

Robert L. McGee, Jr. One Energy Place
Regulatory & Pricing Manager Pensacola, Florida 32520-0780

Tel 850 444 6530
Fax 850 444 6026
RLMCGEE@southernco.com

August 22, 2014



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

RE: Docket No. 140007-EI

Dear Ms. Stauffer:

Attached for official filing in the above-referenced docket are the following:

1. The Petition of Gulf Power Company.
2. Prepared direct testimony of James O. Vick.
3. Prepared direct testimony and exhibit of C. Shane Boyett.

Sincerely,

A handwritten signature in blue ink that reads "Robert L. McGee, Jr." The signature is written in a cursive, flowing style.

Robert L. McGee, Jr.
Regulatory and Pricing Manager

md

Attachments

cc w/att.: Florida Public Service Commission
 Charles Murphy, Sr. Atty, Office of the General Counsel (5 copies)
 Beggs & Lane
 Jeffrey A. Stone, Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost Recovery Clause)
)
) Docket No.: 140007-EI
) Filed: August 22, 2014
)
_____)

**PETITION OF GULF POWER COMPANY FOR APPROVAL OF
FINAL ENVIRONMENTAL COST RECOVERY TRUE-UP AMOUNT FOR
JANUARY 2013 THROUGH DECEMBER 2013; ESTIMATED ENVIRONMENTAL
COST RECOVERY TRUE-UP AMOUNT FOR JANUARY 2014 THROUGH
DECEMBER 2014; PROJECTED ENVIRONMENTAL COST RECOVERY AMOUNTS
FOR JANUARY 2015 THROUGH DECEMBER 2015; AND ENVIRONMENTAL COST
RECOVERY FACTORS TO BE APPLIED BEGINNING WITH THE PERIOD
JANUARY 2015 THROUGH DECEMBER 2015**

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

Jeffrey A. Stone
jas@beggslane.com
Russell A. Badders
rab@beggslane.com
Steven R. Griffin
srg@beggslane.com
Beggs & Lane
P. O. Box 12950
Pensacola, FL 32591

Robert L. McGee, Jr.
Regulatory and Pricing Manager
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780

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 2013 through December 2013; for approval of the Company’s estimated environmental cost recovery true-up amount for the period January 2014 through December 2014; for approval of the Company’s projected environmental cost recovery amounts for the period January 2015 through December 2015; and for approval of environmental cost recovery factors to be applied in

customer billings beginning with the period January 2015 through December 2015. As grounds for the relief requested by this petition, the Company would respectfully show:

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 “[a]ll 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. 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) 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 2015. As detailed in the following paragraphs and accompanying supporting schedules, testimony and exhibits, Gulf's environmental compliance activities are consistent with the ECRC statutes 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

(4) By vote of the Commission following hearings in November 2013, estimated true-up environmental cost recovery amounts were approved by the Commission for the period January 2013 through December 2013, 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 2013 through December 2013 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, 2013, the final environmental cost recovery true-up amount for the period ending December 31, 2013, is an actual under-recovery of \$6,645,915. This amount is submitted for approval by the Commission to be collected 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, 2013 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

(5) Gulf has calculated its estimated environmental cost recovery true-up amounts for the period January 2014 through December 2014 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 2014 through December 2014 is an under-recovery of \$2,229,940. The estimated environmental cost recovery true-up is combined with the final environmental cost recovery true-up for the period ending December 31, 2013 to reach the total environmental cost recovery true-up that is to be addressed in the next cost recovery period (January 2015 through December 2015). Gulf is requesting that the Commission approve this total environmental cost recovery true-up amount excluding revenue taxes, \$8,875,855 for recovery during the January 2015 through December 2015 recovery period.

PROJECTED ENVIRONMENTAL COST RECOVERY AMOUNTS

(6) Gulf has calculated its projected environmental cost recovery amounts for the months January 2015 through December 2015 in accordance with the principles and policies for environmental cost recovery found in section 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 \$152,343,715 for the period January 2015 through December 2015, including 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 01437-14 and 03975-14) which is being adopted by C. S. Boyett and the projection testimony of Mr. Boyett 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 01437-14 and 03975-14) and the projection testimony of Mr. Vick also filed herewith. The data and other information set forth in these schedules and the 2014 Compliance Program Update (*See* DN 01442-14) are sponsored and/or supported by the testimony of Gulf witnesses Boyett 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 is in accordance with the requirements of the Commission as set forth in Order Nos. PSC-94-0044-FOF-EI and PSC-13-0606-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 2015 through December 2015. 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.

ENVIRONMENTAL COST RECOVERY FACTORS

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

RATE CLASS	ENVIRONMENTAL COST RECOVERY FACTORS ¢/KWH
RS, RSVP	1.592
GS	1.435
GSD, GSDT, GSTOU	1.276
LP, LPT	1.136
PX, PXT, RTP, SBS	1.083
OS-I/II	0.417
OSIII	1.039

[INTENTIONALLY LEFT BLANK]

WHEREFORE, Gulf Power Company respectfully requests the Commission to approve the final environmental cost recovery true-up amounts for the period January 2013 through December 2013; estimated environmental cost recovery true-up amounts for the period January 2014 through December 2014; the projected environmental cost recovery amounts for the period January 2015 through December 2015; and the environmental cost recovery factors to be applied in customer billings beginning with the period January 2015 through December 2015.

Dated the 22nd day of August, 2014.



JEFFREY A. STONE

Florida Bar No. 325953

jas@beggslane.com

RUSSELL A. BADDERS

Florida Bar No. 007455

rab@beggslane.com

STEVEN R. GRIFFIN

Florida Bar No. 0627569

srg@beggslane.com

Beggs & Lane

P. O. Box 12950

Pensacola, FL 32591

(850) 432-2451

Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ENVIRONMENTAL COST RECOVERY CLAUSE

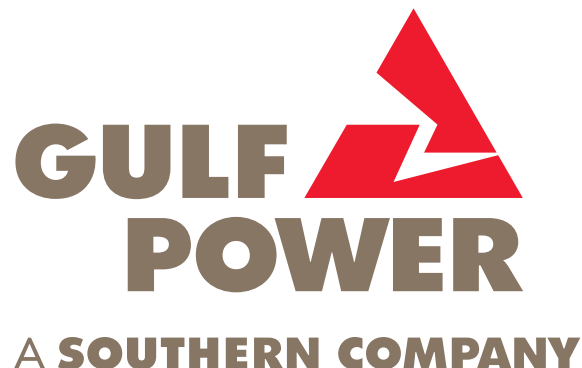
DOCKET NO. 140007-EI

PREPARED DIRECT TESTIMONY OF
JAMES O. VICK

PROJECTION FILING
FOR THE PERIOD

JANUARY 2015 - DECEMBER 2015

August 22, 2014



1 GULF POWER COMPANY

2 Before the Florida Public Service Commission

3 Prepared Direct Testimony of

4 James O. Vick

Docket No. 140007-EI

Date of Filing: August 22, 2014

5 Q. Please state your name and business address.

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

8
9 Q. By whom are you employed and in what capacity?

10 A. I am employed by Gulf Power Company as the Director of Environmental
11 Affairs.

12
13 Q. Mr. Vick, will you please describe your education and experience?

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

24

25

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

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

8

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

11 A. Yes.

12

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

14 A. The purpose of my testimony is to support Gulf Power Company's projection
15 of environmental compliance costs recoverable through the Environmental
16 Cost Recovery Clause (ECRC) for the period from January 2015 through
17 December 2015.

18

19 Q. Mr. Vick, please identify the capital projects included in Gulf's ECRC
20 projection filing.

21 A. The environmental capital projects for which Gulf seeks recovery through
22 the ECRC are described in Schedules 3P, 4P, and 5P of Witness Boyett's
23 Exhibit CSB-2. I am supporting the expenditures, clearings, retirements,
24 salvage and cost of removal currently projected for each of these projects.
25 Mr. Boyett compiled these schedules and has calculated the associated

1 revenue requirements for Gulf's requested recovery. Of the projects shown
2 on Mr. Boyett's schedules, there are five programs that were previously
3 approved by the Commission with activities that have projected capital
4 expenditures during 2015. These programs include: Crist 5, 6, & 7
5 Precipitator Upgrades, Crist 6 & 7 Low NOx burners, Smith Water
6 Conservation, Crist FDEP Agreement for Ozone Attainment, and the Air
7 Quality Compliance program.

8
9 Q. Are there any projects that impact multiple capital programs?

10 A. Yes. During 2015, Plant Crist plans to upgrade several digital control
11 systems for existing ECRC equipment including the Unit 6 and Unit 7
12 Selective Catalytic Reduction (SCR) systems, the Unit 6 and Unit 7 Low
13 NOx burners, the Unit 6 precipitator, and the Units 4 through 7
14 scrubber. The upgrades will include both hardware and software
15 upgrades. The digital control systems will be replaced with equipment that
16 runs on an updated operating system. The projected 2015 expenditures for
17 the ECRC digital controls projects is \$1,061,041.

18
19 Q. Mr. Vick, please provide an update on the Smith Water Conservation project
20 (Line item 1.17).

21 A. As discussed in previous filings, Gulf determined that it is feasible to inject
22 reclaimed water into the Plant Smith deep injection well system. Gulf is
23 currently completing the second and third of the five injection wells that were
24 permitted. During the latter part of 2014 and into 2015, Gulf anticipates
25 conducting further injection testing of the existing wells as well as finalizing

1 the design and installation of the initial phase of the pump system. This
2 testing will determine whether additional wells are necessary. Expenditures
3 associated with these activities reflected in the 2015 projection filing are
4 \$4.3 million.

5
6 Q. Mr. Vick, please describe the projects included in the 2015 projection for
7 (Line Item 1.19) the Crist FDEP Agreement for Ozone Attainment.

8 A. Gulf plans to replace the Plant Crist Unit 7 SCR flue gas sampling fans and
9 ammonia unloading piping during 2015. The flue gas sampling fans are
10 necessary to measure the NOx concentration entering and exiting the SCR
11 in order to control the ammonia injection rate. The existing fans and
12 ammonia unloading area piping are approximately ten years old and are
13 approaching the end of their useful life. The projected 2015 expenditures
14 for this line item are \$975,300; which includes \$82,800 for the previously
15 discussed Plant Crist Unit 7 SCR digital controls upgrade.

16
17 Q. Mr. Vick, please describe the projected 2015 capital expenditures for the Air
18 Quality Compliance program (Line Item 1.26).

19 A. The projected 2015 expenditures for this line item include new air emission
20 controls for Plant Daniel and monitoring equipment needed for Plant Daniel
21 and Plant Crist to comply with the MATS (Mercury and Air Toxics
22 Standards) regulation. Also, projected for this line item are capital retrofit
23 projects for the Plant Crist scrubber and the Plant Crist Unit 6 SCR.

24
25

1 Q. Please discuss the controls and monitoring equipment needed to comply
2 with the MATS regulations.

3 A. As discussed in Gulf's April 2014 Compliance Program update, Gulf Power
4 has determined that bromine injection upstream of the precipitator with
5 activated carbon injection (ACI) will be required to comply with the MATS
6 mercury standards at Plant Daniel. Engineering, procurement, and
7 construction of the Plant Daniel bromine and ACI systems began in January
8 2014 and is scheduled to last for approximately two years. Both injection
9 systems will be placed in service with the scrubbers during fourth quarter of
10 2015. The projected 2015 expenditures for Gulf's ownership portion of the
11 Plant Daniel ACI and bromine injection projects are approximately \$6.2
12 million. The ACI and bromine injection projects were approved for ECRC
13 cost recovery in FPSC Order No. PSC-13-0506-PAA-EI in Docket No.
14 130092-EI.

15
16 Gulf Power will begin installing MATS monitoring systems at Plant Daniel
17 and Plant Crist in 2014 in order to comply with the MATS rule. Mercury
18 monitors were included in Gulf's original Compliance Plan that was filed on
19 March 29, 2007. The Plant Daniel and Plant Crist mercury monitors were
20 two of the 10 specific components of Gulf's program that were agreed to as
21 part of a stipulation approved on August 14, 2007. The stipulation is
22 included in Order No. PSC-07-0721-S-EI. The 2015 projected expenditures
23 for the Plant Crist MATS monitoring systems are \$626,000. The Plant Crist
24 MATS monitoring system will monitor mercury and particulate emissions.

25

1 The Plant Daniel mercury monitoring costs are included in the cost
2 projection for the Plant Daniel scrubbers.

3

4 Q. Please discuss the capital retrofit projects planned for the Plant Crist Unit 6
5 SCR and the Plant Crist scrubber.

6 A. Gulf plans to add an additional catalyst layer to the Plant Crist Unit 6 SCR
7 during the spring 2015 outage. The projected 2015 expenditures for the new
8 catalyst are \$682,926. The Plant Crist Unit 6 SCR and scrubber digital
9 controls will be upgraded in 2015, as previously discussed. The 2015
10 projection includes expenditures totaling \$170,289 for the Crist Unit 6 SCR
11 controls upgrade and \$241,946 for the scrubber controls upgrade that was
12 initiated during 2014.

13

14 Q. Mr. Vick, please provide an update on the status of the Plant Daniel
15 scrubber projects?

16 A. The Plant Daniel scrubber projects are currently scheduled for completion in
17 December 2015. The scrubber stack concrete work has been completed,
18 vertical stack liners are complete for both units 1 and 2, and the scrubber
19 vessels are approximately 50% complete. The station service transformers
20 and power supplies were recently installed and tested. The scrubbers when
21 used in conjunction with the bromine and activated carbon injection systems
22 will allow Plant Daniel to comply with the MATS standards as well as the
23 CAIR/CSAPR and the CAVR. The 2015 capital expenditures for Gulf's
24 ownership portion of the scrubber are projected to be \$57.2 million.

25

1 Q. Mr. Vick, are you including the purchase of allowances in your 2015
2 projection filing?

3 A. No, we are not currently projecting the need to purchase additional
4 allowances during 2015.

5

6 Q. How do the projected Environmental Operation and Maintenance (O&M)
7 activities listed on Schedule 2P of Mr. Boyett's Exhibit CSB-2 compare to
8 the O&M activities approved for cost recovery in past ECRC proceedings?

9 A. All of the O&M activities listed on Schedule 2P have been approved for
10 recovery through the ECRC in past proceedings.

11

12 Q. Please describe the O&M activities included in the air quality category for
13 2015.

14 A. There are five O&M activities included in the air quality category that have
15 projected expenses in 2015. On Schedule 2P, Air Emission Fees (Line Item
16 1.2), represents the expenses projected for the annual fees required by the
17 Clean Air Act Amendments (CAAA) of 1990 that are payable to the FDEP
18 and Mississippi Department of Environmental Quality. The expenses
19 projected for the 2015 recovery period total \$505,156.

20

21 Included in the air quality category, Title V (Line Item 1.3) represents
22 projected ongoing expenses associated with implementation of the Title V
23 permits. The total 2015 estimated expenses for the Title V Program are
24 \$142,158.

25

1 On Schedule 2P, Asbestos Fees (Line Item 1.4) consists of the fees
2 required to be paid to the FDEP for asbestos abatement projects. The
3 projected expenses for this line item are \$1,500. Emission Monitoring (Line
4 Item 1.5) on Schedule 2P reflects an ongoing O&M expense associated with
5 the Continuous Emission Monitoring equipment as required by the CAAA.
6 These expenses are incurred in response to EPA's requirements that the
7 Company perform Quality Assurance/Quality Control (QA/QC) testing for
8 the CEMS, including Relative Accuracy Test Audits (RATAs) and Linearity
9 Tests. The expenses expected to be incurred during the 2015 recovery
10 period for these activities total \$807,348.

11
12 The FDEP NOx Reduction Agreement (Line Item 1.19) includes O&M costs
13 associated with the Plant Crist Unit 7 SCR and the Plant Crist Units 4 and 5
14 Selective Non-Catalytic Reduction (SNCR) projects that were included as
15 part of the 2002 agreement with FDEP. This line item includes the cost of
16 anhydrous ammonia, urea, air monitoring, and general O&M expenses
17 related to activities undertaken in connection with the agreement. Gulf was
18 granted approval for recovery of the costs incurred to complete these
19 activities in FPSC Order No. PSC-02-1396-PAA-EI in Docket No. 020943-
20 EI. The projected expenses for the 2015 recovery period total \$2.0 million.

21
22 Q. What O&M activities are included in the water quality category?

