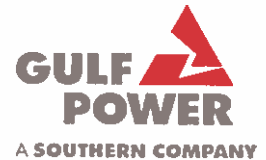


Robert L. McGee, Jr.
Regulatory & Pricing Manager

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Tel 850 444 6530
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August 21, 2015



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. 150002-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 John N. Floyd.

Pursuant to the Order Establishing Procedure in this docket, electronic copies of exhibit JNF-2 will be provided to the parties under separate cover.

Sincerely,

A handwritten signature in blue ink that reads "Robert L. McGee, Jr." with a stylized flourish at the end.

Robert L. McGee, Jr.
Regulatory and Pricing Manager

md

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.: 150002-EG
) Filed: August 21, 2015
)

**PETITION OF GULF POWER COMPANY FOR APPROVAL OF
THE FINAL CONSERVATION COST RECOVERY TRUE-UP AMOUNTS
FOR JANUARY 2014 THROUGH DECEMBER 2014;
ESTIMATED CONSERVATION COST RECOVERY TRUE-UP AMOUNTS
FOR JANUARY 2015 THROUGH DECEMBER 2015;
PROJECTED CONSERVATION COST RECOVERY AMOUNTS
FOR JANUARY 2016 THROUGH DECEMBER 2016;
AND THE CONSERVATION COST RECOVERY FACTORS TO BE APPLIED
BEGINNING WITH THE PERIOD JANUARY 2016 THROUGH DECEMBER 2016**

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

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Robert L. McGee, Jr.
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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 2014 through December 2014; for approval of its estimated energy conservation true-up amounts for the period January 2015 through December 2015; for approval of the projected energy conservation cost amounts for the period January 2016 through December 2016; and for approval of the proposed energy conservation cost recovery factors to be applied beginning with the period January 2016 through December 2016.

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 John N. Floyd, submitted in May 2015 and the testimony and exhibit of John N. Floyd filed concurrently with this Petition.¹ Mr. Floyd's composite exhibits present reports of Gulf's various programs

¹ The composite exhibit attached to Mr. Floyd's May 2015 testimony contains the Company's CT schedules for the twelve month period ending December 2014. The composite exhibit attached to Mr. Floyd's August 2015 testimony

and incorporate the appropriate and necessary data and information to show the energy conservation cost calculations projected for the period January 2016 through December 2016 and the appropriate true-up adjustment to be applied based on actual data through July 2015 and estimated data for the remainder of the period through December 2015.

4. The final conservation cost recovery true-up amounts were filed with the Commission in May 2015 as shown on Schedule CT-1. The final true-up amount for the period January 2014 through December 2014, as presented in the testimony and exhibit of Mr. Floyd filed in May 2015, is an over recovery of \$560,637 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 2015 to be an over recovery of \$5,833,177. 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 \$7,021,249 for its approved conservation programs during the twelve month period beginning January 2016 and ending December 2016.

7. Gulf projects that its retail energy sales during the period January 2016 through December 2016 will be 11,033,990,000 kilowatt hours (kWh).

8. On the basis of the final true-up for the period January 2014 through December 2014, the estimated true-up for the period January 2015 through December 2015, the cost

contains the Company's C schedules for the twelve month period ending December 2016 and includes data related to the current period January through July 2015, actual and August through December 2015, estimated.

projections for the period January 2016 through December 2016, 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 2016 through December 2016 are as follows:

RATE CLASS	CONSERVATION COST RECOVERY FACTORS ¢/kWh
RS	.068
RSVP Tier 1	(3.000)
RSVP Tier 2	(1.672)
RSVP Tier 3	5.672
RSVP Tier 4	56.374
RSTOU On-peak	17.000
RSTOU Off-peak	(3.096)
GS	.065
GSD, GSDT, GSTOU	.062
LP, LPT	.059
PX, PXT, RTP, SBS	.057
OSI, OSII	.046
OSIII	.058

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 2014 through December 2014, the estimated conservation cost recovery true-up amounts for January 2015 through December 2015, the projected conservation cost recovery amounts for January 2016 through December 2016, and the conservation cost recovery factors, to be applied beginning with the period January 2016 through December 2016.

Dated this 21st day of August, 2015.



JEFFREY A. STONE

Florida Bar No. 325953

RUSSELL A. BADDERS

Florida Bar No. 007455

STEVEN R. GRIFFIN

Florida Bar No. 0627569

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Pensacola, FL 32591

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Attorneys for Gulf Power Company

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ENERGY CONSERVATION COST
RECOVERY CLAUSE**

Docket No. 150002-EG

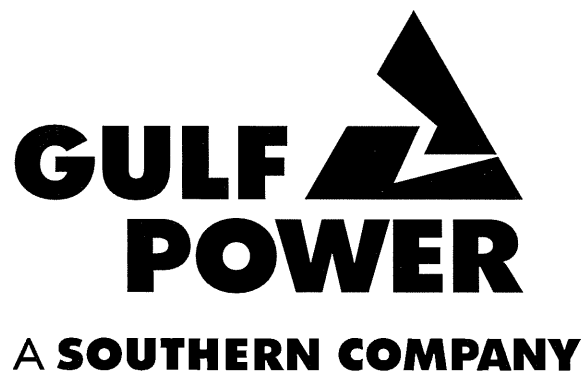
**PREPARED DIRECT TESTIMONY
AND EXHIBITS OF**

JOHN N. FLOYD

**PROJECTION
JANUARY 2016 – DECEMBER 2016**

**ESTIMATED ACTUAL TRUE-UP FILING
JANUARY 2015 – DECEMBER 2015**

AUGUST 21, 2015



1 GULF POWER COMPANY

2 Before the Florida Public Service Commission
3 Prepared Direct Testimony and Exhibit of
4 John N. Floyd
5 Docket No. 150002-EG
6 Energy Conservation Cost Recovery Clause
7 August 21, 2015

8

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

11 A. My name is John N. Floyd and my business address is One Energy Place,
12 Pensacola, Florida 32520. I am employed by Gulf Power Company as the
13 Energy Efficiency and Renewables Manager.

14

15 Q. Mr. Floyd, please describe your educational background and business
16 experience.

17 A. I received a Bachelor Degree in Electrical Engineering from Auburn
18 University in 1985. After serving four years in the U.S. Air Force, I began
19 my career in the electric utility industry at Gulf Power in 1990 and have
20 held various positions with the Company in Power Generation, Metering,
21 Power Delivery and Marketing. In my present position, I am responsible
22 for the development and implementation of Gulf's customer program
23 offerings associated with the Company's Demand-Side Management
24 (DSM) Plan.

25

26 Q. Mr. Floyd, for what purpose are you appearing before this Commission
27 today?

28

1 A. I am testifying before this Commission on behalf of Gulf Power regarding
2 matters related to the Energy Conservation Cost Recovery Clause and to
3 answer any questions concerning the calculation of recoverable
4 conservation costs in this filing. Specifically, I will address projections for
5 approved programs during the January 2016 through December 2016
6 recovery period and the anticipated results of those programs during the
7 current recovery period, January 2015 through December 2015 (7 months
8 actual, 5 months estimated).

9

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

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

14 Counsel: We ask that Mr. Floyd's exhibit
15 consisting of six schedules be marked as
16 Exhibit No. ____ (JNF-2).

17

18 Q. Would you summarize for this Commission the deviations resulting from
19 the actual costs for January 2015 through July 2015 of the current
20 recovery period?

21 A. Projected expenses for the first seven months of the current period were
22 \$16,144,805 compared to actual expenses of \$10,641,125 for a difference
23 of \$5,503,680 or 34% under budget. A detailed summary of all program
24 expenses is contained in my Schedule C-3, pages 1 and 2 and my
25 Schedule C-5.

1 Q. Did you project expenses for the period August 2015 through December
2 2015?

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 2015 Projection filing for the period August – December
8 2015?

9 A. Estimated actual expenses for the period August – December 2015 of
10 \$7,291,304 are 13% less than the projected expenses for that same
11 period of \$8,348,289.

12

13 Q. Audit Finding No. 1 of the 2014 period concerning the Ceiling Insulation
14 Program required an adjustment of \$45,852.91. Has this adjustment been
15 made to the Company records, and have measures been implemented to
16 prevent future occurrences?

17 A. Yes, the adjustment was performed in May 2015. A review step has been
18 added to the current process whereby the Energy Efficiency Supervisor
19 will approve the verification that all pertinent program requirements and
20 standards are properly reflected in the program enrollment and tracking
21 system.

22

23 Q. Have you provided a description of the program results achieved during
24 the period, January 2015 through July 2015?

25

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

3

4 Q. Would you summarize the conservation program cost projections for the
5 January 2016 through December 2016 recovery period?

6 A. Yes. Program costs for the projection period are estimated to be
7 \$12,849,374. These costs are broken down as follows: depreciation,
8 return on investment and property taxes, \$2,440,724; payroll/benefits,
9 \$4,431,063; materials/expenses, \$4,456,287; advertising, \$650,000
10 (collectively "Administrative Expenses"); and incentives, \$871,300. More
11 detail concerning these projections is contained in my Schedule C-2.

12

13 Q. How did Gulf Power develop its Administrative Expenses?

14 A. Gulf estimated its Administrative Expenses based upon historical program
15 costs adjusted for participation projections associated with the January
16 2016 through December 2016 recovery period. For programs involving
17 outside vendor services, Gulf estimated these expenses based on current
18 vendor contracts.

19

20 Q. Are the Company's projected expenses for the January 2016 through
21 December 2016 period reasonable and appropriate for cost recovery?

22 A. Yes. Gulf continually evaluates the resources necessary to deliver its
23 DSM Plan and all of its components in order to meet the Company's DSM
24 goals. With the current level of goals, Gulf has carefully considered the

1 appropriate level of administrative resources necessary to achieve the
2 goals.

3

4 Q. What is the basis for Gulf's conservation program cost projections for the
5 January 2016 through December 2016 recovery period?

6 A. These projections are based on program cost estimates associated with
7 Gulf's 2015 Demand-Side Management (DSM) Plan which was approved
8 on July 21, 2015 in Order No. PSC-15-0330-PAA-EG.

9

10 Q. Have you reflected the impact of the transition from the 2010 DSM Plan to
11 the 2015 DSM Plan in the period August 2015 through December 2015?

12 A. Yes, expenditures and participation have been adjusted to reflect the
13 programs being discontinued as well as those newly created in the 2015
14 DSM Plan.

