 INC 199 Indirect	XREF: ST LIB CON YES PE	648,078	-	-	(35,644)	-	(2,604)	-	(38,249)
GA 58-0690070	2011/12 INC Mfg ITC - GULF	Change Value	29,338	58,676	-	28,338	-	-	-	28,338
Other Interest Charges	Various	Rollforward/Allocation	-	-	-	-	-	10,046	-	10,046
Sub Total										74,914
					27,587	29,338	0	17,589	391	74,914

Provision Tax & Penalty Audit Report by Entity (Gross) - The Southern Company

Current Provision: 2011 Fin 48 06-30-2011.F48 - Reserve Date: 06/30/2011

Last Provision: 2011 Fin 48 03-31-2011.F48 - Reserve Date: 03/31/2011

GUL : Gulf Power Company

US States

Tax Period	Issue	Change Information	Old Adjust	New Adjust	Tax Temporary	Tax Permanent	Penalty	Deficiency Interest	Overpayment Interest	Total
Closing Balance					332,769 ✓	573,274 ✓	0	86,488	9,277	998,807
92,765										

Disclosure ETR Audit Report by Entity - The Southern Company

Current Disclosure: 2011 Fin 48 06-30-2011.F48 - Reserve Date: 06/30/2011

Last Disclosure: 2011 Fin 48 03-31-2011.F48 - Reserve Date: 03/31/2011

CL : Gulf Power Company

Juris	Tax Period	Issue	Type	Old Adjust	New Adjust	Tax	
Portion of Contingent Tax Position that Would Impact the Effective Tax Rate							
FED	58-0690070	2007/12	199 Indirect	Tax	1,517,412	1,517,412	531,094
FED	58-0690070	2007/12	R&D	Tax	26	26	26
FED	58-0690070	2007/12	R&D	Tax	39,830	39,830	39,830
FED	58-0690070	2008/12	199 Indirect	Tax	1,085,763	1,085,763	380,017
FED	58-0690070	2008/12	R&D	Tax	42,615	42,615	42,615
FED	58-0690070	2009/12	199 Indirect	Tax	648,078	648,078	226,827
FED	58-0690070	2009/12	R&D	Tax	44,683	44,683	44,683
FED	58-0690070	2009/12	R&D - ALT	Tax	865	865	865
FED	58-0690070	2010/12	R&D	Tax	45,284	45,284	45,284
FED	58-0690070	2011/12	R&D	Tax	10,196	20,393	20,393
FL	58-0690070	2007/12	199 Indirect	Tax	1,517,412	1,517,412	83,458
FL	58-0690070	2008/12	199 Indirect	Tax	1,085,763	1,085,763	59,717
FL	58-0690070	2009/12	199 Indirect	Tax	648,078	648,078	35,644
GA	58-0690070	2008/12	Mfg ITC - GULF	Tax	47,129	47,129	47,129
GA	58-0690070	2009/12	Mfg ITC - GULF	Tax	132,425	132,425	132,425
GA	58-0690070	2010/12	Mfg ITC - GULF	Tax	156,225	156,225	156,225
GA	58-0690070	2011/12	Mfg ITC - GULF	Tax	29,338	58,676	58,676
Sub Total							1,904,908

Portion of Contingent Tax Position that Would NOT Impact the Effective Tax Rate							
FED	58-0690070	2009/12	Rep. - Curr Gen	Tax	803,976	432,959	151,536
FED	58-0690070	2009/12	Rep. - Curr T&D	Tax	-	371,018	129,856
FED	58-0690070	2009/12	Repairs 481 Gen	Tax	2,204,755	(73,425)	(25,699)
FED	58-0690070	2009/12	Repairs 481 T&D	Tax	-	2,278,180	797,363
FED	58-0690070	2010/12	Rep. - Curr Gen	Tax	2,038,454	987,892	345,762
FED	58-0690070	2010/12	Rep. - Curr T&D	Tax	-	1,050,562	367,697
FED	58-0690070	2011/12	Rep. - Curr Gen	Tax	501,575	466,384	163,234
FED	58-0690070	2011/12	Rep. - Curr T&D	Tax	-	536,767	187,868
FL	58-0690070	2009/12	Rep. - Curr Gen	Tax	803,976	432,959	23,813
FL	58-0690070	2009/12	Rep. - Curr T&D	Tax	-	371,018	20,406
FL	58-0690070	2009/12	Repairs 481 Gen	Tax	2,204,755	(73,425)	(4,038)
FL	58-0690070	2009/12	Repairs 481 T&D	Tax	-	2,278,180	125,300
FL	58-0690070	2010/12	Rep. - Curr Gen	Tax	2,038,454	987,892	54,334
FL	58-0690070	2010/12	Rep. - Curr T&D	Tax	-	1,050,562	57,781
FL	58-0690070	2011/12	Rep. - Curr Gen	Tax	501,575	466,384	25,651
FL	58-0690070	2011/12	Rep. - Curr T&D	Tax	-	536,767	29,522
Sub Total							2,450,386

