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August 27, 2014

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

RE: Energy Conservation Cost Recovery Clause  
Docket No. 140002-EG

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 and exhibit of Jennifer L. Todd.

Sincerely,

A handwritten signature in cursive script that reads "Robert L. McGee, Jr.".

Robert L. McGee, Jr.  
Regulatory and Pricing Manager

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Attachments

cc: Florida Public Service Commission  
Lee Eng Tan, Sr Attorney, Office of the General Counsel (5 copies)  
Beggs & Lane  
Jeffrey A. Stone, Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Conservation Cost Recovery )  
 ) Docket No.: 140002-EG  
 ) Filed: August 27, 2014  
 )

**PETITION OF GULF POWER COMPANY FOR APPROVAL OF  
THE FINAL CONSERVATION COST RECOVERY TRUE-UP AMOUNTS  
FOR JANUARY 2013 THROUGH DECEMBER 2013;  
ESTIMATED CONSERVATION COST RECOVERY TRUE-UP AMOUNTS  
FOR JANUARY 2014 THROUGH DECEMBER 2014;  
PROJECTED CONSERVATION COST RECOVERY AMOUNTS  
FOR JANUARY 2015 THROUGH DECEMBER 2015;  
AND THE CONSERVATION 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:

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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 attorneys, and pursuant to section 366.82(5), Florida Statutes, and Rule 25-17.015, Florida Administrative Code, hereby petitions the Florida Public Service Commission for recovery of the final conservation cost recovery true-up amounts for January 2013 through December 2013; for approval of its estimated energy conservation true-up amounts for the period January 2014 through December 2014; for approval of the projected energy conservation cost amounts for the period January 2015 through December 2015; and for approval of the proposed energy conservation cost recovery factors to be applied beginning with the period January 2015 through December 2015.

In support thereof, the Company would respectfully show:

1. Gulf is a corporation with its headquarters located at 500 Bayfront Parkway, Pensacola, Florida 32520. The Company is an investor-owned electric utility operating under the jurisdiction of this Commission.
2. Pursuant to section 366.82, Florida Statutes, Gulf's energy conservation programs and goals have been approved and adopted by order of this Commission. The implementation of these programs has resulted in certain reasonable and prudent un-reimbursed costs incurred or to be incurred which the Company hereby petitions to be recovered through its rates and charges pursuant to Rule 25-17.015, F.A.C., and the orders and procedures of this Commission.
3. Incorporated by reference into this Petition is the testimony and exhibit of Jennifer L. Todd, submitted in May 2014 and the testimony and exhibit of Jennifer L. Todd filed concurrently with this Petition.<sup>1</sup> Ms. Todd's composite exhibits present reports of Gulf's various

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<sup>1</sup> The composite exhibit attached to Ms. Todd's May 2014 testimony contains the Company's CT schedules for the twelve month period ending December 2013. The composite exhibit attached to Ms. Todd's August 2014

programs and incorporate the appropriate and necessary data and information to show the energy conservation cost calculations projected for the period January 2015 through December 2015 and the appropriate true-up adjustment to be applied based on actual data through July 2014 and estimated data for the remainder of the period through December 2014.

4. The final conservation cost recovery true-up amounts were filed with the Commission in May 2014 as shown on Schedule CT-1. The final true-up amount for the period January 2013 through December 2013, as presented in the testimony and exhibit of Ms. Todd filed in May 2014, is an under recovery of \$1,579,073 which amount is hereby submitted for approval by the Commission to be included in the calculation of the conservation cost recovery factors for the next period.

5. Gulf has calculated its estimated true-up amount for the period ending December 2014 to be an under recovery of \$3,204,762. This amount is hereby submitted for approval by the Commission to be included in the calculation of the conservation cost recovery factors for the next period.

6. Gulf projects recoverable expenditures of \$26,816,812 for its approved conservation programs during the twelve month period beginning January 2015 and ending December 2015.

7. Gulf projects that its retail energy sales during the period January 2015 through December 2015 will be 11,062,622,000 kilowatt hours (kWh).

8. On the basis of the final true-up for the period January 2013 through December 2013, the estimated true-up for the period January 2014 through December 2014, the cost

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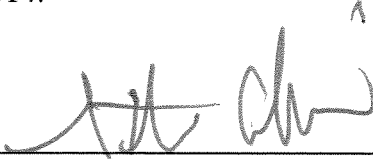
testimony contains the Company's C schedules for the twelve month period ending December 2015 and includes data related to the current period January through July 2014, actual and August through December 2014, estimated.

projections for the period January 2015 through December 2015, and proper consideration of both projected kWh sales and the adjustment for revenue taxes, the Company's proposed conservation cost recovery factors by customer class for the period January 2015 through December 2015 are as follows:

<b>RATE CLASS</b>	<b>CONSERVATION COST RECOVERY FACTORS ¢/kWh</b>
RS	.250
RSVP Tier 1	(3.000)
RSVP Tier 2	(1.629)
RSVP Tier 3	6.251
RSVP Tier 4	60.660
GS	.246
GSD, GSDT, GSTOU	.241
LP, LPT	.232
PX, PXT, RTP, SBS	.227
OSI, OSII	.215
OSIII	.234

**WHEREFORE**, Gulf Power Company respectfully requests the Commission to authorize the Company to recover its un-reimbursed costs reasonably and prudently incurred in accordance with this petition and thereby approve the final conservation cost recovery true-up amounts for the period January 2013 through December 2013, the estimated conservation cost recovery true-up amounts for January 2014 through December 2014, the projected conservation cost recovery amounts for January 2015 through December 2015, and the conservation cost recovery factors, to be applied beginning with the period January 2015 through December 2015.

Dated this 27th day of August, 2014.



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**JEFFREY A. STONE**

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**Attorneys for Gulf Power Company**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ENERGY CONSERVATION COST  
RECOVERY CLAUSE**

**Docket No. 140002-EG**

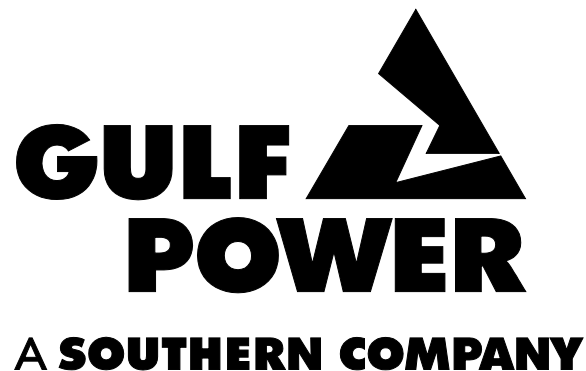
**PREPARED DIRECT TESTIMONY  
AND EXHIBITS OF**

**JENNIFER L. TODD**

**PROJECTION  
JANUARY 2015 – DECEMBER 2015**

**ESTIMATED ACTUAL TRUE-UP FILING  
JANUARY 2014 – DECEMBER 2014**

**AUGUST 27, 2014**



1 GULF POWER COMPANY

2 Before the Florida Public Service Commission  
3 Prepared Direct Testimony and Exhibit of  
4 Jennifer L. Todd  
5 Docket No. 140002-EG  
6 Energy Conservation Cost Recovery Clause  
7 August 27, 2014

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

10 A. My name is Jennifer L. Todd and my business address is One Energy  
11 Place, Pensacola, Florida 32520. I am employed by Gulf Power Company  
12 as the Market Analytics Supervisor.

13 Q. Mrs. Todd, please describe your educational background and business  
14 experience.

15 A. I received a Bachelor Degree in Management Information Systems from  
16 the University of West Florida in 1994. I began my career in the electric  
17 utility industry at Gulf Power in 1992 and have held various positions  
18 within the Company in Information Technology, Accounting, and  
19 Marketing. In my present position, I am responsible for Energy  
20 Conservation Cost Recovery filings, economic evaluations, market  
21 research, and other marketing services activities.

22 Q. Mrs. Todd, for what purpose are you appearing before this Commission  
23 today?

24 A. I am testifying before this Commission on behalf of Gulf Power regarding  
25 matters related to the Energy Conservation Cost Recovery Clause and to



1 answer any questions concerning the calculation of recoverable  
2 conservation costs in this filing. Specifically, I will address projections for  
3 approved programs during the January 2015 through December 2015  
4 recovery period and the anticipated results of those programs during the  
5 current recovery period, January 2014 through December 2014 (7 months  
6 actual, 5 months estimated).

7

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

10 A. Yes. My exhibit consists of 6 schedules, each of which was prepared  
11 under my direction, supervision, or review.

12 Counsel: We ask that Mrs. Todd's exhibit  
13 consisting of six schedules be marked as  
14 Exhibit No. \_\_\_\_ (JLT-2).

15

16 Q. Would you summarize for this Commission the deviations resulting from  
17 the actual costs for January 2014 through July 2014 of the current  
18 recovery period?

19 A. Projected expenses for the first seven months of the current period were  
20 \$11,667,498 compared to actual expenses of \$9,554,138 for a difference  
21 of \$2,113,360 or 18% under budget. A detailed summary of all program  
22 expenses is contained in my Schedule C-3, pages 1 and 2 and my  
23 Schedule C-5.

24

25

1 Q. Did you project expenses for the period August 2014 through December  
2 2014?

3 A. Yes. A detailed summary of those projections can be found in my  
4 Schedule C-3.

5

6 Q. How do the estimated actual expenses compare to projected expenses  
7 included in the 2014 Projection filing for the period August – December  
8 2014?

9 A. Estimated actual expenses for the period August – December 2014 of  
10 \$9,533,251 are 30% higher than projected expenses for that same period  
11 of \$7,319,818.

12

13 Q. Have you provided a description of the program results achieved during  
14 the period, January 2014 through July 2014?

15 A. Yes. A detailed summary of year-to-date results for each program is  
16 contained in my Schedule C-5.

17

18 Q. Would you summarize the conservation program cost projections for the  
19 January 2015 through December 2015 recovery period?

20 A. Yes. Program costs for the projection period are estimated to be  
21 \$23,592,756. These costs are broken down as follows: depreciation,  
22 return on investment and property taxes, \$2,298,987; payroll/benefits,  
23 \$6,083,173; materials/expenses, \$6,978,849; advertising, \$1,010,000; and  
24 incentives, \$7,221,747. More detail concerning these projections is  
25 contained in my Schedule C-2.

1 Q. What is the basis for Gulf's conservation program cost projections for the  
2 January 2015 through December 2015 recovery period?

3 A. These projections are based on program cost estimates associated with  
4 Gulf's existing Demand-Side Management (DSM) Plan which was  
5 approved on February 11, 2011 in Order No. PSC-11-0114-PAA-EG.  
6

7 Q. Will modifications be requested to the Company's existing DSM Plan that  
8 could change the projected expenditures for 2015?

9 A. Yes. Gulf is currently before this Commission in Docket No. 130202-EI  
10 seeking approval of the Company's proposed DSM goals for the period  
11 2015-2024. Once the Commission establishes Gulf's DSM goals for the  
12 applicable period, Gulf will file an updated DSM Plan as required by Rule  
13 25-17.0021(4), Florida Administrative Code.  
14

15 Q. Will Gulf's updated DSM Plan be approved before or during 2015?

16 A. While the schedule for approval of Gulf's updated DSM Plan has not been  
17 established, it is expected that it will be approved during 2015.  
18

19 Q. Given that Gulf's updated DSM Plan will likely be approved during 2015,  
20 why are projected costs not based on estimates for the updated DSM  
21 Plan?

22 A. Until such time that Gulf's DSM goals and updated DSM Plan are  
23 approved, any projections about programs and expenditures under the  
24 new Plan would be speculative. Therefore, it is appropriate for Gulf to  
25

1 include expenditures for the Company's currently approved DSM Plan as  
2 a basis for setting ECCR factors for 2015.

3

4 Q. Would you describe the expected results for your programs during the  
5 January 2015 through December 2015 recovery period?

6 A. Program details, including expected results, for the period January 2015  
7 through December 2015 can be found in my Schedule C-5.

8

9 Q. What is the proposed 2015 factor for Rate Schedule RS and what will be  
10 the charge for a 1,000 kWh monthly bill on Gulf Power's rate schedule  
11 RS?

12 A. The proposed Energy Conservation Cost Recovery factor for Rate  
13 Schedule RS is .250 cents per kWh which results in a charge of \$2.50 on  
14 a 1,000 kWh monthly bill on Gulf Power's rate schedule RS.

15

16 Q. When does Gulf propose to collect these Energy Conservation Cost  
17 Recovery charges?

18 A. The factors will be effective beginning with the first bill group for January  
19 2015 and continue through the last bill group for December 2015.

20

21 Q. Mrs. Todd, does this conclude your testimony?

22 A. Yes, it does.

23

24


25

AFFIDAVIT


STATE OF FLORIDA     )  
                                  )  
COUNTY OF ESCAMBIA )

Docket No. 140002-EG

Before me, the undersigned authority, personally appeared Jennifer L. Todd, who being first duly sworn, deposes and says that she is the Market Analytics Supervisor of Gulf Power Company, a Florida corporation, that the foregoing is true and correct to the best of her knowledge and belief. She is personally known to me.

  
\_\_\_\_\_  
Jennifer L. Todd  
Market Analytics Supervisor

Sworn to and subscribed before me this 26<sup>th</sup> day of August, 2014.