23 A. General Water Quality (Line Item 1.6), identified in Schedule 2P, includes
24 costs associated with Soil Contamination Studies, NPDES permit
25 compliance, Dechlorination, Groundwater Monitoring, Surface Water

1 Studies, the Cooling Water Intake Program, the Impaired Waters Rule, the
2 Impoundment Integrity Program, and Stormwater Maintenance. The
3 expenses expected to be incurred during the projection period for this line
4 item totals \$2.1 million. The projected cost includes \$1.0 million for the
5 316(b) cooling water intake studies at Plant Crist and Plant Smith.

6
7 Q. What other O&M activities are included in the water quality category?

8 A. Groundwater Contamination Investigation (Line Item 1.7) was previously
9 approved for environmental cost recovery in Docket No. 930613-EI.

10 This line item includes expenses related to substation investigation and
11 remediation activities. Gulf has projected \$4.2 million of incremental
12 expenses for this line item during the 2015 recovery period.

13
14 Line Item 1.8, State National Pollutant Discharge Elimination System
15 (NPDES) Administration, was previously approved for recovery in the ECRC
16 and reflects expenses associated with NPDES annual fees and permit
17 renewal fees for Gulf's three generating facilities in Florida. These
18 expenses are expected to be \$49,500 during the projected recovery period.

19
20 Finally, Line Item 1.9, Lead and Copper Rule, was also previously approved
21 for ECRC recovery and reflects sampling, analytical, and chemical costs
22 related to the lead and copper drinking water quality standards. These
23 expenses are expected to total \$16,476 during the 2015 projection period.

1 Q. What activities are included in the environmental affairs administration
2 category?

3 A. Only one O&M activity is included in this category on Schedule 2P (Line
4 Item 1.10) of Mr. Boyett's Exhibit CSB-2. This line item refers to the
5 Company's Environmental Audit/Assessment function. This program is an
6 on-going compliance activity previously approved for ECRC recovery.
7 Expenses totaling \$9,000 are expected during the 2015 recovery period.

8
9 Q. What O&M activities are included in the General Solid and Hazardous
10 Waste category?

11 A. The General Solid and Hazardous Waste activity (Line Item 1.11) involves
12 the proper identification, handling, storage, transportation, and disposal of
13 solid and hazardous wastes as required by federal and state regulations.
14 The program includes expenses for Gulf's generating and power delivery
15 facilities. This program is a previously approved program that is projected
16 to incur incremental expenses totaling \$707,522 in 2015.

17
18 Q. Are there any other O&M activities that have been approved for recovery
19 that have projected expenses?

20 A. There are five other O&M activities that have been approved in past
21 proceedings which have projected expenses during 2015. They are the
22 Above Ground Storage Tanks program, the Sodium Injection System, the
23 Air Quality Compliance Program, Crist Water Conservation, and Emission
24 Allowances.

25

1 Q. What O&M activities are included in the Above Ground Storage Tanks line
2 item?

3 A. Above Ground Storage Tanks (Line Item 1.12) includes maintenance
4 activities and fees required by Florida's above ground storage tank
5 regulation, Chapter 62 Part 762, F.A.C. Expenses totaling \$117,322 are
6 projected to be incurred during 2015.

7

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

9 A. The Sodium Injection System (Line Item 1.16) was originally approved for
10 inclusion in the ECRC in Order No. PSC-99-1954-PAA-EI. The activities in
11 this line item involve sodium injection to the coal supply that enhances
12 precipitator efficiencies when burning certain low sulfur coals at Plant Crist
13 and Plant Smith. Expenses totaling \$105,903 are projected to be incurred
14 during 2015 for this line item.

15

16 Q. What activities are included in the Air Quality Compliance Program (Line
17 Item 1.20)?

18 A. This line item includes O&M expenses associated with the capital projects
19 approved for ECRC recovery under the Air Quality Compliance Program.
20 This line item includes the cost of anhydrous ammonia, hydrated lime, urea,
21 limestone and general O&M expenses. The projected 2015 expenses for
22 this line item total approximately \$16.6 million which includes \$8.1 million for
23 limestone costs associated with operation of the Plant Crist and Plant Daniel
24 scrubbers.

25

1 Q. What activities are included in the Crist Water Conservation line item (Line
2 Item 1.22)?

3 A. The Crist Water Conservation line item includes general O&M expenses
4 associated with the Plant Crist reclaimed water system, such as piping and
5 valve maintenance and pump replacements. Expenses totaling \$299,302
6 are projected to be incurred during 2015 for this line item.

7

8 Q. Please describe the emission allowance line items 1.24 and 1.26.

9 A. These line items include projected allowance expenses for Gulf's
10 generation. Line Items 1.24 and 1.26 include projected expenses for
11 the Annual NOx and SO₂ allowances of \$97,897 and \$350,060 respectively.

12

13 Q. Do each of the capital projects and O&M activities that have projected costs
14 in 2015 meet the ECRC statutory guidelines?

15 A. Yes. The projects included in Gulf's 2015 ECRC projection filing meet the
16 requirements of the ECRC statute and are consistent with the Commission's
17 precedents regarding environmental cost recovery. Each of the capital
18 projects and O&M activities set forth in Mr. Boyett's schedules include only
19 prudent costs that are not recovered through some other cost recovery
20 mechanism or base rates. The projected environmental costs are
21 necessary to achieve and/or maintain compliance with environmental laws,
22 rules, and regulations.

23

24 Q. Mr. Vick, does this conclude your testimony?

25 A. Yes.

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)


Docket No. 140007-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, that the foregoing is true and correct to the best of his knowledge and belief. He is personally known to me.

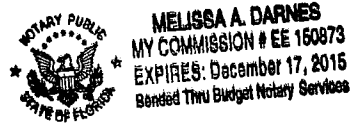


James O. Vick
Director of Environmental Affairs

Sworn to and subscribed before me this 21st day of August, 2014.



Notary Public, State of Florida at Large



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

ENVIRONMENTAL COST RECOVERY CLAUSE

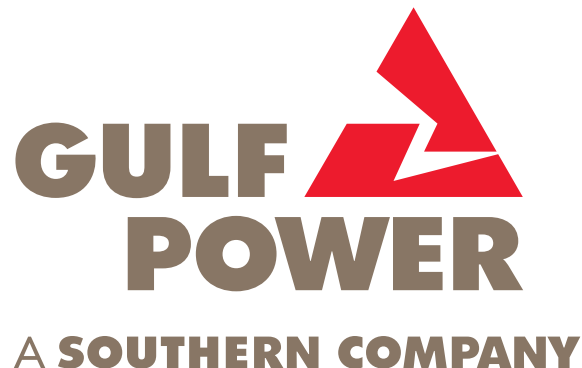
DOCKET NO. 140007-EI

PREPARED DIRECT TESTIMONY
AND EXHIBIT OF
C. SHANE BOYETT

PROJECTION FILING
FOR THE PERIOD

JANUARY 2015 - DECEMBER 2015

August 22, 2014



1 GULF POWER COMPANY

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

4 C. Shane Boyett

Docket No. 140007-EI

Date of Filing: August 22, 2014

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

6 A. My name is Shane Boyett. My business address is One Energy Place,
7 Pensacola, Florida 32520. I am the Supervisor of Regulatory and Cost
8 Recovery at Gulf Power Company.

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

12 A. I graduated from the University of Florida in Gainesville, Florida in 2001
13 with a Bachelor of Science Degree in Business Administration. I also hold
14 a Master's in Business Administration from the University of West Florida
15 in Pensacola, Florida. I joined Gulf Power in 2002 as a Forecasting
16 Specialist where I worked for five years until I took a position in the
17 Regulatory and Cost Recovery area in 2007 as a Regulatory Analyst.
18 After working in the Regulatory and Cost Recovery department for seven
19 years, I transferred to Gulf Power's Financial Planning department as a
20 Financial Analyst where I worked until being promoted to my current
21 position of Supervisor of Regulatory and Cost Recovery. My
22 responsibilities include supervision of: tariff administration, calculation of
23 cost recovery factors, and the regulatory filing function of the Regulatory
24 and Cost Recovery department.

25

1 Q. What is the purpose of your testimony?

2 A. The purpose of my testimony is to present both the calculation of the
3 revenue requirements and the development of the environmental cost
4 recovery factors for the period of January 2015 through December 2015.

5

6 Q. Have you prepared any exhibits that contain information to which you will
7 refer in your testimony?

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

10 Counsel: We ask that Mr. Boyett's exhibit
11 consisting of eight schedules be marked as
12 Exhibit No. ____ (CSB-2).

13

14 Q. What environmental costs is Gulf requesting for recovery through the
15 Environmental Cost Recovery Clause (ECRC)?

16 A. As discussed in the testimony of Witness James O. Vick, Gulf is
17 requesting recovery for certain environmental compliance operating
18 expenses and capital costs that are consistent with both the decision of
19 the Commission in Order No.PSC-94-0044-FOF-EI in Docket No. 930613-
20 EI and with past proceedings in this ongoing recovery docket. The costs
21 we have identified for recovery through the ECRC are not currently being
22 recovered through base rates or any other cost recovery mechanism.

23

24 Q. How was the amount of projected Operations and Maintenance (O&M)
25 expenses to be recovered through the ECRC calculated?

1 A. Mr. Vick has provided me with projected recoverable O&M expenses for
2 January 2015 through December 2015. Schedule 2P of Exhibit CSB-2
3 shows the calculation of the recoverable O&M expenses broken down
4 between demand-related and energy-related expenses. Schedule 2P also
5 provides the appropriate jurisdictional factors and amounts related to
6 these expenses. All O&M expenses associated with compliance with air
7 quality environmental regulations were considered to be energy-related,
8 consistent with Commission Order No. PSC-94-0044-FOF-EI. The
9 remaining expenses were broken down between demand and energy
10 consistent with Gulf's last approved cost-of-service methodology in Docket
11 No. 110138-EI.

12
13 Q. Please describe Schedules 3P and 4P of your Exhibit CSB-2.

14 A. Schedule 3P summarizes the monthly recoverable revenue requirements
15 associated with each capital investment project for the recovery period.
16 Schedule 4P shows the detailed calculation of the revenue requirements
17 associated with each investment project. These schedules also include
18 the calculation of the jurisdictional amount of recoverable revenue
19 requirements. Mr. Vick has provided me with the expenditures, clearings,
20 retirements, salvage, and cost of removal related to each capital project as
21 well as the monthly costs for emission allowances. From that information,
22 plant-in-service and construction work in progress (non-interest bearing)
23 was calculated. Additionally, depreciation, amortization and
24 dismantlement expense and the associated accumulated depreciation
25 balances were calculated based on Gulf's approved depreciation rates,

1 amortization periods, and dismantlement accruals. The capital projects
2 identified for recovery through the ECRC are those environmental projects
3 which were not included in the test year on which present base rates were
4 set.

5

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

8 A. Property taxes were calculated by applying the applicable tax rate to
9 taxable investment. In Florida, pollution control facilities are taxed based
10 only on their salvage value. For the recoverable environmental
11 investment located in Florida, the amount of property taxes is estimated to
12 be \$0. In Mississippi, there is no such reduction in property taxes for
13 pollution control facilities. Therefore, property taxes related to recoverable
14 environmental investment at Plant Daniel are calculated by applying the
15 applicable millage rate to the assessed value of the property.

16

17 Q. What capital structure and return on equity were used to develop the rate
18 of return used to calculate the revenue requirements as shown on 8P?

19 A. Consistent with Commission Order No. PSC-12-0425-PAA-EU dated
20 August 16, 2012 in Docket No. 120007-EI, the capital structure used in
21 calculating the rate of return for recovery clause purposes is based on the
22 weighted average cost of capital (WACC) presented in Gulf's May 2014
23 Earnings Surveillance Report. This rate of return used to calculate ECRC
24 revenue requirements includes a return on equity of 10.25 percent for the
25 period January 1, 2015 through December 31, 2015.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Q. How has the breakdown between demand-related and energy-related investment costs been determined in the past?

A. Consistent with Commission Order No. PSC-13-0606-FOF-EI dated November 19, 2013 in Docket No. 140007-EI, investment costs recoverable through ECRC were broken down within the retail jurisdiction based on the 12-MCP and 1/13th energy allocator. The use of this allocator is consistent with cost-of-service studies approved in Gulf's prior base rate cases. The calculation of this breakdown is shown on Schedule 4P and summarized on Schedule 3P.

Q. What is the total amount of projected recoverable costs related to the period January 2015 through December 2015?

A. The total projected jurisdictional recoverable costs for the period January 2015 through December 2015 is \$143,358,252 as shown on line 1c of Schedule 1P of Exhibit CSB-2. This includes costs related to O&M activities of \$27,267,857 and costs related to capital projects of \$116,090,394 as shown on lines 1a and 1b of Schedule 1P.

Q. What is the total recoverable revenue requirement to be recovered in the projection period January 2015 through December 2015 and how was it allocated to each rate class?

A. The total recoverable revenue requirement including revenue taxes is \$152,343,715 for the period January 2015 through December 2015 as shown on line 5 of Schedule 1P of Exhibit CSB-2. This amount includes

1 the recoverable costs related to the projection period and the total true-up
2 cost of \$8,875,855 to be collected. Schedule 1P also summarizes the
3 energy and demand components of the requested revenue requirement.
4 These amounts are allocated by rate class using the appropriate energy
5 and demand allocators as shown on Schedules 6P and 7P of Exhibit CSB-
6 2.

7
8 Q. Is this data and information presented from the books and records of Gulf
9 Power and kept in accordance with generally accepted accounting
10 principles and practices, and with the provisions of the Uniform 9 System
11 of Accounts as prescribed by this Commission?

12 A. Yes

13
14 Q. How were the allocation factors calculated for use in the Environmental
15 Cost Recovery Clause?

16 A. The demand allocation factors used in the ECRC were calculated using
17 the 2012 load data filed with the Commission in accordance with FPSC
18 Rule 25-6.0437. The energy allocation factors were calculated based on
19 projected kWh sales for the period adjusted for losses. The calculation of
20 the allocation factors for the period is shown in columns one through nine
21 on Schedule 6P of Exhibit CSB-2.

22
23 Q. How were these factors applied to allocate the requested recovery amount
24 properly to the rate classes?

25

1 A. As I described earlier in my testimony, Schedule 1P of Exhibit CSB-2
2 summarizes the energy and demand portions of the total requested
3 revenue requirement. The energy-related recoverable revenue
4 requirement of \$35,563,286 for the period January 2015 through
5 December 2015 was allocated using the energy allocator, as shown in
6 column three on Schedule 7P of Exhibit CSB-2. The demand-related
7 recoverable revenue requirement of \$116,780,430 for the period January
8 2015 through December 2015 was allocated using the demand allocator,
9 as shown in column four on Schedule 7P. The energy-related and
10 demand-related recoverable revenue requirements are added together to
11 derive the total amount assigned to each rate class, as shown in column
12 five.

13
14 Q. What is the monthly amount related to environmental costs recovered
15 through this factor that will be included on a residential customer's bill for
16 1,000 kWh?

17 A. The environmental costs recovered through the clause from the residential
18 customer who uses 1,000 kWh will be \$15.92 monthly for the period
19 January 2015 through December 2015.

20
21 Q. When does Gulf propose to collect its environmental cost recovery
22 charges?

23 A. The factors will be effective beginning with Cycle 1 billings in January
24 2015 and will continue through the last billing cycle of December 2015.

25

1 Q. Mr. Boyett, does this conclude your testimony?

2 A. Yes.

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 140007-EI

Before me, the undersigned authority, personally appeared C. Shane Boyett, who being first duly sworn, deposes and says that he is the Supervisor of Regulatory and Cost Recovery of Gulf Power Company, a Florida corporation, that the foregoing is true and correct to the best of his knowledge and belief. He is personally known to me.

C. Shane Boyett
C. Shane Boyett
Supervisor of Regulatory and Cost Recovery

Sworn to and subscribed before me this 21st day of August, 2014.