15

16 Q. Would you describe the expected results for your programs during the
17 January 2016 through December 2016 recovery period?

18 A. Program details, including expected results, for the period January 2016
19 through December 2016 can be found in my Schedule C-5.

20

21 Q. What is the proposed 2016 factor for Rate Schedule RS, and what will be
22 the charge for a 1,000 kWh monthly bill on Gulf Power's rate schedule
23 RS?

24 A. The proposed Energy Conservation Cost Recovery factor for Rate
25 Schedule RS is .068 cents per kWh, which results in a charge of \$0.68 on

1 a 1,000 kWh monthly bill on Gulf Power's rate schedule RS.

2

3 Q. When does Gulf propose to collect these Energy Conservation Cost
4 Recovery charges?

5 A. The factors will be effective beginning with the first bill group for January
6 2016 and continue through the last bill group for December 2016.

7

8 Q. Mr. Floyd, does this conclude your testimony?

9 A. Yes, it does.

10

11

12

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23

24

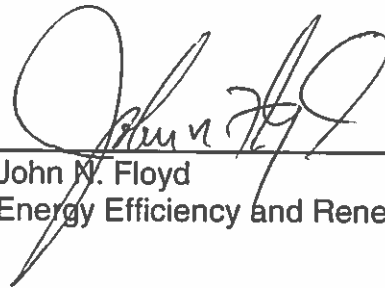
25

AFFIDAVIT

STATE OF FLORIDA)
)
COUNTY OF ESCAMBIA)

Docket No. 150002-EG

Before me the undersigned authority, personally appeared John N. Floyd, who being first duly sworn, deposes, and says that he is the Energy Efficiency and Renewables Manager of Gulf Power Company, a Florida corporation, that the foregoing is true and correct to the best of his knowledge, information, and belief. He is personally known to me.



John N. Floyd
Energy Efficiency and Renewables Manager

Sworn to and subscribed before me this 20th day of August, 2015.

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



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

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	21-51
C-6	RSVP Factors	52

GULF POWER COMPANY
 ENERGY CONSERVATION CLAUSE
 SUMMARY OF PROJECTED COST RECOVERY CLAUSE CALCULATION
 For the Period: January, 2016 Through December, 2016

		\$
1.	Net Program Costs: Projected for 2016 (Schedule C-2 Page 2 of 5, Line 15)	12,849,374
2.	True Up: Estimated 2015 (Jan-Jul Actual; Aug-Dec Est.) (Schedule C-3, Page 3 of 7, Line 11)	(5,833,177)
3.	Total (Line 1 + Line 2)	7,016,197
4.	Cost Subject to Revenue Taxes	7,016,197
5.	Revenue Tax	1.00072
6.	Total Recoverable Cost	7,021,249

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	7,021,249
8.	Energy Related Costs	4,674,763
9.	Demand Related Costs (total)	2,346,486
10.	Demand Costs Allocated on 12 CP	2,165,987
11.	Demand Costs Allocated on 1/13 th	180,499

		Demand \$	Half of	Total	Energy	Demand	Total Recoverable Costs Including Revenue Taxes
	Energy \$	Energy <i>Select</i>					
	\$	\$		\$	\$	\$	\$
12.	Est/Actual 2015	14,882,236	3,050,193	17,932,429	(4,844,476)	(992,901)	(5,837,377)
13.	Percentage	82.99%	17.01%	100.00%			
14.	Projected 2016	9,512,390	3,336,984	12,849,374	9,519,239	3,339,387	12,858,626
15.	Percentage	74.03%	25.97%	100.00%			
16.	Total				4,674,763	2,346,486	7,021,249

GULF POWER COMPANY
ENERGY CONSERVATION COST RECOVERY FACTORS
CALCULATION OF ENERGY & DEMAND ALLOCATION % BY RATE CLASS
For the Period: January, 2016 Through December, 2016

Rate Class	A	B	C	D	E	F	G	H	I
	Average 12 CP Load Factor at Meter	Jan - Dec 2016 Projected KWH Sales at Meter	Projected Avg 12 CP KW at Meter	Demand Loss Expansion Factor	Energy Loss Expansion Factor	Jan - Dec 2016 Projected KWH Sales at Generation	Projected Avg 12 CP KW at Generation	Jan - Dec 2016 Percentage of KWH Sales at Generation	Percentage of 12 CP KW Demand at Generation
RS, RSVP	57.025261%	5,268,733,000	1,054,714	1.00820508	1.00777864	5,309,716,577	1,063,368	48.17165%	57.28868%
GS	65.082883%	283,352,000	49,700	1.00820395	1.00777656	285,555,504	50,108	2.59066%	2.69954%
GSD, GSDT, GSTOU	75.900487%	2,572,526,000	386,911	1.00800263	1.00762887	2,592,151,466	390,007	23.51692%	21.01155%
LP, LPT	85.148219%	979,635,000	131,336	0.97344897	0.98364378	963,611,874	127,849	8.74223%	6.88784%
PX, PXT, RTP, SBS	88.430490%	1,773,222,000	228,906	0.95247952	0.96644352	1,713,718,911	218,028	15.54747%	11.74621%
OS - I / II	782.722832%	111,141,000	1,621	1.00802086	1.00777465	112,005,082	1,634	1.01615%	0.08803%
OS-III	101.182319%	45,381,000	5,120	1.00838359	1.00778595	45,734,334	5,163	0.41492%	0.27815%
TOTAL		<u>11,033,990,000</u>	<u>1,858,308</u>			<u>11,022,493,748</u>	<u>1,856,157</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 = 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, 2016 Through December, 2016

<u>Rate Class</u>	A <u>Jan - Dec 2016 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 2016 Projected KWH Sales at Meter</u>	H <u>Conservation Recovery Factor cents per KWH</u>
RS, RSVP	48.17165%	57.28868%	\$1,240,864	\$86,949	\$2,251,910	\$3,579,723	5,268,733,000	0.068
GS	2.59066%	2.69954%	58,472	4,676	121,107	184,255	283,352,000	0.065
GSD, GSDT, GSTOU	23.51692%	21.01155%	455,107	42,448	1,099,360	1,596,915	2,572,526,000	0.062
LP, LPT	8.74223%	6.88784%	149,190	15,780	408,679	573,649	979,635,000	0.059
PX, PXT, RTP, SBS	15.54747%	11.74621%	254,421	28,063	726,807	1,009,291	1,773,222,000	0.057
OS - I / II	1.01615%	0.08803%	1,907	1,834	47,503	51,244	111,141,000	0.046
OS-III	0.41492%	0.27815%	6,025	749	19,397	26,171	45,381,000	0.058
TOTAL	100.00000%	100.00000%	\$2,165,986	\$180,499	\$4,674,763	\$7,021,248	11,033,990,000	

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 2016 through December 2016
- H Col F / G

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
PROJECTED CONSERVATION PROGRAM NET COSTS
For the Period: January, 2016 Through December, 2016

Programs	Depreciation, Return & Property Taxes	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Fees	Net Costs
Residential Conservation Programs:									
1. Residential Energy Audit and Education	9,298	1,952,010	425,003	0	350,000	0	2,736,311	0	2,736,311
2. Community Energy Saver	0	22,750	503,665	0	0	137,500	663,915	0	663,915
3. Residential Custom Incentive	0	0	0	0	0	50,000	50,000	0	50,000
4. HVAC Efficiency	0	82,325	404,659	0	0	345,000	831,984	0	831,984
5. Residential Building Efficiency	0	18,870	8,606	0	0	115,050	142,526	0	142,526
6. Energy <i>Select</i>	2,431,426	1,358,454	2,584,087	0	300,000	0	6,673,967	0	6,673,967
Subtotal	2,440,724	3,434,409	3,926,020	0	650,000	647,550	11,098,703	0	11,098,703
Commercial / Industrial Conservation Programs:									
7. Commercial / Industrial Audit	0	793,497	115,208	0	0	0	908,705	0	908,705
8. HVAC Retrocommissioning	0	2,125	32,440	0	0	25,000	59,565	0	59,565
9. Commercial Building Efficiency	0	129,413	41,990	0	0	148,750	320,153	0	320,153
10. Commercial / Industrial Custom Incentive	0	0	2,748	0	0	50,000	52,748	0	52,748
Subtotal	0	925,035	192,386	0	0	223,750	1,341,171	0	1,341,171
11. Residential Time of Use Rate Pilot	0	30,500	129,000	0	0	0	159,500	0	159,500
12. Conservation Demonstration and Development	0	41,119	208,881	0	0	0	250,000	0	250,000
13. Total All Programs	2,440,724	4,431,063	4,456,287	0	650,000	871,300	12,849,374	0	12,849,374
14. Less: Base Rate Recovery	0	0	0	0	0	0	0	0	0
15. Net Program Costs	2,440,724	4,431,063	4,456,287	0	650,000	871,300	12,849,374	0	12,849,374

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
PROJECTED CONSERVATION PROGRAM COSTS (NET OF PROGRAM FEES)
For the Period: January, 2016 Through December, 2016

Programs

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	12 MONTH TOTAL	DEMAND COSTS	ENERGY COSTS
Residential Conservation Programs:															
1. Residential Energy Audit and Education	188,226	320,237	200,767	275,814	237,152	225,645	195,304	221,504	277,817	198,397	197,167	198,281	2,736,311		2,736,311
2. Community Energy Saver	54,938	54,969	55,432	56,407	55,145	55,059	55,070	55,060	56,453	55,167	55,104	55,110	663,915		663,915
3. Residential Custom Incentive	3,657	3,578	4,150	5,388	3,758	5,396	3,698	3,686	5,341	3,785	3,736	3,827	50,000		50,000
4. HVAC Efficiency	20,458	24,988	143,183	149,470	149,819	147,712	33,419	33,695	35,482	36,354	34,291	23,114	831,984		831,984
5. Residential Building Efficiency	11,308	11,360	11,568	13,329	11,669	11,723	11,562	11,778	13,438	11,621	11,585	11,582	142,526		142,526
6. Energy <i>Select</i>	555,248	519,166	585,935	578,203	536,231	553,076	533,463	535,969	615,973	552,540	543,141	565,021	6,673,967	3,336,984	3,336,983
Subtotal	833,835	934,298	1,001,035	1,078,611	993,774	998,611	832,516	861,692	1,004,504	857,864	845,024	856,935	11,098,703	3,336,984	7,761,719
Commercial / Industrial Conservation Programs:															
7. 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
8. HVAC Retrocommissioning	3,086	3,642	4,809	5,440	5,868	5,850	5,852	5,852	5,989	5,866	4,754	2,555	59,565		59,565
9. Commercial Building Efficiency	24,552	24,525	25,211	32,274	25,465	29,385	25,212	24,978	31,925	25,867	25,462	25,297	320,153		320,153
10. Commercial / Industrial Custom Incentive	2,246	2,266	7,983	3,392	2,386	7,959	2,343	2,334	9,074	2,414	2,368	7,982	52,748		52,748
Subtotal	94,066	96,385	127,351	139,327	101,638	111,252	100,180	101,097	147,087	119,493	100,274	103,018	1,341,171	0	1,341,171
11. Residential Time of Use Rate Pilot	10,757	11,790	14,239	12,069	18,506	11,994	11,822	13,591	12,194	18,812	12,149	11,577	159,500		159,500
12. Conservation Demonstration and Developr	20,099	20,425	20,754	22,186	21,398	20,468	20,583	20,583	22,196	21,437	20,705	19,166	250,000		250,000
13. Total All Programs	958,757	1,062,898	1,163,379	1,252,193	1,135,316	1,142,325	965,101	996,963	1,185,981	1,017,606	978,152	990,696	12,849,374	3,336,984	9,512,390
14. Less: Base Rate Recovery	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15. Net Program Costs	958,757	1,062,898	1,163,379	1,252,193	1,135,316	1,142,325	965,101	996,963	1,185,981	1,017,606	978,152	990,696	12,849,374	3,336,984	9,512,390

