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August 28, 2015

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

RE: Docket No. 150007-EI

Dear Ms. Stauffer:

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

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

Pursuant to the Order Establishing Procedure in this docket, electronic copies of exhibit CSB-3 will be provided to the parties under separate cover.

Sincerely,

Robert L. McGee, Jr.  
Regulatory and Pricing Manager

md

Enclosures

cc w/encl.: Beggs & Lane  
Jeffrey A. Stone, Esq.

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Environmental Cost Recovery Clause )  
 )  
 ) Docket No.: 150007-EI  
 ) Filed: August 31, 2015  
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\_\_\_\_\_ )

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

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GULF POWER COMPANY (“Gulf Power”, “Gulf”, or “the Company”), by and through its undersigned counsel, and pursuant to section 366.8255, Florida Statutes and various orders of the Florida Public Service Commission (“Commission”) implementing and defining the Environmental Cost Recovery Clause (“ECRC”), hereby petitions the Commission for approval of the Company's final environmental cost recovery true-up amount for the period January 2014 through December 2014; for approval of the Company’s estimated environmental cost recovery true-up amount for the period January 2015 through December 2015; for approval of the Company’s projected environmental cost recovery amounts for the period January 2016 through December 2016 including the reasonableness and prudence of new and/or expansions of other environmental projects consistent with this petition; and for approval of environmental cost

recovery factors to be applied in customer billings beginning with the period January 2016 through December 2016. As grounds for the relief requested by this petition, the Company would respectfully show:

### **BACKGROUND**

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

(2) Gulf Power initially petitioned the Commission to establish the ECRC in Docket No. 930613-EI. The Commission considered Gulf's petition at hearings held in December 1993

and ultimately issued Order No. PSC-94-0044-FOF-EI, which established the ECRC for Gulf Power and approved the commencement of recovery through initial factors effective with the first billing cycle for February 1994. Since that initial order, Gulf has periodically petitioned for and received Commission approval for recovery of the Company's revenue requirements associated with new environmental compliance activities consistent with the ECRC statutes and Commission precedent. Also since that initial order and subsequent orders of the Commission approving the Company's environmental compliance activities for recovery through the ECRC, Gulf has periodically submitted true-up and projection filings to the Commission with updated actual and projected costs for the various environmental compliance activities recovered through the ECRC pursuant to Commission authorization.

(3) Consistent with the foregoing, Gulf submits its petition, supporting schedules, testimony, and exhibits as the Company's request herein for approval of ECRC factors to be effective in calendar year 2016. As detailed in the following paragraphs and accompanying supporting schedules, testimony and exhibits, Gulf's environmental compliance activities are consistent with the ECRC statutes and Commission precedent for recovery of eligible activities through the ECRC subject to the ongoing audit, review and true-up processes established by the Commission.

#### **FINAL ENVIRONMENTAL COST RECOVERY TRUE-UP**

(4) By vote of the Commission following hearings in October 2014, estimated true-up environmental cost recovery amounts were approved by the Commission for the period January 2014 through December 2014, subject to establishing the final environmental cost recovery true-up amounts. Gulf has calculated its final environmental cost recovery true-up amounts for the period January 2014 through December 2014 in accordance with the principles and policies for environmental cost recovery established by the Commission. According to the data filed by Gulf for the period ending December 31, 2014, the final environmental cost recovery true-up amount for the period ending December 31, 2014, is an actual under-recovery of \$912,783. This amount is submitted for approval by the Commission to be collected in the next period. The

supporting data has been prepared in accordance with the uniform system of accounts as applicable to the Company's environmental cost recovery and fairly presents the Company's environmental costs to be considered for recovery through the ECRC for the period. The environmental activities and related expenditures reflected in the true-up amounts shown for the period ending December 31, 2014, are reasonable and necessary to achieve or maintain compliance with environmental requirements applicable to Gulf Power Company and, therefore, the amounts identified are prudent expenditures which have been incurred for utility purposes.

#### **ESTIMATED ENVIRONMENTAL COST RECOVERY TRUE-UP**

(5) Gulf has calculated its estimated environmental cost recovery true-up amounts for the period January 2015 through December 2015 in accordance with the principles and policies for environmental cost recovery established by the Commission. Based on six months actual and six months projected data, the Company's estimated environmental cost recovery true-up amount for the period January 2015 through December 2015 is an under-recovery of \$1,699,128. The estimated environmental cost recovery true-up is combined with the final environmental cost recovery true-up for the period ending December 31, 2014, to reach the total environmental cost recovery true-up that is to be addressed in the next cost recovery period (January 2016 through December 2016). Gulf is requesting that the Commission approve this total environmental cost recovery true-up amount excluding revenue taxes, \$2,611,911 for recovery during the January 2016 through December 2016 recovery period.

#### **PROJECTED ENVIRONMENTAL COST RECOVERY AMOUNTS**

(6) Gulf has calculated its projected environmental cost recovery amounts for the months January 2016 through December 2016 in accordance with the principles and policies for environmental cost recovery found in section 366.8255 of the Florida Statutes and Commission Order No. PSC-94-0044-FOF-EI. The Company's projected environmental cost recovery amounts for the period January 2016 through December 2016 is \$197,765,402. The calculated factors reflect the recovery of the projected environmental cost recovery amounts, including net

true-up amounts and revenue taxes, of \$200,521,584 for the period January 2016 through December 2016.