Melissa A. Darnes
Notary Public, State of Florida at Large



MELISSA A. DARNES
MY COMMISSION # EE 150873
EXPIRES: December 17, 2015
Bonded Thru Budget Notary Services

Schedule 1P

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

For the Projected Period
January 2015 - December 2015

<u>Line No.</u>	<u>Energy (\$)</u>	<u>Demand (\$)</u>	<u>Total (\$)</u>
1			
a			
b			
c			
2			
3			
4			
5			

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 (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015

O & M Activities
 (in Dollars)

Line	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	End of	Method of Classification		
	January	February	March	April	May	June	July	August	September	October	November	December	12-Month	Demand	Energy	
1	Description of O & M Activities															
. 1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
. 2	0	0	345,156	10,000	0	0	0	150,000	0	0	0	0	505,156	0	505,156	
. 3	10,339	10,339	10,637	15,748	10,637	11,525	11,137	11,137	16,748	11,637	11,137	11,137	142,158	0	142,158	
. 4	1,500	0	0	0	0	0	0	0	0	0	0	0	1,500	1,500	0	
. 5	58,495	92,495	96,224	72,277	59,174	55,999	56,999	55,499	68,602	57,024	57,524	77,036	807,348	0	807,348	
. 6	151,880	168,431	180,832	215,456	201,646	172,693	169,262	170,387	199,978	165,464	169,454	174,052	2,139,535	2,139,535	0	
. 7	168,128	215,008	218,495	235,707	216,979	186,123	179,478	185,735	202,971	812,953	781,668	770,720	4,173,965	4,173,965	0	
. 8	34,500	7,500	7,500	0	0	0	0	0	0	0	0	0	49,500	49,500	0	
. 9	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	1,373	16,476	16,476	0	
. 10	750	750	750	750	750	750	750	750	750	750	750	750	9,000	9,000	0	
. 11	65,269	62,769	55,809	65,083	58,309	55,853	55,853	55,853	65,146	55,853	55,857	55,868	707,522	707,522	0	
. 12	4,438	4,438	14,457	14,793	4,457	7,657	4,457	4,457	9,793	19,457	19,457	9,461	117,322	117,322	0	
. 13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 16	3,091	13,381	3,533	14,265	3,533	14,706	3,533	13,823	3,975	14,706	3,091	14,266	105,903	0	105,903	
. 17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 19	401,086	401,086	409,519	95,835	83,959	100,029	84,465	83,959	95,888	100,593	75,622	92,190	2,024,231	0	2,024,231	
. 20	1,545,098	1,578,142	1,748,474	1,817,087	1,683,629	918,317	1,576,442	1,500,354	959,600	1,154,431	584,991	1,489,886	16,556,451	0	16,556,451	
. 21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 22	22,417	22,417	24,311	26,204	24,311	28,097	24,311	24,311	26,204	28,097	22,417	26,205	299,302	299,302	0	
. 23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 24	7,707	9,342	8,779	9,951	7,518	8,271	10,864	10,439	8,575	6,382	6,459	3,609	97,897	0	97,897	
. 25	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	
. 26	34,076	40,504	37,733	39,711	25,355	28,506	40,075	38,758	30,387	18,950	20,830	(4,823)	350,060	0	350,060	
2	<u>2,510,147</u>	<u>2,627,975</u>	<u>3,163,582</u>	<u>2,634,240</u>	<u>2,381,630</u>	<u>1,589,899</u>	<u>2,218,999</u>	<u>2,306,836</u>	<u>1,689,990</u>	<u>2,447,670</u>	<u>1,810,630</u>	<u>2,721,730</u>	<u>28,103,327</u>	<u>7,514,122</u>	<u>20,589,205</u>	
3	2,059,892	2,145,289	2,660,055	2,074,874	1,873,805	1,137,353	1,783,515	1,863,970	1,183,775	1,363,723	759,654	1,683,301	20,589,205			
4	450,255	482,686	503,527	559,366	507,825	452,546	435,484	442,866	506,215	1,083,947	1,050,976	1,038,429	7,514,122			
5	0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853				
6	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146				
7	1,994,254	2,077,614	2,579,468	2,013,328	1,819,687	1,105,879	1,734,474	1,811,342	1,150,648	1,323,883	735,573	1,627,640	19,973,789			
8	<u>437,069</u>	<u>468,550</u>	<u>488,781</u>	<u>542,985</u>	<u>492,953</u>	<u>439,293</u>	<u>422,731</u>	<u>429,896</u>	<u>491,390</u>	<u>1,052,203</u>	<u>1,020,198</u>	<u>1,008,018</u>	<u>7,294,068</u>			
9	<u>2,431,323</u>	<u>2,546,164</u>	<u>3,068,249</u>	<u>2,556,312</u>	<u>2,312,640</u>	<u>1,545,172</u>	<u>2,157,204</u>	<u>2,241,238</u>	<u>1,642,038</u>	<u>2,376,086</u>	<u>1,755,771</u>	<u>2,635,658</u>	<u>27,267,857</u>			

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

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015

Capital Investment Projects - Recoverable Costs
(in Dollars)

Line	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	End of	Method of Classification		
	January	February	March	April	May	June	July	August	September	October	November	December	12-Month	Demand	Energy	
1 Description of Investment Projects (A)	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
. 1 Air Quality Assurance Testing																
. 2 Crist 5, 6 & 7 Precipitator Projects	366,464	365,884	365,303	364,722	364,085	363,767	363,044	362,322	361,600	360,878	360,155	359,433	4,357,657	4,022,453	335,204	
. 3 Crist 7 Flue Gas Conditioning	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	120,961	111,657	9,305	
. 4 Low NOx Burners, Crist 6 & 7	132,320	132,415	132,510	132,604	132,699	132,794	132,889	132,983	133,078	133,173	133,268	133,363	1,594,097	1,471,474	122,623	
. 5 CEMS - Plants Crist, Scholz, Smith, & Daniel	86,600	86,454	86,307	86,160	86,014	85,867	85,720	85,574	85,427	85,280	85,134	84,987	1,029,523	950,328	79,194	
. 6 Substation Contamination Remediation	19,207	19,176	19,145	19,113	19,082	19,051	19,020	18,988	18,957	18,926	18,895	18,864	228,423	210,852	17,571	
. 7 Raw Water Well Flowmeters - Plants Crist & Smith	1,597	1,592	1,588	1,583	1,578	1,573	1,568	1,563	1,559	1,554	1,549	1,544	18,848	17,398	1,450	
. 8 Crist Cooling Tower Cell	3,431	3,431	3,431	3,431	3,431	3,431	3,431	3,431	3,431	3,431	3,431	3,431	41,176	38,008	3,167	
. 9 Crist Dechlorination System	2,447	2,439	2,432	2,424	2,416	2,408	2,400	2,393	2,385	2,377	2,369	2,362	28,853	26,633	2,219	
. 10 Crist Diesel Fuel Oil Remediation	395	394	392	391	389	388	387	385	384	382	381	380	4,647	4,290	357	
. 11 Crist Bulk Tanker Unload Sec Contain Struc	518	516	514	511	509	507	505	503	501	499	497	495	6,076	5,608	467	
. 12 Crist IWW Sampling System	301	300	299	298	297	295	294	293	292	291	289	288	3,538	3,266	272	
. 13 Sodium Injection System	2,868	2,861	2,853	2,845	2,837	2,829	2,822	2,814	2,806	2,798	2,790	2,783	33,906	31,298	2,608	
. 14 Smith Stormwater Collection System	15,337	15,284	15,231	15,178	15,125	15,071	15,018	14,965	14,912	14,859	14,806	14,753	180,539	166,651	13,888	
. 15 Smith Waste Water Treatment Facility	2,191	2,188	2,184	2,181	2,177	2,174	2,170	2,167	2,164	2,160	2,157	2,153	26,066	24,061	2,005	
. 16 Daniel Ash Management Project	123,945	123,641	123,336	123,032	122,727	122,423	122,118	121,813	121,509	121,204	120,900	120,595	1,467,244	1,354,379	112,865	
. 17 Smith Water Conservation	115,018	117,503	119,988	122,473	124,958	127,443	129,928	132,413	134,898	137,383	139,868	142,353	1,544,231	1,425,444	118,787	
. 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	1,037,361	1,035,052	1,032,742	1,030,432	1,028,121	1,025,810	1,023,500	1,021,190	1,018,880	1,016,570	1,014,260	1,011,950	12,283,029	11,338,181	944,848	
. 20 SPCC Compliance	7,450	7,431	7,413	7,394	7,375	7,356	7,337	7,318	7,299	7,280	7,261	7,242	88,156	81,375	6,781	
. 21 Crist Common FTIR Monitor	460	459	458	456	455	454	452	451	450	449	447	446	5,437	5,019	418	
. 22 Precipitator Upgrades for CAM Compliance	240,226	239,640	239,053	238,467	237,880	237,294	236,707	236,121	235,534	234,948	234,361	233,775	2,844,006	2,625,236	218,770	
. 23 Plant Groundwater Investigation	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 24 Crist Water Conservation	174,669	174,263	173,857	173,451	173,046	172,640	172,234	171,828	171,422	171,017	170,611	170,205	2,069,243	1,910,071	159,173	
. 25 NPDES Permit Compliance Projects	48,431	48,306	48,181	48,057	47,932	47,808	47,683	47,558	47,434	47,309	47,185	47,060	572,945	528,872	44,073	
. 26 Air Quality Compliance Program	7,506,849	7,494,863	7,483,787	7,472,761	7,463,585	7,450,143	7,439,240	7,423,615	7,410,588	7,397,425	7,383,618	7,369,811	90,491,134	83,530,277	6,960,856	
. 27 General Water Quality	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 28 Mercury Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 29 Annual NOx Allowances	2,751	2,692	2,629	2,564	2,503	2,448	2,382	2,308	2,242	2,190	2,146	2,111	28,966	26,738	2,228	
. 30 Seasonal NOx Allowances	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
. 31 SO2 Allowances	45,410	45,151	44,879	44,611	44,385	44,198	43,960	43,686	43,446	43,275	43,137	43,081	529,219	488,510	40,709	
2 Total Investment Projects - Recoverable Costs	9,946,329	9,932,013	9,918,592	9,904,719	9,893,687	9,884,451	9,862,701	9,844,588	9,829,616	9,817,455	9,802,314	10,981,454	119,597,918	110,398,078	9,199,840	
3 Recoverable Costs Allocated to Energy	765,102	764,001.01	762,969	761,901	761,053	758,804	758,669	757,276	756,124	755,189	754,024	844,727	9,199,840			
4 Recoverable Costs Allocated to Demand	9,181,226	9,168,012.18	9,155,623	9,142,818	9,132,634	9,105,647	9,104,032	9,087,312	9,073,492	9,062,266	9,048,290	10,136,726	110,398,078			
5 Retail Energy Jurisdictional Factor	0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853				
6 Retail Demand Jurisdictional Factor	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146				
7 Jurisdictional Energy Recoverable Costs (B)	740,723	739,899.77	739,854	739,302	739,073	737,806	737,808	735,895	734,965	733,127	730,122	816,795	8,925,368			
8 Jurisdictional Demand Recoverable Costs (C)	8,912,351	8,899,523.28	8,887,497	8,875,067	8,865,181	8,838,285	8,837,417	8,821,187	8,807,771	8,796,874	8,783,307	9,839,868	107,165,027			
9 Total Jurisdictional Recoverable Costs for Investment Projects (Lines 7 + 8)	9,653,073	9,639,423	9,627,352	9,614,368	9,604,254	9,576,790	9,575,225	9,557,082	9,542,735	9,530,001	9,513,429	10,656,663	116,090,394			

Notes:

- (A) Pages 1-27 of Schedule 4P, Line 9, Pages 28-31 of Schedule 4P, Line 6
- (B) Line 3 x Line 5 x Line loss multiplier
- (C) Line 4 x Line 6

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
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	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	350,812	350,812	350,812	350,812	350,812	350,812	350,812	350,812	350,812	350,812	350,812	350,812	350,812	350,812
3	Less: Accumulated Depreciation (C)	(350,812)	(350,812)	(350,812)	(350,812)	(350,812)	(350,812)	(350,812)	(350,812)	(350,812)	(350,812)	(350,812)	(350,812)	(350,812)	(350,812)
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) (A)	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		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(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 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) PE 1006 & 1244 are fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
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 of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		20,000	20,000	20,000	20,000	3,538	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	133,953	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)	33,557,261	33,557,261	33,557,261	33,557,261	33,557,261	33,691,214	33,691,214	33,691,214	33,691,214	33,691,214	33,691,214	33,691,214	33,691,214	33,691,214
3	Less: Accumulated Depreciation (C)	4,292,959	4,189,311	4,085,662	3,982,014	3,878,365	3,774,717	3,670,677	3,566,638	3,462,599	3,358,560	3,254,520	3,150,481	3,046,442	
4	CWIP - Non Interest Bearing	50,415	70,415	90,415	110,415	130,415	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	37,900,635	37,816,987	37,733,338	37,649,690	37,566,041	37,465,931	37,361,891	37,257,852	37,153,813	37,049,774	36,945,734	36,841,695	36,737,656	
6	Average Net Investment		37,858,811	37,775,163	37,691,514	37,607,866	37,515,986	37,413,911	37,309,872	37,205,833	37,101,793	36,997,754	36,893,715	36,789,675	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		208,299	207,839	207,379	206,918	206,413	205,851	205,279	204,706	204,134	203,562	202,989	202,417	2,465,787
b	Debt Component (Line 6 x Debt Component x 1/12)		54,517	54,396	54,276	54,155	54,023	53,876	53,726	53,576	53,427	53,277	53,127	52,977	645,353
8	Investment Expenses														
a	Depreciation (E)		97,887	97,887	97,887	97,887	97,887	98,277	98,277	98,277	98,277	98,277	98,277	98,277	1,177,374
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		5,762	5,762	5,762	5,762	5,762	5,762	5,762	5,762	5,762	5,762	5,762	5,762	69,144
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)		366,464	365,884	365,303	364,722	364,085	363,767	363,044	362,322	361,600	360,878	360,155	359,433	4,357,657
a	Recoverable Costs Allocated to Energy		28,190	28,145	28,100	28,056	28,007	27,982	27,926	27,871	27,815	27,760	27,704	27,649	335,204
b	Recoverable Costs Allocated to Demand		338,275	337,739	337,203	336,667	336,078	335,785	335,118	334,451	333,785	333,118	332,451	331,784	4,022,453
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		27,291	27,257	27,249	27,223	27,198	27,208	27,159	27,084	27,037	26,949	26,826	26,734	325,215
13	Retail Demand-Related Recoverable Costs (I)		328,368	327,848	327,328	326,807	326,236	325,951	325,304	324,657	324,010	323,362	322,715	322,068	3,904,654
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		355,660	355,105	354,577	354,031	353,433	353,159	352,462	351,741	351,047	350,311	349,541	348,803	4,229,869

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 name(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 10.25%.
- (E) 3.5% 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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
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	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046
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) (A)	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046
6	Average Net Investment		1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046	1,452,046
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		7,989	7,989	7,989	7,989	7,989	7,989	7,989	7,989	7,989	7,989	7,989	7,989	95,870
b	Debt Component (Line 6 x Debt Component x 1/12)		2,091	2,091	2,091	2,091	2,091	2,091	2,091	2,091	2,091	2,091	2,091	2,091	25,091
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)		10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	10,080	120,961
a	Recoverable Costs Allocated to Energy		775	775	775	775	775	775	775	775	775	775	775	775	9,305
b	Recoverable Costs Allocated to Demand		9,305	9,305	9,305	9,305	9,305	9,305	9,305	9,305	9,305	9,305	9,305	9,305	111,657
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		751	751	752	752	753	754	754	753	754	753	751	750	9,027
13	Retail Demand-Related Recoverable Costs (I)		9,032	9,032	9,032	9,032	9,032	9,032	9,032	9,032	9,032	9,032	9,032	9,032	108,387
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		9,783	9,783	9,784	9,785	9,785	9,786	9,786	9,786	9,786	9,785	9,783	9,782	117,414