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES
Residential Energy Surveys - Display Cases
For the Period: January, 2016 Through December, 2016

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	11,841	12,005	12,169	12,333	12,497	12,661	12,825	12,989	13,153	13,317	13,481	13,645	13,809	
6.	Net Plant in Service (Line 4 - 5)	1,973	1,809	1,645	1,481	1,317	1,153	989	825	661	497	333	169	5	
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)	1,973	1,809	1,645	1,481	1,317	1,153	989	825	661	497	333	169	5	
11.	Average Net Investment		1,891	1,727	1,563	1,399	1,235	1,071	907	743	579	415	251	87	
12.	Rate of Return / 12 (Including Income Taxes) (B)		0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	
13.	Return Requirement on Average Net Investment		13	12	11	10	8	7	6	5	4	3	2	1	82
14.	Property Taxes		9	9	9	9	9	9	9	9	9	9	9	9	108
15.	Total Depreciation, Return and Property Taxes (Line 3+13+14)		186	185	184	183	181	180	179	178	177	176	175	174	2,158

Notes:

- (A) Displays are Seven year Property 1.1905% per month.
 (B) Revenue Requirement Return (includes Income Taxes) is 8.1828%.

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, 2016 Through December, 2016

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	39,131	39,674	40,217	40,760	41,303	41,846	42,389	42,932	43,475	44,018	44,561	45,104	45,647	
6.	Net Plant in Service (Line 4 - 5)	6,522	5,979	5,436	4,893	4,350	3,807	3,264	2,721	2,178	1,635	1,092	549	6	
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)	6,522	5,979	5,436	4,893	4,350	3,807	3,264	2,721	2,178	1,635	1,092	549	6	
11.	Average Net Investment		6,250	5,707	5,164	4,621	4,078	3,535	2,992	2,449	1,906	1,363	820	277	
12.	Rate of Return / 12 (Including Income Taxes) (B)		0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	
13.	Return Requirement on Average Net Investment		43	39	35	32	28	24	20	17	13	9	6	2	268
14.	Property Taxes		30	30	30	30	30	30	30	30	30	30	30	26	356
15.	Total Depreciation, Return and Property Taxes (Line 3+13+14)		616	612	608	605	601	597	593	590	586	582	579	571	7,140

Notes:

- (A) Thermal Imaging Tools are Seven year Property 1.1905% per month.
(B) Revenue Requirement Return (includes Income Taxes) is 8.1828%.

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
SCHEDULE OF CAPITAL INVESTMENT, DEPRECIATION, RETURN AND PROPERTY TAXES
Energy Select
For the Period: January, 2016 Through December, 2016

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)		130,244	146,325	161,805	177,926	193,367	193,448	193,367	177,663	161,805	146,092	130,244	130,307	
2.	Depreciation Base	13,571,362	13,701,606	13,847,931	14,009,736	14,187,662	14,381,029	14,574,477	14,767,844	14,945,507	15,107,312	15,253,404	15,383,648	15,513,955	
3.	Depreciation Expense (A)		31,214	31,514	31,850	32,222	32,632	33,076	33,521	33,966	34,375	34,747	35,083	35,382	399,582
4.	Cumulative Plant in Service Additions	13,571,362	13,701,606	13,847,931	14,009,736	14,187,662	14,381,029	14,574,477	14,767,844	14,945,507	15,107,312	15,253,404	15,383,648	15,513,955	
5.	Salvage, Cost of Removal and Retirement		(105,685)	(105,685)	(105,685)	(105,685)	(105,685)	(105,685)	(105,685)	(105,685)	(105,685)	(105,685)	(105,685)	(105,685)	
6.	Less: Accumulated Depreciation	(7,632,545)	(7,707,016)	(7,781,187)	(7,855,022)	(7,928,485)	(8,001,538)	(8,074,147)	(8,146,311)	(8,218,030)	(8,289,340)	(8,360,278)	(8,430,880)	(8,501,183)	
7.	Net Plant in Service (Line 4 - 6)	21,203,906	21,408,621	21,629,117	21,864,757	22,116,146	22,382,566	22,648,623	22,914,154	23,163,536	23,396,651	23,613,681	23,814,527	24,015,137	
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	505,129	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)	21,709,035	22,684,973	22,734,537	22,784,536	22,842,548	22,902,023	23,825,429	23,873,722	23,907,060	24,452,780	24,475,504	24,492,209	24,520,266	
12.	Average Net Investment		22,197,004	22,709,755	22,759,537	22,813,542	22,872,286	23,363,726	23,849,576	23,890,391	24,179,920	24,464,142	24,483,857	24,506,238	
13.	Rate of Return / 12 (Including Income Taxes) (B)		0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	
14.	Return Requirement on Average Net Investment		151,361	154,858	155,197	155,566	155,966	159,317	162,630	162,909	164,883	166,821	166,955	167,108	1,923,571
15.	Property Taxes		9,023	9,023	9,023	9,023	9,023	9,023	9,023	9,023	9,023	9,023	9,023	9,020	108,273
16.	Total Depreciation, Return and Property Taxes (Line 3+14+15)		191,598	195,395	196,070	196,811	197,621	201,416	205,174	205,898	208,281	210,591	211,061	211,510	2,431,426

Notes:

- (A) Energy *Select* Property Additions Depreciated at 2.8% per year.
- (B) Revenue Requirement Return (includes Income Taxes) is 8.1828%.

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
CONSERVATION PROGRAM NET COST
January, 2015 Through July, 2015, Actual
August, 2015 Through December 2015, Estimated

Actual	Capital Return, Property Taxes & Depreciation	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Fees	Net Costs
Residential Conservation Programs:									
1. Residential Energy Audit and Education									
a. Actual	5,929.68	943,110.31	131,035.24	0.00	73,977.23	0.00	1,154,052.46	0.00	1,154,052.46
b. Estimated August through December	4,082.84	673,650.00	176,735.55	0.00	162,242.30	0.00	1,016,710.69	0.00	1,016,710.69
c. Total	10,012.52	1,616,760.31	307,770.79	0.00	236,219.53	0.00	2,170,763.15	0.00	2,170,763.15
2. Community Energy Saver									
a. Actual	0.00	25,179.00	422,811.07	0.00	0.00	0.00	447,990.07	0.00	447,990.07
b. Estimated August through December	0.00	17,985.00	332,133.55	0.00	0.00	0.00	350,118.55	0.00	350,118.55
c. Total	0.00	43,164.00	754,944.62	0.00	0.00	0.00	798,108.62	0.00	798,108.62
3. Landlord-Renter Custom									
a. Actual	0.00	30,063.28	9,661.27	0.00	0.00	0.00	39,724.55	0.00	39,724.55
b. Estimated August through December	0.00	21,474.00	5,553.64	0.00	0.00	0.00	27,027.64	0.00	27,027.64
c. Total	0.00	51,537.28	15,214.91	0.00	0.00	0.00	66,752.19	0.00	66,752.19
4. HVAC Efficiency									
a. Actual	0.00	116,674.65	976,891.86	0.00	2,441.60	2,464,321.00	3,560,329.11	0.00	3,560,329.11
b. Estimated August through December	0.00	83,339.00	450,136.66	0.00	2,558.40	1,192,418.00	1,728,452.06	0.00	1,728,452.06
c. Total	0.00	200,013.65	1,427,028.52	0.00	5,000.00	3,656,739.00	5,288,781.17	0.00	5,288,781.17
5. Heat Pump Water Heater									
a. Actual	0.00	54,943.94	4,924.26	0.00	0.00	48,253.74	108,121.94	0.00	108,121.94
b. Estimated August through December	0.00	15,698.00	1,407.00	0.00	0.00	13,787.00	30,892.00	0.00	30,892.00
c. Total	0.00	70,641.94	6,331.26	0.00	0.00	62,040.74	139,013.94	0.00	139,013.94
6. Ceiling Insulation									
a. Actual	0.00	45,488.80	8,738.93	0.00	0.00	9,521.99	63,749.72	0.00	63,749.72
b. Estimated August through December	0.00	12,997.00	2,497.00	0.00	0.00	2,721.00	18,215.00	0.00	18,215.00
c. Total	0.00	58,485.80	11,235.93	0.00	0.00	12,242.99	81,964.72	0.00	81,964.72
7. High Performance Window									
a. Actual	0.00	48,148.72	6,988.76	0.00	0.00	41,436.00	96,573.48	0.00	96,573.48
b. Estimated August through December	0.00	34,392.00	11,881.84	0.00	0.00	62,879.00	109,152.84	0.00	109,152.84
c. Total	0.00	82,540.72	18,870.60	0.00	0.00	104,315.00	205,726.32	0.00	205,726.32
8. Reflective Roof									
a. Actual	0.00	45,760.20	9,039.32	0.00	0.00	44,253.74	99,053.26	0.00	99,053.26
b. Estimated August through December	0.00	32,686.00	11,676.34	0.00	0.00	94,624.50	138,986.84	0.00	138,986.84
c. Total	0.00	78,446.20	20,715.66	0.00	0.00	138,878.24	238,040.10	0.00	238,040.10