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



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

GULF POWER COMPANY  
ENERGY CONSERVATION COST RECOVERY CLAUSE  
INDEX OF SCHEDULES

Schedule Number	Title	Pages
C-1	Summary of Cost Recovery Clause Calculation	2-4
C-2	Projected Program Costs for January 2015 - December 2015	5-9
C-3	Conservation Program Costs for January 2014 - July 2014 Actual August 2014 - December 2014 Estimated	10-19
C-4	Calculation of Conservation Revenues	20
C-5	Program Descriptions and Progress Reports	21-49
C-6	RSVP Factors	50

Schedule C-1  
 Page 1 of 3

**GULF POWER COMPANY  
 ENERGY CONSERVATION CLAUSE  
 SUMMARY OF PROJECTED COST RECOVERY CLAUSE CALCULATION  
 For the Period: January, 2015 Through December, 2015**

	\$
1. Net Program Costs: Projected for 2015 (Schedule C-2 Page 2 of 5, Line 23)	23,592,756
2. True Up: Estimated 2014 (Jan-Jul Actual; Aug-Dec Est.) (Schedule C-3, Page 3 of 7, Line 11)	3,204,762
3. Total (Line 1 + Line 2)	26,797,518
4. Cost Subject to Revenue Taxes	26,797,518
5. Revenue Tax	1.00072
6. Total Recoverable Cost	26,816,812

Program costs are split in proportion to the current period split of demand-related and energy-related costs, see below. The allocation of projected ECCR costs between demand and energy is shown on schedule C-2, page 2 of 5, and is consistent with the methodology set forth in FPSC Order No. PSC-93-1845-FOF-EG.

7. Total Cost	26,816,812
8. Energy Related Costs	23,047,769
9. Demand Related Costs (total)	3,769,043
10. Demand Costs Allocated on 12 CP	3,479,117
11. Demand Costs Allocated on 1/13 th	289,926

	Energy \$	Demand \$ Half of Energy Select	Total	Energy	Demand	Total Recoverable Costs Including Revenue Taxes
	\$	\$	\$	\$	\$	\$
12. Est/Actual 2014	16,057,874	3,029,515	19,087,389	2,698,049	509,020	3,207,069
13. Percentage	84.13%	15.87%	100.00%			
14. Projected 2015	20,335,079	3,257,677	23,592,756	20,349,720	3,260,023	23,609,743
15. Percentage	86.19%	13.81%	100.00%			
16. Total				23,047,769	3,769,043	26,816,812

GULF POWER COMPANY  
ENERGY CONSERVATION COST RECOVERY FACTORS  
CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS  
For the Period: January, 2015 Through December, 2015

Rate Class	A	B	C	D	E	F	G	H	I
<u>Rate Class</u>	<u>Average 12 CP Load Factor at Meter</u>	<u>Jan - Dec 2015 Projected KWH Sales at Meter</u>	<u>Projected Avg 12 CP KW at Meter</u>	<u>Demand Loss Expansion Factor</u>	<u>Energy Loss Expansion Factor</u>	<u>Jan - Dec 2015 Projected KWH Sales at Generation</u>	<u>Projected Avg 12 CP KW at Generation</u>	<u>Jan - Dec 2015 Percentage of KWH Sales at Generation</u>	<u>Percentage of 12 CP KW Demand at Generation</u>
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, GSDT, 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 - I / 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%
<b>TOTAL</b>		<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:**

- Col A = Average 12 CP load factor based on actual 2012 load research data.
- Col C = Col B / (8760 hours x Col A), 8,760 is the number of hours in 12 months.
- Col F = Col B x Col E
- Col G = Col C x Col D
- Col H = Col F / Total Col F
- Col I, RS/RSVP = Allocated 100%
- Col J = Allocated on Col F/ Sum of Col F commercial, industrial and outdoor lighting factors
- Col K = Col G / Total Col G



GULF POWER COMPANY  
ENERGY CONSERVATION COST RECOVERY FACTORS  
CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS  
For the Period: January, 2015 Through December, 2015

<u>Rate Class</u>	A <u>Jan - Dec 2015 Percentage of KWH Sales at Generation</u>	B <u>Percentage of 12 CP KW Demand at Generation</u>	C <u>Demand Allocation 12CP</u>	D <u>1/13 th</u>	E <u>Energy Allocation</u>	F <u>Total Conservation Costs</u>	G <u>Jan - Dec 2015 Projected KWH Sales at Meter</u>	H <u>Conservation Recovery Factor cents per KWH</u>
RS, RSVP	47.29633%	56.32886%	\$1,959,746	\$137,126	\$10,900,748	\$12,997,620	5,188,672,000	0.250
GS	2.67496%	2.79140%	97,116	7,755	616,519	721,390	293,459,000	0.246
GSD, GSDT, GSTOU	24.64227%	22.04877%	767,103	71,444	5,679,493	6,518,040	2,703,797,000	0.241
LP, LPT	10.39994%	8.20574%	285,487	30,152	2,396,954	2,712,593	1,168,926,000	0.232
PX, PXT, RTP, SBS	13.56811%	10.26559%	357,152	39,337	3,127,147	3,523,636	1,552,162,000	0.227
OS - I / II	1.01368%	0.08794%	3,060	2,939	233,631	239,630	111,207,000	0.215
OS-III	0.40471%	0.27170%	9,453	1,173	93,277	103,903	44,399,000	0.234
<b>TOTAL</b>	<b>100.00000%</b>	<b>100.00000%</b>	<b>\$3,479,117</b>	<b>\$289,926</b>	<b>\$23,047,769</b>	<b>\$26,816,812</b>	<b>11,062,622,000</b>	

Notes:

- A Obtained from Schedule C-1, page 2 of 3, col H
- B Obtained from Schedule C-1, page 2 of 3, col I
- C Total from C-1, page 1, line 10 \* col B
- D Total from C-1, page 1, line 11 \* col A
- E Total from C-1, page 1, line 8 \* col A
- F Sum of Cols C, D and E
- G Projected kwh sales for the period January 2015 through December 2015
- H Col F / G

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
PROJECTED CONSERVATION PROGRAM NET COSTS  
For the Period: January, 2015 Through December, 2015

Programs	Depreciation, Return & Property Taxes	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Fees	Net Costs
<b>Residential Conservation Programs:</b>									
1. Residential Energy Audit and Education	10,015	1,952,010	425,003	0	350,000	0	2,737,028	0	2,737,028
2. Community Energy Saver	0	44,527	809,248	0	0	0	853,775	0	853,775
3. Landlord-Renter Custom	0	96,051	17,237	0	0	0	113,288	0	113,288
4. HVAC Efficiency	0	252,687	2,101,479	0	120,000	5,559,947	8,034,113	0	8,034,113
5. Heat Pump Water Heater	0	165,666	29,310	0	120,000	187,500	502,476	0	502,476
6. Ceiling Insulation	0	126,458	27,515	0	0	150,000	303,973	0	303,973
7. High Performance Window	0	130,933	26,347	0	0	141,600	298,880	0	298,880
8. Reflective Roof	0	121,154	23,853	0	0	200,000	345,007	0	345,007
9. Variable Speed Pool Pump	0	141,790	44,953	0	0	30,000	216,743	0	216,743
10. Energy <i>Select</i> / Energy <i>Select LITE</i>	2,288,972	1,358,454	2,567,928	0	300,000	0	6,515,354	0	6,515,354
11. Self-Install Energy Efficiency	0	37,038	246,157	0	0	300,000	583,195	0	583,195
12. Refrigerator Recycling	0	55,451	119,947	0	0	28,000	203,398	0	203,398
<b>Subtotal</b>	<b>2,298,987</b>	<b>4,482,219</b>	<b>6,438,977</b>	<b>0</b>	<b>890,000</b>	<b>6,597,047</b>	<b>20,707,230</b>	<b>0</b>	<b>20,707,230</b>
<b>Commercial / Industrial Conservation Programs:</b>									
13. Commercial / Industrial Audit	0	793,497	115,208	0	0	0	908,705	0	908,705
14. HVAC Retrocommissioning	0	16,307	100,872	0	0	150,000	267,179	0	267,179
15. Commercial Building Efficiency	0	607,100	69,153	0	120,000	332,650	1,128,903	0	1,128,903
16. HVAC Occupancy Sensor	0	18,668	9,812	0	0	8,750	37,230	0	37,230
17. High Efficiency Motors	0	21,100	10,890	0	0	75,150	107,140	0	107,140
18. Food Services	0	42,967	17,146	0	0	8,150	68,263	0	68,263
19. Commercial / Industrial Custom Incentive	0	60,196	7,910	0	0	50,000	118,106	0	118,106
<b>Subtotal</b>	<b>0</b>	<b>1,559,835</b>	<b>330,991</b>	<b>0</b>	<b>120,000</b>	<b>624,700</b>	<b>2,635,526</b>	<b>0</b>	<b>2,635,526</b>
<b>20. Conservation Demonstration and Development:</b>	<b>0</b>	<b>41,119</b>	<b>208,881</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>250,000</b>	<b>0</b>	<b>250,000</b>
21. Total All Programs	2,298,987	6,083,173	6,978,849	0	1,010,000	7,221,747	23,592,756	0	23,592,756
22. Less: Base Rate Recovery	0	0	0	0	0	0	0	0	0
23. Net Program Costs	2,298,987	6,083,173	6,978,849	0	1,010,000	7,221,747	23,592,756	0	23,592,756

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
PROJECTED CONSERVATION PROGRAM COSTS (NET OF PROGRAM FEES)  
For the Period: January, 2015 Through December, 2015

Programs

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	12 MONTH TOTAL	DEMAND COSTS	ENERGY COSTS
<b>Residential Conservation Programs:</b>															
1. Residential Energy Audit and Education	188,286	320,297	200,827	275,872	237,212	225,705	195,364	221,563	277,877	198,457	197,225	198,343	2,737,028		2,737,028
2. Community Energy Saver	70,648	70,688	71,284	72,538	70,915	70,804	70,818	70,806	72,597	70,943	70,862	70,872	853,775		853,775
3. Landlord-Renter Custom	8,287	8,107	9,403	12,207	8,514	12,226	8,379	8,352	12,101	8,575	8,466	8,671	113,288		113,288
4. HVAC Efficiency	190,433	234,831	1,393,422	1,455,051	1,458,470	1,437,818	317,482	320,183	337,703	346,247	326,022	216,451	8,034,113		8,034,113
5. Heat Pump Water Heater	39,866	40,050	40,783	46,992	41,140	41,330	40,761	41,523	47,377	40,971	40,843	40,840	502,476		502,476
6. Ceiling Insulation	23,751	24,055	24,382	29,302	24,866	24,470	24,535	25,431	29,456	24,767	24,565	24,393	303,973		303,973
7. High Performance Window	23,293	23,504	23,942	28,987	24,437	24,091	24,153	24,885	29,193	24,263	24,135	23,997	298,880		298,880
8. Reflective Roof	20,670	20,837	31,283	35,921	31,515	31,267	31,233	31,979	35,941	31,573	21,414	21,374	345,007		345,007
9. Variable Speed Pool Pump	15,046	15,538	15,862	28,553	16,474	16,117	16,183	16,104	21,518	23,442	15,841	16,065	216,743		216,743
10. Energy Select / Energy Select LITE	544,868	505,839	572,333	564,607	522,774	539,601	520,106	522,580	602,293	539,117	529,729	551,507	6,515,354	3,257,677	3,257,677
11. Self-Install Energy Efficiency	35,508	19,406	30,523	42,588	35,764	57,418	68,235	68,151	69,588	41,446	57,316	57,252	583,195		583,195
12. Refrigerator Recycling	11,615	11,755	14,665	12,731	12,000	20,308	20,323	18,991	32,617	21,869	14,688	11,836	203,398		203,398
<b>Subtotal</b>	<b>1,172,271</b>	<b>1,294,907</b>	<b>2,428,709</b>	<b>2,605,349</b>	<b>2,484,081</b>	<b>2,501,155</b>	<b>1,337,572</b>	<b>1,370,548</b>	<b>1,568,261</b>	<b>1,371,670</b>	<b>1,331,106</b>	<b>1,241,601</b>	<b>20,707,230</b>	<b>3,257,677</b>	<b>17,449,553</b>
<b>Commercial / Industrial Conservation Programs:</b>															
13. Commercial / Industrial Audit	64,182	65,952	89,348	98,221	67,919	68,058	66,773	67,933	100,099	85,346	67,690	67,184	908,705		908,705
14. HVAC Retrocommissioning	13,841	16,338	21,573	24,401	26,323	26,240	26,248	26,247	26,865	26,312	21,326	11,465	267,179		267,179
15. Commercial Building Efficiency	86,574	86,480	88,899	113,801	89,792	103,614	88,900	88,077	112,571	91,211	89,782	89,202	1,128,903		1,128,903
16. HVAC Occupancy Sensor	3,126	2,753	2,951	3,932	2,878	2,896	3,204	2,803	3,668	3,290	2,825	2,904	37,230		37,230
17. High Efficiency Motors	2,710	2,242	21,282	3,624	2,383	21,230	2,801	2,297	22,092	2,901	2,330	21,248	107,140		107,140
18. Food Services	3,910	5,963	5,036	7,072	6,470	7,104	4,881	6,373	6,692	5,520	4,920	4,322	68,263		68,263
19. Commercial / Industrial Custom Incentive	5,030	5,074	17,874	7,595	5,343	17,820	5,247	5,225	20,318	5,405	5,302	17,873	118,106		118,106
<b>Subtotal</b>	<b>179,373</b>	<b>184,802</b>	<b>246,963</b>	<b>258,646</b>	<b>201,108</b>	<b>246,962</b>	<b>198,054</b>	<b>198,955</b>	<b>292,305</b>	<b>219,985</b>	<b>194,175</b>	<b>214,198</b>	<b>2,635,526</b>	<b>0</b>	<b>2,635,526</b>
<b>20. Conservation Demonstration and Development:</b>	<b>20,099</b>	<b>20,425</b>	<b>20,754</b>	<b>22,186</b>	<b>21,398</b>	<b>20,468</b>	<b>20,583</b>	<b>20,583</b>	<b>22,196</b>	<b>21,437</b>	<b>20,705</b>	<b>19,166</b>	<b>250,000</b>		<b>250,000</b>
<b>21. Total All Programs</b>	<b>1,371,743</b>	<b>1,500,134</b>	<b>2,696,426</b>	<b>2,886,181</b>	<b>2,706,587</b>	<b>2,768,585</b>	<b>1,556,209</b>	<b>1,590,086</b>	<b>1,882,762</b>	<b>1,613,092</b>	<b>1,545,986</b>	<b>1,474,965</b>	<b>23,592,756</b>	<b>3,257,677</b>	<b>20,335,079</b>
<b>22. Less: Base Rate Recovery</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>23. Net Program Costs</b>	<b>1,371,743</b>	<b>1,500,134</b>	<b>2,696,426</b>	<b>2,886,181</b>	<b>2,706,587</b>	<b>2,768,585</b>	<b>1,556,209</b>	<b>1,590,086</b>	<b>1,882,762</b>	<b>1,613,092</b>	<b>1,545,986</b>	<b>1,474,965</b>	<b>23,592,756</b>	<b>3,257,677</b>	<b>20,335,079</b>