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 name(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 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
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	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		40,189	40,189	40,189	40,189	40,189	40,189	40,189	40,189	40,189	40,189	40,189	40,389	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	2,186,163	
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)	9,097,924	9,097,924	9,097,924	9,097,924	9,097,924	9,097,924	9,097,924	9,097,924	9,097,924	9,097,924	9,097,924	9,097,924	11,284,087	
3	Less: Accumulated Depreciation (C)	4,429,456	4,402,917	4,376,379	4,349,840	4,323,301	4,296,763	4,270,224	4,243,685	4,217,147	4,190,608	4,164,069	4,137,531	4,110,992	
4	CWIP - Non Interest Bearing	1,703,695	1,743,884	1,784,073	1,824,262	1,864,451	1,904,640	1,944,829	1,985,018	2,025,207	2,065,396	2,105,585	2,145,774	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	15,231,075	15,244,725	15,258,375	15,272,026	15,285,676	15,299,326	15,312,977	15,326,627	15,340,277	15,353,928	15,367,578	15,381,228	15,395,079	
6	Average Net Investment		15,237,900	15,251,550	15,265,200	15,278,851	15,292,501	15,306,151	15,319,802	15,333,452	15,347,103	15,360,753	15,374,403	15,388,154	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		83,839	83,914	83,989	84,064	84,139	84,214	84,290	84,365	84,440	84,515	84,590	84,666	1,011,025
b	Debt Component (Line 6 x Debt Component x 1/12)		21,943	21,962	21,982	22,002	22,021	22,041	22,061	22,080	22,100	22,119	22,139	22,159	264,608
8	Investment Expenses														
a	Depreciation (E)		26,539	26,539	26,539	26,539	26,539	26,539	26,539	26,539	26,539	26,539	26,539	26,539	318,464
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	
d	Property Taxes		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	
9	Total System Recoverable Expenses (Lines 7 + 8)		132,320	132,415	132,510	132,604	132,699	132,794	132,889	132,983	133,078	133,173	133,268	133,363	1,594,097
a	Recoverable Costs Allocated to Energy		10,178	10,186	10,193	10,200	10,208	10,215	10,222	10,229	10,237	10,244	10,251	10,259	122,623
b	Recoverable Costs Allocated to Demand		122,142	122,229	122,317	122,404	122,492	122,579	122,667	122,754	122,841	122,929	123,016	123,105	1,471,474
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		9,854	9,864	9,884	9,898	9,913	9,932	9,941	9,941	9,950	9,945	9,926	9,919	118,968
13	Retail Demand-Related Recoverable Costs (I)		118,565	118,650	118,735	118,819	118,904	118,989	119,074	119,159	119,244	119,329	119,414	119,499	1,428,381
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		128,419	128,514	128,619	128,717	128,817	128,922	129,015	129,100	129,194	129,274	129,340	129,419	1,547,350

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 name(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 10.25%.
- (E) 3.5% 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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015

Return on Capital Investments, Depreciation and Taxes
For Project: CEMS - Plants Crist, Scholz, Smith, & Daniel

P.E.s 1001, 1060, 1154, 1164, 1213, 1217, 1240, 1245, 1247, 1256, 1283, 1286, 1289, 1290, 1311, 1316, 1323, 1324, 1325, 1357, 1358, 1364, 1440, 1441, 1442, 1444, 1445, 1454, 1459, 1460, 1558, 1570, 1592, 1658, 1829, 1830
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	7,278,210	7,278,210	7,278,210	7,278,210	7,278,210	7,278,210	7,278,210	7,278,210	7,278,210	7,278,210	7,278,210	7,278,210	7,278,210	7,278,210
3	Less: Accumulated Depreciation (C)	2,005,326	1,984,198	1,963,070	1,941,941	1,920,813	1,899,685	1,878,556	1,857,428	1,836,299	1,815,171	1,794,043	1,772,914	1,751,786	1,730,658
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	9,283,537	9,262,408	9,241,280	9,220,152	9,199,023	9,177,895	9,156,767	9,135,638	9,114,510	9,093,381	9,072,253	9,051,125	9,029,996	9,008,868
6	Average Net Investment		9,272,973	9,251,844	9,230,716	9,209,587	9,188,459	9,167,331	9,146,202	9,125,074	9,103,946	9,082,817	9,061,689	9,040,560	9,019,432
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		51,020	50,904	50,787	50,671	50,555	50,439	50,322	50,206	50,090	49,974	49,857	49,741	604,566
b	Debt Component (Line 6 x Debt Component x 1/12)		13,353	13,323	13,292	13,262	13,231	13,201	13,171	13,140	13,110	13,079	13,049	13,018	158,229
8	Investment Expenses														
a	Depreciation (E)		21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	21,033	252,392
b	Amortization (F)		96	96	96	96	96	96	96	96	96	96	96	96	1,149
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	1,099	13,187
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	86,600	86,454	86,307	86,160	86,014	85,867	85,720	85,574	85,427	85,280	85,134	84,987	84,840	1,029,523
a	Recoverable Costs Allocated to Energy	6,662	6,650	6,639	6,628	6,616	6,605	6,594	6,583	6,571	6,560	6,549	6,537	6,526	79,194
b	Recoverable Costs Allocated to Demand	79,939	79,803	79,668	79,533	79,397	79,262	79,126	78,991	78,856	78,720	78,585	78,449	78,314	950,328
10	Energy Jurisdictional Factor	0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	0.9641208	0.9627563
11	Demand Jurisdictional Factor	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146
12	Retail Energy-Related Recoverable Costs (H)		6,449	6,440	6,438	6,431	6,425	6,422	6,413	6,397	6,387	6,368	6,341	6,321	76,834
13	Retail Demand-Related Recoverable Costs (I)		77,598	77,466	77,335	77,203	77,072	76,941	76,809	76,678	76,546	76,415	76,283	76,152	922,498
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	84,047	83,907	83,773	83,634	83,497	83,363	83,222	83,074	82,934	82,783	82,625	82,473	82,324	999,332

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Beginning and Ending Balances: Crist \$4,053,254; Smith \$1,729,329; Daniel \$584,373, Scholz \$911,255.
- (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 10.25%.
- (E) Crist 3.5%; Crist 1-3 CEMS 3.2%; Smith 3.3%; Scholz 4.1%; Daniel 2.8% annually.
- (F) Part of PE 1283 has a 7 year amortization period. PEs 1364 & 1658 are fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Substation Contamination Remediation
P.E.s 1007, 2859, 3400, 3412, 3463, 3477
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	2,484,636	2,484,636	2,484,636	2,484,636	2,484,636	2,484,636	2,484,636	2,484,636	2,484,636	2,484,636	2,484,636	2,484,636	2,484,636	2,484,636
3	Less: Accumulated Depreciation (C)	(363,548)	(368,046)	(372,544)	(377,042)	(381,540)	(386,038)	(390,536)	(395,034)	(399,532)	(404,030)	(408,528)	(413,026)	(417,524)	
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) (A)	2,121,088	2,116,590	2,112,092	2,107,594	2,103,096	2,098,598	2,094,100	2,089,602	2,085,104	2,080,606	2,076,108	2,071,610	2,067,112	
6	Average Net Investment		2,118,839	2,114,341	2,109,843	2,105,345	2,100,847	2,096,349	2,091,851	2,087,353	2,082,855	2,078,357	2,073,859	2,069,361	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		11,658	11,633	11,608	11,584	11,559	11,534	11,509	11,485	11,460	11,435	11,410	11,386	138,261
b	Debt Component (Line 6 x Debt Component x 1/12)		3,051	3,045	3,038	3,032	3,025	3,019	3,012	3,006	2,999	2,993	2,986	2,980	36,186
8	Investment Expenses														
a	Depreciation (E)		4,498	4,498	4,498	4,498	4,498	4,498	4,498	4,498	4,498	4,498	4,498	4,498	53,976
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)		19,207	19,176	19,145	19,113	19,082	19,051	19,020	18,988	18,957	18,926	18,895	18,864	228,423
a	Recoverable Costs Allocated to Energy		1,477	1,475	1,473	1,470	1,468	1,465	1,463	1,461	1,458	1,456	1,453	1,451	17,571
b	Recoverable Costs Allocated to Demand		17,730	17,701	17,672	17,643	17,614	17,585	17,557	17,528	17,499	17,470	17,441	17,412	210,852
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		1,430	1,429	1,428	1,427	1,425	1,425	1,423	1,419	1,417	1,413	1,407	1,403	17,047
13	Retail Demand-Related Recoverable Costs (I)		17,210	17,182	17,154	17,126	17,098	17,070	17,042	17,014	16,986	16,959	16,931	16,903	204,677
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		18,641	18,611	18,582	18,553	18,524	18,495	18,465	18,434	18,404	18,372	18,338	18,306	221,725

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 name(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 10.25%.
- (E) Part of PE 1007 depreciable at 2.2% annually; PEs 3400 and 3412 are depreciable at 2.2% annually; PE 2859 depreciable at 2.0% 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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Raw Water Well Flowmeters - Plants Crist & Smith
P.E.s 1155 & 1606
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973
3	Less: Accumulated Depreciation (C)	(112,413)	(113,106)	(113,799)	(114,492)	(115,186)	(115,879)	(116,572)	(117,265)	(117,958)	(118,652)	(119,345)	(120,038)	(120,731)	(120,731)
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) (A)	130,560	129,867	129,173	128,480	127,787	127,094	126,401	125,707	125,014	124,321	123,628	122,935	122,241	
6	Average Net Investment		130,213	129,520	128,827	128,134	127,440	126,747	126,054	125,361	124,668	123,974	123,281	122,588	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		716	713	709	705	701	697	694	690	686	682	678	674	8,345
b	Debt Component (Line 6 x Debt Component x 1/12)		188	187	186	185	184	183	182	181	180	179	178	177	2,184
8	Investment Expenses														
a	Depreciation (E)		693	693	693	693	693	693	693	693	693	693	693	693	8,319
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)		1,597	1,592	1,588	1,583	1,578	1,573	1,568	1,563	1,559	1,554	1,549	1,544	18,848
a	Recoverable Costs Allocated to Energy		123	122	122	122	121	121	121	120	120	120	119	119	1,450
b	Recoverable Costs Allocated to Demand		1,474	1,470	1,465	1,461	1,457	1,452	1,448	1,443	1,439	1,434	1,430	1,425	17,398
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		119	119	118	118	118	118	117	117	117	116	115	115	1,407
13	Retail Demand-Related Recoverable Costs (I)		1,431	1,427	1,422	1,418	1,414	1,410	1,405	1,401	1,397	1,392	1,388	1,384	16,889
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		1,550	1,545	1,541	1,536	1,532	1,527	1,523	1,518	1,513	1,508	1,503	1,499	18,295

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Beginning and Ending Balances: Crist \$149,950; 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 10.25%.
- (E) Crist 3.5%; Smith 3.3% annually.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Cooling Tower Cell
P.E. 1232
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283
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) (A)	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283
6	Average Net Investment		494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283	494,283
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		2,720	2,720	2,720	2,720	2,720	2,720	2,720	2,720	2,720	2,720	2,720	2,720	32,635
b	Debt Component (Line 6 x Debt Component x 1/12)		712	712	712	712	712	712	712	712	712	712	712	712	8,541
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)		3,431	3,431	3,431	3,431	3,431	3,431	3,431	3,431	3,431	3,431	3,431	3,431	41,176
a	Recoverable Costs Allocated to Energy		264	264	264	264	264	264	264	264	264	264	264	264	3,167
b	Recoverable Costs Allocated to Demand		3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	3,167	38,008
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		256	256	256	256	256	257	257	256	257	256	256	255	3,073
13	Retail Demand-Related Recoverable Costs (I)		3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,075	3,075	36,895
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		3,330	3,330	3,331	3,331	3,331	3,331	3,331	3,331	3,331	3,331	3,330	3,330	39,968

- 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 name(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 10.25%.
 - (E) Applicable depreciation rate or rates.
 - (F) Applicable amortization period.
 - (G) Description and reason for "Other" adjustments to investment expenses for this project.
 - (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
 - (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Dechlorination System
P.E.s 1180 & 1248
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	384,470	384,470	384,470	384,470	384,470	384,470	384,470	384,470	384,470	384,470	384,470	384,470	384,470	384,470
3	Less: Accumulated Depreciation (C)	(192,941)	(194,063)	(195,184)	(196,306)	(197,427)	(198,549)	(199,670)	(200,792)	(201,913)	(203,035)	(204,156)	(205,278)	(206,399)	
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) (A)	191,529	190,407	189,286	188,164	187,043	185,921	184,800	183,678	182,557	181,435	180,314	179,192	178,071	
6	Average Net Investment		190,968	189,846	188,725	187,603	186,482	185,360	184,239	183,117	181,996	180,874	179,753	178,631	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,051	1,045	1,038	1,032	1,026	1,020	1,014	1,008	1,001	995	989	983	12,201
b	Debt Component (Line 6 x Debt Component x 1/12)		275	273	272	270	269	267	265	264	262	260	259	257	3,193
8	Investment Expenses														
a	Depreciation (E)		1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	1,122	13,458
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)		2,447	2,439	2,432	2,424	2,416	2,408	2,400	2,393	2,385	2,377	2,369	2,362	28,853
a	Recoverable Costs Allocated to Energy		188	188	187	186	186	185	185	184	183	183	182	182	2,219
b	Recoverable Costs Allocated to Demand		2,259	2,252	2,245	2,237	2,230	2,223	2,216	2,209	2,201	2,194	2,187	2,180	26,633
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		182	182	181	181	180	180	180	179	178	178	176	176	2,153
13	Retail Demand-Related Recoverable Costs (I)		2,193	2,186	2,179	2,172	2,165	2,158	2,151	2,144	2,137	2,130	2,123	2,116	25,853
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,375	2,368	2,360	2,353	2,345	2,338	2,331	2,323	2,315	2,308	2,300	2,292	28,006

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 name(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 10.25%.
- (E) 3.5% 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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Diesel Fuel Oil Remediation
P.E. 1270
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
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	
3	Less: Accumulated Depreciation (C)	(40,893)	(41,094)	(41,295)	(41,496)	(41,697)	(41,898)	(42,099)	(42,300)	(42,501)	(42,702)	(42,903)	(43,105)	(43,306)	
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) (A)	28,030	27,829	27,628	27,427	27,226	27,025	26,824	26,623	26,422	26,221	26,020	25,819	25,617	
6	Average Net Investment		27,930	27,729	27,527	27,326	27,125	26,924	26,723	26,522	26,321	26,120	25,919	25,718	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		154	153	151	150	149	148	147	146	145	144	143	142	1,771
b	Debt Component (Line 6 x Debt Component x 1/12)		40	40	40	39	39	39	38	38	38	38	37	37	464
8	Investment Expenses														
a	Depreciation (E)		201	201	201	201	201	201	201	201	201	201	201	201	2,413
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)		395	394	392	391	389	388	387	385	384	382	381	380	4,647
a	Recoverable Costs Allocated to Energy		30	30	30	30	30	30	30	30	30	29	29	29	357
b	Recoverable Costs Allocated to Demand		365	363	362	361	359	358	357	356	354	353	352	350	4,290
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		29	29	29	29	29	29	29	29	29	29	28	28	347
13	Retail Demand-Related Recoverable Costs (I)		354	353	351	350	349	348	346	345	344	343	341	340	4,164
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		383	382	381	379	378	377	375	374	373	371	370	368	4,511

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 name(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 10.25%.
- (E) 3.5% 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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Bulk Tanker Unload Sec Contain Struc
P.E. 1271
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495
3	Less: Accumulated Depreciation (C)	(69,431)	(69,727)	(70,023)	(70,319)	(70,615)	(70,911)	(71,208)	(71,504)	(71,800)	(72,096)	(72,392)	(72,688)	(72,984)	(72,984)
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) (A)	32,064	31,768	31,472	31,176	30,880	30,584	30,288	29,991	29,695	29,399	29,103	28,807	28,511	
6	Average Net Investment		31,916	31,620	31,324	31,028	30,732	30,436	30,139	29,843	29,547	29,251	28,955	28,659	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		176	174	172	171	169	167	166	164	163	161	159	158	2,000
b	Debt Component (Line 6 x Debt Component x 1/12)		46	46	45	45	44	44	43	43	43	42	42	41	523
8	Investment Expenses														
a	Depreciation (E)		296	296	296	296	296	296	296	296	296	296	296	296	3,553
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)		518	516	514	511	509	507	505	503	501	499	497	495	6,076
a	Recoverable Costs Allocated to Energy		40	40	40	39	39	39	39	39	39	38	38	38	467
b	Recoverable Costs Allocated to Demand		478	476	474	472	470	468	466	465	463	461	459	457	5,608
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		39	38	38	38	38	38	38	38	37	37	37	37	453
13	Retail Demand-Related Recoverable Costs (I)		464	462	460	458	456	455	453	451	449	447	445	444	5,444
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		502	500	498	496	494	493	491	489	487	485	482	480	5,898