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
CONSERVATION PROGRAM NET COST
January, 2015 Through July, 2015, Actual
August, 2015 Through December 2015, Estimated

Actual	Capital Return, Property Taxes & Depreciation	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Fees	Net Costs
Residential Conservation Programs Continued:									
9. Variable Speed Pool Pump									
a. Actual	0.00	44,989.93	11,441.49	0.00	0.00	18,378.24	74,809.66	0.00	74,809.66
b. Estimated August through December	0.00	12,854.00	3,269.00	0.00	0.00	5,251.00	21,374.00	0.00	21,374.00
c. Total	0.00	57,843.93	14,710.49	0.00	0.00	23,629.24	96,183.66	0.00	96,183.66
10. Energy <i>Select</i> / Energy <i>Select LITE</i>									
a. Actual	1,284,147.43	631,954.68	1,281,256.04	0.00	107,014.55	3.74	3,304,376.44	0.00	3,304,376.44
b. Estimated August through December	932,944.40	451,396.00	1,286,671.96	0.00	125,000.00	(3.74)	2,796,008.62	0.00	2,796,008.62
c. Total	2,217,091.83	1,083,350.68	2,567,928.00	0.00	232,014.55	0.00	6,100,385.06	0.00	6,100,385.06
11. Self-Install Energy Efficiency									
a. Actual	0.00	5,373.36	1,392.66	0.00	0.00	116,132.50	122,898.52	0.00	122,898.52
b. Estimated August through December	0.00	3,838.00	995.00	0.00	0.00	43,867.50	48,700.50	0.00	48,700.50
c. Total	0.00	9,211.36	2,387.66	0.00	0.00	160,000.00	171,599.02	0.00	171,599.02
12. Refrigerator Recycling									
a. Actual	0.00	5,755.04	1,685.90	0.00	0.00	38.74	7,479.68	0.00	7,479.68
b. Estimated August through December	0.00	1,644.00	482.00	0.00	0.00	11.00	2,137.00	0.00	2,137.00
c. Total	0.00	7,399.04	2,167.90	0.00	0.00	49.74	9,616.68	0.00	9,616.68
13. Commercial / Industrial Conservation Programs:									
Commercial / Industrial Energy Audit									
a. Actual	0.00	318,333.80	48,286.29	0.00	0.00	0.00	366,620.09	0.00	366,620.09
b. Estimated August through December	0.00	227,381.00	34,490.00	0.00	0.00	0.00	261,871.00	0.00	261,871.00
c. Total	0.00	545,714.80	82,776.29	0.00	0.00	0.00	628,491.09	0.00	628,491.09
14. HVAC Retrocommissioning									
a. Actual	0.00	13,618.77	2,888.28	0.00	0.00	1,468.74	17,975.79	0.00	17,975.79
b. Estimated August through December	0.00	9,728.00	2,063.00	0.00	0.00	1,049.00	12,840.00	0.00	12,840.00
c. Total	0.00	23,346.77	4,951.28	0.00	0.00	2,517.74	30,815.79	0.00	30,815.79

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
CONSERVATION PROGRAM NET COST
January, 2015 Through July, 2015, Actual
August, 2015 Through December 2015, Estimated

Actual	Depreciation, Return & Property Taxes	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Fees	Net Costs
Commercial / Industrial Conservation Programs Continued:									
15. Commercial Building Efficiency									
a. Actual	0.00	200,375.88	9,541.22	0.00	0.00	314,472.80	524,389.90	0.00	524,389.90
b. Estimated August through December	0.00	85,875.00	4,089.00	0.00	0.00	134,774.00	224,738.00	0.00	224,738.00
c. Total	0.00	286,250.88	13,630.22	0.00	0.00	449,246.80	749,127.90	0.00	749,127.90
16. HVAC Occupancy Sensor									
a. Actual	0.00	9,515.57	1,191.16	0.00	0.00	3.74	10,710.47	0.00	10,710.47
b. Estimated August through December	0.00	2,719.00	340.00	0.00	0.00	(3.74)	3,055.26	0.00	3,055.26
c. Total	0.00	12,234.57	1,531.16	0.00	0.00	0.00	13,765.73	0.00	13,765.73
17. High Efficiency Motors									
a. Actual	0.00	5,916.00	482.71	0.00	0.00	5,259.00	11,657.71	0.00	11,657.71
b. Estimated August through December	0.00	1,690.00	138.00	0.00	0.00	1,503.00	3,331.00	0.00	3,331.00
c. Total	0.00	7,606.00	620.71	0.00	0.00	6,762.00	14,988.71	0.00	14,988.71
18. Food Services									
a. Actual	0.00	14,073.30	1,791.73	0.00	0.00	5,350.00	21,215.03	0.00	21,215.03
b. Estimated August through December	0.00	4,021.00	512.00	0.00	0.00	1,529.00	6,062.00	0.00	6,062.00
c. Total	0.00	18,094.30	2,303.73	0.00	0.00	6,879.00	27,277.03	0.00	27,277.03
19. Commercial / Industrial Custom Incentive									
a. Actual	0.00	7,612.77	1,852.78	0.00	0.00	0.00	9,465.55	0.00	9,465.55
b. Estimated August through December	0.00	5,438.00	1,323.00	0.00	0.00	0.00	6,761.00	0.00	6,761.00
c. Total	0.00	13,050.77	3,175.78	0.00	0.00	0.00	16,226.55	0.00	16,226.55
Renewable Energy Plan:									
20. Renewable Energy Plan Common									
a. Actual	0.00	69,858.52	4,608.30	0.00	0.00	0.00	74,466.82	0.00	74,466.82
b. Estimated August through December	0.00	49,899.00	3,292.00	0.00	0.00	0.00	53,191.00	0.00	53,191.00
c. Total	0.00	119,757.52	7,900.30	0.00	0.00	0.00	127,657.82	0.00	127,657.82

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
CONSERVATION PROGRAM NET COST
January, 2015 Through July, 2015, Actual
August, 2015 Through December 2015, Estimated

Actual	Depreciation, Return & Property Taxes	Payroll & Benefits	Materials Vehicles & Expenses	Other	Advertising	Incentives	Total Costs	Program Fees	Net Costs
Renewable Energy Plan Continued:									
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	(9,000.00)	0.00	0.00	15,000.00	6,000.00	0.00	6,000.00
b. Estimated August through December	0.00	0.00	9,000.00	0.00	0.00	4,000.00	13,000.00	0.00	13,000.00
c. Total	0.00	0.00	0.00	0.00	0.00	19,000.00	19,000.00	0.00	19,000.00
23. Solar PV									
a. Actual	0.00	0.00	20,000.00	0.00	0.00	463,360.00	483,360.00	0.00	483,360.00
b. Estimated August through December	0.00	0.00	(20,000.00)	0.00	0.00	46,640.00	26,640.00	0.00	26,640.00
c. Total	0.00	0.00	0.00	0.00	0.00	510,000.00	510,000.00	0.00	510,000.00
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. Residential Time of Use Rate Pilot (NEW)									
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	181,250.00	0.00	0.00	0.00	181,250.00	0.00	181,250.00
c. Total	0.00	0.00	181,250.00	0.00	0.00	0.00	181,250.00	0.00	181,250.00
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	4,988.73	1,024.58	0.00	0.00	0.00	6,013.31	0.00	6,013.31
c. 10th Ave Hair Salon Heat Pump Water	0.00	16,657.49	13,433.74	0.00	0.00	0.00	30,091.23	0.00	30,091.23
d. Total Actual	0.00	21,646.22	14,458.32	0.00	0.00	0.00	36,104.54	0.00	36,104.54
e. Estimated August through December	0.00	15,462.00	10,327.00	0.00	0.00	0.00	25,789.00	0.00	25,789.00
f. Total	0.00	37,108.22	24,785.32	0.00	0.00	0.00	61,893.54	0.00	61,893.54
27. a. Actual	1,290,077.11	2,658,392.74	2,961,967.59	0.00	183,433.38	3,547,253.97	10,641,124.79	0.00	10,641,124.79
b. Estimated	937,027.24	1,764,166.00	2,620,263.54	0.00	289,800.70	1,680,046.52	7,291,304.00	0.00	7,291,304.00
28. Total All Programs	2,227,104.35	4,422,558.74	5,582,231.13	0.00	473,234.08	5,227,300.49	17,932,428.79	0.00	17,932,428.79

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
CONSERVATION PROGRAM COSTS (Exclusive of Program Fees)
January, 2015 Through July, 2015, Actual
August, 2015 Through December 2015, Estimated