Disclosure Report by Entity - The Southern Company
Current Disclosure: 2011 Fin 48 06-30-2011.F48 - Reserve Date: 06/30/2011
Last Disclosure: 2011 Fin 48 03-31-2011.F48 - Reserve Date: 03/31/2011

GUL : Gulf Power Company

Part-I Reconciliation of Unrecognized Tax Benefits

	<u>Tax</u>
Opening Balance of Contingent Tax Reserves	4,112,821
Additions for Current Year Tax Position	242,673
Additions for Prior Years' Tax Position	1,498,403
Reductions for Prior Years' Tax Position	(1,498,402)
Settlements with Taxing Authority	-
Reduction Due to Expired Statute of Limitations	-
Closing Balance	<u><u>4,355,295</u></u>

Part-II Impact on Effective Tax Rate

Portion of Contingent Tax Position That:	<u>Tax</u>
Would Impact the Effective Tax Rate	1,904,908
Would NOT Impact the Effective Tax Rate	2,450,386
Contingent Tax Position in Financial Statements	<u><u>4,355,295</u></u>

Part-III Interest and Penalties

	<u>Interest</u>	<u>Penalty</u>
Opening Balance	246,791	-
Changes During Reporting Period	50,559	-
Closing Balance	<u><u>297,350</u></u>	-

Part IV Currently Open for Examination

<u>Jurisdiction</u>	<u>Tax Type</u>	<u>Period</u>
Federal	Income	2008/12
Federal	Income	2009/12
Federal	Income	2010/12
Federal	Income	2011/12
Florida	Income	2008/12
Florida	Income	2009/12
Florida	Income	2010/12
Florida	Income	2011/12
Georgia	Income	2008/12
Georgia	Income	2009/12
Georgia	Income	2010/12
Georgia	Income	2011/12

Provision Report by Entity (Gross) - The Southern Company

Current Provision: 2011 Fin 48 06-30-2011.F48 - Reserve Date: 06/30/2011

Last Provision: [none selected]

GUL : Gulf Power Company

Federal

Class	Bal	Sht	Oper	In ETR	Def	Tax Temporary	Tax Permanent	Penalty	Deficiency Interest	Overpayment Interest
Opening Balance						0	0	0	0	0
<i>Contingent Tax</i>										
ST	LIB	CON	NO	TMP		1,482,784 ✓	-	-	50,100 ✓	301 ✓
ST	LIB	CON	YES	PER		-	1,331,635 ✓	-	143,056 ✓	88 ✓
LT	LIB	CON	NO	TMP		634,834 ✓	-	-	11,430 ✓	(390) ✓
LT	LIB	CON	YES	PER		-	-	-	-	-
Sub Total						2,117,618	1,331,635	0	204,585	0
Closing Balance						2,117,618	1,331,635	0	204,585	0

US States

Class	Bal	Sht	Oper	In ETR	Def	Tax Temporary	Tax Permanent	Penalty	Deficiency Interest	Overpayment Interest
Opening Balance						0	0	0	0	0
<i>Contingent Tax</i>										
ST	LIB	CON	NO	TMP		233,009 ✓	-	-	13,927 ✓	260 ✓
ST	LIB	CON	YES	PER		-	178,818 ✓	-	30,496 ✓	6,340 ✓
LT	LIB	CON	NO	TMP		99,760 ✓	-	-	3,051 ✓	(323) ✓
LT	LIB	CON	YES	PER		-	394,455 ✓	-	39,014 ✓	-
Sub Total						332,769	573,274	0	86,488	6,277
Closing Balance						332,769	573,274	0	86,488	6,277

Gulf Power Company
Fin 48 Analysis - LT vs ST
As of 06/30/2011

FIN 48 Activity -03/31/2011

	Tax Impact			
	Permanent	Temporary	Total Tax	Interest
Federal - Long Term	\$ 1,276,154	\$ 1,942,066	\$ 3,218,220	\$ 171,957
Federal - Short Term	45,284	-	45,284	60
Total Federal- 03/31/2011	1,321,438	1,942,066	3,263,504	172,017
State - Long Term	\$ 543,936	\$ 305,182	\$ 849,118	\$ 74,774
State - Short Term	-	-	-	-
Total State - 03/31/2011	543,936	305,182	849,118	74,774
Total - 03/31/2011	1,865,374	2,247,248	4,112,622	246,791