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES  
Residential Energy Surveys - Display Cases  
For the Period: January, 2015 Through December, 2015

Line No.	Description	Beginning of Period	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Total
1.	Additions to Plant In Service (Net of Retirements)		0	0	0	0	0	0	0	0	0	0	0	0	
2.	Depreciation Base - Total	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	
3.	Depreciation Expense (A)		164	164	164	164	164	164	164	164	164	164	164	164	1,968
4.	Cumulative Plant in Service Additions	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	13,814	
5.	Less: Accumulated Depreciation	9,868	10,032	10,196	10,360	10,524	10,688	10,852	11,016	11,180	11,344	11,508	11,672	11,836	
6.	Net Plant in Service (Line 4 - 5)	3,946	3,782	3,618	3,454	3,290	3,126	2,962	2,798	2,634	2,470	2,306	2,142	1,978	
7.	Net Additions/Reductions to CWIP		0	0	0	0	0	0	0	0	0	0	0	0	
8.	CWIP Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	
9.	Inventory	0	0	0	0	0	0	0	0	0	0	0	0	0	
10.	Net Investment (Line 6 + 8 + 9)	3,946	3,782	3,618	3,454	3,290	3,126	2,962	2,798	2,634	2,470	2,306	2,142	1,978	
11.	Average Net Investment		3,864	3,700	3,536	3,372	3,208	3,044	2,880	2,716	2,552	2,388	2,224	2,060	
12.	Rate of Return / 12 (Including Income Taxes) (B)		0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	
13.	Return Requirement on Average Net Investment		27	26	25	23	22	21	20	19	18	17	15	14	247
14.	Property Taxes		9	9	9	9	9	9	9	9	9	9	9	10	109
15.	Total Depreciation, Return and Property Taxes (Line 3+13+14)		200	199	198	196	195	194	193	192	191	190	188	188	2,324

Notes:

- (A) Displays are Seven year Property 1.1905% per month.  
(B) Revenue Requirement Return (includes Income Taxes) is 8.3302%.

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES  
Residential Energy Surveys - Thermal Imaging Tools  
For the Period: January, 2015 Through December, 2015

Line No.	Description	Beginning of Period	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Total
1.	Additions to Plant In Service (Net of Retirements)		0	0	0	0	0	0	0	0	0	0	0	0	
2.	Depreciation Base - Total	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	
3.	Depreciation Expense (A)		543	543	543	543	543	543	543	543	543	543	543	543	6,516
4.	Cumulative Plant in Service Additions	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	45,653	
5.	Less: Accumulated Depreciation	32,609	33,152	33,695	34,238	34,781	35,324	35,867	36,410	36,953	37,496	38,039	38,582	39,125	
6.	Net Plant in Service (Line 4 - 5)	13,044	12,501	11,958	11,415	10,872	10,329	9,786	9,243	8,700	8,157	7,614	7,071	6,528	
7.	Net Additions/Reductions to CWIP		0	0	0	0	0	0	0	0	0	0	0	0	
8.	CWIP Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	
9.	Inventory	0	0	0	0	0	0	0	0	0	0	0	0	0	
10.	Net Investment (Line 6 + 8 + 9)	13,044	12,501	11,958	11,415	10,872	10,329	9,786	9,243	8,700	8,157	7,614	7,071	6,528	
11.	Average Net Investment		12,772	12,229	11,686	11,143	10,600	10,057	9,514	8,971	8,428	7,885	7,342	6,799	
12.	Rate of Return / 12 (Including Income Taxes) (B)		0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	
13.	Return Requirement on Average Net Investment		89	85	81	77	74	70	66	62	59	55	51	47	816
14.	Property Taxes		30	30	30	30	30	30	30	30	30	30	30	29	359
15.	Total Depreciation, Return and Property Taxes (Line 3+13+14)		662	658	654	650	647	643	639	635	632	628	624	619	7,691

Notes:

- (A) Thermal Imaging Tools are Seven year Property 1.1905% per month.
- (B) Revenue Requirement Return (includes Income Taxes) is 8.3302%.

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES  
*Energy Select*  
For the Period: January, 2015 Through December, 2015

Line No.	Description	Beginning of Period	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected Sept	Projected Oct	Projected Nov	Projected Dec	Total
1.	Additions to Plant In Service (Net of Retirements)		113,596	129,677	145,157	161,278	176,719	176,800	176,719	161,015	145,157	129,444	113,596	113,659	
2.	Depreciation Base	12,371,338	12,484,934	12,614,611	12,759,768	12,921,046	13,097,765	13,274,565	13,451,284	13,612,299	13,757,456	13,886,900	14,000,496	14,114,155	
3.	Depreciation Expense (A)		28,454	28,715	29,014	29,347	29,718	30,125	30,531	30,938	31,308	31,642	31,940	32,201	363,933
4.	Cumulative Plant in Service Additions	12,371,338	12,484,934	12,614,611	12,759,768	12,921,046	13,097,765	13,274,565	13,451,284	13,612,299	13,757,456	13,886,900	14,000,496	14,114,155	
5.	Salvage, Cost of Removal and Retirement		(120,518)	(120,518)	(120,518)	(120,518)	(120,518)	(120,518)	(120,518)	(120,518)	(120,518)	(120,518)	(120,518)	(120,518)	
6.	Less: Accumulated Depreciation	(7,037,547)	(7,129,611)	(7,221,414)	(7,312,918)	(7,404,089)	(7,494,889)	(7,585,282)	(7,675,269)	(7,764,849)	(7,854,059)	(7,942,935)	(8,031,513)	(8,119,830)	
7.	Net Plant in Service (Line 4 - 6)	19,408,885	19,614,545	19,836,025	20,072,686	20,325,135	20,592,654	20,859,847	21,126,553	21,377,148	21,611,515	21,829,835	22,032,009	22,233,985	
8.	Net Additions/Reductions to CWIP		0	0	0	0	0	0	0	0	0	0	0	0	
9.	CWIP Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	
10.	Inventory	1,406,699	1,276,352	1,105,420	919,779	726,402	519,457	1,176,806	959,568	743,524	1,056,129	861,823	677,682	505,129	
11.	Net Investment (Line 7 + 9 + 10)	20,815,584	20,890,897	20,941,445	20,992,465	21,051,537	21,112,111	22,036,653	22,086,121	22,120,672	22,667,644	22,691,658	22,709,691	22,739,114	
12.	Average Net Investment		20,853,240	20,916,171	20,966,955	21,022,001	21,081,824	21,574,382	22,061,387	22,103,396	22,394,158	22,679,651	22,700,674	22,724,402	
13.	Rate of Return / 12 (Including Income Taxes) (B)		0	0	0	0	0	0	0	0	0	0	0	0	
14.	Return Requirement on Average Net Investment		144,763	145,200	145,553	145,935	146,350	149,769	153,150	153,442	155,460	157,442	157,588	157,753	1,812,405
15.	Property Taxes		9,386	9,386	9,386	9,386	9,386	9,386	9,386	9,386	9,386	9,386	9,386	9,388	112,634
16.	Total Depreciation, Return and Property Taxes (Line 3+14+15)		182,603	183,301	183,953	184,668	185,454	189,280	193,067	193,766	196,154	198,470	198,914	199,342	2,288,972

Notes:

- (A) Energy *Select* Property Additions Depreciated at 2.8% per year.
- (B) Revenue Requirement Return (includes Income Taxes) is 8.3302%.

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
CONSERVATION PROGRAM NET COST  
January, 2014 Through July, 2014, Actual  
August, 2014 Through December 2014, Estimated

Actual	Capital Return, Property Taxes & Depreciation	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Fees	Net Costs
<b>Residential Conservation Programs:</b>									
1. Residential Energy Audit and Education									
a. Actual	6,351.66	965,755.77	252,591.61	0.00	14,283.32	0.00	1,238,982.36	0.00	1,238,982.36
b. Estimated August through December	4,385.97	689,826.00	268,610.39	0.00	160,716.68	0.00	1,123,539.04	0.00	1,123,539.04
c. Total	10,737.63	1,655,581.77	521,202.00	0.00	175,000.00	0.00	2,362,521.40	0.00	2,362,521.40
2. Community Energy Saver									
a. Actual	0.00	25,415.88	287,808.20	0.00	0.00	0.00	313,224.08	0.00	313,224.08
b. Estimated August through December	0.00	18,154.00	515,476.80	0.00	0.00	0.00	533,630.80	0.00	533,630.80
c. Total	0.00	43,569.88	803,285.00	0.00	0.00	0.00	846,854.88	0.00	846,854.88
3. Landlord-Renter Custom									
a. Actual	0.00	74,787.85	8,051.17	0.00	0.00	0.00	82,839.02	0.00	82,839.02
b. Estimated August through December	0.00	53,420.00	5,751.00	0.00	0.00	0.00	59,171.00	0.00	59,171.00
c. Total	0.00	128,207.85	13,802.17	0.00	0.00	0.00	142,010.02	0.00	142,010.02
4. HVAC Efficiency									
a. Actual	0.00	142,060.47	430,572.77	0.00	2,733.40	1,067,510.00	1,642,876.64	0.00	1,642,876.64
b. Estimated August through December	0.00	101,472.00	811,073.00	0.00	0.00	1,976,550.00	2,889,095.00	0.00	2,889,095.00
c. Total	0.00	243,532.47	1,241,645.77	0.00	2,733.40	3,044,060.00	4,531,971.64	0.00	4,531,971.64
5. Heat Pump Water Heater									
a. Actual	0.00	87,047.87	10,858.71	0.00	0.00	147,689.35	245,595.93	0.00	245,595.93
b. Estimated August through December	0.00	62,177.00	7,756.00	0.00	0.00	93,800.00	163,733.00	0.00	163,733.00
c. Total	0.00	149,224.87	18,614.71	0.00	0.00	241,489.35	409,328.93	0.00	409,328.93
6. Ceiling Insulation									
a. Actual	0.00	67,451.78	9,988.43	0.00	0.00	38,959.75	116,399.96	0.00	116,399.96
b. Estimated August through December	0.00	48,180.00	7,135.00	0.00	0.00	39,480.00	94,795.00	0.00	94,795.00
c. Total	0.00	115,631.78	17,123.43	0.00	0.00	78,439.75	211,194.96	0.00	211,194.96
7. High Performance Window									
a. Actual	0.00	69,273.68	10,151.75	0.00	0.00	72,360.59	151,786.02	0.00	151,786.02
b. Estimated August through December	0.00	49,481.00	7,251.00	0.00	0.00	62,664.00	119,396.00	0.00	119,396.00
c. Total	0.00	118,754.68	17,402.75	0.00	0.00	135,024.59	271,182.02	0.00	271,182.02
8. Reflective Roof									
a. Actual	0.00	64,959.42	8,740.08	0.00	0.00	9,652.50	83,352.00	0.00	83,352.00
b. Estimated August through December	0.00	46,400.00	6,243.00	0.00	0.00	80,000.00	132,643.00	0.00	132,643.00
c. Total	0.00	111,359.42	14,983.08	0.00	0.00	89,652.50	215,995.00	0.00	215,995.00

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
CONSERVATION PROGRAM NET COST  
January, 2014 Through July, 2014, Actual  
August, 2014 Through December 2014, Estimated