	ACTUAL										ESTIMATED				TOTAL ACTUAL & ESTIMATED COSTS	
	JAN	FEB	MAR	APR	MAY	JUNE	JULY	TOTAL ACT	ADJ	AUG	SEP	OCT	NOV	DEC		TOTAL EST
Residential Conservation Programs:																
1. Residential Energy Audit and Education	142,968.34	185,298.02	178,441.42	160,746.54	150,064.30	165,455.36	171,078.48	1,154,052.46	0.00	203,342.00	203,342.00	203,342.00	203,342.00	203,342.69	1,016,710.69	2,170,763.15
2. Community Energy Saver	68,576.12	51,595.82	60,804.93	76,447.66	110,210.95	3,976.73	76,377.86	447,990.07	0.00	70,024.00	70,024.00	70,024.00	70,024.00	70,022.55	350,118.55	798,108.62
3. Landlord-Renter Custom	9,366.00	4,127.63	4,254.55	5,159.73	1,104.82	4,876.39	10,835.43	39,724.55	0.00	5,406.00	5,406.00	5,406.00	5,406.00	5,403.64	27,027.64	66,752.19
4. HVAC Efficiency	335,972.04	365,657.04	314,620.96	568,438.36	635,859.10	636,913.24	702,868.37	3,560,329.11	0.00	345,690.00	345,690.00	345,690.00	345,690.00	345,692.06	1,728,452.06	5,288,781.17
5. Heat Pump Water Heater	20,323.25	16,548.02	14,469.22	15,741.90	13,396.80	15,284.24	12,358.51	108,121.94	0.00	6,178.00	6,178.00	6,178.00	6,178.00	6,180.00	30,892.00	139,013.94
6. Ceiling Insulation	19,485.24	13,241.24	12,363.31	14,187.78	(22,145.93)	14,384.39	12,233.69	63,749.72	0.00	3,643.00	3,643.00	3,643.00	3,643.00	3,643.00	18,215.00	81,964.72
7. High Performance Window	15,629.33	10,907.80	13,787.56	14,038.82	11,589.14	14,025.15	16,595.68	96,573.48	0.00	21,831.00	21,831.00	21,831.00	21,831.00	21,828.84	109,152.84	205,726.32
8. Reflective Roof	19,115.15	10,156.06	14,925.87	11,227.91	15,859.88	15,130.57	12,637.82	99,053.26	0.00	27,797.00	27,797.00	27,797.00	27,797.00	27,798.84	138,986.84	238,040.10
9. Variable Speed Pool Pump	15,132.69	7,518.43	10,290.12	13,390.31	9,211.45	9,900.32	9,366.34	74,809.66	0.00	4,275.00	4,275.00	4,275.00	4,275.00	4,274.00	21,374.00	96,183.66
10. Energy Select / Energy Select LITE	422,644.24	443,311.88	487,376.15	514,699.62	530,490.36	458,899.85	446,954.34	3,304,376.44	0.00	559,202.00	559,202.00	559,202.00	559,202.00	559,200.62	2,796,008.62	6,100,385.06
11. Self-Install Energy Efficiency	21,805.50	10,669.50	12,722.22	13,627.29	16,905.99	21,745.78	25,422.24	122,898.52	0.00	9,740.00	9,740.00	9,740.00	9,740.00	9,740.50	48,700.50	171,599.02
12. Refrigerator Recycling	4,004.68	(788.74)	1,002.79	888.11	748.01	817.36	807.47	7,479.68	0.00	427.00	427.00	427.00	427.00	429.00	2,137.00	9,616.68
Commercial / Industrial Conservation Programs:																
13. Commercial / Industrial Energy Audit	61,951.86	43,651.12	54,534.55	41,560.44	48,235.55	56,864.69	59,821.88	366,620.09	0.00	52,374.00	52,374.00	52,374.00	52,374.00	52,375.00	261,871.00	628,491.09
14. HVAC Retrocommissioning	1,543.25	2,591.80	2,238.27	3,243.91	2,274.35	3,762.62	2,321.59	17,975.79	0.00	2,568.00	2,568.00	2,568.00	2,568.00	2,568.00	12,840.00	30,815.79
15. Commercial Building Efficiency	60,022.53	122,120.13	59,764.24	72,282.66	41,511.32	103,818.89	64,870.13	524,389.90	0.00	44,948.00	44,948.00	44,948.00	44,948.00	44,946.00	224,738.00	749,127.90
16. HVAC Occupancy Sensor	1,588.56	1,716.31	1,904.10	2,078.08	1,736.40	1,021.50	665.52	10,710.47	0.00	611.00	611.00	611.00	611.00	611.26	3,055.26	13,765.73
17. High Efficiency Motors	2,180.21	913.70	1,208.10	1,091.27	4,348.99	1,046.13	869.31	11,657.71	0.00	666.00	666.00	666.00	666.00	667.00	3,331.00	14,988.71
18. Food Services	3,625.32	1,382.00	2,267.97	3,050.38	3,920.73	5,960.33	1,008.30	21,215.03	0.00	1,212.00	1,212.00	1,212.00	1,212.00	1,214.00	6,062.00	27,277.03
19. Commercial / Industrial Custom Incentive	4,990.25	278.08	641.12	894.73	827.59	824.27	1,009.51	9,465.55	0.00	1,352.00	1,352.00	1,352.00	1,352.00	1,353.00	6,761.00	16,226.55
Renewable Energy Plan:																
20. Renewable Energy Plan Common	11,338.36	11,101.31	10,837.25	11,435.67	10,065.67	9,044.16	10,644.40	74,466.82	0.00	10,638.00	10,638.00	10,638.00	10,638.00	10,639.00	53,191.00	127,657.82
21. Solar for Schools	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	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	(5,000.00)	3,000.00	1,000.00	2,000.00	2,000.00	2,000.00	1,000.00	6,000.00	0.00	2,600.00	2,600.00	2,600.00	2,600.00	2,600.00	13,000.00	19,000.00
23. Solar PV	0.00	0.00	50,000.00	210,000.00	134,960.00	58,400.00	30,000.00	483,360.00	0.00	5,328.00	5,328.00	5,328.00	5,328.00	5,328.00	26,640.00	510,000.00
24. Solar Thermal Water Heating for Low-Income	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	15,000.00	15,000.00	15,000.00	15,000.00	15,000.00	75,000.00	75,000.00
25. Residential Time of Use Rate Pilot (NEW)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	36,250.00	36,250.00	36,250.00	36,250.00	36,250.00	181,250.00	181,250.00
26. Conservation Demonstration and Development:										5,158.00	5,158.00	5,158.00	5,158.00	5,157.00	25,789.00	61,893.54
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	3,330.90	5,181.80	5,421.41	(8,492.23)	0.00	459.73	111.70	6,013.31	0.00							
c. 10th Ave Hair Salon Heat Pump Water Htr	0.00	0.00	0.00	14,256.46	6,947.66	3,378.89	5,508.22	30,091.23	0.00							
27. Total All Programs	1,240,593.82	1,310,178.95	1,314,876.11	1,761,995.40	1,730,123.13	1,607,990.59	1,675,366.79	10,641,124.79	0.00	1,458,260.00	1,458,260.00	1,458,260.00	1,458,260.00	1,458,264.00	7,291,304.00	17,932,428.79
28. Less: Base Rate Recovery	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	0.00	0.00	0.00
29. Net Recoverable Expenses	1,240,593.82	1,310,178.95	1,314,876.11	1,761,995.40	1,730,123.13	1,607,990.59	1,675,366.79	10,641,124.79	0.00	1,458,260.00	1,458,260.00	1,458,260.00	1,458,260.00	1,458,264.00	7,291,304.00	17,932,428.79

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
ESTIMATED TRUE-UP
For the Period: January, 2015 through December, 2015

<u>Conservation Revenues</u>	ACTUAL <u>JAN</u>	ACTUAL <u>FEB</u>	ACTUAL <u>MARCH</u>	ACTUAL <u>APRIL</u>	ACTUAL <u>MAY</u>	ACTUAL <u>JUNE</u>	ACTUAL <u>JULY</u>	ESTIMATED <u>AUGUST</u>	ESTIMATED <u>SEPTEMBER</u>	ESTIMATED <u>OCTOBER</u>	ESTIMATED <u>NOVEMBER</u>	ESTIMATED <u>DECEMBER</u>	<u>TOTAL</u>
1. Energy <i>Select</i> Program Revenues	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. Conservation Revenues	<u>1,899,424.06</u>	<u>1,833,590.62</u>	<u>1,686,617.39</u>	<u>1,737,647.27</u>	<u>2,223,648.31</u>	<u>2,531,266.69</u>	<u>2,829,792.84</u>	<u>2,907,112.00</u>	<u>2,564,570.00</u>	<u>2,108,126.00</u>	<u>1,924,875.00</u>	<u>2,161,381.00</u>	<u>26,408,051.18</u>
3. Total Revenues	1,899,424.06	1,833,590.62	1,686,617.39	1,737,647.27	2,223,648.31	2,531,266.69	2,829,792.84	2,907,112.00	2,564,570.00	2,108,126.00	1,924,875.00	2,161,381.00	26,408,051.18
4. Adjustment not Applicable to Period - Prior True Up	<u>(267,058.00)</u>	<u>(267,064.00)</u>	<u>(267,064.00)</u>	<u>(267,064.00)</u>	<u>(267,064.00)</u>	<u>(267,064.00)</u>	<u>(267,064.00)</u>	<u>(267,064.00)</u>	<u>(267,064.00)</u>	<u>(267,064.00)</u>	<u>(267,064.00)</u>	<u>(267,064.00)</u>	<u>(3,204,762.00)</u>
5. Conservation Revenues Applicable to Period	1,632,366.06	1,566,526.62	1,419,553.39	1,470,583.27	1,956,584.31	2,264,202.69	2,562,728.84	2,640,048.00	2,297,506.00	1,841,062.00	1,657,811.00	1,894,317.00	23,203,289.18
6. Conservation Expenses (Form C-3 Page 2 of 7)	<u>1,240,593.82</u>	<u>1,310,178.95</u>	<u>1,314,876.11</u>	<u>1,761,995.40</u>	<u>1,730,123.13</u>	<u>1,607,990.59</u>	<u>1,675,366.79</u>	<u>1,458,260.00</u>	<u>1,458,260.00</u>	<u>1,458,260.00</u>	<u>1,458,260.00</u>	<u>1,458,264.00</u>	<u>17,932,428.79</u>
7. True Up this Period (Line 5 minus Line 6)	391,772.24	256,347.67	104,677.28	(291,412.13)	226,461.18	656,212.10	887,362.05	1,181,788.00	839,246.00	382,802.00	199,551.00	436,053.00	5,270,860.39
8. Interest Provision this Period (C-3 Page 4 of 7, Line 10)	(192.89)	(136.47)	(95.73)	(68.92)	(57.87)	(11.97)	69.61	199.92	317.05	397.57	448.78	502.44	1,371.52
9. True Up & Interest Provision Beginning of Month	(2,644,124.73)	(1,985,487.38)	(1,462,212.18)	(1,090,566.63)	(1,114,763.19)	(621,208.27)	302,055.86	1,456,551.52	2,905,603.44	4,012,230.49	4,662,494.06	5,129,557.84	(2,644,124.73)
10. Prior True Up Collected or Refunded	<u>267,058.00</u>	<u>267,064.00</u>	<u>267,064.00</u>	<u>267,064.00</u>	<u>267,064.00</u>	<u>267,064.00</u>	<u>267,064.00</u>	<u>267,064.00</u>	<u>267,064.00</u>	<u>267,064.00</u>	<u>267,064.00</u>	<u>267,064.00</u>	<u>3,204,762.00</u>
10a Interest Adjustment				220.49	87.61								<u>308.10</u>
11. End of Period- Net True Up	<u>(1,985,487.38)</u>	<u>(1,462,212.18)</u>	<u>(1,090,566.63)</u>	<u>(1,114,763.19)</u>	<u>(621,208.27)</u>	<u>302,055.86</u>	<u>1,456,551.52</u>	<u>2,905,603.44</u>	<u>4,012,230.49</u>	<u>4,662,494.06</u>	<u>5,129,557.84</u>	<u>5,833,177.28</u>	<u>5,833,177.28</u>