- 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 name(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 10.25%.
 - (E) 3.5% 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 1.0015 line loss multiplier.
 - (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Crist IWW Sampling System
P.E. 1275
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543
3	Less: Accumulated Depreciation (C)	(41,051)	(41,224)	(41,398)	(41,572)	(41,745)	(41,919)	(42,093)	(42,266)	(42,440)	(42,614)	(42,787)	(42,961)	(43,135)	
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) (A)	18,492	18,319	18,145	17,971	17,798	17,624	17,450	17,276	17,103	16,929	16,755	16,582	16,408	
6	Average Net Investment		18,405	18,232	18,058	17,884	17,711	17,537	17,363	17,190	17,016	16,842	16,669	16,495	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		101	100	99	98	97	96	95	94	93	92	91	91	1,152
b	Debt Component (Line 6 x Debt Component x 1/12)		27	26	26	26	26	25	25	25	25	24	24	24	302
8	Investment Expenses														
a	Depreciation (E)		174	174	174	174	174	174	174	174	174	174	174	174	2,084
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)		301	300	299	298	297	295	294	293	292	291	289	288	3,538
a	Recoverable Costs Allocated to Energy		23	23	23	23	23	23	23	23	22	22	22	22	272
b	Recoverable Costs Allocated to Demand		278	277	276	275	274	273	272	270	269	268	267	266	3,266
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		22	22	22	22	22	22	22	22	22	22	22	21	264
13	Retail Demand-Related Recoverable Costs (I)		270	269	268	267	266	265	264	263	261	260	259	258	3,170
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		293	291	290	289	288	287	286	284	283	282	281	280	3,434

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 name(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 10.25%.
- (E) 3.5% 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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Sodium Injection System
P.E.s 1214 & 1413
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	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)	(139,149)	(140,272)	(141,395)	(142,518)	(143,641)	(144,764)	(145,887)	(147,010)	(148,134)	(149,257)	(150,380)	(151,503)	(152,626)	
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) (A)	251,970	250,847	249,724	248,601	247,478	246,355	245,232	244,109	242,985	241,862	240,739	239,616	238,493	
6	Average Net Investment		251,409	250,286	249,163	248,039	246,916	245,793	244,670	243,547	242,424	241,301	240,178	239,055	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,383	1,377	1,371	1,365	1,359	1,352	1,346	1,340	1,334	1,328	1,321	1,315	16,191
b	Debt Component (Line 6 x Debt Component x 1/12)		362	360	359	357	356	354	352	351	349	347	346	344	4,238
8	Investment Expenses														
a	Depreciation (E)		1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	1,123	13,477
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)		2,868	2,861	2,853	2,845	2,837	2,829	2,822	2,814	2,806	2,798	2,790	2,783	33,906
a	Recoverable Costs Allocated to Energy		221	220	219	219	218	218	217	216	216	215	215	214	2,608
b	Recoverable Costs Allocated to Demand		2,648	2,641	2,633	2,626	2,619	2,612	2,605	2,597	2,590	2,583	2,576	2,569	31,298
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		214	213	213	212	212	212	211	210	210	209	208	207	2,530
13	Retail Demand-Related Recoverable Costs (I)		2,570	2,563	2,556	2,549	2,542	2,535	2,528	2,521	2,514	2,507	2,500	2,493	30,381
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,784	2,776	2,769	2,762	2,754	2,747	2,739	2,732	2,724	2,716	2,708	2,700	32,912

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Beginning and Ending Balances: Crist \$284,622; 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 10.25%.
- (E) Crist 3.5% annually; Smith 3.3% annually.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Smith Stormwater Collection System
P.E. 1446
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600
3	Less: Accumulated Depreciation (C)	(1,671,754)	(1,679,406)	(1,687,058)	(1,694,710)	(1,702,362)	(1,710,014)	(1,717,667)	(1,725,319)	(1,732,971)	(1,740,623)	(1,748,275)	(1,755,927)	(1,763,579)	
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) (A)	1,110,847	1,103,194	1,095,542	1,087,890	1,080,238	1,072,586	1,064,934	1,057,282	1,049,629	1,041,977	1,034,325	1,026,673	1,019,021	
6	Average Net Investment		1,107,021	1,099,368	1,091,716	1,084,064	1,076,412	1,068,760	1,061,108	1,053,455	1,045,803	1,038,151	1,030,499	1,022,847	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		6,091	6,049	6,007	5,965	5,922	5,880	5,838	5,796	5,754	5,712	5,670	5,628	70,311
b	Debt Component (Line 6 x Debt Component x 1/12)		1,594	1,583	1,572	1,561	1,550	1,539	1,528	1,517	1,506	1,495	1,484	1,473	18,402
8	Investment Expenses														
a	Depreciation (E)		7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	91,826
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)		15,337	15,284	15,231	15,178	15,125	15,071	15,018	14,965	14,912	14,859	14,806	14,753	180,539
a	Recoverable Costs Allocated to Energy		1,180	1,176	1,172	1,168	1,163	1,159	1,155	1,151	1,147	1,143	1,139	1,135	13,888
b	Recoverable Costs Allocated to Demand		14,157	14,108	14,059	14,010	13,961	13,912	13,863	13,814	13,765	13,716	13,667	13,618	166,651
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		1,142	1,139	1,136	1,133	1,130	1,127	1,123	1,119	1,115	1,110	1,103	1,097	13,474
13	Retail Demand-Related Recoverable Costs (I)		13,743	13,695	13,648	13,600	13,552	13,505	13,457	13,410	13,362	13,314	13,267	13,219	161,771
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		14,885	14,834	14,784	14,733	14,682	14,632	14,581	14,528	14,477	14,424	14,370	14,316	175,245

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 name(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 10.25%.
- (E) 3.3% annually.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Smith Waste Water Treatment Facility
P.E.s 1466 & 1643
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	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)	66,000	65,508	65,016	64,524	64,032	63,540	63,047	62,555	62,063	61,571	61,079	60,587	60,095	
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) (A)	244,962	244,470	243,978	243,486	242,994	242,501	242,009	241,517	241,025	240,533	240,041	239,549	239,056	
6	Average Net Investment		244,716	244,224	243,732	243,240	242,748	242,255	241,763	241,271	240,779	240,287	239,795	239,303	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,346	1,344	1,341	1,338	1,336	1,333	1,330	1,327	1,325	1,322	1,319	1,317	15,978
b	Debt Component (Line 6 x Debt Component x 1/12)		352	352	351	350	350	349	348	347	347	346	345	345	4,182
8	Investment Expenses														
a	Depreciation (E)		492	492	492	492	492	492	492	492	492	492	492	492	5,906
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)		2,191	2,188	2,184	2,181	2,177	2,174	2,170	2,167	2,164	2,160	2,157	2,153	26,066
a	Recoverable Costs Allocated to Energy		169	168	168	168	167	167	167	167	166	166	166	166	2,005
b	Recoverable Costs Allocated to Demand		2,022	2,019	2,016	2,013	2,010	2,007	2,004	2,000	1,997	1,994	1,991	1,988	24,061
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		163	163	163	163	163	163	162	162	162	161	161	160	1,945
13	Retail Demand-Related Recoverable Costs (I)		1,963	1,960	1,957	1,954	1,951	1,948	1,945	1,942	1,939	1,936	1,933	1,930	23,356
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,126	2,123	2,120	2,117	2,114	2,110	2,107	2,104	2,100	2,097	2,093	2,090	25,302

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 name(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 10.25%.
- (E) 3.3% annually.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Daniel Ash Management Project
P.E.s 1501, 1535, 1555, & 1819
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124
3	Less: Accumulated Depreciation (C)	(6,748,294)	(6,792,169)	(6,836,043)	(6,879,918)	(6,923,792)	(6,967,667)	(7,011,542)	(7,055,416)	(7,099,291)	(7,143,166)	(7,187,040)	(7,230,915)	(7,274,790)	
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) (A)	8,201,830	8,157,955	8,114,081	8,070,206	8,026,332	7,982,457	7,938,582	7,894,708	7,850,833	7,806,958	7,763,084	7,719,209	7,675,334	
6	Average Net Investment		8,179,893	8,136,018	8,092,143	8,048,269	8,004,394	7,960,520	7,916,645	7,872,770	7,828,896	7,785,021	7,741,146	7,697,272	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		45,006	44,764	44,523	44,282	44,040	43,799	43,557	43,316	43,075	42,833	42,592	42,350	524,137
b	Debt Component (Line 6 x Debt Component x 1/12)		11,779	11,716	11,653	11,590	11,526	11,463	11,400	11,337	11,274	11,210	11,147	11,084	137,179
8	Investment Expenses														
a	Depreciation (E)		34,879	34,879	34,879	34,879	34,879	34,879	34,879	34,879	34,879	34,879	34,879	34,879	418,544
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		8,996	8,996	8,996	8,996	8,996	8,996	8,996	8,996	8,996	8,996	8,996	8,996	107,952
d	Property Taxes		23,286	23,286	23,286	23,286	23,286	23,286	23,286	23,286	23,286	23,286	23,286	23,286	279,432
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		123,945	123,641	123,336	123,032	122,727	122,423	122,118	121,813	121,509	121,204	120,900	120,595	1,467,244
a	Recoverable Costs Allocated to Energy		9,534	9,511	9,487	9,464	9,441	9,417	9,394	9,370	9,347	9,323	9,300	9,277	112,865
b	Recoverable Costs Allocated to Demand		114,411	114,130	113,849	113,568	113,287	113,005	112,724	112,443	112,162	111,881	111,600	111,319	1,354,379
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		9,230	9,211	9,200	9,183	9,168	9,157	9,135	9,106	9,085	9,051	9,005	8,970	109,501
13	Retail Demand-Related Recoverable Costs (I)		111,061	110,788	110,515	110,242	109,969	109,696	109,423	109,150	108,877	108,604	108,331	108,059	1,314,715
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		120,291	119,999	119,715	119,425	119,137	118,853	118,559	118,256	117,963	117,655	117,337	117,028	1,424,216

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 name(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 10.25%.
- (E) 2.8% annually.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Smith Water Conservation
P.E.s 1601, 1620 & 1638
(in Dollars)

<u>Line</u>	<u>Description</u>	<u>Beginning of Period Amount</u>	<u>Projected January</u>	<u>Projected February</u>	<u>Projected March</u>	<u>Projected April</u>	<u>Projected May</u>	<u>Projected June</u>	<u>Projected July</u>	<u>Projected August</u>	<u>Projected September</u>	<u>Projected October</u>	<u>Projected November</u>	<u>Projected December</u>	<u>End of Period Amount</u>
1	Investments														
a	Expenditures/Additions		358,333	358,333	358,333	358,333	358,333	358,333	358,333	358,333	358,333	358,333	358,333	358,333	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	20,546,290
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)	134,134	134,134	134,134	134,134	134,134	134,134	134,134	134,134	134,134	134,134	134,134	134,134	134,134	20,680,424
3	Less: Accumulated Depreciation (C)	(44,052)	(44,421)	(44,790)	(45,159)	(45,528)	(45,897)	(46,266)	(46,634)	(47,003)	(47,372)	(47,741)	(48,110)	(48,479)	(48,479)
4	CWIP - Non Interest Bearing	16,246,290	16,604,623	16,962,956	17,321,289	17,679,622	18,037,955	18,396,288	18,754,621	19,112,954	19,471,287	19,829,620	20,187,953	20,187,953	0
5	Net Investment (Lines 2 + 3 + 4) (A)	16,336,372	16,694,336	17,052,300	17,410,264	17,768,228	18,126,192	18,484,157	18,842,121	19,200,085	19,558,049	19,916,013	20,273,977	20,631,945	
6	Average Net Investment		16,515,354	16,873,318	17,231,282	17,589,246	17,947,210	18,305,174	18,663,139	19,021,103	19,379,067	19,737,031	20,094,995	20,452,961	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		90,867	92,837	94,807	96,776	98,746	100,715	102,685	104,654	106,624	108,593	110,563	112,532	1,220,398
b	Debt Component (Line 6 x Debt Component x 1/12)		23,782	24,298	24,813	25,329	25,844	26,359	26,875	27,390	27,906	28,421	28,937	29,452	319,406
8	Investment Expenses														
a	Depreciation (E)		369	369	369	369	369	369	369	369	369	369	369	369	4,426
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)	115,018	117,503	119,988	122,473	124,958	127,443	129,928	132,413	134,898	137,383	139,868	142,353	144,838	1,544,231
a	Recoverable Costs Allocated to Energy	8,848	9,039	9,230	9,421	9,612	9,803	9,994	10,186	10,377	10,568	10,759	10,950	11,141	118,787
b	Recoverable Costs Allocated to Demand	106,171	108,465	110,759	113,052	115,346	117,640	119,934	122,228	124,522	126,815	129,109	131,403	133,697	1,425,444
10	Energy Jurisdictional Factor	0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	0.9641408	
11	Demand Jurisdictional Factor	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)	8,566	8,754	8,950	9,142	9,335	9,532	9,720	9,898	10,086	10,259	10,418	10,588	10,758	115,247
13	Retail Demand-Related Recoverable Costs (I)	103,062	105,288	107,515	109,742	111,968	114,195	116,422	118,648	120,875	123,102	125,328	127,555	129,782	1,383,699
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	111,627	114,042	116,465	118,883	121,303	123,727	126,141	128,546	130,961	133,361	135,746	138,143	140,540	1,498,946

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 name(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 10.25%.
- (E) 3.3% annually.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Underground Fuel Tank Replacement
P.E. 4397
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	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) (A)	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		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(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 10.25%.
- (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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Crist FDEP Agreement for Ozone Attainment
P.E.s 1031, 1158, 1167, 1199, 1250, 1258, 1287, 1958
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		35,440	35,440	35,440	35,440	35,440	35,440	35,440	35,440	179,815	170,615	170,615	170,735	
b	Clearings to Plant		26,240	26,240	26,240	26,240	26,240	26,240	26,240	26,240	850,248	26,240	26,240	603,860	
c	Retirements		0	0	0	0	0	0	0	0	0	0	400,000	155,359	
d	Cost of Removal		417	417	417	417	417	417	417	417	417	417	20,417	20,413	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	20,000	
2	Plant-in-Service/Depreciation Base (B)	117,920,986	117,947,226	117,973,466	117,999,706	118,025,946	118,052,186	118,078,426	118,104,666	118,130,906	118,981,154	119,007,394	118,633,634	119,082,135	
3	Less: Accumulated Depreciation (C)	(23,724,512)	(24,103,591)	(24,482,748)	(24,861,980)	(25,241,289)	(25,620,675)	(25,986,288)	(26,363,535)	(26,740,859)	(27,118,259)	(27,498,139)	(27,458,096)	(27,681,607)	
4	CWIP - Non Interest Bearing	741,208	750,408	759,608	768,808	778,008	787,208	796,408	805,608	814,808	144,375	288,750	433,125	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	94,937,682	94,594,043	94,250,327	93,906,534	93,562,665	93,218,719	92,888,546	92,546,739	92,204,856	92,007,271	91,798,005	91,608,664	91,400,528	
6	Average Net Investment		94,765,863	94,422,185	94,078,431	93,734,600	93,390,692	93,053,633	92,717,643	92,375,798	92,106,063	91,902,638	91,703,334	91,504,596	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		521,402	519,511	517,620	515,728	513,836	511,981	510,132	508,252	506,768	505,648	504,552	503,458	6,138,887
b	Debt Component (Line 6 x Debt Component x 1/12)		136,463	135,968	135,473	134,978	134,483	133,997	133,513	133,021	132,633	132,340	132,053	131,767	1,606,688
8	Investment Expenses														
a	Depreciation (E)		343,794	343,871	343,947	344,024	344,100	344,177	344,253	344,330	344,406	346,887	346,963	345,873	4,136,624
b	Amortization (F)		3,033	3,033	3,033	3,033	3,033	(10,817)	741	741	741	741	741	741	8,790
c	Dismantlement		32,670	32,670	32,670	32,670	32,670	32,670	32,670	32,670	32,670	32,670	32,670	32,670	392,040
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)		1,037,361	1,035,052	1,032,742	1,030,432	1,028,121	1,012,008	1,021,310	1,019,013	1,017,217	1,018,285	1,016,978	1,014,508	12,283,029
a	Recoverable Costs Allocated to Energy		79,797	79,619	79,442	79,264	79,086	77,847	78,562	78,386	78,247	78,330	78,229	78,039	944,848
b	Recoverable Costs Allocated to Demand		957,564	955,432	953,300	951,168	949,035	934,162	942,748	940,628	938,970	939,956	938,749	936,469	11,338,181
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		77,254	77,108	77,035	76,913	76,802	75,693	76,402	76,172	76,058	76,041	75,749	75,459	916,686
13	Retail Demand-Related Recoverable Costs (I)		929,521	927,452	925,383	923,312	921,242	906,804	915,139	913,081	911,472	912,429	911,258	909,044	11,006,137
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		1,006,776	1,004,560	1,002,418	1,000,225	998,044	982,497	991,541	989,254	987,530	988,470	987,007	984,503	11,922,823