Actual	Capital Return, Property Taxes & Depreciation	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Fees	Net Costs
<b>Residential Conservation Programs Continued:</b>									
9. Variable Speed Pool Pump									
a. Actual	0.00	77,720.43	10,914.01	0.00	0.00	15,912.19	104,546.63	0.00	104,546.63
b. Estimated August through December	0.00	55,515.00	7,796.00	0.00	0.00	12,740.00	76,051.00	0.00	76,051.00
c. Total	0.00	133,235.43	18,710.01	0.00	0.00	28,652.19	180,597.63	0.00	180,597.63
10. Energy Select / Energy Select LITE									
a. Actual	1,176,081.14	692,840.58	1,213,728.88	0.00	80,997.04	0.00	3,163,647.64	(15.00)	3,163,662.64
b. Estimated August through December	879,333.94	494,886.00	1,452,159.12	0.00	69,002.96	0.00	2,895,382.02	0.00	2,895,382.02
c. Total	2,055,415.08	1,187,726.58	2,665,888.00	0.00	150,000.00	0.00	6,059,029.66	(15.00)	6,059,044.66
11. Self-Install Energy Efficiency									
a. Actual	0.00	21,348.42	17,135.74	0.00	0.00	15,190.67	53,674.83	0.00	53,674.83
b. Estimated August through December	0.00	15,249.00	12,240.00	0.00	0.00	191,584.00	219,073.00	0.00	219,073.00
c. Total	0.00	36,597.42	29,375.74	0.00	0.00	206,774.67	272,747.83	0.00	272,747.83
12. Refrigerator Recycling									
a. Actual	0.00	29,345.95	54,123.82	0.00	0.00	12,565.00	96,034.77	0.00	96,034.77
b. Estimated August through December	0.00	20,961.00	19,207.17	0.00	0.00	4,459.00	44,627.17	0.00	44,627.17
c. Total	0.00	50,306.95	73,330.99	0.00	0.00	17,024.00	140,661.94	0.00	140,661.94
13. Commercial / Industrial Conservation Programs:									
Commercial / Industrial Energy Audit									
a. Actual	0.00	367,924.19	42,645.46	0.00	0.00	0.00	410,569.65	0.00	410,569.65
b. Estimated August through December	0.00	262,803.00	30,461.00	0.00	0.00	0.00	293,264.00	0.00	293,264.00
c. Total	0.00	630,727.19	73,106.46	0.00	0.00	0.00	703,833.65	0.00	703,833.65
14. HVAC Retrocommissioning									
a. Actual	0.00	16,931.77	4,979.08	0.00	0.00	5,555.00	27,465.85	0.00	27,465.85
b. Estimated August through December	0.00	12,094.00	12,841.00	0.00	0.00	17,000.00	41,935.00	0.00	41,935.00
c. Total	0.00	29,025.77	17,820.08	0.00	0.00	22,555.00	69,400.85	0.00	69,400.85



GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
CONSERVATION PROGRAM NET COST  
January, 2014 Through July, 2014, Actual  
August, 2014 Through December 2014, Estimated

Actual	Depreciation, Return & Property Taxes	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Fees	Net Costs
<b>Commercial / Industrial Conservation Programs Continued:</b>									
15. Commercial Building Efficiency									
a. Actual	0.00	262,564.57	(8,334.28)	0.00	579.00	814,245.51	1,069,054.80	0.00	1,069,054.80
b. Estimated August through December	0.00	187,546.00	75,531.28	0.00	0.00	166,530.00	429,607.28	0.00	429,607.28
c. Total	0.00	450,110.57	67,197.00	0.00	579.00	980,775.51	1,498,662.08	0.00	1,498,662.08
16. HVAC Occupancy Sensor									
a. Actual	0.00	16,452.47	1,485.55	0.00	0.00	7,730.00	25,668.02	0.00	25,668.02
b. Estimated August through December	0.00	11,752.00	1,061.00	0.00	0.00	270.00	13,083.00	0.00	13,083.00
c. Total	0.00	28,204.47	2,546.55	0.00	0.00	8,000.00	38,751.02	0.00	38,751.02
17. High Efficiency Motors									
a. Actual	0.00	24,139.46	(2,170.48)	0.00	0.00	9,433.64	31,402.62	0.00	31,402.62
b. Estimated August through December	0.00	17,242.00	11,671.48	0.00	0.00	12,000.00	40,913.48	0.00	40,913.48
c. Total	0.00	41,381.46	9,501.00	0.00	0.00	21,433.64	72,316.10	0.00	72,316.10
18. Food Services									
a. Actual	0.00	33,765.51	2,023.01	0.00	0.00	1,659.64	37,448.16	0.00	37,448.16
b. Estimated August through December	0.00	24,118.00	1,445.00	0.00	0.00	3,200.00	28,763.00	0.00	28,763.00
c. Total	0.00	57,883.51	3,468.01	0.00	0.00	4,859.64	66,211.16	0.00	66,211.16
19. Commercial / Industrial Custom Incentive									
a. Actual	0.00	39,578.10	3,567.61	0.00	0.00	0.00	43,145.71	0.00	43,145.71
b. Estimated August through December	0.00	28,270.00	2,548.00	0.00	0.00	1,000.00	31,818.00	0.00	31,818.00
c. Total	0.00	67,848.10	6,115.61	0.00	0.00	1,000.00	74,963.71	0.00	74,963.71
<b>Renewable Energy Plan:</b>									
20. Renewable Energy Plan Common									
a. Actual	0.00	77,551.56	5,183.65	0.00	0.00	0.00	82,735.21	0.00	82,735.21
b. Estimated August through December	0.00	55,394.00	3,703.00	0.00	0.00	0.00	59,097.00	0.00	59,097.00
c. Total	0.00	132,945.56	8,886.65	0.00	0.00	0.00	141,832.21	0.00	141,832.21

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
CONSERVATION PROGRAM NET COST  
January, 2014 Through July, 2014, Actual  
August, 2014 Through December 2014, Estimated

	Depreciation, Return & Property Taxes	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Fees	Net Costs
<b>Actual</b>									
<b>Renewable Energy Plan Continued:</b>									
21. Solar for Schools									
a. Actual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Estimated August through December	0.00	0.00	110,000.00	0.00	0.00	0.00	110,000.00	0.00	110,000.00
c. Total	0.00	0.00	110,000.00	0.00	0.00	0.00	110,000.00	0.00	110,000.00
22. Solar Thermal Water Heating									
a. Actual	0.00	0.00	0.00	0.00	0.00	13,000.00	13,000.00	0.00	13,000.00
b. Estimated August through December	0.00	0.00	0.00	0.00	0.00	22,000.00	22,000.00	0.00	22,000.00
c. Total	0.00	0.00	0.00	0.00	0.00	35,000.00	35,000.00	0.00	35,000.00
23. Solar PV									
a. Actual	0.00	0.00	0.00	0.00	0.00	490,000.00	490,000.00	0.00	490,000.00
b. Estimated August through December	0.00	0.00	0.00	0.00	0.00	10,000.00	10,000.00	0.00	10,000.00
c. Total	0.00	0.00	0.00	0.00	0.00	500,000.00	500,000.00	0.00	500,000.00
24. Solar Thermal Water Heating for Low-Income									
a. Actual	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Estimated August through December	0.00	0.00	0.00	0.00	0.00	75,000.00	75,000.00	0.00	75,000.00
c. Total	0.00	0.00	0.00	0.00	0.00	75,000.00	75,000.00	0.00	75,000.00
25. Energy Select Electric Vehicle Pilot									
a. Actual	0.00	0.00	0.00	0.00	0.00	2,500.00	2,500.00	0.00	2,500.00
b. Estimated August through December	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c. Total	0.00	0.00	0.00	0.00	0.00	2,500.00	2,500.00	0.00	2,500.00
26. Conservation Demonstration and Development:									
a. UWF Best House	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b. Azalea Trace Heat Pump Water Heater	0.00	25,241.00	2,946.99	0.00	0.00	0.00	28,187.99	0.00	28,187.99
c. 10th Ave Hair Salon Heat Pump Water Htr	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d. Total Actual	0.00	25,241.00	2,946.99	0.00	0.00	0.00	28,187.99	0.00	28,187.99
e. Estimated August through December	0.00	18,029.00	8,605.00	0.00	0.00	0.00	26,634.00	0.00	26,634.00
f. Total	0.00	43,270.00	11,551.99	0.00	0.00	0.00	54,821.99	0.00	54,821.99
27. a. Actual	1,182,432.80	3,182,156.73	2,366,991.76	0.00	98,592.76	2,723,963.84	9,554,137.89	(15.00)	9,554,152.89
b. Estimated	883,719.91	2,272,969.00	3,378,565.24	0.00	229,719.64	2,768,277.00	9,533,250.79	0.00	9,533,250.79
28. Total All Programs	2,066,152.71	5,455,125.73	5,745,557.00	0.00	328,312.40	5,492,240.84	19,087,388.68	(15.00)	19,087,403.68

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
CONSERVATION PROGRAM COSTS (Exclusive of Program Fees)  
January, 2014 Through July, 2014, Actual  
August, 2014 Through December 2014, Estimated

	ACTUAL											ESTIMATED			TOTAL ACTUAL & ESTIMATED COSTS	
	JAN	FEB	MAR	APR	MAY	JUNE	JULY	TOTAL ACT	ADJ	AUG	SEP	OCT	NOV	DEC		TOTAL EST
<b>Residential Conservation Programs:</b>																
1. Residential Energy Audit and Education	148,228.99	221,174.20	197,883.07	148,532.52	138,488.81	143,215.37	241,459.40	1,238,982.36	0	224,708.00	224,708.00	224,708.00	224,708.00	224,707.04	1,123,539.04	2,362,521.40
2. Community Energy Saver	4,207.80	45,509.09	44,877.95	61,688.93	49,099.46	48,349.67	59,491.18	313,224.08	0	106,726.00	106,726.00	106,726.00	106,726.00	106,726.80	533,630.80	846,854.88
3. Landlord-Renter Custom	11,091.30	12,237.74	10,494.49	11,812.34	12,174.58	12,217.66	12,810.91	82,839.02	0	11,834.00	11,834.00	11,834.00	11,834.00	11,835.00	59,171.00	142,010.02
4. HVAC Efficiency	74,179.62	204,325.44	222,750.07	247,818.43	292,361.93	312,845.08	288,596.07	1,642,876.64	0	577,819.00	577,819.00	577,819.00	577,819.00	577,819.00	2,889,095.00	4,531,971.64
5. Heat Pump Water Heater	79,979.40	23,014.54	48,443.70	25,709.10	25,073.66	25,849.73	17,525.80	245,595.93	0	32,747.00	32,747.00	32,747.00	32,747.00	32,745.00	163,733.00	409,328.93
6. Ceiling Insulation	16,586.00	10,569.43	17,405.52	18,497.38	16,066.42	20,082.80	17,192.41	116,399.96	0	18,959.00	18,959.00	18,959.00	18,959.00	18,959.00	94,795.00	211,194.96
7. High Performance Window	24,915.84	25,446.79	23,099.24	15,420.81	30,698.49	17,420.36	14,784.49	151,786.02	0	23,879.00	23,879.00	23,879.00	23,879.00	23,880.00	119,396.00	271,182.02
8. Reflective Roof	17,611.31	9,194.79	12,105.93	11,117.79	11,519.92	10,947.12	10,855.14	83,352.00	0	26,529.00	26,529.00	26,529.00	26,529.00	26,527.00	132,643.00	215,995.00
9. Variable Speed Pool Pump	14,799.17	10,968.02	13,743.34	15,164.05	16,811.19	16,897.00	16,163.86	104,546.63	0	15,210.00	15,210.00	15,210.00	15,210.00	15,211.00	76,051.00	180,597.63
10. Energy Select / Energy Select LITE	412,689.22	422,133.75	476,835.26	475,554.70	459,587.37	457,530.88	459,316.46	3,163,647.64	0	579,076.00	579,076.00	579,076.00	579,076.00	579,078.02	2,895,382.02	6,059,029.66
11. Self-Install Energy Efficiency	5,672.17	3,743.77	9,106.14	3,863.81	11,240.37	4,122.67	15,925.90	53,674.83	0	43,815.00	43,815.00	43,815.00	43,815.00	43,813.00	219,073.00	272,747.83
12. Refrigerator Recycling	12,421.70	10,294.91	4,641.76	13,299.35	23,595.32	30,842.53	939.20	96,034.77	0	8,925.00	8,925.00	8,925.00	8,925.00	8,927.17	44,627.17	140,661.94
<b>Commercial / Industrial Conservation Programs:</b>																
13. Commercial / Industrial Energy Audit	55,792.17	51,100.12	69,695.52	56,908.41	60,710.19	60,603.37	55,759.87	410,569.65	0	58,653.00	58,653.00	58,653.00	58,653.00	58,652.00	293,264.00	703,833.65
14. HVAC Retrocommissioning	92,945.44	(86,052.15)	3,481.36	6,749.33	5,610.63	2,603.54	2,127.70	27,465.85	0	8,387.00	8,387.00	8,387.00	8,387.00	8,387.00	41,935.00	69,400.85
15. Commercial Building Efficiency	425,206.84	92,263.90	132,140.63	270,884.78	52,880.67	42,623.09	53,054.89	1,069,054.80	0	85,921.00	85,921.00	85,921.00	85,921.00	85,923.28	429,607.28	1,498,662.08
16. HVAC Occupancy Sensor	10,452.13	2,976.17	3,232.68	2,018.07	2,425.58	2,503.83	2,059.56	25,668.02	0	2,617.00	2,617.00	2,617.00	2,617.00	2,615.00	13,083.00	38,751.02
17. High Efficiency Motors	3,958.31	8,213.59	4,440.65	4,141.51	3,775.88	3,616.77	3,255.91	31,402.62	0	8,183.00	8,183.00	8,183.00	8,183.00	8,181.48	40,913.48	72,316.10
18. Food Services	6,131.30	5,264.61	6,978.05	4,286.34	5,961.76	4,515.97	4,310.13	37,448.16	0	5,753.00	5,753.00	5,753.00	5,753.00	5,751.00	28,763.00	66,211.16
19. Commercial / Industrial Custom Incentive	5,979.41	5,344.45	6,386.35	6,590.76	6,433.50	6,019.90	6,391.34	43,145.71	0	6,364.00	6,364.00	6,364.00	6,364.00	6,362.00	31,818.00	74,963.71
<b>Renewable Energy Plan:</b>																
20. Renewable Energy Plan Common	18,767.05	13,473.28	15,138.47	14,723.94	21,171.06	(12,473.31)	11,934.72	82,735.21	0	11,819.00	11,819.00	11,819.00	11,819.00	11,821.00	59,097.00	141,832.21
21. Solar for Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	22,000.00	22,000.00	22,000.00	22,000.00	22,000.00	110,000.00	110,000.00
22. Solar Thermal Water Heating	1,000.00	2,000.00	2,000.00	3,000.00	2,000.00	1,000.00	2,000.00	13,000.00	0	4,400.00	4,400.00	4,400.00	4,400.00	4,400.00	22,000.00	35,000.00
23. Solar PV	190,000.00	130,000.00	114,000.00	6,000.00	20,000.00	30,000.00	0.00	490,000.00	0	2,000.00	2,000.00	2,000.00	2,000.00	2,000.00	10,000.00	500,000.00
24. Solar Thermal Water Heating for Low-Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	75,000.00	75,000.00
25. Energy Select Electric Vehicle Pilot	0.00	2,000.00	500.00	0.00	0.00	0.00	0.00	2,500.00	0	0.00	0.00	0.00	0.00	0.00	0.00	2,500.00
26. Conservation Demonstration and Development:																
a. UWF Best House	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	5,327.00	5,327.00	5,327.00	5,327.00	5,326.00	26,634.00	54,821.99
b. Azalea Trace Heat Pump Water Heater	3,908.09	3,874.03	4,266.38	4,438.49	3,930.95	4,135.32	3,634.73	28,187.99	0							
c. 10th Ave Hair Salon Heat Pump Water Htr	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0							
27. Total All Programs	1,636,523.26	1,229,070.47	1,443,646.56	1,428,220.84	1,271,617.74	1,245,469.35	1,299,589.67	9,554,137.89	0	1,906,651.00	1,906,651.00	1,906,651.00	1,906,651.00	1,906,646.79	9,533,250.79	19,087,388.68
28. Less: Base Rate Recovery	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00
29. Net Recoverable Expenses	1,636,523.26	1,229,070.47	1,443,646.56	1,428,220.84	1,271,617.74	1,245,469.35	1,299,589.67	9,554,137.89	0	1,906,651.00	1,906,651.00	1,906,651.00	1,906,651.00	1,906,646.79	9,533,250.79	19,087,388.68