GULF POWER COMPANY
ENERGY CONSERVATION CLAUSE
INTEREST CALCULATION
For the Period: January, 2015 through December, 2015

<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	<u>TOTAL</u>
1. Beginning True up Amount	(2,644,124.73)	(1,985,487.38)	(1,462,212.18)	(1,090,566.63)	(1,114,763.19)	(621,208.27)	302,055.86	1,456,551.52	2,905,603.44	4,012,230.49	4,662,494.06	5,129,557.84	
2. Ending True up before Interest	(1,985,294.49)	(1,462,075.71)	(1,090,470.90)	(1,114,914.76)	(621,238.01)	302,067.83	1,456,481.91	2,905,403.52	4,011,913.44	4,662,096.49	5,129,109.06	5,832,674.84	
3. Total Beginning & Ending Balances	(4,629,419.22)	(3,447,563.09)	(2,552,683.08)	(2,205,481.39)	(1,736,001.20)	(319,140.44)	1,758,537.77	4,361,955.04	6,917,516.88	8,674,326.98	9,791,603.12	10,962,232.68	
4. Average True up Amount	(2,314,709.61)	(1,723,781.55)	(1,276,341.54)	(1,102,740.70)	(868,000.60)	(159,570.22)	879,268.89	2,180,977.52	3,458,758.44	4,337,163.49	4,895,801.56	5,481,116.34	
5. Interest Rate First Day Reporting Business Month	0.10	0.10	0.09	0.09	0.06	0.10	0.08	0.11	0.11	0.11	0.11	0.11	
6. Interest Rate First Day Subsequent Business Month	0.10	0.09	0.09	0.06	0.10	0.08	0.11	0.11	0.11	0.11	0.11	0.11	
7. Total of Lines 5 and 6	0.20	0.19	0.18	0.15	0.16	0.18	0.19	0.22	0.22	0.22	0.22	0.22	
8. Average Interest rate (50% of Line 7)	0.100	0.095	0.090	0.075	0.080	0.090	0.095	0.110	0.110	0.110	0.110	0.110	
9. Monthly Average Interest Rate Line 8 / 12 months	0.000083	0.000079	0.000075	0.000063	0.000067	0.000075	0.000079	0.000092	0.000092	0.000092	0.000092	0.000092	
10. Interest Provision (line 4 X 9)	(192.89)	(136.47)	(95.73)	(68.92)	(57.87)	(11.97)	69.61	199.92	317.05	397.57	448.78	502.44	1,371.52

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

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	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	9,867.60	10,032.06	10,196.52	10,360.98	10,525.44	10,689.90	10,854.36	11,018.82	11,183.28	11,347.74	11,512.20	11,676.66	11,841.12
7	Net Plant In Service (Line 4 - 6)	3,946.77	3,782.31	3,617.85	3,453.39	3,288.93	3,124.47	2,960.01	2,795.55	2,631.09	2,466.63	2,302.17	2,137.71	1,973.25
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	
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	
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	
11	Net Investment	3,946.77	3,782.31	3,617.85	3,453.39	3,288.93	3,124.47	2,960.01	2,795.55	2,631.09	2,466.63	2,302.17	2,137.71	1,973.25
12	Average Net Investment	3,864.54	3,700.08	3,535.62	3,371.16	3,206.70	3,042.24	2,877.78	2,713.32	2,548.86	2,384.40	2,219.94	2,055.48	
13	Rate of Return / 12 (B)	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	
14	Return Requirement on Average Net Investment	26.83	25.69	24.54	23.40	22.26	21.12	19.62	18.50	17.38	16.26	15.14	14.02	244.76
15	Property Tax	8.97	8.97	8.97	8.97	8.97	8.97	8.97	8.97	8.97	8.97	8.97	9.00	107.67
16	Total Depreciation, Prop Taxes & Return (Line 3 + 14 + 15)	200.26	199.12	197.97	196.83	195.69	194.55	193.05	191.93	190.81	189.69	188.57	187.48	2,325.95

Notes:

- (A) Displays are Seven year Property 1.1905% per month.
- (B) Revenue Requirement Return (includes Income Taxes) is: Jan - Jun 8.3302%; Jul - Dec 8.1828%.

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

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		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	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	45,652.70	
3		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	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	45,652.70	
5														
6	32,609.16	33,152.65	33,696.14	34,239.63	34,783.12	35,326.61	35,870.10	36,413.59	36,957.08	37,500.57	38,044.06	38,587.55	39,131.04	
7	13,043.54	12,500.05	11,956.56	11,413.07	10,869.58	10,326.09	9,782.60	9,239.11	8,695.62	8,152.13	7,608.64	7,065.15	6,521.66	
8		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	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	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	13,043.54	12,500.05	11,956.56	11,413.07	10,869.58	10,326.09	9,782.60	9,239.11	8,695.62	8,152.13	7,608.64	7,065.15	6,521.66	
12		12,771.80	12,228.31	11,684.82	11,141.33	10,597.84	10,054.35	9,510.86	8,967.37	8,423.88	7,880.39	7,336.90	6,793.41	
13		0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	
14		88.66	84.89	81.12	77.34	73.57	69.80	64.85	61.15	57.44	53.74	50.03	46.32	808.91
15		29.65	29.65	29.65	29.65	29.65	29.65	29.65	29.65	29.65	29.65	29.65	29.63	355.78
16		661.80	658.03	654.26	650.48	646.71	642.94	637.99	634.29	630.58	626.88	623.17	619.44	7,686.57

Notes:
(A) Thermal Imaging Tools are Seven year Property 1.1905% per month.
(B) Revenue Requirement Return (includes Income Taxes) is: Jan - Jun 8.3302%; Jul - Dec 8.1828%.

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.	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	261,439.70	8,603.93	72,702.51	120,383.83	39,519.28	(42,859.95)	215,348.67	161,015.00	145,157.00	129,444.00	113,596.00	113,659.00	
2	Depreciable Base	12,233,352.53	12,494,792.23	12,503,396.16	12,576,098.67	12,696,482.50	12,736,001.78	12,693,141.83	12,908,490.50	13,069,505.50	13,214,662.50	13,344,106.50	13,457,702.50	13,571,361.50
3	Depreciation Expense (A)	28,136.71	28,738.02	28,757.81	28,925.03	29,201.91	29,292.80	29,194.23	29,689.53	30,059.86	30,393.72	30,691.44	30,952.72	354,033.78
4	Cumulative Plant in Service Additions	12,233,352.53	12,494,792.23	12,503,396.16	12,576,098.67	12,696,482.50	12,736,001.78	12,693,141.83	12,908,490.50	13,069,505.50	13,214,662.50	13,344,106.50	13,457,702.50	13,571,361.50
5	Salvage, Cost of Removal and Retirement	10,931.94	(116,825.94)	(82,236.47)	(57,443.56)	(63,852.18)	(69,491.66)	(76,603.54)	(105,685.00)	(105,685.00)	(105,685.00)	(105,685.00)	(105,685.00)	(105,685.00)
6	Less: Accumulated Depreciation	(7,002,632.07)	(6,963,563.42)	(7,051,651.34)	(7,105,130.00)	(7,133,648.53)	(7,168,298.80)	(7,208,497.66)	(7,255,906.97)	(7,331,902.44)	(7,407,527.58)	(7,482,818.86)	(7,557,812.42)	(7,632,544.70)
7	Net Plant In Service (Line 4 - 6)	19,235,984.60	19,458,355.65	19,555,047.50	19,681,228.67	19,830,131.03	19,904,300.58	19,901,639.49	20,164,397.47	20,401,407.94	20,622,190.08	20,826,925.36	21,015,514.92	21,203,906.20
8	Net Additions/Reductions to CWIP	75,000.00	(75,000.00)	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	75,000.00	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	863,556.06	1,180,709.69	1,328,065.97	1,234,824.01	1,271,568.57	1,321,315.82	1,497,996.81	1,596,353.30	743,524.00	1,056,129.00	861,823.00	677,682.00	505,129.00
11	Net Investment	20,174,540.66	20,639,065.34	20,883,113.47	20,916,052.68	21,101,699.60	21,225,616.40	21,399,636.30	21,760,750.77	21,144,931.94	21,678,319.08	21,688,748.36	21,693,196.92	21,709,035.20
12	Average Net Investment	20,406,803.00	20,761,089.41	20,899,583.08	21,008,876.14	21,163,658.00	21,312,626.35	21,580,193.54	21,452,841.36	21,411,625.51	21,683,533.72	21,690,972.64	21,701,116.06	
13	Rate of Return / 12 (B)	0.006942	0.006942	0.006942	0.006942	0.006942	0.006942	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819	0.006819
14	Return Requirement on Average Net Investment	141,664.03	144,123.48	145,084.91	145,843.62	146,918.11	147,952.25	147,155.34	146,286.93	146,005.87	147,860.02	147,910.74	147,979.91	1,754,785.21
15	Property Tax	9,022.74	9,022.74	9,022.74	9,022.74	9,022.74	9,022.74	9,022.74	9,022.74	9,022.74	9,022.74	9,022.74	9,022.74	108,272.84
16	Total Depreciation, Prop Taxes & Return (Line 3 + 14 + 15)	178,823.48	181,884.24	182,865.46	183,791.39	185,142.76	186,267.79	185,372.31	184,999.20	185,088.47	187,276.48	187,624.92	187,955.33	2,217,091.83

Notes:
(A) Energy Select Property Additions Depreciated at 2.8% per year.
(B) Revenue Requirement Return (includes Income Taxes) is: Jan - Jun 8.3302%; Jul - Dec 8.1828%.

Schedule C-4
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GULF POWER COMPANY
CALCULATION OF CONSERVATION REVENUES
For the Period: August, 2015 Through December, 2015

	<u>Month</u>	<u>Projected MWH Sales</u>	<u>Rate (Avg Cents/KWH)</u>	<u>Clause Revenue Net of Revenue Taxes (\$)</u>
1.	08/2015	1,158,165	0.25098407	2,906,809.64
2.	09/2015	1,023,514	0.25059474	2,564,872.23
3.	10/2015	844,279	0.24963815	2,107,642.47
4.	11/2015	770,775	0.24898331	1,919,101.08
5.	12/2015	862,199	0.24994005	2,154,980.59

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 by providing 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 \$2,737,311 are projected for this program in 2016 as detailed in Schedule C-2. In 2016, this program includes two measurable areas of focus:

- Energy Audit – During the recovery period, 8,400 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 on-line, 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 in Gulf's service area. As a result of these efforts, during the recovery period, approximately 6,500 students will be reached.