- 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 name(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 10.25%.
 - (E) 3.5 % annually; Part of PE 1158 and 1287 depreciable at 3.5% annually.
 - (F) Portions of PE 1158 have a 7-year amortization period. The amortizable portion of PE 1287 is fully amortized.
 - (G) Description and reason for "Other" adjustments to investment expenses for this project.
 - (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
 - (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: SPCC Compliance
P.E.s 1272, 1404, & 1628
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	
3	Less: Accumulated Depreciation (C)	(252,552)	(255,276)	(258,000)	(260,724)	(263,448)	(266,172)	(268,896)	(271,621)	(274,345)	(277,069)	(279,793)	(282,517)	(285,241)	
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) (A)	682,178	679,454	676,730	674,006	671,282	668,558	665,834	663,110	660,386	657,661	654,937	652,213	649,489	
6	Average Net Investment		680,816	678,092	675,368	672,644	669,920	667,196	664,472	661,748	659,023	656,299	653,575	650,851	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		3,746	3,731	3,716	3,701	3,686	3,671	3,656	3,641	3,626	3,611	3,596	3,581	43,961
b	Debt Component (Line 6 x Debt Component x 1/12)		980	976	973	969	965	961	957	953	949	945	941	937	11,506
8	Investment Expenses														
a	Depreciation (E)		2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	32,689
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)		7,450	7,431	7,413	7,394	7,375	7,356	7,337	7,318	7,299	7,280	7,261	7,242	88,156
a	Recoverable Costs Allocated to Energy		573	572	570	569	567	566	564	563	561	560	559	557	6,781
b	Recoverable Costs Allocated to Demand		6,877	6,860	6,842	6,825	6,807	6,790	6,773	6,755	6,738	6,720	6,703	6,685	81,375
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		555	554	553	552	551	550	549	547	546	544	541	539	6,579
13	Retail Demand-Related Recoverable Costs (I)		6,676	6,659	6,642	6,625	6,608	6,591	6,574	6,557	6,540	6,523	6,506	6,489	78,992
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		7,231	7,213	7,195	7,177	7,159	7,141	7,123	7,104	7,086	7,067	7,047	7,028	85,571

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Beginning and Ending Balances: Crist \$919,836; Smith \$14,895.
- (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 10.25%.
- (E) Crist 3.5%; Smith 3.3% annually.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Crist Common FTIR Monitor
P.E. 1297
(in Dollars)

<u>Line</u>	<u>Description</u>	<u>Beginning of Period Amount</u>	<u>Projected January</u>	<u>Projected February</u>	<u>Projected March</u>	<u>Projected April</u>	<u>Projected May</u>	<u>Projected June</u>	<u>Projected July</u>	<u>Projected August</u>	<u>Projected September</u>	<u>Projected October</u>	<u>Projected November</u>	<u>Projected December</u>	<u>End of Period Amount</u>
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870
3	Less: Accumulated Depreciation (C)	(22,923)	(23,106)	(23,290)	(23,473)	(23,656)	(23,840)	(24,023)	(24,206)	(24,390)	(24,573)	(24,757)	(24,940)	(25,123)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	39,948	39,764	39,581	39,397	39,214	39,031	38,847	38,664	38,481	38,297	38,114	37,930	37,747	
6	Average Net Investment		39,856	39,673	39,489	39,306	39,122	38,939	38,756	38,572	38,389	38,205	38,022	37,839	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		219	218	217	216	215	214	213	212	211	210	209	208	2,565
b	Debt Component (Line 6 x Debt Component x 1/12)		57	57	57	57	56	56	56	56	55	55	55	54	671
8	Investment Expenses														
a	Depreciation (E)		183	183	183	183	183	183	183	183	183	183	183	183	2,201
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)		460	459	458	456	455	454	452	451	450	449	447	446	5,437
a	Recoverable Costs Allocated to Energy		35	35	35	35	35	35	35	35	35	35	34	34	418
b	Recoverable Costs Allocated to Demand		425	424	422	421	420	419	418	416	415	414	413	412	5,019
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		34	34	34	34	34	34	34	34	34	34	33	33	406
13	Retail Demand-Related Recoverable Costs (I)		412	411	410	409	408	407	405	404	403	402	401	400	4,872
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		447	445	444	443	442	440	439	438	437	435	434	433	5,277

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 name(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 10.25%.
- (E) 3.5% 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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Precipitator Upgrades for CAM Compliance
P.E.s 1175, 1191, 1305, 1330, 1461, 1462
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	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)	(7,362,296)	(7,446,777)	(7,531,258)	(7,615,739)	(7,700,221)	(7,784,702)	(7,869,183)	(7,953,665)	(8,038,146)	(8,122,627)	(8,207,109)	(8,291,590)	(8,376,071)	
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) (A)	22,477,382	22,392,901	22,308,420	22,223,938	22,139,457	22,054,976	21,970,495	21,886,013	21,801,532	21,717,051	21,632,569	21,548,088	21,463,607	
6	Average Net Investment		22,435,142	22,350,660	22,266,179	22,181,698	22,097,217	22,012,735	21,928,254	21,843,773	21,759,291	21,674,810	21,590,329	21,505,847	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		123,438	122,973	122,509	122,044	121,579	121,114	120,649	120,184	119,720	119,255	118,790	118,325	1,450,580
b	Debt Component (Line 6 x Debt Component x 1/12)		32,307	32,185	32,063	31,942	31,820	31,698	31,577	31,455	31,333	31,212	31,090	30,968	379,650
8	Investment Expenses														
a	Depreciation (E)		84,481	84,481	84,481	84,481	84,481	84,481	84,481	84,481	84,481	84,481	84,481	84,481	1,013,776
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)		240,226	239,640	239,053	238,467	237,880	237,294	236,707	236,121	235,534	234,948	234,361	233,775	2,844,006
a	Recoverable Costs Allocated to Energy		18,479	18,434	18,389	18,344	18,298	18,253	18,208	18,163	18,118	18,073	18,028	17,983	218,770
b	Recoverable Costs Allocated to Demand		221,747	221,206	220,664	220,123	219,582	219,040	218,499	217,958	217,416	216,875	216,334	215,792	2,625,236
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		17,890	17,852	17,832	17,799	17,770	17,748	17,708	17,650	17,611	17,545	17,456	17,388	212,250
13	Retail Demand-Related Recoverable Costs (I)		215,253	214,728	214,202	213,677	213,151	212,626	212,100	211,575	211,049	210,524	209,998	209,473	2,548,355
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		233,143	232,580	232,034	231,476	230,921	230,374	229,808	229,225	228,660	228,069	227,454	226,861	2,760,605

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Beginning and Ending Balances: Crist \$13,997,696; Smith \$15,715,201; 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 10.25%.
- (E) Crist 3.5%; Smith 3.3%; Scholz 4.1% 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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Plant Groundwater Investigation
P.E.s 1218 & 1361
(in Dollars)

<u>Line</u>	<u>Description</u>	<u>Beginning of Period Amount</u>	<u>Projected January</u>	<u>Projected February</u>	<u>Projected March</u>	<u>Projected April</u>	<u>Projected May</u>	<u>Projected June</u>	<u>Projected July</u>	<u>Projected August</u>	<u>Projected September</u>	<u>Projected October</u>	<u>Projected November</u>	<u>Projected December</u>	<u>End of Period Amount</u>
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	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) (A)	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		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(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 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Plant Crist Water Conservation Project
P.E.s 1178, 1227 & 1298
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	20,040,566	20,040,566	20,040,566	20,040,566	20,040,566	20,040,566	20,040,566	20,040,566	20,040,566	20,040,566	20,040,566	20,040,566	20,040,566	20,040,566
3	Less: Accumulated Depreciation (C)	(3,271,120)	(3,329,578)	(3,388,037)	(3,446,495)	(3,504,953)	(3,563,412)	(3,621,870)	(3,680,328)	(3,738,787)	(3,797,245)	(3,855,703)	(3,914,162)	(3,972,620)	
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) (A)	16,769,446	16,710,987	16,652,529	16,594,071	16,535,612	16,477,154	16,418,696	16,360,237	16,301,779	16,243,321	16,184,862	16,126,404	16,067,946	
6	Average Net Investment		16,740,217	16,681,758	16,623,300	16,564,842	16,506,383	16,447,925	16,389,467	16,331,008	16,272,550	16,214,092	16,155,633	16,097,175	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		92,105	91,783	91,461	91,140	90,818	90,496	90,175	89,853	89,532	89,210	88,888	88,567	1,084,028
b	Debt Component (Line 6 x Debt Component x 1/12)		24,106	24,022	23,938	23,853	23,769	23,685	23,601	23,517	23,432	23,348	23,264	23,180	283,715
8	Investment Expenses														
a	Depreciation (E)		58,458	58,458	58,458	58,458	58,458	58,458	58,458	58,458	58,458	58,458	58,458	58,458	701,500
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)		174,669	174,263	173,857	173,451	173,046	172,640	172,234	171,828	171,422	171,017	170,611	170,205	2,069,243
a	Recoverable Costs Allocated to Energy		13,436	13,405	13,374	13,342	13,311	13,280	13,249	13,218	13,186	13,155	13,124	13,093	159,173
b	Recoverable Costs Allocated to Demand		161,233	160,858	160,484	160,109	159,734	159,360	158,985	158,611	158,236	157,861	157,487	157,112	1,910,071
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		13,008	12,982	12,968	12,947	12,927	12,912	12,884	12,844	12,817	12,771	12,708	12,660	154,429
13	Retail Demand-Related Recoverable Costs (I)		156,511	156,147	155,784	155,420	155,057	154,693	154,329	153,966	153,602	153,238	152,875	152,511	1,854,133
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		169,519	169,129	168,752	168,367	167,983	167,605	167,214	166,810	166,419	166,009	165,583	165,171	2,008,562

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 name(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 10.25%.
- (E) 3.5% 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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Plant NPDES Permit Compliance Projects
P.E.s 1204 & 1299
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140
3	Less: Accumulated Depreciation (C)	(1,753,215)	(1,771,164)	(1,789,113)	(1,807,062)	(1,825,010)	(1,842,959)	(1,860,908)	(1,878,856)	(1,896,805)	(1,914,754)	(1,932,703)	(1,950,651)	(1,968,600)	
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) (A)	4,399,925	4,381,976	4,364,027	4,346,079	4,328,130	4,310,181	4,292,232	4,274,284	4,256,335	4,238,386	4,220,438	4,202,489	4,184,540	
6	Average Net Investment		4,390,950	4,373,002	4,355,053	4,337,104	4,319,156	4,301,207	4,283,258	4,265,309	4,247,361	4,229,412	4,211,463	4,193,515	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		24,159	24,060	23,962	23,863	23,764	23,665	23,566	23,468	23,369	23,270	23,171	23,073	283,390
b	Debt Component (Line 6 x Debt Component x 1/12)		6,323	6,297	6,271	6,245	6,220	6,194	6,168	6,142	6,116	6,090	6,065	6,039	74,170
8	Investment Expenses														
a	Depreciation (E)		17,949	17,949	17,949	17,949	17,949	17,949	17,949	17,949	17,949	17,949	17,949	17,949	215,385
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)		48,431	48,306	48,181	48,057	47,932	47,808	47,683	47,558	47,434	47,309	47,185	47,060	572,945
a	Recoverable Costs Allocated to Energy		3,725	3,716	3,706	3,697	3,687	3,678	3,668	3,658	3,649	3,639	3,630	3,620	44,073
b	Recoverable Costs Allocated to Demand		44,705	44,590	44,475	44,360	44,245	44,130	44,015	43,900	43,785	43,670	43,555	43,440	528,872
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		3,607	3,599	3,594	3,587	3,581	3,576	3,567	3,555	3,547	3,533	3,515	3,500	42,759
13	Retail Demand-Related Recoverable Costs (I)		43,396	43,284	43,173	43,061	42,949	42,838	42,726	42,615	42,503	42,391	42,280	42,168	513,384
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		47,003	46,883	46,767	46,648	46,530	46,414	46,293	46,170	46,050	45,924	45,794	45,668	556,143

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 name(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 10.25%.
- (E) 3.5% 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 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: Air Quality Compliance Program
P.E.s 1034, 1035, 1036, 1037, 1067, 1095, 1168, 1188, 1222, 1233, 1279, 1288, 1362, 1468, 1469, 1505, 1508, 1512, 1513, 1517, 1551, 1552, 1646, 1647, 1684, 1809, 1810, 1824, 1826, 1909, 1911, 1913, 1950
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		793,924	1,059,084	1,056,375	761,746	734,886	708,868	427,892	394,268	398,234	1,073,232	307,591	345,350,478	
b	Clearings to Plant		0	0	199,761	1,565,804	0	1,239,926	0	929,247	78,250	78,250	78,246	355,070,801	
c	Retirements		0	0	0	0	0	0	0	0	0	125,000	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	10,000	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	799,964,376	799,964,376	799,964,376	800,164,137	801,729,941	801,729,941	802,969,867	802,969,867	803,899,114	803,977,364	803,930,614	804,008,860	1,159,079,660	
3	Less: Accumulated Depreciation (C)	(143,768,646)	(146,421,748)	(149,074,851)	(151,727,954)	(154,381,640)	(157,039,893)	(159,698,146)	(162,360,016)	(165,021,886)	(167,686,467)	(170,226,276)	(172,880,948)	(175,545,849)	
4	CWIP - Non Interest Bearing	6,173,710	6,967,633	8,026,717	8,883,330	8,079,272	8,814,157	8,283,099	8,710,991	8,176,012	8,495,996	9,490,978	9,720,323	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	662,369,440	660,510,260	658,916,241	657,319,512	655,427,572	653,504,205	651,554,819	649,320,841	647,053,239	644,786,892	643,195,316	640,848,234	983,533,811	
6	Average Net Investment		661,439,850	659,713,251	658,117,877	656,373,542	654,465,888	652,529,512	650,437,830	648,187,040	645,920,066	643,991,104	642,021,775	812,191,023	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		3,639,242	3,629,742	3,620,965	3,611,367	3,600,871	3,590,217	3,578,709	3,566,325	3,553,852	3,543,239	3,532,404	4,468,675	43,935,609
b	Debt Component (Line 6 x Debt Component x 1/12)		952,473	949,987	947,690	945,178	942,431	939,642	936,630	933,389	930,125	927,347	924,511	1,169,555	11,498,960
8	Investment Expenses														
a	Depreciation (E)		2,318,361	2,318,361	2,318,361	2,318,944	2,323,511	2,323,511	2,327,128	2,327,128	2,329,839	2,330,067	2,329,930	2,330,159	27,895,298
b	Amortization (F)		19,845	19,845	19,845	19,845	19,845	19,845	19,845	19,845	19,845	19,845	19,845	19,845	238,141
c	Dismantlement		314,897	314,897	314,897	314,897	314,897	314,897	314,897	314,897	314,897	314,897	314,897	314,897	3,778,764
d	Property Taxes		262,030	262,030	262,030	262,030	262,030	262,030	262,030	262,030	262,030	262,030	262,030	262,030	3,144,362
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	7,506,849	7,494,863	7,483,787	7,472,261	7,463,585	7,450,143	7,439,240	7,423,615	7,410,588	7,397,425	7,383,618	7,369,930	8,565,161	90,491,134
a	Recoverable Costs Allocated to Energy	577,450	576,528	575,676	574,789	574,122	573,088	572,249	571,047	570,045	569,033	567,971	566,859	658,859	6,960,856
b	Recoverable Costs Allocated to Demand	6,929,399	6,918,335	6,908,111	6,897,472	6,889,464	6,877,055	6,866,990	6,852,567	6,840,543	6,828,393	6,815,647	6,803,071	7,906,302	83,530,277
10	Energy Jurisdictional Factor	0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)	559,050	558,341	558,236	557,740	557,541	557,229	556,514	554,924	554,093	552,409	549,966	549,966	637,072	6,753,114
13	Retail Demand-Related Recoverable Costs (I)	6,726,468	6,715,728	6,705,805	6,695,476	6,687,703	6,675,658	6,665,888	6,651,887	6,640,215	6,628,420	6,616,048	6,603,268	7,674,763	81,084,060
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	7,285,518	7,274,069	7,264,040	7,253,216	7,245,243	7,232,887	7,222,402	7,206,811	7,194,307	7,180,829	7,166,014	7,150,232	8,311,836	87,837,174