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
ESTIMATED TRUE-UP  
For the Period: January, 2014 through December, 2014

<u>Conservation Revenues</u>	<u>ACTUAL JAN</u>	<u>ACTUAL FEB</u>	<u>ACTUAL MARCH</u>	<u>ACTUAL APRIL</u>	<u>ACTUAL MAY</u>	<u>ACTUAL JUNE</u>	<u>ACTUAL JULY</u>	<u>ESTIMATED AUGUST</u>	<u>ESTIMATED SEPTEMBER</u>	<u>ESTIMATED OCTOBER</u>	<u>ESTIMATED NOVEMBER</u>	<u>ESTIMATED DECEMBER</u>	<u>TOTAL</u>
1. Energy <i>Select</i> Program Revenues	(10.00)	(5.00)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	(15.00)
2. Conservation Revenues	<u>2,041,642.41</u>	<u>1,479,947.38</u>	<u>1,432,667.34</u>	<u>1,445,842.30</u>	<u>1,805,833.76</u>	<u>2,142,850.99</u>	<u>2,312,675.16</u>	<u>2,578,218.87</u>	<u>2,271,093.92</u>	<u>1,887,159.51</u>	<u>1,628,824.67</u>	<u>1,825,467.14</u>	<u>22,852,223.45</u>
3. Total Revenues	2,041,632.41	1,479,942.38	1,432,687.34	1,445,842.30	1,805,833.78	2,142,650.99	2,312,675.16	2,578,218.87	2,271,093.92	1,887,159.51	1,628,824.67	1,825,467.14	22,852,208.45
4. Adjustment not Applicable to Period - Prior True Up	<u>(448,941.00)</u>	<u>(448,941.00)</u>	<u>(448,941.00)</u>	<u>(448,941.00)</u>	<u>(448,941.00)</u>	<u>(448,941.00)</u>	<u>(448,941.00)</u>	<u>(448,941.00)</u>	<u>(448,941.00)</u>	<u>(448,941.00)</u>	<u>(448,941.00)</u>	<u>(448,937.00)</u>	<u>(5,387,288.00)</u>
5. Conservation Revenues Applicable to Period	1,592,691.41	1,031,001.38	983,726.34	996,901.30	1,356,892.76	1,693,909.99	1,863,734.18	2,129,277.87	1,822,152.92	1,438,218.51	1,179,883.67	1,376,530.14	17,464,920.45
6. Conservation Expenses (Form C-3 Page 2 of 7)	<u>1,636,523.26</u>	<u>1,229,070.47</u>	<u>1,443,646.56</u>	<u>1,428,220.84</u>	<u>1,271,617.74</u>	<u>1,245,469.35</u>	<u>1,299,589.67</u>	<u>1,906,651.00</u>	<u>1,906,651.00</u>	<u>1,906,651.00</u>	<u>1,906,651.00</u>	<u>1,908,646.79</u>	<u>19,087,388.88</u>
7. True Up this Period (Line 5 minus Line 6)	(43,831.85)	(198,069.09)	(459,920.22)	(431,319.54)	85,275.02	448,440.64	564,144.49	222,626.87	(84,498.08)	(468,432.49)	(726,767.33)	(530,116.65)	(1,622,468.23)
8. Interest Provision this Period (C-3 Page 4 of 7, Line 10)	(422.74)	(375.45)	(368.47)	(394.61)	(377.39)	(288.32)	(218.39)	(176.29)	(150.39)	(141.78)	(149.22)	(158.20)	(3,221.25)
9. True Up & Interest Provision Beginning of Month	(6,966,360.52)	(6,561,674.11)	(6,311,177.85)	(6,322,525.34)	(6,305,298.49)	(5,771,459.86)	(4,874,366.54)	(3,861,499.44)	(3,190,107.86)	(2,825,815.32)	(2,845,448.59)	(3,123,424.14)	(6,966,360.52)
10. Prior True Up Collected or Refunded	<u>448,941.00</u>	<u>448,941.00</u>	<u>448,941.00</u>	<u>448,941.00</u>	<u>448,941.00</u>	<u>448,941.00</u>	<u>448,941.00</u>	<u>448,941.00</u>	<u>448,941.00</u>	<u>448,941.00</u>	<u>448,941.00</u>	<u>448,937.00</u>	<u>5,387,288.00</u>
11. End of Period- Net True Up	<u>(6,561,674.11)</u>	<u>(6,311,177.65)</u>	<u>(6,322,525.34)</u>	<u>(6,305,298.49)</u>	<u>(5,771,459.86)</u>	<u>(4,874,366.54)</u>	<u>(3,861,499.44)</u>	<u>(3,190,107.86)</u>	<u>(2,825,815.32)</u>	<u>(2,845,448.59)</u>	<u>(3,123,424.14)</u>	<u>(3,204,762.00)</u>	<u>(3,204,762.00)</u>

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
INTEREST CALCULATION  
For the Period: January, 2014 through December, 2014

<u>Interest Provision</u>	ACTUAL JAN	ACTUAL FEB	ACTUAL MARCH	ACTUAL APRIL	ACTUAL MAY	ACTUAL JUNE	ACTUAL JULY	ESTIMATED AUGUST	ESTIMATED SEPTEMBER	ESTIMATED OCTOBER	ESTIMATED NOVEMBER	ESTIMATED DECEMBER	TOTAL
1. Beginning True up Amount	(6,966,360.52)	(6,561,674.11)	(6,311,177.65)	(6,322,525.34)	(6,305,298.49)	(5,771,459.86)	(4,874,366.54)	(3,861,499.44)	(3,190,107.86)	(2,825,815.32)	(2,845,448.59)	(3,123,424.14)	
2. Ending True up before Interest	(6,561,251.37)	(6,310,802.20)	(6,322,156.87)	(6,304,903.88)	(5,771,082.47)	(4,874,078.22)	(3,861,281.05)	(3,189,931.57)	(2,825,664.93)	(2,845,306.81)	(3,123,274.92)	(3,204,603.80)	
3. Total Beginning & Ending Balances	(13,527,611.89)	(12,672,476.31)	(12,633,334.52)	(12,627,429.22)	(12,076,380.96)	(10,645,538.08)	(8,735,647.59)	(7,051,431.01)	(6,015,772.79)	(5,671,122.14)	(5,968,723.52)	(6,328,027.94)	
4. Average True up Amount	(6,763,805.95)	(6,436,238.16)	(6,316,667.26)	(6,313,714.61)	(6,038,190.48)	(5,322,769.04)	(4,367,823.80)	(3,525,715.50)	(3,007,866.39)	(2,835,561.07)	(2,984,361.76)	(3,164,013.97)	
5. Interest Rate First Day Reporting Business Month	0.08	0.07	0.07	0.07	0.08	0.07	0.06	0.06	0.06	0.06	0.06	0.06	
6. Interest Rate First Day Subsequent Business Month	0.07	0.07	0.07	0.08	0.07	0.06	0.06	0.06	0.06	0.06	0.06	0.06	
7. Total of Lines 5 and 6	0.15	0.14	0.14	0.15	0.15	0.13	0.12	0.12	0.12	0.12	0.12	0.12	
8. Average Interest rate (50% of Line 7)	0.075	0.070	0.070	0.075	0.075	0.065	0.060	0.060	0.060	0.060	0.060	0.060	
9. Monthly Average Interest Rate Line 8 / 12 months	0.000063	0.000058	0.000058	0.000063	0.000063	0.000054	0.000050	0.000050	0.000050	0.000050	0.000050	0.000050	
10. Interest Provision (line 4 X 9)	(422.74)	(375.45)	(368.47)	(394.61)	(377.39)	(288.32)	(218.39)	(176.29)	(150.39)	(141.78)	(149.22)	(158.20)	(3221.25)

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES  
Residential Energy Survey Displays  
For the Period January, 2014 Through December, 2014

Line No.	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Projected August	Projected September	Projected October	Projected November	Projected December	Total
1	Investments Added to Plant In Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2	Depreciable Base	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	
3	Depreciation Expense (A)	164.46	164.46	164.46	164.46	164.46	164.46	164.46	164.46	164.46	164.46	164.46	164.46	1,973.52
4	Cumulative Plant in Service Additions	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	13,814.37	
5	Salvage, Cost of Removal and Retirement	-	-	-	-	-	-	-	-	-	-	-	-	
6	Less: Accumulated Depreciation	7,894.08	8,058.54	8,223.00	8,387.46	8,551.92	8,716.38	8,880.84	9,045.30	9,209.76	9,374.22	9,538.68	9,703.14	9,867.60
7	Net Plant In Service (Line 4 - 6)	5,920.29	5,755.83	5,591.37	5,426.91	5,262.45	5,097.99	4,933.53	4,769.07	4,604.61	4,440.15	4,275.69	4,111.23	3,946.77
8	Net Additions/Reductions to CWIP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	CWIP Balance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Net Investment	5,920.29	5,755.83	5,591.37	5,426.91	5,262.45	5,097.99	4,933.53	4,769.07	4,604.61	4,440.15	4,275.69	4,111.23	3,946.77
12	Average Net Investment	5,838.06	5,673.60	5,509.14	5,344.68	5,180.22	5,015.76	4,851.30	4,686.84	4,522.38	4,357.92	4,193.46	4,029.00	
13	Rate of Return / 12 (B)	0.006977	0.006977	0.006977	0.006977	0.006977	0.006977	0.006977	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942
14	Return Requirement on Average Net Investment	40.73	39.58	38.44	37.29	36.14	34.99	33.68	32.54	31.39	30.25	29.11	27.97	412.11
15	Property Tax	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.06	9.09	108.75
16	Total Depreciation, Prop Taxes & Return (Line 3 + 14 + 15)	214.25	213.10	211.96	210.81	209.66	208.51	207.20	206.06	204.91	203.77	202.63	201.52	2,494.38

Notes:

- (A) Displays are Seven year Property 1.1905% per month.  
 (B) Revenue Requirement Return (includes Income Taxes) is: Jan - Jun 8.3728%; Jul - Dec 8.3302%.