Program Accomplishments: Year to date 2015, Gulf performed 4,381 energy audits compared to a year to date projection of 5,801 or 1,420 under the projection. Of these, 1,601 were online, 1,286 were on-site and 1,494 were new construction audits. The total projection for 2015 is 7,510 energy audits.

Gulf provided professional development in energy-related science and math for 46 elementary, middle and high school teachers who reach an estimated 5,900 students. These teachers received hands-on energy, efficiency and renewable energy classroom materials and curriculum. Another 30 teachers also received the classroom materials and curriculum. Gulf provided training of instructors in partnership with the FSU Panama City STEM institute's Summer Camp program that reached approximately 300 8th – 12th grade students. Estimated reach through all of these programs is nearly 6,500 students.

Gulf coordinated monthly activities with student energy teams at two schools, measuring energy use at the school and created a plan to use energy wisely at school and home.

Gulf continued to provide energy-related onsite and material support for two hands-on interactive science museums which each average 100 attendees daily throughout the year.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$1,643,563 compared to actual expenses of \$1,154,052 resulting in a difference of \$489,511 or 30% under budget.

Program Progress Summary: Since the approval of this program, Gulf Power has performed a total of 219,738 energy audits

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 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 electricity expenses.

Program Projections: For the period January 2016 through December 2016, the Company expects to implement the efficiency measures included in this program for 2,500 eligible residential customers. Expenses of \$663,915 are projected for this program in 2016 as detailed in Schedule C-2.

Program Accomplishments: Through July 2015, 1,534 of Gulf's customers received the measures included in this program, compared to a year to date projection of 875. The total projection for 2015 is 2,500 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$497,695 compared to actual expenses of \$447,990 resulting in a difference of \$49,705 or 10% under budget.

Program Progress Summary: A total of 11,288 customers have received the efficiency measures included in the Community Energy Saver program since the program's launch in 2011.

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, such as HVAC, insulation, windows, water heating, lighting, and appliances. Additional incentives will be included, as appropriate, to overcome the split-incentive barrier which exists in a landlord/renter situation. Moreover, this program promotes the installation of measures included in the Community Energy Saver Program by the landlord of multi-family properties. With the implementation of the 2015 DSM Plan, this program will be retitled the Residential Custom Incentive.

Program Projections: Due to the custom nature of this program, specific participant projections are not made for the period January 2016 through December 2016. Expenses of \$50,000 are projected for this program in 2016 as detailed in Schedule C-2.

Program Accomplishments: As of July, no participants have enrolled during 2015 in this program. While there are no participants recorded this year, Gulf continues to work with customers in the rental property sector. These efforts have resulted in increased participation in other Conservation programs (i.e., HVAC, insulation, etc.) offered by the Company.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$67,123 compared to actual expenses of \$39,725 resulting in a difference of \$27,398 or 41% under budget.

Program Progress Summary: Since its launch in 2011, one customer enrollment has been recorded in the Landlord/Renter Custom Incentive program.

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
- Duct repair
- HVAC Quality Installation (New for the 2015 DSM Plan)
- HVAC early retirement (for inefficient systems) (This measure will not be continued in the 2015 DSM Plan.)
- HVAC upgrades (This measure will not be continued in the 2015 DSM Plan.)
- Retrofit of an electronically commutated motor (ECM) fan on existing HVAC systems (This measure will not be continued in the 2015 DSM Plan.)

Program Projections: Expenses of \$831,984 are projected for this program in 2016 as detailed in Schedule C-2. For the period January 2016 through December 2016, the Company projects the following participation in this program:

Measure	Projected Participation
HVAC maintenance	1,200
Duct repair	500
HVAC Quality Installation	2,000

Program Accomplishments: Actual participation (through July 2015) and the 2015 year end projected participation are shown in the following table:

Measure	2015 YTD Actual Participation	2015 Year End Projection
HVAC maintenance	4,787	8,206
HVAC early retirement Tier One	783	895
HVAC early retirement Tier Two	571	653
HVAC early retirement Tier Three	29	33
HVAC upgrades Tier One	218	249
HVAC upgrades Tier Two	99	113
HVAC upgrades Tier Three	63	72
Duct repair	3,456	4,600
ECM Fan	0	0

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$6,487,507 compared to actual expenses of \$3,560,329 resulting in a difference of \$2,927,178 or 45% under budget.

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

Measure	Program to Date Actual Participation
HVAC maintenance	30,847
HVAC early retirement Tier One	4,028
HVAC early retirement Tier Two	2,756
HVAC early retirement Tier Three	156
HVAC upgrades Tier One	1,027
HVAC upgrades Tier Two	638
HVAC upgrades Tier Three	381
Duct repair	19,614
ECM Fan	6

Program Description and Progress

Program Title: Residential Building Efficiency Program

Program Description: The Residential Building Efficiency Program is designed as an umbrella efficiency program for existing and new residential customers to encourage the installation of eligible equipment and materials as a means of reducing energy and demand. The goals of the program are to increase awareness and customer demand for energy saving measures; to increase availability and market penetration; and to contribute toward long-term energy savings and peak demand reductions.

- High Performance Windows
- Reflective Roof
- ENERGY STAR Window A/C

Program Projections: Expenses of \$142,526 are projected for this program in 2016 as detailed in Schedule C-2. For the period January 2016 through December 2016, the Company projects the following participation in this program:

Measure	Projected Participation
High Performance Windows	350
Reflective Roof	150
ENERGY STAR Window A/C	200

Program Accomplishments: Actual participation (through July 2015) and the 2015 year end projected participation are shown in the following table:

Measure	2015 YTD Actual Participation	2015 Year End Projection
High Performance Windows	490	806
Reflective Roof	133	228
ENERGY STAR Window A/C	205	250

Program Fiscal Expenditures: Actual and projected expenses for January through July 2015 are reported for the individual measures listed above in the Schedule C-5 pages that follow.

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

Measure	Program to Date Actual Participation
High Performance Windows	4,080
Reflective Roof	1,006
ENERGY STAR Window A/C	716

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: This program is not continued in the 2015 DSM Plan; therefore, no participation projections are made for 2016.

Program Accomplishments: During the period January – July 2015, 165 customers have participated in this program compared to a year to date projection of 700. The current projection for 2015 is 227 heat pump water heaters.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$290,922 compared to actual expenses of \$108,122 resulting in a difference of \$182,800 or 63% under budget.

Program Progress Summary: Since its launch in 2011, 3,819 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 through increased insulation.

Program Projections: This program is not continued in the 2015 DSM Plan; therefore, no participation projections are made for 2016.

Program Accomplishments: During the period January-July 2015, 203 customers have participated in this program compared to a year to date projection of 292. The current projection for 2015 is 232 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$175,361 compared to actual expenses of \$63,750 resulting in a difference of \$111,611 or 64% under budget. The actual expenses also reflect the adjustment as required by the 2014 Audit Finding.

Program Progress Summary: Since its launch in 2011, 2,157 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: In the 2015 DSM Plan, this program will be included as a measure in the Residential Building Efficiency program.

Program Accomplishments: During the period January-July 2015, 490 customers have participated in this program compared to a year to date projection of 700. Of those, 430 were window replacements and 60 were window film. The current projection for 2015 is 737 window replacement participants and 69 window film participants.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$172,407 compared to actual expenses of \$96,573 resulting in a difference of \$75,834 or 44% under budget.

Program Progress Summary: Since its launch in 2011, 3,562 customers have installed high-efficiency windows and 518 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: In the 2015 DSM Plan, this program will be included as a measure in the Residential Building Efficiency program.

Program Accomplishments: For the period January-July 2015, 133 customers have participated in this program compared to a year to date projection of 350. The current projection for 2015 is 228 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$202,726 compared to actual expenses of \$99,053 resulting in a difference of \$103,673 or 51% under budget.

Program Progress Summary: Since its launch in 2011, 1,006 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: This program is not continued in the 2015 DSM Plan; therefore, no participation projections are made for 2016.

Program Accomplishments: For the period January 2015 through July 2015, 152 customers have participated in this program compared to year to date projection of 233. The current projection for 2015 is 174 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$123,773 compared to actual expenses of \$74,810 resulting in a difference of \$48,963 or 40% under budget.

Program Progress Summary: Since its launch in 2014, 6,291 customers have participated in this program.

Program Description and Progress

Program Title: Energy *Select*

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 respond automatically to prices that vary during the day and by season in relation to the Company's cost of producing or purchasing energy.

Program Projections: During the 2016 projection period, Gulf Power projects to have 1,600 net additions. The program expenses are expected to be \$6,673,967 as detailed in Schedule C-2.

Program Accomplishments: For the period January through July 2015, 1,152 net new participants were added to the Energy *Select* program compared to a year to date projection of 933. The total projection for 2015 is 1,929 net new participants.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$3,770,128 compared to actual expenses of \$3,304,376 resulting in a difference of \$465,752 or 12% under budget.

Program Progress Summary: As of July 2015, there are 15,533 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 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 and retail partnerships.

Program Projections: This program is not continued in the 2015 DSM Plan; therefore, no participation projections are made for 2016. In the 2015 DSM Plan, the ENERGY STAR Window A/C measure is incorporated into the new Residential Building Efficiency program.

Program Accomplishments: For the period January – July 2015, 1,485 customers have participated in the appliance measures. This total includes 596 ENERGY STAR Refrigerators, 33 ENERGY STAR Freezers, 205 ENERGY STAR Window A/Cs and 651 ENERGY STAR Clothes Washers. This compared to a year to date projection of 5,892 appliances. The current projection for 2015 is 2,040 appliances.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$289,442 compared to actual expenses of \$122,899 resulting in a difference of \$166,543 or 58% under budget.

Program Progress Summary: Since its launch in 2011, 13,991 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 objectives of the program are to increase customer awareness of the economic and environmental costs associated with running inefficient, older appliances in a household and to encourage their removal by providing eligible customers with free refrigerator and freezer pick-up services, along with a cash incentive.

Program Projections: This program is not continued in the 2015 DSM Plan; therefore, no participation projections are made for 2016.

Program Accomplishments: During the period January 2015 through July 2015, no customers have participated in this program. Due to low participation in previous years, Gulf's vendor for this program discontinued offering pick-up services and Gulf was unable to find an alternate provider during the program year. The current projection for 2015 is 0.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$103,397 compared to actual expenses of \$7,480 resulting in a difference of \$95,917 or 93% under budget.