- Notes:**
(A) Description and reason for "Other" adjustments to net Investment for this project, if applicable
(B) Beginning Balances: Crist \$780,253,762; Smith \$12,931,385; Daniel \$6,772,129; Scholz \$7,099. "Ending Balances: Crist \$784,445,246; Smith \$12,931,385; Daniel \$361,695,930; Scholz \$7,099.
(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 10.25%.
(E) Crist 3.5%; Smith 3.3%; Smith CT 3.6%; Daniel 2.8%; Scholz 4.1%. Portions of PE 1222 are transmission: 2.0%, 2.3%, 3.6%, and 2.5%.
(F) Portions of PE 1222 and 1233 have a 7 year amortization period. PE 1279 amortization began in 2013.
(G) Description and reason for "Other" adjustments to investment expenses for this project.
(H) Line 9a x Line 10 x 1.0015 line loss multiplier.
(I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Capital Investments, Depreciation and Taxes
For Project: General Water Quality
P.E.1280
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	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) (A)	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		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
- (B) Applicable beginning of period and end of period depreciable base by production plant name(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 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Fully amortized
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2015 - December 2015
Return on Working Capital, Mercury Allowance Expenses
For Project: Mercury Allowances
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
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		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
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 Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

Notes:

- (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (B) Line 9a x Line 10 x 1.0015 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 2015 - December 2015
Return on Working Capital, Annual NOx Expenses
For Project: Annual NOx Allowances
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
a	FERC 158.1 Allowance Inventory	400,137	392,429	383,087	374,308	364,357	356,839	348,568	337,704	327,265	318,690	312,308	305,849	302,240	
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	400,137	392,429	383,087	374,308	364,357	356,839	348,568	337,704	327,265	318,690	312,308	305,849	302,240	
4	Average Net Working Capital Balance		396,283	387,758	378,698	369,333	360,598	352,704	343,136	332,485	322,977	315,499	309,078	304,044	
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12) (A)		2,180	2,133	2,084	2,032	1,984	1,941	1,888	1,829	1,777	1,736	1,701	1,673	22,958
b	Debt Component (Line 4 x Debt Component x 1/12)		571	558	545	532	519	508	494	479	465	454	445	438	6,009
6	Total Return Component (D)		2,751	2,692	2,629	2,564	2,503	2,448	2,382	2,308	2,242	2,190	2,146	2,111	28,966
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		7,707	9,342	8,779	9,951	7,518	8,271	10,864	10,439	8,575	6,382	6,459	3,609	97,897
8	Net Expenses (E)		7,707	9,342	8,779	9,951	7,518	8,271	10,864	10,439	8,575	6,382	6,459	3,609	97,897
9	Total System Recoverable Expenses (Lines 6 + 8)		10,458	12,034	11,408	12,515	10,021	10,720	13,246	12,748	10,817	8,572	8,605	5,720	126,863
a	Recoverable Costs Allocated to Energy		7,919	9,550	8,981	10,148	7,710	8,459	11,047	10,617	8,748	6,550	6,624	3,771	100,125
b	Recoverable Costs Allocated to Demand		2,539	2,485	2,427	2,367	2,311	2,260	2,199	2,131	2,070	2,022	1,981	1,948	26,738
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (B)		7,666	9,248	8,709	9,847	7,488	8,225	10,743	10,317	8,503	6,359	6,414	3,647	97,167
13	Retail Demand-Related Recoverable Costs (C)		2,465	2,412	2,356	2,297	2,243	2,194	2,134	2,068	2,009	1,963	1,923	1,891	25,955
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		10,132	11,660	11,064	12,145	9,731	10,419	12,878	12,385	10,512	8,321	8,337	5,538	123,122

Notes:

- (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (B) Line 9a x Line 10 x 1.0015 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 2015 - December 2015
Return on Working Capital, Seasonal NOx Expenses
For Project: Seasonal Nox Allowances
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
a	FERC 158.1 Allowance Inventory	2	2	2	2	2	2	2	2	1	1	1	1	1	1
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	2	2	2	2	2	2	2	2	1	1	1	1	1	1
4	Average Net Working Capital Balance		2	2	2	2	2	2	2	1	1	1	1	1	1
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	Seasonal NOx Allowance Expense		0	0	0	0	0	0	0	0	0	0	0	0	1
8	Net Expenses (E)		0	0	0	0	0	0	0	0	0	0	0	0	1
9	Total System Recoverable Expenses (Lines 6 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	1
a	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	1
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (B)		0	0	0	0	0	0	0	0	0	0	0	0	1
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	1

Notes:

- (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (B) Line 9a x Line 10 x 1.0015 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 2015 - December 2015
Return on Working Capital, SO2 Expenses
For Project: SO2 Allowances
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
a	FERC 158.1 Allowance Inventory	6,676,368	6,633,091	6,583,386	6,536,451	6,487,539	6,452,983	6,415,275	6,365,999	6,318,040	6,278,451	6,250,299	6,220,268	6,215,889	
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	(118,005)	(108,803)	(99,601)	(90,400)	(81,198)	(71,997)	(62,795)	(53,593)	(44,392)	(35,190)	(25,989)	(16,787)	(7,585)	
3	Total Working Capital Balance	6,558,364	6,524,288	6,483,785	6,446,051	6,406,341	6,380,986	6,352,480	6,312,406	6,273,648	6,243,261	6,224,310	6,203,481	6,208,304	
4	Average Net Working Capital Balance		6,541,326	6,504,036	6,464,918	6,426,196	6,393,663	6,366,733	6,332,443	6,293,027	6,258,454	6,233,786	6,213,896	6,205,892	
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12) (A)		35,990	35,785	35,570	35,357	35,178	35,030	34,841	34,624	34,434	34,298	34,189	34,145	419,442
b	Debt Component (Line 4 x Debt Component x 1/12)		9,420	9,366	9,309	9,254	9,207	9,168	9,119	9,062	9,012	8,977	8,948	8,936	109,777
6	Total Return Component (D)		45,410	45,151	44,879	44,611	44,385	44,198	43,960	43,686	43,446	43,275	43,137	43,081	529,219
7	Expenses														
a	Gains		(9,202)	(9,202)	(9,202)	(9,202)	(9,202)	(9,202)	(9,202)	(9,202)	(9,202)	(9,202)	(9,202)	(9,202)	(110,419)
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	SO2 Allowance Expense		43,277	49,705	46,935	48,912	34,556	37,707	49,276	47,960	39,589	28,152	30,031	4,378	460,479
8	Net Expenses (E)		34,076	40,504	37,733	39,711	25,355	28,506	40,075	38,758	30,387	18,950	20,830	(4,823)	350,060
9	Total System Recoverable Expenses (Lines 6 + 8)		79,485	85,655	82,613	84,321	69,740	72,703	84,034	82,444	73,833	62,225	63,967	38,258	879,279
a	Recoverable Costs Allocated to Energy		37,569	43,977	41,185	43,142	28,769	31,905	43,456	42,119	33,729	22,279	24,148	(1,509)	390,769
b	Recoverable Costs Allocated to Demand		41,917	41,678	41,427	41,179	40,971	40,798	40,578	40,326	40,104	39,946	39,819	39,767	488,510
10	Energy Jurisdictional Factor		0.9666854	0.9670034	0.9682526	0.9688842	0.9696643	0.9708707	0.9710467	0.9703102	0.9705596	0.9693321	0.9668498	0.9654853	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (B)		36,371	42,590	39,938	41,862	27,938	31,023	42,261	40,929	32,785	21,628	23,383	(1,459)	379,249
13	Retail Demand-Related Recoverable Costs (C)		40,689	40,457	40,214	39,973	39,771	39,603	39,390	39,145	38,930	38,776	38,653	38,603	474,204
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		77,061	83,047	80,152	81,836	67,709	70,626	81,651	80,074	71,715	60,404	62,035	37,143	853,453

Notes:

- (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (B) Line 9a x Line 10 x 1.0015 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)
January 2015-December 2015

**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. The CEMS trailer was also replaced in 2010. 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 \$350,812 projected at December 2015.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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
Order No. PSC-09-0759-FOF-EI

Description:

The Plant 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. The Plant Crist Unit 6 precipitator upgrade was placed in service in April 2012.

Project-to-Date: Plant-in-service of \$33,691,214 projected at December 2015.

Progress Summary: In Service

Projections: The digital control system for the Unit 6 precipitator will be upgraded during 2015. Expenditures reflected in the 2015 projection filing for this line item total \$83,538.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 2015-December 2015

**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 during the combustion process. This equipment was installed to meet the requirements of the 1990 Clean Air Act Amendments.

Accomplishments:

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

Project-to-Date: Plant-in-service of \$11,284,087 projected at December 2015.

Progress Summary: In-Service

Projections: The digital control systems for the Unit 6 and Unit 7 Low NO_x burners will be upgraded during 2015. Expenditures reflected in the 2015 projection filing for this line item total \$482,468.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

Title: CEMs – Plant Crist, Scholz, Smith, and Daniel
PEs 1001, 1060, 1154, 1164, 1213, 1217, 1240, 1245, 1247, 1256, 1283, 1286,
1289, 1290, 1311, 1316, 1323, 1324, 1325, 1357, 1358, 1364, 1440, 1441, 1442,
1444, 1445, 1454, 1459, 1460, 1558, 1570, 1592, 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 \$7,278,210 projected at December 2015.

Progress Summary:

The Plant Scholz Units 1 & 2 CEMS analyzer replacements and the Smith Unit 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 also 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 the 2009 recovery period, the CEMS project included replacement of opacity monitors at Plant Crist on Units 4 through 7 and the installation of CEMs equipment for the new Plant Crist scrubber stack to monitor SO₂, NO_x, CO₂ and flow. Plant Crist completed the installation of two CEMS bypass monitoring systems for Units 4 through 7 in the 2011-2012 timeframe.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

Title: Substation Contamination Remediation
PEs 1007, 2859, 3400, 3412, 3463, and 3477

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. Capital components of substation soil remediation projects are also included in the line.

Accomplishments:

Systems have proven effective in groundwater remediation.

Project-to-Date: Plant-in-service of \$2,484,636 projected at December 2015.

Progress Summary: During 2014 additional groundwater recovery well pumps and controls were added to the existing Ft. Walton substation treatment system.

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

**Title: Raw Water Flowmeters - Plants 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 \$242,973 projected at December 2015.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 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 permit 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

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

**Title: Crist Dechlorination System
PE 1180 and 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 concentrations prior to discharge from the plant. The Crist dechlorination system uses sodium bisulfite to chemically eliminate the residual chlorine present in the plant industrial wastewater prior to discharge.

Accomplishments:

During 2011-2012 Plant Crist replaced the existing sodium bisulfate storage tank and installed a new dechlorination system for the Unit 6 and Unit 7 cooling tower blowdowns and the ECUA return water pit. These systems are necessary in order to dechlorinate the industrial wastewater prior to discharge. The system has been effective in maintaining chlorine discharge limits.

Project-to-Date: Plant-in-service of \$384,470 projected at December 2015.

Progress Summary: In service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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:

The Plant Crist diesel fuel oil remediation project included installing monitoring wells 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 2015.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 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 area complies with current SPCC regulatory requirements.

Project-to-Date: Plant-in-service of \$101,495 projected at December 2015.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 2015.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 2015.

Progress Summary: In Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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:

The Plant Smith stormwater sump system has been effective in managing onsite stormwater.

Project-to-Date: Plant-in-service of \$2,782,600 projected at December 2015.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 wastewater 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 wastewater treatment facility with additional capacity was installed to replace the facility installed in the 1990's. The new treatment plant includes aeration and chlorination of the wastewater prior to discharge in the Plant Smith ash pond.

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

Project-to-Date: Plant-in-service of \$178,962 projected at December 2015.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

Title: Daniel Ash Management Project
PEs 1501, 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 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: Construction of the new on-site ash storage facility was completed in 2006. Portions of the original Daniel ash storage facility were closed in place during 2010.

Project-to-Date: Plant-in-service of \$14,950,124 projected at December 2015.

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

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

**FPSC Approval: Order No. PSC-01-1788-FOF-EI and
Order No. PSC-09-0759-FOF-EI**

Description:

Specific Condition nine of Plant Smith's consumptive use permit, issued by the Northwest Florida Water Management District (NFWFMD), requires the plant to implement measures to increase water conservation and efficiency at the facility. 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. Phase III includes investigating and installing a deep injection well system to allow Plant Smith to utilize reclaimed water.

As discussed in previous filings, Gulf determined that it is feasible to inject reclaimed water into the Plant Smith deep injection well system. Gulf is currently completing the second and third of the five injection wells that were permitted. During the latter part of 2014 and into 2015, Gulf anticipates conducting further injection testing of the existing wells as well as finalizing the design and installation of the initial phase of the pump system. This testing will determine whether additional wells are necessary.

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 \$20,680,424 projected at December 2015.

Progress Summary: See Accomplishments

Projections: Expenditures reflected in the 2015 projection filing for this line item total \$4.3 million.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 2015-December 2015

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

**Title: Crist FDEP Agreement for Ozone Attainment
PEs 1031, 1158, 1167, 1199, 1250, 1258, 1287, and 1958**

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 Plant 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. The Crist Unit 6 SNCR was retired during the Spring of 2012 when the Crist Unit 6 SCR was placed in-service. Gulf plans to replace one layer of the Plant Crist Unit 7 SCR catalyst during the Fall of 2014.

Gulf plans to replace the Plant Crist Unit 7 SCR flue gas sampling fans and ammonia unloading piping during 2015. The flue gas sampling fans necessary to measure the NO_x concentration entering and exiting the SCR in order to control the ammonia injection rate. The existing fans and ammonia unloading area piping are approximately ten years old and are approaching the end of their useful life. The digital control system for the Unit 7 SCR will also be upgraded during 2015.

Project-to-Date: Plant-in-service of \$119,082,135 projected at December 2015.

Progress Summary: In-Service.

Projections: The projected 2015 expenditures for this line item total \$975,300.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

Title: SPCC Compliance
PEs 1272, 1404, and 1628

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

Description:

The SPCC Compliance projects were required as the result of a more stringent July 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 2002 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: The 2006 SPCC project at Plant Crist routed stormwater from the switchyard drains to the new oil skimming sump where any potential spill could be captured, preventing the oil from reaching surface water. During 2009, Plant Smith installed secondary containment for a padmount transformer located along the ash pond discharge canal. During 2012, Plant Smith installed a secondary containment system for the diesel emergency sump pump system.

Project-to-Date: Plant-in-service of \$934,730 projected at December 2015.

Progress Summary: In-service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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.

Accomplishments: Purchasing the FTIR instrument has enabled Gulf Power to measure ammonia slip emissions as required by the Plant Crist air permit.

Project-to-Date: Plant-in-service of \$62,870 projected at December 2015

Progress Summary: In-Service

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

**Title: Precipitator Upgrades for Compliance Assurance Monitoring Compliance
PEs 1175, 1191, 1305, 1330, 1461, and 1462**

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

Description: Compliance Assurance Monitoring (CAM) Precipitator Upgrades were required to comply with 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 2015.

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 Crist and Plant Scholz projects have been canceled because Gulf has been released from any remedial actions at these sites.

Project-to-Date: \$0

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

**Title: Crist Water Conservation Project
PEs 1178, 1227 and 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 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. The second phase of the project involves utilizing reclaimed water from ECUA's wastewater treatment plant to reduce the demand for groundwater and surface water withdrawals at Plant Crist. The Northwest Florida Water Management District 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. Portions of the Plant Crist reclaimed water project were placed in-service in 2009 and 2010. Gulf began receiving reclaimed water from ECUA in November 2010. During the 2011-2012 timeframe, Gulf installed defoaming and acid injection systems for the Units 6-7 cooling towers to treat scaling and foam associated with reclaimed water usage.

Project-to-Date: Plant-in-service of \$20,040,566 projected at December 2015.

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 completed the second phase of the project which involved installing a chemical treatment system in the ash pond. During 2010, Gulf completed the third phase of the project that included installing an aeration system in the ash pond. During 2011-2012, Plant Crist completed installation of a new caustic tank and a sulfuric acid tank as part of the ash pond chemical treatment system.

Project-to-Date: Plant-in-service of \$6,153,140 projected at December 2015.