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES  
Thermal Imaging Tools  
For the Period January, 2014 Through December, 2014

Line No.	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Projected August	Projected September	Projected October	Projected November	Projected December	Total
1	Investments Added to Plant In Service	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	Depreciable Base	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	
3	Depreciation Expense (A)	543.49	543.49	543.49	543.49	543.49	543.49	543.49	543.49	543.49	543.49	543.49	543.49	6,521.88
4	Cumulative Plant in Service Additions	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	45,652.70	
5	Salvage, Cost of Removal and Retirement													
6	Less: Accumulated Depreciation	26,087.28	26,630.77	27,174.26	27,717.75	28,261.24	28,804.73	29,348.22	29,891.71	30,435.20	30,978.69	31,522.18	32,065.67	32,609.16
7	Net Plant In Service (Line 4 - 6)	19,565.42	19,021.93	18,478.44	17,934.95	17,391.46	16,847.97	16,304.48	15,760.99	15,217.50	14,674.01	14,130.52	13,587.03	13,043.54
8	Net Additions/Reductions to CWIP	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	CWIP Balance	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Inventory	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11	Net Investment	19,565.42	19,021.93	18,478.44	17,934.95	17,391.46	16,847.97	16,304.48	15,760.99	15,217.50	14,674.01	14,130.52	13,587.03	13,043.54
12	Average Net Investment	19,293.68	18,750.19	18,206.70	17,663.21	17,119.72	16,576.23	16,032.74	15,489.25	14,945.76	14,402.27	13,858.78	13,315.29	
13	Rate of Return / 12 (B)	0.006977	0.006977	0.006977	0.006977	0.006977	0.006977	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	
14	Return Requirement on Average Net Investment	134.61	130.82	127.03	123.24	119.44	115.65	111.30	107.53	103.75	99.98	96.21	92.43	1,361.99
15	Property Tax	29.95	29.95	29.95	29.95	29.95	29.95	29.95	29.95	29.95	29.95	29.95	29.93	359.38
16	Total Depreciation, Prop Taxes & Return (Line 3 + 14 + 15)	708.05	704.26	700.47	696.68	692.88	689.09	684.74	680.97	677.19	673.42	669.65	665.85	8,243.25

Notes:

- (A) Thermal Imaging Tools are Seven year Property 1.1905% per month.  
 (B) Revenue Requirement Return (includes Income Taxes) is: Jan - Jun 8.3728%; Jul - Dec 8.3302%.

GULF POWER COMPANY  
ENERGY CONSERVATION CLAUSE  
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES  
ENERGY SELECT  
For the Period January, 2014 Through December, 2014

Line No.	Beginning of Period	Actual January	Actual February	Actual March	Actual April	Actual May	Actual June	Actual July	Projected August	Projected September	Projected October	Projected November	Projected December	Total
1	Investments Added to Plant In Service	207,087.97	(9,690.08)	55,851.41	41,979.82	(20,887.00)	112,700.41	100,013.06	139,001.00	129,533.00	157,938.00	123,221.00	104,284.00	
2	Depreciable Base	11,230,325.14	11,437,393.11	11,427,703.03	11,483,554.44	11,525,534.26	11,504,647.26	11,817,347.67	11,717,360.73	11,856,361.73	12,143,832.73	12,267,053.73	12,371,337.73	
3	Depreciation Expense (A)	25,829.75	26,306.00	26,283.72	26,412.18	26,508.73	26,460.69	26,719.90	26,949.93	27,269.63	27,567.56	27,930.82	28,214.22	322,453.13
4	Cumulative Plant in Service Additions	11,230,325.14	11,437,393.11	11,427,703.03	11,483,554.44	11,525,534.26	11,504,647.26	11,817,347.67	11,717,360.73	11,856,361.73	11,985,894.73	12,143,832.73	12,267,053.73	12,371,337.73
5	Salvage, Cost of Removal and Retirement		1,294.83	(191,945.98)	(126,127.96)	(127,198.10)	(142,856.56)	(145,416.22)	(111,372.71)	(120,518.00)	(120,518.00)	(120,518.00)	(120,518.00)	(120,518.00)
6	Less: Accumulated Depreciation	(5,913,787.43)	(5,888,662.85)	(6,052,302.83)	(8,152,147.07)	(6,252,932.99)	(6,369,280.82)	(6,488,236.35)	(6,572,889.18)	(8,666,457.23)	(6,759,705.60)	(6,852,656.04)	(6,945,243.22)	(7,037,547.00)
7	Net Plant In Service (Line 4 - 6)	17,144,112.57	17,324,055.98	17,480,005.86	17,635,701.51	17,778,467.25	17,873,928.08	18,105,584.02	18,290,249.89	18,522,818.96	18,745,600.33	18,996,488.77	19,212,296.95	19,408,884.73
8	Net Additions/Reductions to CWIP		59,717.82	(59,717.82)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9	CWIP Balance	0.00	59,717.82	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Inventory	1,594,943.54	1,504,867.31	1,407,993.53	1,294,791.25	1,207,819.38	1,097,530.99	999,201.46	1,026,772.13	1,351,967.00	1,199,913.00	1,054,422.00	889,244.00	1,406,699.00
11	Net Investment	18,739,056.11	18,888,641.09	18,887,999.39	18,930,492.76	18,986,286.63	18,971,459.07	19,104,785.48	19,317,022.02	19,874,785.96	19,945,513.33	20,050,910.77	20,101,540.95	20,815,583.73
12	Average Net Investment		18,813,848.60	18,888,320.24	18,909,246.08	18,958,389.70	18,978,872.85	19,038,122.28	19,210,903.75	19,595,903.99	19,910,149.65	19,998,212.05	20,076,225.86	20,458,562.34
13	Rate of Return / 12 (B)		0.006977	0.006977	0.006977	0.006977	0.006977	0.006977	0.008942	0.006942	0.006942	0.006942	0.006942	0.006942
14	Return Requirement on Average Net Investment		131,264.22	131,783.81	131,929.81	132,272.68	132,415.60	132,828.98	133,362.09	136,034.77	138,216.26	138,827.59	139,369.18	142,023.34
15	Property Tax		9,386.14	9,386.14	9,386.14	9,386.14	9,386.14	9,388.14	9,386.14	9,386.14	9,386.14	9,386.14	9,386.14	112,633.64
16	Total Depreciation, Prop Taxes & Return (Line 3 + 14 + 15)	166,480.11	167,475.95	167,599.67	168,071.00	168,310.47	168,675.81	169,488.13	172,370.84	174,872.03	175,781.29	176,686.12	179,623.66	2,055,415.08

Notes:  
(A) Energy Select Property Additions Depreciated at 2.8% per year.  
(B) Revenue Requirement Return (includes Income Taxes) is: Jan - Jun 8.3728%; Jul - Dec 8.3302%.



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GULF POWER COMPANY  
CALCULATION OF CONSERVATION REVENUES  
For the Period: August, 2014 Through December, 2014

	<u>Month</u>	<u>Projected MWH Sales</u>	<u>Rate (Avg Cents/KWH)</u>	<u>Clause Revenue Net of Revenue Taxes ( \$ )</u>
1.	08/2014	1,178,147	0.21883677	2,578,218.87
2.	09/2014	1,039,788	0.21841894	2,271,093.92
3.	10/2014	867,233	0.21760698	1,887,159.51
4.	11/2014	748,462	0.21762289	1,628,824.67
5.	12/2014	835,507	0.21848616	1,825,467.14

### Program Description and Progress

Program Title: Residential Energy Audit and Education

Program Description: This program is the primary educational program to help customers improve the energy efficiency of their new or existing home through energy conservation advice and information that encourages the implementation of efficiency measures and behaviors resulting in energy and utility bill savings.

Program Projections: Expenses of \$2,737,028 are projected for this program in 2015 as detailed in Schedule C-2. In 2015, this program includes two measurable areas of focus:

- Energy Audit – During the recovery period, 9,945 participants are projected. A Gulf Power representative will conduct an on-site audit of a customer's home or they may opt to participate in either a mail-in or online, interactive version of the audit. Regardless of the method, the customer is provided with specific recommendations including available incentives and other alternatives to facilitate implementation.
- School-based Awareness and Education – This program provides science-based energy-related curricula and training to science teachers which are in Gulf's service area. As a result of these efforts, during the recovery period, approximately 5,000 students will be reached.

Program Accomplishments: Year to date 2014, Gulf performed 4,373 energy audits compared to a year to date projection of 5,868 or 1,495 under the projection. Of these, 1,583 were online, 1,470 were on-site and 1,320 were new construction audits. The total projection for 2014 is 10,061 energy audits.

Additionally, as of July 2014, 39,171 Gulf customers are receiving a Home Energy Report compared to a projection of 35,000 or 4,171 over the projection. The total projection for 2014 is 39,171.

Gulf provided professional development for 25 elementary teachers, and provided hands-on energy efficiency and renewable energy kits to those teachers. Estimated reach is approximately 500 students. Gulf assisted two schools in developing student energy teams who learned to measure, monitor and reduce energy use in their schools. Gulf continued to provide classroom energy-related activities and presentations throughout its service area, as well as onsite and material support for a hands-on interactive science museum in Northwest Florida which averages 150 attendees daily during summer season in

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addition to more than 90 school field trip groups during the school year. Gulf also conducted a one-week summer energy camp.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$1,364,582 compared to actual expenses of \$1,238,982 resulting in a difference of \$125,600 or 9% under budget.

Program Progress Summary: Since the approval of this program, Gulf Power has performed a total of 211,803 energy audits and 39,171 customers are receiving Home Energy Reports.

Program Description and Progress

Program Title: Community Energy Saver Program

Program Description: This program assists low-income families with managing their energy costs. Through this program, qualifying customers not only receive the direct installation of conservation measures at no cost to them; the program also educates families on energy efficiency techniques and behavioral changes to help control their energy use and reduce their utility operating costs.

Program Projections: For the period January 2015 through December 2015, the Company expects to implement the efficiency measures included in this program for 1,500 eligible residential customers. Expenses of \$853,775 are projected for this program in 2015 as detailed in Schedule C-2.

Program Accomplishments: Through July 2014, 1,272 of Gulf's customers received the measures included in this program compared to a year to date projection of 1,458. The total projection for 2014 is 2,500 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$497,773 compared to actual expenses of \$313,224 resulting in a difference of \$184,549 or 37% under budget.

Program Progress Summary: A total of 8,700 customers have received the efficiency measures included in the Community Energy Saver program since the program's launch in 2011.

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Program Description and Progress

Program Title: Landlord/Renter Custom Incentive Program

Program Description: This program is designed to increase energy efficiency in the residential rental property sector. This program promotes the installation of various energy efficiency measures available through other programs including HVAC, insulation, windows, water heating, lighting, appliances, etc. including additional incentives as appropriate to overcome the split-incentive barrier which exists in a landlord/renter situation. Additionally, this program promotes the installation of measures included in the Community Energy Saver Program by the landlord of multi-family properties.

Program Projections: For the period January 2015 through December 2015, the Company expects 750 program participants. Expenses of \$113,288 are projected for this program in 2015 as detailed in Schedule C-2.

Program Accomplishments: No participants have enrolled in this program as of July, 2014. The total projection for 2014 is 0 participants. While there are no participants in this program, Gulf continues to work with customers in the rental property sector. To date, enrollments have come from these projects in other programs (i.e., HVAC, insulation, etc.) offered by the Company.

Program Fiscal Expenditures: January through July 2014, \$82,839 in actual expenses have been incurred compared to projected expenses of \$61,130 resulting in a variance of \$21,709 or 36% over budget.

Program Progress Summary: Since its launch in 2011, there are no customers who have who have participated in the Landlord/Renter Custom Incentive program.

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Program Description and Progress

Program Title: HVAC Efficiency Improvement Program

Program Description: This program is designed to increase energy efficiency and improve HVAC cooling system performance for new and existing homes. These efficiencies are realized through:

- HVAC maintenance
- HVAC early retirement (for inefficient systems)
- HVAC upgrades
- Duct repair
- Retrofit of an electronically commutated motor (ECM) fan on existing HVAC systems

Program Projections: Expenses of \$8,034,113 are projected for this program in 2015 as detailed in Schedule C-2. For the period January 2015 through December 2015, the Company expects to implement the efficiency measures included in this program for:

<b>Measure</b>	<b>Projected Participation</b>
HVAC maintenance	9,000
HVAC early retirement Tier One	2,625
HVAC early retirement Tier Two	375
HVAC early retirement Tier Three	75
HVAC upgrades Tier One	1,875
HVAC upgrades Tier Two	300
HVAC upgrades Tier Three	75
Duct repair	6,000
ECM Fan	3,000

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Program Accomplishments: Actual participation (through July 2014) and the 2014 year end projected participation are shown in the following table:

<b>Measure</b>	<b>2014 YTD Actual Participation</b>	<b>2014 Year End Projection</b>
HVAC maintenance	3,491	6,524
HVAC early retirement Tier One	556	1,008
HVAC early retirement Tier Two	428	802
HVAC early retirement Tier Three	22	40
HVAC upgrades Tier One	168	299
HVAC upgrades Tier Two	139	249
HVAC upgrades Tier Three	49	84
Duct repair	485	3,085
ECM Fan	0	0

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$3,078,152 compared to actual expenses of \$1,642,877 resulting in a difference of \$1,435,275 or 47% under budget.

Program Progress Summary: Since its launch in 2011, the following participation has been achieved:

<b>Measure</b>	<b>Program to Date Actual Participation</b>
HVAC maintenance	24,417
HVAC early retirement Tier One	2,786
HVAC early retirement Tier Two	1,874
HVAC early retirement Tier Three	104
HVAC upgrades Tier One	716
HVAC upgrades Tier Two	453
HVAC upgrades Tier Three	267
Duct repair	13,996
ECM Fan	6

### Program Description and Progress

Program Title: Heat Pump Water Heater Program

Program Description: This program provides incentives directly to the customer for the installation of high-efficiency Heat Pump Water Heating equipment for domestic hot water production.

Program Projections: For the period January 2015 through December 2015, the Company expects 1,200 program participants. Expenses of \$502,476 are projected for this program in 2015 as detailed in Schedule C-2.

Program Accomplishments: During the period January through July 2014, 315 customers have participated in this program compared to a year to date projection of 583. Total projection for 2014 is 643 heat pump water heaters.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$297,312 compared to actual expenses of \$245,596 resulting in a difference of \$51,716 or 17% under budget.