FIN 48 Activity -06/30/2011

	Tax Impact			
	Permanent	Temporary	Total Tax	Interest
Federal - Long Term	\$ -	\$ 634,834	\$ 634,834	\$ 11,040
Federal - Short Term	1,331,635	1,482,784	2,814,419	193,545
Total Federal-06/30/2011	1,331,635	2,117,618	3,449,253	204,585
State - Long Term	\$ 394,455	\$ 99,760	\$ 494,215	\$ 41,742
State - Short Term	178,819	233,009	411,828	51,023
Total State-06/30/2011	573,274	332,769	906,043	92,765
Total -03/31/2011	1,904,909	2,450,387	4,355,296	297,350

Difference as of 06/30/2011

Federal - Long Term	(1,276,154)	(1,307,232)	(2,583,386)	(160,917)
Federal - Short Term	1,286,351	1,482,784	2,769,135	193,485
Total Federal-06/30/2011	\$ 10,197	\$ 175,552	\$ 185,749	\$ 32,568
State - Long Term	(149,481)	(205,422)	(354,903)	(33,032)
State - Short Term	178,819	233,009	411,828	51,023
Total State-06/30/2011	\$ 29,338	\$ 27,587	\$ 56,925	\$ 17,991

Entries at Statutory Rates

	Account Numbers	Dr	Cr
<i>To Record Long-term vs Short-Term Tax Liability</i>			
FIN 48 Long-term Tax Liability - Federal	236-XXXXX	2,583,386	-
FIN 48 Short-term Tax Liability - Federal	236-XXXXX	-	2,769,135
FIN 48 Long-term Tax Liability - State	236-XXXXX	354,903	-
FIN 48 Short-term Tax Liability - State	236-XXXXX	-	411,828
<i>To Record Long-term vs Short-Term Interest Payable</i>			
FIN 48 Long-term Interest Payable - Federal	237-XXXXX	160,917	-
FIN 48 Short-term Interest Payable - Federal	237-XXXXX	-	193,485
FIN 48 Long-term Interest Payable - State	237-XXXXX	33,032	-
FIN 48 Short-term Interest Payable - State	237-XXXXX	-	51,023

2:\FIN 48\Quarterly Entry Folder - 2011\2nd Qtr 2011\Fin 48 2nd Qtr 2011 Entries.xlsx

FERCSUB FERCSUB Descr	Jun-2011 End Bal	Jun-2011 JV2034	Jun-2011 JV3017	Mar-2011 End Bal	Mar-2011 JV2034	Dec-2010 End Bal
19000483 FIN 48 TAXES ACCRUED - STAT	14,979.25	31.78		14,947.47	31.79	14,915.68
19000484 FIN48 DEF TAX STATE OFFSET-I	22,326.15	1,660.53		20,665.62	1,660.53	19,005.09
19000481 FIN 48 TAXES ACCRUED - FEDE	132.17			132.17		132.17
28200483 FIN48 DEF TAX FED OFFSET-LT	853,518.05	175,551.60		677,966.45	175,551.25	502,415.20
28200484 FIN48 DEF TAX STATE OFFSET-I	332,768.48	27,586.68		305,181.80	27,586.62	277,595.18
28300483 FIN48 DEF TAX FED OFFSET-LT	1,380,568.52	9,655.34		1,370,913.18	9,655.32	1,361,257.86
23600481 FIN 48 INC TAX ACCR-FED-CUR	(2,814,419.00)		(2,769,135.00)	(45,284.00)	(45,284.00)	-
23600482 FIN 48 INC TAX ACCR-ST-CUR	(411,828.00)		(411,828.00)	-	-	-
23600483 FIN 48 INC TAX ACCR-FED-LT	(634,780.30)	(185,747.60)	2,769,135.00	(3,218,167.70)	(140,463.25)	(3,077,704.45)
23600484 FIN 48 INC TAX ACCR-ST-LT	(494,214.59)	(56,924.68)	411,828.00	(849,117.91)	(56,924.62)	(792,193.29)
Subtotal Income Tax Liability	(1,750,949.27)	(28,186.35)	-	(1,722,762.92)	(28,186.36)	(1,694,576.56)
23700481 FIN 48 INT ACCR-FED-CURR	(193,545.00)		(193,485.00)	(60.00)	(60.00)	-
23700482 FIN 48 INT ACCR-ST-CURR	(51,023.00)		(51,023.00)	-	-	-
23700483 FIN 48 INT ACCR-FED-LT	(11,039.00)		160,917.00	(171,956.00)	(19,289.00)	(152,667.00)
23700484 FIN 48 INT ACCR-ST-LT	(41,743.00)		33,032.00	(74,775.00)	(17,576.00)	(57,199.00)
Subtotal Interest	(297,350.00)	-	(50,559.00)	(246,791.00)	(36,925.00)	(209,866.00)
Total Balance Sheet	(2,048,299.27)	(28,186.35)	(50,559.00)	(1,969,553.92)	(65,111.36)	(1,904,442.56)
40910481 FIN 48 INCOME TAX EXPENSE -	371,494.85	185,747.60		185,747.25	185,747.25	1,797,848.05
41010481	-	-		-	-	-
41010482	-	-		-	-	-
41010483 FIN 48 Federal Offset	19,310.66	9,655.34		9,655.32	9,655.32	97,158.31
41110481 FIN48 DEF TAX FED-UTIL-CR	(351,102.85)	(175,551.60)		(175,551.25)	(175,551.25)	(1,766,514.75)
41110482 FIN48 DEF TAX ST-UTIL-CR	(55,173.30)	(27,586.68)		(27,586.62)	(27,586.62)	(277,595.18)
41110483 FIN 48 Federal Offset	(38,684.89)	(19,342.46)		(19,342.43)	(19,342.43)	(149,236.87)
41110484 FIN 48 State Offset	(3,321.06)	(1,660.53)		(1,660.53)	(1,660.53)	(8,927.12)
40910482 FIN 48 INCOME TAX EXPENSE -	113,849.30	56,924.68		56,924.62	56,924.62	433,012.47
40910483 FIN 48 Federal Offset	-	-		-	-	-
43100481 OTH INT EXP-FIN 48-FED	51,918.00		32,569.00	19,349.00	19,349.00	86,206.00
43100482 OTH INT EXP-FIN 48-ST	35,566.00		17,990.00	17,576.00	17,576.00	34,072.00
Total Total Income Statement	143,856.71	28,186.35	50,559.00	65,111.36	65,111.36	246,022.91