Program Progress Summary: Since its launch in 2011, 3,764 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 Gulf's 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. 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 2016 through December 2016, the Company expects to conduct 500 audits and incur expenses totaling \$908,705.

Program Accomplishments: During the January 2015 through July 2015 period, actual results were 290 audits compared to a year to date projection of 350. The total projection for 2015 is 497 audits.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$520,453 compared to actual expenses of \$366,620 resulting in a difference of \$153,833 or 30% under budget.

Program Progress Summary: A total of 22,210 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 to make improvements to the system to bring it to 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 2016 through December 2016, the Company expects 250 program participants. Expenses of \$59,565 are projected for this program in 2016 as detailed in Schedule C-2.

Program Accomplishments: During the period January 2015 through July 2015, 17 customers have participated in this program compared to a year to date projection of 700. The current projection for 2015 is 29 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$154,964 compared to actual expenses of \$17,976 resulting in a difference of \$136,988 or 88% under budget.

Program Progress Summary: Since its launch in 2011, 965 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 goals of the program are 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 commercial geothermal heat pumps, ceiling/roof insulation, and reflective roofs. The following measures are not continued in the 2015 DSM Plan; HVAC efficiency upgrades, heat pump water heater installations, window film installation, interior lighting improvements and commercial occupancy sensors.

Program Projections: Expenses of \$320,153 are projected for this program in 2016 as detailed in Schedule C-2.

For the period January 2016 through December 2016, the Company expects to implement the efficiency measures included in this program for:

Program	Annual Projections (2016)
Commercial Geothermal Heat Pump	125 tons of installed Geothermal HVAC
Ceiling/Roof Insulation	250,000 square feet of installed insulation
Commercial Reflective Roof	800,000 square feet of installed reflective roof

Program Accomplishments: During the period January – July 2015, the measures in this program have had the following participation as compared to year to date projected participation:

Program	Actual Participation (January - July 2015)	Projected YTD Participation (through July 2015)
Commercial HVAC	918 tons of installed HVAC	350 tons of installed HVAC
Commercial Geothermal Heat Pump	0 tons of installed Geothermal HVAC	146 tons of installed Geothermal HVAC
Heat Pump Water Heater	0 installations	1 installation
Ceiling/Roof Insulation	8,511 square feet of installed insulation	78,353 square feet of installed insulation
Window Film	618 square feet of installed window film	23,189 square feet of installed window film
Commercial Interior Lighting	1,476 kW of lighting reduction	108 kW of lighting reduction
Commercial Occupancy Sensor	0 installed sensors	438 installed sensors
Commercial Reflective Roof	171,266 square feet of installed reflective roof	291,667 square feet of installed reflective roof

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$658,060 compared to actual expenses of \$524,390 resulting in a difference of \$133,670 or 20% under budget. Total projection for 2015 is as follows:

Program	Annual Projections (2015)
Commercial HVAC	1,049 tons of installed HVAC
Commercial Geothermal Heat Pump	60 tons of installed Geothermal HVAC
Heat Pump Water Heater	0 installation
Ceiling/Roof Insulation	14,590 square feet of installed insulation
Window Film	706 square feet of installed window film
Commercial Interior Lighting	1,687 kW of lighting reduction
Commercial Occupancy Sensor	0 installed sensors
Commercial Reflective Roof	293,599 square feet of installed reflective roof

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

Program	Actual Participation (Program to Date)
Commercial HVAC	6,948 tons of installed HVAC
Commercial Geothermal Heat Pump	491 tons of installed Geothermal HVAC
Heat Pump Water Heater	3 installations
Ceiling/Roof Insulation	306,897 square feet of installed insulation
Window Film	34,408 square feet of installed window film
Commercial Interior Lighting	6,524 kW of lighting reduction
Commercial Occupancy Sensor	9,778 installed sensors
Commercial Reflective Roof	2,945,858 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: This program is not continued in the 2015 DSM Plan; therefore, no participation projections are made for 2016.

Program Accomplishments: For the period January 2015 through July 2015, 0 participants have enrolled in this program. The current projection for 2015 is 0 participants.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$21,740 compared to actual expenses of \$10,710 resulting in a difference of \$11,030 or 51% under budget.

Program Progress Summary: Since its launch in 2011, there are 5,814 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: This program is not continued in the 2015 DSM Plan; therefore, no participation projections are made for 2016.

Program Accomplishments: During the period January – July 2015, 623 HP of energy efficient motors were installed compared to a year to date projection of 2,523 HP. The current projection for 2015 is 712 HP of energy efficient motors.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$56,272 compared to actual expenses of \$11,658 resulting in a difference of \$44,614 or 79% under budget.

Program Progress Summary: Since its launch in 2011, 5,146 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 objectives of the program are 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: This program is not continued in the 2015 DSM Plan; therefore, no participation projections are made for 2016.

Program Accomplishments: From January 2015 through July 2015, 25 customers have participated in this program compared to a year to date projection of 20. Participation is broken down as follows: 12 fryers, 1 griddle and 12 ice machines. The total projection for 2015 is 29 units.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$40,436 compared to actual expenses of \$21,215 resulting in a difference of \$19,221 or 48% under budget.

Program Progress Summary: Since its launch in 2011, 100 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 2016 through December 2016, the Company expects at the meter reductions of 100,000 kWh, 33 winter kW and 33 summer kW resulting from this program. Expenses of \$52,748 are projected for this program in 2016 as detailed in Schedule C-2.

Program Accomplishments: From January 2015 through July 2015, 0 customers have participated in this program.

Program Fiscal Expenditures: Projected expenses for January 2015 through July 2015 were \$63,983 compared to actual expenses of \$9,466 resulting in a difference of \$54,517 or 85% 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: This program is not continued in the 2015 DSM Plan; therefore, no participation projections are made for 2016.

Program Accomplishments: Through July 2015, the following participation has occurred in this program:

- Solar for Schools – Gulf is in the process of finalizing the installation of one 10kW solar PV system at a public education facility served by Gulf Power. Installation is scheduled to be completed by September 2015.
- Solar PV (residential and commercial) – 49 customers completed the installation of a qualifying solar PV system and received an incentive. There are 3 additional customers pending completion of the incentive process.
- Solar Thermal Water Heating – 8 customers completed the installation of a qualifying solar thermal water heating system and received an incentive. There are 6 additional customers pending completion of the incentive process.
- Solar Thermal Water Heating for Low Income – Gulf is facilitating the installation of 13 qualifying solar thermal water heating systems in low-income residential housing units for 2015. The program will provide the full installation cost for the installations in residences owned and managed by the Escambia County Area Housing Commission. Installations are projected to be completed September 2015.

Program Fiscal Expenditures: Projected expenses for January through July 2015 were \$658,940 compared to actual expenses of \$563,827 resulting in a difference of \$95,113 or 14% under budget.

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

Measure	Program Participation (Program to Date)
Solar for Schools	2 PV Systems Installed
Solar PV (Residential and Commercial)	231 PV Systems Installed
Solar Thermal Water Heater (STWH)	113 STWH Systems Installed
Solar Thermal Water Heater for Low Income	44 STWH Systems Installed

Program Description and Progress

Program Title: Residential Service Time of Use Pilot Program

Program Description: The Residential Service Time of Use (RSTOU) rate pilot will provide residential customers the opportunity to use customer-owned equipment to respond automatically and take advantage of a variable pricing structure with a critical peak credit component. In order to control program expenses and facilitate monitoring and evaluation, the pilot will be offered to a group of approximately 400 residential customers who meet the program standards. Gulf Power's current offering, Energy Select, is a company-owned interactive energy management system that allows residential customers to program their central heating and cooling system, electric water heater, and pool pump to automatically respond to varying prices of electricity depending on the time of day, day of week and season. The Energy Select program is very successful in achieving demand response results through use of the critical peak price tier and the associated energy management equipment. With the increased availability of Wi-Fi enabled thermostats in the marketplace, Gulf believes that demand response results can be achieved utilizing customer-owned equipment with the capability of automatic response to a critical peak notification. In order to further encourage customers to utilize a qualifying Wi-Fi enabled thermostat, the RSTOU pilot will offer customers a per event credit for allowing their thermostat to automatically reduce the HVAC equipment load during a critical event period. This option puts the customer in complete control of their energy purchase without utility owned equipment. The objective of this pilot is to measure customer's response to a variable price rate with customer owned equipment. Customers will have the ability to save money by shifting energy purchase to the lower priced periods, while providing peak demand reduction during the high and critical periods.

Program Projections: For the period January 2016 through December 2016, the Company projects \$159,500 in expenses for this program as detailed in Schedule C-2.

Program Accomplishments: This pilot is a new program included in the 2015 DSM Plan and will begin Fall 2015.

Program Fiscal Expenditures: This pilot is a new program included in the 2015 DSM Plan and will begin Fall 2015.

Program Progress Summary: This pilot is a new program included in the 2015 DSM Plan and will begin Fall 2015.

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.

Initially, construction of the BEST House was delayed due to general economic conditions affecting sponsor support and permitting requirements. The project team was finally able to hold a kick-off meeting during the summer of 2011 and agreed to move forward with a modified plan. While the intent of the project remains the same, the house as originally planned will not be constructed. The new, modified plan involves the retrofit of an existing building on UWF's site. In the approximately 3800 sq. ft. building, Gulf anticipates 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 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 facility: 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 focused on 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 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 operates 24-hours a day, 7-days a week. The data will be used to promote energy efficient production of hot water, off-set 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 small commercial applications with high usage. 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.

Program Fiscal Expenditures: Program expenses were forecasted at \$145,913 for the period January through July 2015 compared to actual expenses of \$36,104 for a deviation of \$109,809 or 75% under budget. Actual project expenses were as follows: UWF BEST House, \$0; Azalea Trace Heat Pump Water Heater, \$6,013; Hair Salon Heat Pump Water Heater Project, \$30,091.

**RESIDENTIAL SERVICE
2016 Variable Pricing (RSVP) and
Time of Use (RSTOU) Rates
Cents Per KWH**

ECCR

<u>Rate Tier</u>	<u>RSVP</u>
P4	56.374
P3	5.672
P2	(1.672)
P1	(3.000)

<u>Rate Tier</u>	<u>RSTOU</u>
On-Peak	17.000
Off-Peak	(3.096)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Energy Conservation Cost Recovery Clause)
_____)

Docket No.: 150002-EG

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing was furnished by electronic mail this 21st day of August, 2015 to the following:

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