Program Progress Summary: Since its launch in 2011, 3,498 customers have participated in this program.



Program Description and Progress

Program Title: Ceiling Insulation Program

Program Description: This program provides incentives to encourage customers to install high efficiency insulation or increase insulation in existing residential single-family and multi-family homes. The objective of this program is to reduce heat loss and heat gain from both conductive and convective means by increased insulation.

Program Projections: For the period January 2015 through December 2015, the Company expects 500 program participants. Expenses of \$303,973 are projected for this program in 2015 as detailed in Schedule C-2.

Program Accomplishments: During the period January through July 2014, 150 customers have participated in this program compared to a year to date projection of 292. The total projection for 2014 is 226 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$230,501 compared to actual expenses of \$116,400 resulting in a difference of \$114,101 or 50% under budget.

Program Progress Summary: Since its launch in 2011, 1,833 customers have participated in this program.

### Program Description and Progress

Program Title: High Performance Window Program

Program Description: This program provides incentives to install high-efficiency windows or window film in existing or new residential applications. The objective of the program is to reduce solar heat gain into a home which, in turn, leads to reduced HVAC loads and operating costs.

Program Projections: For the period January 2015 through December 2015, the Company expects 1,000 window replacement participants and 200 window film program participants. Expenses of \$298,880 are projected for this program in 2015 as detailed in Schedule C-2.

Program Accomplishments: During the period January through July 2014, 455 customers have participated in this program compared to a year to date projection of 409. Of those, 437 were window replacements and 18 were window film. Total projection for 2014 is 750 window replacement participants and 200 window film participants.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$194,861 compared to actual expenses of \$151,786 resulting in a difference of \$43,075 or 22% under budget.

Program Progress Summary: Since its launch in 2011, 2,943 customers have installed high-efficiency windows and 420 customers have installed window film as part of this program.

Program Description and Progress

Program Title: Reflective Roof Program

Program Description: This program provides incentives to install ENERGY STAR qualified cool/reflective roofing products when constructing a new home or replacing the roof on an existing residence. The objective of this program is to significantly decrease the amount of heat that is transferred through roof assemblies and into vented attic spaces which, in turn, decreases the transfer of heat into the home's conditioned living area.

Program Projections: For the period January 2015 through December 2015, the Company expects 600 reflective roof participants. Expenses of \$345,007 are projected for this program in 2015 as detailed in Schedule C-2

Program Accomplishments: For the period January through July 2014, 34 customers have participated in this program compared to a year to date projection of 0. The total projection for 2014 is 281 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$0 compared to actual expenses of \$83,352 resulting in a difference of \$83,352 or 100% over budget.

Program Progress Summary: Since its launch in 2011, 810 customers have participated in this program.

Program Description and Progress

Program Title: Variable Speed/Flow Pool Pump Program

Program Description: This program provides an incentive to encourage the installation of high-efficiency variable speed or variable flow pool pumping and control equipment in both new and existing residential applications. The objective of this program is to reduce the energy, demand, and cost associated with swimming pool operation.

Program Projections: For the period January 2015 through December 2015, the Company expects 400 program participants. Expenses of \$216,743 are projected for this program in 2015 as detailed in Schedule C-2.

Program Accomplishments: For the period January 2014 through July 2014, 176 customers have participated in this program compared to year to date projection of 233. The total projection for 2014 is 218 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$210,728 compared to actual expenses of \$104,547 resulting in a difference of \$106,181 or 50% under budget.

Program Progress Summary: Since its launch in 2014, 6,028 customers have participated in this program.

### Program Description and Progress

#### Program Title: Energy *Select* / Energy *Select* Lite

Program Description: The overall program is designed to provide customers with a means of controlling their energy purchases by conveniently programming their heating and cooling systems and major appliances, such as electric water heaters and pool pumps, to automatically respond to prices that vary during the day and by season in relation to the Company's cost of producing or purchasing energy. The Energy *Select* Lite subset of the program was originally intended to provide a separate means to expand price responsive load management program participation to include residential customers who did not meet certain participation standards for Energy *Select*. The Energy *Select* Lite program utilizes broadband technology and does not require land-line telephone service, whereas the Energy *Select* program historically has required land-line telephone service. Due to the addition of load control relays to the broadband-enabled thermostat, there is no longer a difference between Energy *Select* and Energy *Select* Lite with regard to functionality and the equipment used for new installations. For purposes of the cost recovery process, the two programs are now being treated as a single program.

Program Projections: During the 2015 projection period, Gulf Power projects to have 1,600 installations (Energy *Select* and Energy *Select* Lite projections added together). The program expenses are expected to be \$6,515,354 as detailed in Schedule C-2.

Program Accomplishments: For the period January through July 2014, 665 net new participants were added to the Energy *Select* program compared to a year to date projection of 933. The total projection for 2014 is 1,600 net new participants (Energy *Select* and Energy *Select* Lite projections added together).

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$3,550,247 compared to actual expenses of \$3,163,648 resulting in a difference of \$386,599 or 11% under budget.

Program Progress Summary: As of July 2014, there are 13,292 participating customers.

Program Description and Progress

Program Title: Self-Install Energy Efficiency Program

Program Description: This program promotes the purchase and installation of ENERGY STAR rated appliances, lighting and other self-installed energy saving measures for residential customers. The program focuses on increasing customer awareness of the benefits of energy efficient technologies and products through customer education, retail partnerships, promotional distribution of compact fluorescent light bulbs (CFLs), on-line store, energy audits and seasonal promotional campaigns.

Program Projections: Expenses of \$583,195 are projected for this program in 2015 as detailed in Schedule C-2. For the period January 2015 through December 2015, the Company expects the following participation in this program: 3,500 ENERGY STAR Refrigerators, 700 ENERGY STAR Freezers, 400 ENERGY STAR Window A/Cs and 5,500 ENERGY STAR Clothes Washers.

Program Accomplishments: For the period January through July 2014, 63 customers have participated in the appliance measures. That includes 49 ENERGY STAR Refrigerators, 2 ENERGY STAR Freezers, 1 ENERGY STAR Window A/Cs and 11 ENERGY STAR Clothes Washers. This compared to a year to date projection of 0 appliances. The total projection for 2014 is 3,854 participating customers.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$0 compared to actual expenses of \$53,675 resulting in a difference of \$53,675 or 100% over budget.

Program Progress Summary: Since its launch in 2011, 11,892 customers have participated in the appliance measures and 80,846 CFLs have been distributed as a part of this program.

### Program Description and Progress

Program Title: Refrigerator Recycling Program

Program Description: This program is intended to eliminate inefficient or extraneous refrigerators in an environmentally safe manner and produce cost-effective long-term energy and peak demand savings in the residential sector. The objective of the program is to increase customer awareness of the economic and environmental costs associated with running inefficient, older appliances in a household, and to provide eligible customers with free refrigerator and freezer pick-up services in addition to a cash incentive.

Program Projections: For the period January 2015 through December 2015, the Company expects 3,500 program participants. Expenses of \$203,398 are projected for this program in 2015 as detailed in Schedule C-2.

Program Accomplishments: During the period January 2014 through July 2014, 91 customers have participated in this program compared to a year to date projection of 2,042. The total projection for 2014 is 218.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$142,692 compared to actual expenses of \$96,035 resulting in a difference of \$46,657 or 33% under budget.

Program Progress Summary: Since its launch in 2011, 2,952 customers have participated in this program.

### Program Description and Progress

Program Title: Commercial/Industrial Audit

Program Description: This program is designed to provide professional advice to our existing commercial and industrial customers on how to reduce, and make the most efficient use of, energy. This program covers from the smallest commercial customer, requiring only a walk-through survey, to the use of computer programs which will simulate several design options for very large energy intensive customers. The program is designed to include semi-annual and annual follow-ups with the customer to verify any conservation measures installed and to reinforce the need to continue with more conservation efforts. Customers may participate by requesting a basic Energy Analysis Audit (EAA) provided through either an on-site survey or a direct mail survey. A more comprehensive analysis can be provided by conducting a Technical Assistance Audit (TAA).

Program Projections: For the period January 2015 through December 2015, the Company expects to conduct 600 audits and incur expenses totaling \$908,705.

Program Accomplishments: During the January 2014 through July 2014 period, actual results were 285 audits compared to a year to date projection of 350. The total projection for 2014 is 600 audits.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$447,140 compared to actual expenses of \$410,570 resulting in a difference of \$36,570 or 8% under budget.

Program Progress Summary: A total of 21,718 audits have been completed since the program's inception.



### Program Description and Progress

Program Title: Commercial HVAC Retrocommissioning Program

Program Description: This program offers basic retrocommissioning at a reduced cost for qualifying installations of existing commercial and industrial customers. It is designed to diagnose the performance of the HVAC cooling unit(s) operating in commercial buildings with the support of an independent computerized quality control process and make improvements to the system to bring its full efficiency. This program includes air cooled and water cooled equipment – identified as A/C, heat pump, direct expansion (DX) or geothermal cooling and heating.

Program Projections: For the period January 2015 through December 2015, the Company expects 1,200 program participants. Expenses of \$267,179 are projected for this program in 2015 as detailed in Schedule C-2.

Program Accomplishments: During the period January 2014 through July 2014, 33 customers have participated in this program compared to a year to date projection of 58. The total projection for 2014 is 169 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$43,003 compared to actual expenses of \$27,466 resulting in a difference of \$15,537 or 36% under budget.

Program Progress Summary: Since its launch in 2011, 917 customers have participated in this program.

**Program Description and Progress**

**Program Title:** Commercial Building Efficiency Program

**Program Description:** This program is designed as an umbrella efficiency program for existing commercial and industrial customers to encourage the installation of eligible high-efficiency equipment as a means of reducing energy and demand. The goal of the program is to increase awareness and customer demand for high-efficiency, energy-saving equipment; increase availability and market penetration of energy efficient equipment; and contribute toward long-term energy savings and peak demand reductions. These goals will be accomplished through multiple options including HVAC efficiency upgrades, heat pump water heater installations, ceiling/roof insulation improvements, window film installation, interior lighting improvements, commercial occupancy sensors and commercial reflective roof installations.

**Program Projections:** Expenses of \$1,128,903 are projected for this program in 2015 as detailed in Schedule C-2.

For the period January 2015 through December 2015, the Company expects to implement the efficiency measures included in this program for:

<b>Program</b>	<b>Annual Projections (2015)</b>
Commercial HVAC	600 tons of installed HVAC
Commercial Geothermal Heat Pump	250 tons of installed Geothermal HVAC
Heat Pump Water Heater	2 installation
Ceiling/Roof Insulation	134,320 square feet of installed insulation
Window Film	39,752 square feet of installed window film
Commercial Interior Lighting	160 kW of lighting reduction
Commercial Occupancy Sensor	750 installed sensors
Commercial Reflective Roof	500,000 square feet of installed reflective roof

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Program Accomplishments: During the period January – July 2014, the measures in this program have had the following participation as compared to year to date projected participation:

<b>Program</b>	<b>Actual Participation (January - July 2014)</b>	<b>Projected YTD Participation (through July 2014)</b>
Commercial HVAC	1,195 tons of installed HVAC	350 tons of installed HVAC
Commercial Geothermal Heat Pump	65 tons of installed Geothermal HVAC	145 tons of installed Geothermal HVAC
Heat Pump Water Heater	1 installations	1 installations
Ceiling/Roof Insulation	1,050 square feet of installed insulation	78,353 square feet of installed insulation
Window Film	358 square feet of installed window film	23,188 square feet of installed window film
Commercial Interior Lighting	1,293 kW of lighting reduction	108 kW of lighting reduction
Commercial Occupancy Sensor	3,635 installed sensors	438 installed sensors
Commercial Reflective Roof	495 square feet of installed reflective roof	291,666 square feet of installed reflective roof

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$582,277 compared to actual expenses of \$1,069,055 resulting in a difference of \$486,778 or 84% over budget. Total projection for 2014 is as follows:

<b>Program</b>	<b>Annual Projections (2014)</b>
Commercial HVAC	2,155 tons of installed HVAC
Commercial Geothermal Heat Pump	65 tons of installed Geothermal HVAC
Heat Pump Water Heater	1 installation
Ceiling/Roof Insulation	6,383 square feet of installed insulation
Window Film	538 square feet of installed window film
Commercial Interior Lighting	667,960 kW of lighting reduction
Commercial Occupancy Sensor	4,535 installed sensors
Commercial Reflective Roof	125,995 square feet of installed reflective roof

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Program Progress Summary: Since its launch in 2011, customer participation is shown in the table below.

<b>Program</b>	<b>Actual Participation (Program to Date)</b>
Commercial HVAC	5,619 tons of installed HVAC
Commercial Geothermal Heat Pump	483 tons of installed Geothermal HVAC
Heat Pump Water Heater	3 installations
Ceiling/Roof Insulation	293,644 square feet of installed insulation
Window Film	31,668 square feet of installed window film
Commercial Interior Lighting	4,669 kW of lighting reduction
Commercial Occupancy Sensor	9,763 installed sensors
Commercial Reflective Roof	2,241,396 square feet of installed reflective roof

Program Description and Progress

Program Title: HVAC Occupancy Sensor

Program Description: This program is intended to help manage energy consumption and reduce energy waste in hotel rooms by providing hotel owners in Gulf Power's service area the opportunity to automatically control temperature settings in hotel rooms when the rooms are unoccupied.