Reconciliation to GL

GL 3rd Close

19000481 FIN48 DEF TAX FED OFFSET-CUI	132.17					
19000483 FIN48 DEF TAX FED OFFSET-LT	14,979.25			132.17		132.17
19000484 FIN48 DEF TAX STATE OFFSET-I	22,326.15			14,947.47		14,915.68
23600481 FIN 48 INC TAX ACCR-FED-CUR	(2,814,419.00)			20,665.62		19,005.09
23600482 FIN 48 INC TAX ACCR-ST-CUR	(411,828.00)			(45,284.00)		-
23600483 FIN 48 INC TAX ACCR-FED-LT	(634,780.30)			-		-
23600484 FIN 48 INC TAX ACCR-ST-LT	(494,214.59)			(3,218,167.70)		(3,077,704.45)
28200483 FIN48 DEF TAX FED OFFSET-LT	2,117,617.60			(849,117.91)		(792,193.29)
28200484 FIN48 DEF TAX STATE OFFSET-I	332,768.48			1,942,066.00		1,766,514.75
28300483 FIN48 DEF TAX FED OFFSET-LT	116,468.97			305,181.80		277,595.18
	(1,750,949.27)			106,813.63		97,158.31
	(0.00)			(1,722,762.92)		(1,694,576.56)
				(0.00)		(0.00)
23700481 FIN 48 INT ACCR-FED-CURR	(193,545.00)			(60.00)		-
23700482 FIN 48 INT ACCR-ST-CURR	(51,023.00)			-		-
23700483 FIN 48 INT ACCR-FED-LT	(11,039.00)			-		-
23700484 FIN 48 INT ACCR-ST-LT	(41,743.00)			(171,956.00)		(152,667.00)
	(297,350.00)			(74,775.00)		(57,199.00)
	-			(246,791.00)		(209,866.00)
Total Balance Sheet	(2,048,299.27)			-		-
				(1,969,553.92)		(1,904,442.56)
40910481 FIN48 INC TAX EXP-FED-UTIL	371,494.85			185,747.25		1,797,848.05
40910482 FIN48 INC TAX EXP-ST-UTIL	113,849.30			56,924.62		433,012.47
41010483 FIN48 DEF TAX FED OFF-UTIL-D	19,310.66			9,655.32		97,158.31
41110481 FIN48 DEF TAX FED-UTIL-CR	(351,102.85)			(175,551.25)		(1,766,514.75)
41110482 FIN48 DEF TAX ST-UTIL-CR	(55,173.30)			(27,586.62)		(277,595.18)
41110483 FIN48 DEF TAX FED OFFSET - U7	(38,684.89)			-		0
41110484 FIN48 DEF TAX ST OFF-UTIL-CR	(3,321.06)			(19,342.43)		(149,236.87)
43100481 OTH INT EXP-FIN 48-FED	51,918.00			(1,660.53)		(8,927.12)
43100482 OTH INT EXP-FIN 48-ST	35,566.00			19,349.00		86,206.00
Total Total Income Statement	143,856.71			17,576.00		34,072.00
				65,111.36		246,022.91
Total	(1,904,442.56)			-		-
				(1,904,442.56)		(1,658,419.65)
Difference in GL and FIN48	0.00			0.00		0.00