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

Title: Air Quality Compliance Program

**PEs 1034, 1035, 1036, 1037, 1067, 1095, 1168, 1188, 1222, 1233, 1279, 1362,
1468, 1469, 1505, 1508, 1512, 1513, 1517, 1551, 1552, 1646, 1647, 1684, 1809,
1810, 1824, 1826, 1909, 1911, 1913, and 1950**

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

Description: This line item includes the prudently incurred costs for compliance with Gulf's Air Quality Compliance Program.

Accomplishments: The Plant Smith Unit 1 and Unit 2 SNCRs were placed in service during May 2009 and December 2008, respectively. The Crist Units 4 -7 scrubber project was placed in-service in December of 2009 and the Crist Unit 6 hydrated lime injection system was placed in-service in 2011. The Plant Crist Unit 6 SCR was placed-in-service in April of 2012.

Project-to-Date: Plant-in-service of \$1,159,079,660 projected at December 2015.

Progress Summary: Gulf Power will begin installing MATS monitoring systems at Plant Daniel and Plant Crist in 2014 to comply with the MATS rule. The 2015 projected expenditures for the Plant Crist MATS monitoring systems are \$626,000. The Plant Daniel mercury monitoring costs are included in the cost projection for the Plant Daniel scrubbers.

The Plant Daniel scrubber projects are currently scheduled for completion in December 2015. The 2015 capital expenditures for Gulf's ownership portion of the scrubber are projected to be \$57.2 million. The scrubbers when used in conjunction with the bromine and activated carbon injection systems will allow Plant Daniel to comply with the MATS standards as well as the CAIR/CSAPR and the CAVR. The projected 2015 cost for Gulf's ownership portion of the Plant Daniel ACI and bromine injection projects is approximately \$6.2 million.

Gulf plans to add an additional catalyst layer to the Plant Crist Unit 6 SCR during the spring 2015 outage. The projected 2015 expenditures for the new catalyst is \$682,926. The digital control systems for the Unit 6 SCR and the scrubber will be upgraded during 2015. The 2015 cost projection for the digital control upgrades total \$412,235.

Projections: The projected 2015 expenditures for this line item total \$65.2 million.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 had new conditions which required 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: \$0.

Progress Summary: Retired

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 Air Quality Compliance Program.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary: N/A

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 Air Quality Compliance Program significantly reduce emissions, they will not result in Gulf achieving CAIR compliance levels without the purchase of some emission allowances. Thus, Gulf's Compliance Program called 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 requirements.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary:

Gulf began surrendering annual NO_x allowances during 2009.

Projections: Gulf is not projecting the need to purchase additional annual NO_x allowances during 2015. The projected 2015 O&M Annual NO_x allowance expenses are \$97,897.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 Air Quality Compliance Program significantly reduce emissions, they will not result in Gulf achieving CAIR/CASPR compliance levels without the purchase of some emission allowances. Thus, Gulf's Compliance Program called 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/CSAPR requirements.

Accomplishments: N/A

Project-to-Date: N/A

Progress Summary:

Gulf began surrendering seasonal NO_x allowances during 2009.

Projections: Gulf is not currently projecting the need to purchase additional seasonal NO_x allowances during 2015. The projected 2015 O&M Seasonal NO_x allowance expenses are \$1.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 executed forward contracts to secure allowances during 2006, 2007, and 2009.

Project-to-Date: N/A

Progress Summary: See Accomplishments

Projections: Gulf is not projecting the need to purchase any additional SO₂ allowances during 2015. The projected 2015 O&M SO₂ allowance expenses are \$350,060.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 Plant 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)
January 2015-December 2015

**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 V of the 1990 Clean Air Act Amendments.

Accomplishments:

Fees have been paid by due dates.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$505,156

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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. 2009, 2014, etc). Title V permits are periodically revised between renewals to incorporate major changes or modifications of a source.

Accomplishments:

Gulf applied for Title V permit renewals for Plant Crist, Plant Scholz, and Plant Smith on May 19, 2014. An application to renew the Pea Ridge facility was submitted on July 25, 2014. All 2014 permit renewals are expected to be finalized by January 1, 2015 and will be valid for a 5 year period. Gulf's Perdido Landfill Gas-to-Energy Facility Title V permit is valid until July 19, 2016 and is not currently up for renewal.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$142,158

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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: \$1,500

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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: \$807,348

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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
Order No. PSC-04-1187-FOF-EI
Order No. PSC-08-0775-FOF-EI
Order No. PSC-11-0553-FOF-EI

Description:

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

Accomplishments:

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

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: The 2015 projected costs for this line item are \$2,139,535 which includes \$1 million for the 316(b) cooling water intake studies at Plant Crist and Plant Smith.

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 or Site Rehabilitation Completion Order for 89 sites.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$4,173,965

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 the NPDES program administration fee submittal schedule.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$49,500

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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: \$16,476

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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: \$9,000

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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) plans.

Accomplishments:

Gulf has complied with all hazardous and solid waste regulations.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$707,522

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 maintenance requirements, 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: \$117,322

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 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.

Accomplishments:

Plant Crist replaced the diversion curtains and dredged the pond during the 2009-2010 timeframe.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 2015.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 line item includes the O&M expenses associated with the sodium injection systems at Plant Smith and Plant Crist. Sodium carbonate is added to the Plant Crist and Plant Smith coal supply to enhance precipitator efficiencies when burning certain low sulfur coals.

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: \$105,903

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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 submitted 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)
January 2015-December 2015

**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:

During July 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 specifically include oil containing electrical transformers and regulators. Gulf was required to install additional containment and/or diversionary structures or equipment at several substations to prevent a potential discharge of oil to navigable waters of the United States or adjoining shorelines.

Accomplishments: Gulf has assessed its substations to determine which sites 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 2015-December 2015

**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 SCR and the Crist Units 4 and 5 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, catalyst regeneration, and general operation and maintenance expenses are included in this line item.

Accomplishments: The Crist Unit 7 SCR and the Crist Units 4 and 5 SNCRs are fully operational. The Crist Unit 6 SNCR was retired when the Crist Unit 6 SCR was placed in-service during the Spring of 2012. The Crist Unit 6 SCR was installed as part of the Air Quality Compliance Program.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$2,024,231

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

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

Title: Air Quality Compliance Program

FPSC Approval: Order No. PSC-06-0972-FOF-EI
Order No. PSC-13-0506-PAA-EI

Description: This line item includes the O&M expenses associated with Gulf's Air Quality Compliance program and the Climate Registry. More specifically, the line item includes the cost of anhydrous ammonia, hydrated lime, urea, limestone and general O&M expenses.

Accomplishments: The Plant Smith Unit 1 and Unit 2 SNCRs were placed in service during May 2009 and December 2008, respectively. The Crist Units 4 -7 scrubber project was placed in-service December of 2009 and the Crist Unit 6 hydrated lime injection system was placed in-service in 2011. The Plant Crist Unit 6 SCR was placed-in-service in April of 2012. The Plant Daniel scrubbers as well as the Bromine and Activated Carbon Injection systems will be placed in-service during December of 2015. Gulf will be incurring O&M expenses associated with these projects during 2015.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$16,556,451

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**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)**

FPSC Approval: Order No. PSC-09-0759-FOF-EI

Description: During early 2010 EPA finalized 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). The ICR required 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.

Accomplishments:

Gulf completed the Part I & 2 MACT ICR survey and the Part 3 emissions testing reports during 2010.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: N/A

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
January 2015-December 2015

**Description and Progress Report of
Environmental Compliance Activities and Projects
O & M Line Item 1.22**

Title: Crist Water Conservation

FPSC Approval: Order No. PSC-08-0775-FOF-EI

Description: Gulf Power entered into an agreement with the Emerald Coast Utilities Authority (ECUA) to begin utilizing reclaimed water to reduce the demand for groundwater and surface water withdrawals. This line item includes general O&M expenses associated with the Plant Crist reclaimed water system such as piping and valve maintenance and pump replacements.

Accomplishments:

Gulfs began receiving reclaimed water from ECUA during November 2010.

Fiscal Expenditures: N/A

Progress Summary: See Accomplishments

Projections: \$299,302

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % By Rate Class
 January 2015 - December 2015

Rate Class	(1) Average 12 CP Load Factor at Meter (%)	(2) Jan - Dec. 2015 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	57.025261%	5,188,672,000	1,038,687	1.00820508	1.00777864	5,229,032,812	1,047,210	47.29633%	56.32886%
GS	65.082883%	293,459,000	51,473	1.00820395	1.00777656	295,741,102	51,895	2.67496%	2.79140%
GSD, GSDD, GSTOU	75.900487%	2,703,797,000	406,654	1.00800263	1.00762887	2,724,423,916	409,909	24.64227%	22.04877%
LP, LPT	85.148219%	1,168,926,000	156,714	0.97344897	0.98364378	1,149,806,789	152,553	10.39994%	8.20574%
PX, PXT, RTP, SBS	88.430490%	1,552,162,000	200,369	0.95247952	0.96644352	1,500,076,907	190,848	13.56811%	10.26559%
OS-II	782.722832%	111,207,000	1,622	1.00802086	1.00777465	112,071,596	1,635	1.01368%	0.08794%
OS-III	101.182319%	44,399,000	5,009	1.00838359	1.00778595	44,744,688	5,051	0.40471%	0.27170%
TOTAL		<u>11,062,622,000</u>	<u>1,860,528</u>			<u>11,055,897,810</u>	<u>1,859,100</u>	<u>100.00000%</u>	<u>100.00000%</u>

Notes:

- (1) Average 12 CP load factor based on actual 2012 load research data
- (2) Projected KWH sales for the period January 2015 - December 2015
- (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. 110138-EI
- (5) Based on energy losses identified in Docket No. 110138-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

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % By Rate Class
January 2015 - December 2015

<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	47.29633%	56.32886%	16,820,129	65,781,086	82,601,214	5,188,672,000	1.592
GS	2.67496%	2.79140%	951,304	3,259,809	4,211,113	293,459,000	1.435
GSD, GSDT, GSTOU	24.64227%	22.04877%	8,763,601	25,748,648	34,512,249	2,703,797,000	1.276
LP, LPT	10.39994%	8.20574%	3,698,560	9,582,698	13,281,258	1,168,926,000	1.136
PX, PXT, RTP, SBS	13.56811%	10.26559%	4,825,266	11,988,200	16,813,466	1,552,162,000	1.083
OS-I, OS-II	1.01368%	0.08794%	360,498	102,697	463,195	111,207,000	0.417
OS-III	0.40471%	0.27170%	143,928	317,292	461,220	44,399,000	1.039
TOTAL	<u>100.00000%</u>	<u>100.00000%</u>	<u>\$35,563,286</u>	<u>\$116,780,430</u>	<u>152,343,715</u>	<u>11,062,622,000</u>	<u>1.377</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 2015 - December 2015
- (7) Col 5 x 100 / Col 6

Gulf Power Company
 Environmental Cost Recovery Clause (ECRC)
 Calculation of the Projected Period Amount
January 2015 - December 2015

FPSC Capital Structure and Cost Rates

<u>Line</u>	<u>Capital Component</u>	(1) <u>Jurisdictional</u> <u>Amount</u> (\$000s)	(2) <u>Ratio</u> %	(3) <u>Cost</u> <u>Rate</u> %	(4) <u>Weighted</u> <u>Cost Rate</u> %	(5) <u>Revenue</u> <u>Requirement</u> <u>Rate</u> %	(6) <u>Monthly</u> <u>Revenue</u> <u>Requirement</u> <u>Rate</u> %
1	Bonds	680,813	36.0280	4.70	1.6932	1.6932	
2	Short-Term Debt	24,978	1.3218	0.35	0.0046	0.0046	
3	Preferred Stock	79,703	4.2178	6.15	0.2596	0.4226	
4	Common Stock	698,675	36.9732	10.25	3.7898	6.1698	
5	Customer Deposits	21,600	1.1430	2.41	0.0275	0.0275	
6	Deferred Taxes	381,708	20.1996				
7	Investment Tax Credit	<u>2,202</u>	<u>0.1165</u>	7.44	0.0087	<u>0.0125</u>	
8	Total	<u>1,889,679</u>	<u>100.0000</u>		<u>5.7834</u>	<u>8.3302</u>	<u>0.6942</u>
<u>ITC Component:</u>							
9	Debt	680,813	46.6569	4.70	2.1928	0.0026	
10	Equity-Preferred	79,703	5.4621	6.15	0.3361	0.0006	
11	-Common	<u>698,675</u>	<u>47.8810</u>	10.25	<u>4.9078</u>	<u>0.0093</u>	
12		<u>1,459,191</u>	<u>100.0000</u>		<u>7.4367</u>	<u>0.0125</u>	
<u>Breakdown of Revenue Requirement Rate of Return between Debt and Equity:</u>							
13	Total Debt Component (Lines 1, 2, 5, and 9)					1.7279	0.1440
14	Total Equity Component (Lines 3, 4, 10, and 11)					<u>6.6023</u>	0.5502
15	Total Revenue Requirement Rate of Return					<u>8.3302</u>	<u>0.6942</u>

Column:

- (1) Based on the May 2014 Surveillance Report, Schedule 4.
- (2) Column (1) / Total Column (1)
- (3) Based on the May 2014 Surveillance Report, Schedule 4.
- (4) Column (2) x Column (3)
- (5) For equity components: Column (4) / (1-.38575); 38.575% = effective income tax rate
 For debt components: Column (4)
- (6) Column (5) / 12

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No.: 140007-EI

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 22nd day of August, 2014 to the following:

Ausley Law Firm
James D. Beasley
J. Jeffry Wahlen
Ashley M. Daniels
Post Office Box 391
Tallahassee, FL 32302
jbeasley@ausley.com
adaniels@ausley.com

PCS Phosphate – White Springs
c/o Brickfield Law Firm
James W. Brew/F. Alvin Taylor
Eighth Floor, West Tower
1025 Thomas Jefferson St, NW
Washington, DC 20007
jbrew@bbrslaw.com

Florida Power & Light Company
Kenneth Hoffman
215 South Monroe Street, Suite 810
Tallahassee, FL 32301-1858
Ken.Hoffman@fpl.com

Florida Industrial Power Users Group
c/o Moyle Law Firm
Jon C. Moyle, Jr.
118 North Gadsden Street
Tallahassee, FL 32301
jmoyle@moylelaw.com

Florida Power & Light Company
John T. Butler
700 Universe Boulevard
Juno Beach, FL 33408-0420
John.Butler@fpl.com

Hopping Green & Sams
Gary V. Perko
P. O. Box 6526
Tallahassee, FL 32314
gperko@hgslaw.com

Office of Public Counsel
J. McGlothlin
P. Christensen
C. Rehwinkel
c/o The Florida Legislature
111 W. Madison Street, Room 812
Tallahassee, FL 32399-1400
Christensen.patty@leg.state.fl.us

Duke Energy Florida, Inc.
Matthew R. Bernier
Paul Lewis, Jr.
106 East College Avenue, Suite 800
Tallahassee, FL 32301
Matthew.bernier@duke-energy.com
Paul.lewisjr.@duke-energy.com

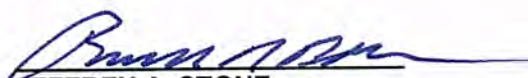
Duke Energy Florida, Inc.
John T. Burnett
Dianne M. Triplett
Post Office Box 14042
St. Petersburg, FL 33733
Dianne.triplett@duke-energy.com
John.burnett@duke-energy.com

Tampa Electric Company
Ms. Paula K. Brown
Regulatory Affairs
P. O. Box 111
Tampa, FL 33601-0111
Reqdept@tecoenergy.com

Office of the General Counsel
Charles Murphy
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850
cmurphy@psc.state.fl.us

Robert Scheffel Wright
John T. La Via, III
c/o Gardner Law Firm
1300 Thomaswood Drive
Tallahassee, FL 32308
schef@gbwlegal.com
jlavia@gbwlegal.com

D. Marshall, Counsel
c/o DeSoto County Generating
Company, LLC
1700 Broadway, 35th Floor
New York, New York 10019
DMarshall@LSPower.com


JEFFREY A. STONE
Florida Bar No. 325953
jas@beggsllane.com
RUSSELL A. BADDERS
Florida Bar No. 007455
rab@beggsllane.com
STEVEN R. GRIFFIN
Florida Bar No. 0627569
srg@beggsllane.com
BEGGS & LANE
P. O. Box 12950
Pensacola FL 32591-2950
(850) 432-2451
Attorneys for Gulf Power

Southern Alliance for Clean Energy
c/o George Cavros, Esq.
120 East Oakland Park Blvd.
Suite 105
Fort Lauderdale, FL 33334
george@cavros-law.com