Program Projections: For the period January 2015 through December 2015, the Company projects the installation of 250 sensors. Expenses of \$37,230 are projected for this program in 2015 as detailed in Schedule C-2.

Program Accomplishments: For the period January 2014 through July 2014, 82 participants have enrolled in this program. The year to date projection for 2014 is 146 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$21,964 compared to actual expenses of \$25,668 resulting in a difference of \$3,704 or 17% over budget.

Program Progress Summary: Since its launch in 2011, there are 5,418 sensors installed as part of the HVAC Occupancy Sensor program.

### Program Description and Progress

Program Title: High Efficiency Motor Program

Program Description: This program is designed to encourage commercial and industrial customers to install premium-efficiency motors in new or existing facilities. The objective is to reduce demand and energy associated with electric motors by encouraging the replacement of worn out, inefficient motors with high efficiency motors.

Program Projections: Expenses of \$107,140 are projected for this program in 2015 as detailed in Schedule C-2.

For the period January 2015 through December 2015, the Company projects installation of 4,325 HP of energy efficient motors.

Program Accomplishments: During the period January through July 2014, 1,254 HP of energy efficient motors were installed compared to a year to date projection of 2,523 HP. The total projection for 2014 is 2,754 HP of energy efficient motors.

Program Fiscal Expenditures: – Projected expenses for January through July 2014 were \$25,081 compared to actual expenses of \$31,403 resulting in a difference of \$6,322 or 25% over budget.

Program Progress Summary: Since its launch in 2011, 4,250 HP of energy efficient motors were installed through participation in the High Efficiency Motor program.

Program Description and Progress

Program Title: Food Service Efficiency Program

Program Description: This program encourages the installation of ENERGY STAR qualified or equivalent energy efficient commercial and industrial food service equipment. The objective of the program is to reduce energy consumption and demand as well as operating costs for the customer through the use of qualified food service equipment including convection ovens, fryers, griddles, steamers, holding cabinets and ice machines.

Program Projections: Expenses of \$68,263 are projected for this program in 2015 as detailed in Schedule C-2. For the period January 2015 through December 2015, the Company expects to implement the efficiency measures included in this program for:

<b>Program</b>	<b>Annual Projections (2015)</b>
Convection Oven	4
Fryer	6
Griddle	2
Steamer	1
Holding Cabinet	10
Ice Machine	12

Program Accomplishments: From January 2014 through July 2014, 2 customers have participated in this program compared to a year to date projection of 20. Participation is broken down as follows: 1 steamer and 1 ice machine. The total projection for 2014 is 11 units.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$40,882 compared to actual expenses of \$37,448 resulting in a difference of \$3,434 or 8% under budget.

Program Progress Summary: Since its launch in 2011, 66 customers have participated in the Food Service Efficiency program.

Program Description and Progress

Program Title: Commercial/Industrial Custom Incentive

Program Description: This program is designed to establish the capability and process to offer advanced energy services and energy efficient end-user equipment to Commercial/Industrial customers. These energy services include comprehensive audits, design, and construction of energy conservation projects. Specifically, projects covered under this program would be demand reduction or efficiency improvement retrofits that are beyond the scope of other programs.

Program Projections: For the period January 2015 through December 2015, the Company expects at the meter reductions of 2,000,000 kWh, 652 winter kW and 652 summer kW resulting from this program. Expenses of \$118,106 are projected for this program in 2015 as detailed in Schedule C-2.

Program Accomplishments: From January 2014 through July 2014, 0 customers have participated in this program.

Program Fiscal Expenditures: Projected expenses for January 2014 through July 2014 were \$62,380 compared to actual expenses of \$43,146 resulting in a difference of \$19,234 or 31% under budget.

Program Progress Summary: Since its launch in 2011, 15 customers have participated in the Commercial/Industrial Custom Incentive program resulting in at the meter kWh reductions of 7,070,333, winter kW reductions of 741 and summer kW reductions of 1,151.



Program Description and Progress

Program Title: Renewable Energy

Program Description: The Renewable Energy Program promotes the deployment of demand-side renewable technologies through a portfolio of four programs. These programs include providing capital to supplement deployment of Solar Photovoltaic (PV) systems up to 10 kW in public education facilities (Solar for Schools), offering PV rebates and solar thermal water heating (STWH) rebates to customers installing qualifying systems and facilitating the installation of STWH systems in low-income housing units.

Program Projections: Gulf's Renewable Energy Pilot Program ends in 2014; therefore, there are no participation or expense projections for 2015.

Program Accomplishments: Through July 2014, the following participation has occurred in this program:

- Solar for Schools – the installation of 1 PV system is underway to support a school in a county served by Gulf Power.
- Solar PV (residential and commercial) – 50 participants have installed a solar PV system at their home or business.
- Solar Thermal Water Heating – 13 participants have installed a solar thermal water heater in their home.
- Solar Thermal Water Heating for Low Income – 0 low income solar thermal water heating installations have occurred through July 2014.

Program Fiscal Expenditures: Projected expenses for January through July 2014 were \$658,940 compared to actual expenses of \$585,735 resulting in a difference of \$73,205 or 11% under budget.

Program Progress Summary: Since its launch in 2011, the following participation has occurred:

<b>Measure</b>	<b>Program Participation (Program to Date)</b>
Solar for Schools	2 PV Systems Installed
Solar PV (Residential and Commercial)	182 PV Systems Installed
Solar Thermal Water Heater (STWH)	119 STWH Systems Installed
Solar Thermal Water Heater for Low Income	30 STWH Systems Installed

Program Description and Progress

Program Title: Energy *Select* Electric Vehicle Pilot Program

Program Description: The Energy *Select* Electric Vehicle Pilot Program provides residential customers with an incentive to encourage electric vehicle transportation and off-peak charging through the Energy *Select* Program. The objective of this pilot program is to measure customer acceptance of electric vehicles (EVs) and plug-in hybrid electric vehicles (PHEVs) as well as customer response to charging these electric vehicles using Gulf Power's existing Energy *Select* Program.

Program Projections: Gulf's Energy *Select* Electric Vehicle Pilot Program ended in 2014; therefore, there are no participation or expense projections for 2015.

Program Accomplishments: Through July 2014, three customers have participated in the Electric Vehicle Pilot Program.

Program Fiscal Expenditures: – During the period January through July 2014, \$2,500 in program expenses were incurred compared to projected expenses for the same period of \$11,665 for a difference of \$9,165 or 79% under budget.

Program Progress Summary: Since its launch in 2011, 16 customers have participated in the Electric Vehicle Pilot Program.

### Program Description and Progress

Program Title: Conservation Demonstration and Development

Program Description: A package of conservation programs was approved by the FPSC in Order No. 23561 for Gulf Power Company to explore and to pursue research, development, and demonstration projects designed to promote energy efficiency and conservation. This program serves as an umbrella program for the identification, development, demonstration and evaluation of new or emerging end-use technologies.

Program Accomplishments:

#### **UWF BEST House**

Gulf Power has entered into a partnership, along with a number of other donors, with the University of West Florida, located in Pensacola, Florida, to help build the BEST (Build Educate Sustain Technology) House. This is a demonstration house that will be used as an educational tool and resource for Northwest Florida.

Previously, the BEST House program's intent was to provide a home featuring energy-efficient, sustainable design techniques available to the median homebuilder and buyer of today. The 3,300 square foot, three-bedroom home was to be a study model featuring passive solar collectors, grey-water and rainwater collection systems, advanced insulation systems, a geothermal heat pump, whole-house ventilation, energy-efficient appliances and lighting, day-lighting, and sustainable building products.

General economic conditions affecting sponsor support and permitting requirements have delayed construction of the BEST House as originally planned. The project team held a kick-off meeting during the summer of 2011 and agreed to move forward with a modified plan. The original house will not be built; however, the intent of the project remains the same. The new plan involves the retrofit of an existing building on UWF's site. In the approximately 3,800 square foot building, we anticipate showcasing similar features such as passive solar collectors, grey-water and rainwater collection systems, advanced insulation systems, a High SEER conventional and Variable Refrigerant Flow (VRF) heat pump, whole-house ventilation, energy-efficient appliances and lighting, day-lighting, and sustainable building products.

The modified house now known as The Community Outreach, Research and Education (C.O.R.E.) Initiative will be used as a center to explain and

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demonstrate the advantages of retrofitting existing homes for energy efficiency. The C.O.R.E. initiative is committed to improving construction education at the University of West Florida (UWF) and in the greater Pensacola, Florida community. The C.O.R.E facility is a multipurpose laboratory; a research lab, a trade demonstration area, a construction yard, and an interactive, energy efficiency and demonstration showcase. The C.O.R.E. facility will promote energy efficient construction through the innovative display of cutting-edge technology, and through community outreach and participation. The lab will be made available to students, industry professionals and the general public.

The facility will accommodate a research initiative in an effort to measure the efficacy of different building technologies and installations. The C.O.R.E initiative is particularly interested in the metering and measurement of sealed attic spaces, roof types, walls forms, windows, water heaters, HVAC equipment, renewable energy and controls systems. The construction yard and demonstration area would provide a similar opportunity for materials research and community seminars.

Gulf Power is acting as the primary Energy Consultant to all end uses and new technologies that will continue to be donated to this project. Gulf Power will pay for the purchase, installation and monitoring of equipment that will provide data on a wide variety of energy and water end uses.

All participants remain optimistic and enthusiastic about the completion and potential contributions of this project. This project is expected to be in place and active by the end of 2014. Gulf will then monitor for one year and have a final report filed with results at the end of 2015.

**Azalea Trace Project**

The purpose of this project is to test the application of a Heat Pump Water Heater in an assisted living facility. The project includes the installation of a commercial size Heat Pump Water Heater (4-ton heating capacity), two 119 gallon storage tanks and distribution duct work. The HPWH unit will provide preheated water (140 degrees F) to the existing natural gas boilers. In turn the boilers will feed the existing 350 gallon storage tank supplying hot water to the washers.

The project will provide a database for the application of the HPWH in this type facility. No data is on record within Gulf Power for the HPWH application in an assisted living facility. The laundry is a 24-hour 7-day a week operating facility. The data will be used to promote energy efficient production of hot water, offset

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the installation of additional air conditioning units and provide a better climatic working environment for the employees.

The sole customer will be Azalea Trace Assisted Living facility. Currently the heated water is produced by two natural gas boilers. The first phase of monitoring will be to record the existing natural gas required to supply hot water. This will be identified as the "as-built" system. Further monitoring will include measuring the effect the HPWH system has on the boilers' fuel usage. The "as-built" system currently heats the water to 140 degrees (F). This also will be accomplished with the application of the HPWH. The HPWH will either supply the total amount of hot water required or provide additional stored 140-degree (F) water to two 119 gallon storage tanks. The HPWH will also supply pre-heated water to the boiler during peak water usage. This feature will allow the existing boilers to reduce their natural gas consumption and work more efficiently. After the heat pump water heater is installed, monitoring will continue on the boilers to determine this reduction. Additional monitoring points will be: water flow (GPM), energy (kWh of HPWH), and the amount of air conditioning (BTUH) it provides as a by-product.

The values of the data recorded will be used to calculate the system amount of "free" A/C cooling, the effect on the amount of natural gas used by the boilers, the electrical usage of the HPWH and the overall energy efficiency of the system.

The data will illustrate the efficient use of a dual fuel application in a large commercial, 24-hour operating facility for the first time in Gulf's service area.

The project will be monitored for at least one year and the results will be reported to the Commission by the end of 2015.

**10th Ave North Hair Salon Heat Pump Water Heater Project (HPWH)**

This project will be used to determine if a residential HPWH can be used successfully in commercial applications with high usage. Typically, a residential HPWH, installed in a residence, includes a 10 year warranty; however, installed in a commercial facility, no warranty is included. As part of this project, a residential HPWH will be installed and metered in a high water use commercial facility to determine the performance, reliability and economic return on investment. Gulf is partnering with General Electric (GE) for this project. Two 50 gallon HPWH's will be installed with an Energy Factor of 2.4, which GE has agreed to warranty as part of this project.

This project will be monitored for at least one year and the results will be reported to the Commission by end of 2016.

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Program Fiscal Expenditures: Program expenses were forecasted at \$146,189 for the period January through July 2014 compared to actual expenses of \$28,188 for a deviation of \$118,001 or 81% under budget. Actual project expenses were as follows: UWF BEST House, \$0; Azalea Trace Heat Pump Water Heater, \$28,188; Hair Salon Heat Pump Water Heater Project, \$0.

**RESIDENTIAL SERVICE  
2015 VARIABLE PRICING (RSVP-1) RATES  
CENTS PER KWH**

<u>Rate Tier</u>	<u>Base Rate</u>	<u>Fuel</u>	<u>Capacity</u>	<u>ECRC</u>	<u>ECCR</u>	<u>Total Clauses</u>	<u>Base Rate with Clauses</u>
P4	4.585	4.374	.916	1.592	60.660	67.542	72.127
P3	4.585	4.374	.916	1.592	6.251	13.133	17.718
P2	4.585	4.374	.916	1.592	(1.629)	5.253	9.838
P1	4.585	4.374	.916	1.592	(3.000)	3.882	8.467

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: **Energy Conservation Cost** )  
**Recovery Clause** )

Docket No.: **140002-EG**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 27th day of August, 2014 to the following:

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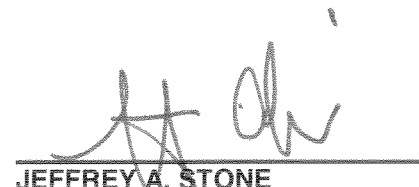
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