The computations and supporting data for the Company's environmental cost recovery factors are set forth on true-up and projection schedules that are attached as part of the exhibits to the final true-up testimony and actual/estimated true-up testimony of C.S. Boyett filed previously in this docket (*See* DN 01762-15 and DN 04856-15) and the projection testimony of Mr. Boyett filed herewith. Additional supporting data for the environmental cost recovery factors is provided in the final true-up testimony and estimated/actual true-up testimony of J.O. Vick, also previously filed in this docket (*See* DN 01762-15 and DN 04856-15), and the projection testimony of Mr. Vick also filed herewith. The data and other information set forth in these schedules are sponsored and/or supported by the testimony of Gulf witnesses Boyett and Vick are an integral part of this petition and are hereby incorporated herein by reference. The methodology used by Gulf in determining the amounts to include in these factors and the allocation to rate classes is in accordance with the requirements of the Commission as set forth in Order No. PSC-94-0044-FOF-EI. The amounts included in the calculated factors for the projection period are based on reasonable projections of the costs for environmental compliance activities that are expected to be incurred during the period January 2016 through December 2016. The calculated factors and supporting data have been prepared in accordance with the uniform system of accounts and fairly present the Company's best estimate of environmental compliance costs for the projected period. The activities described in the testimony of Mr. Vick are reasonable and necessary to achieve or maintain compliance with environmental requirements applicable to Gulf Power Company and the actual or projected costs resulting from the described compliance activities are also reasonable and necessary. Therefore, the costs identified are prudent expenditures that have been or will be incurred for utility purposes and for which the Company should be allowed to recover the associated revenue requirements.

## **NEW ENVIRONMENTAL ACTIVITIES/PROJECTS**

(7) Gulf seeks approval of the following new activities/projects for cost recovery through the Environmental Cost Recovery Clause:

(a.) **Coal Combustion Residual (“CCR”) project:** This project addresses costs associated with Gulf’s compliance with new requirements from the United States Environmental Protection Agency (“EPA”) and the Florida Department of Environmental Protection (“FDEP”). On April 17, 2015, EPA published the final Coal Combustion Residuals (“CCR Rule”) rule in the Federal register regulating CCR disposal under Subtitle D of the Resource Conservation and Recovery Act. The CCR Rule is located in Title 40 Code of Federal Regulations Parts 257 and 261. The CCR Rule will regulate the disposal of CCR, including coal ash and gypsum, as non-hazardous solid waste at active generating power plants. The CCR Rule includes minimum criteria for active and inactive surface impoundments containing CCR and liquids, lateral expansions of existing units, and active landfills (“CCR Unit”). Failure to meet the minimum criteria can result in the mandated closure of a CCR Unit. The new criteria will apply to CCR Units at Gulf’s Plants Crist, Smith and Daniel. Each plant will conduct engineering evaluations to meet the requirements for continued use of its CCR Units. Those CCR Units that do not meet the new CCR Rule requirements must initiate closure pursuant to the CCR Rule. Proposed activities include engineering evaluations, operation and closure plans development, monitoring well installation and monitoring, and CCR Unit closure if required. In addition, pursuant to its authority granted under the Clean Water Act, the FDEP issues National Pollutant Discharge Elimination System (“NPDES”) permits for each of Gulf’s generating facilities. A draft renewal NPDES permit for Plant Scholz was issued on August 24, 2015 and is expected to become final in the fourth quarter of 2015. This renewal permit has new conditions

requiring closure of the Plant Scholz CCR impoundment. These new conditions require Gulf to submit a closure plan for the Plant Scholz CCR impoundment to the FDEP. Engineering related to developing that closure plan has begun and is scheduled to be completed in 2016. Once the closure plan is approved by the FDEP, Gulf will commence closure of the CCR Unit at Plant Scholz.

The CCR project meets the criteria for cost recovery established by the Commission in Order No. PSC-94-0044-FOF-EI in that the costs associated with it are not recovered through any other cost recovery mechanism or through base rates and will be incurred after April 13, 1993. In addition, Gulf's compliance with the new CCR Rule and new NPDES permit conditions is legally mandated under a governmentally imposed environmental regulation. The capital expenditures associated with this project are projected to be \$9,359,600 in 2016. During 2015 and 2016, Gulf projects a total of \$13,240,000 in O&M expenses for CCR compliance activities. The costs associated with this project will be allocated to the rate classes on a demand basis.

(b.) **Steam Electric Effluent Limitations Guidelines ("ELG") project:** The Steam Electric Effluent Limitations Guidelines are required by Title 40 of the Code of Federal Regulations, Part 423. This regulation limits the discharge of pollutants into navigable waters and into publically owned treatment works by existing and new sources of steam electric power. The EPA is required to finalize revisions to the ELG by September 30, 2015. These new revisions would require the installation of additional controls such as wastewater treatment systems and/or dry ash handling systems at Gulf's generating facilities. During the 2015-2016 timeframe, Gulf plans to complete water balance and design studies to further evaluate the impact of the proposed ELG regulatory options. The project costs will be booked to a

preliminary design and investigation account (deferred debit) until the rule is finalized and Gulf determines the best option to comply with the regulation.

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

**ENVIRONMENTAL COST RECOVERY FACTORS**

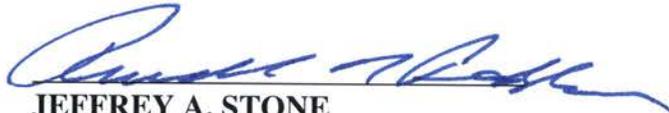
(8) The calculated environmental cost recovery factors by rate class, including true-up, are:

<b>RATE CLASS</b>	<b>ENVIRONMENTAL COST RECOVERY FACTORS ¢/KWH</b>
RS, RSVP, RSTOU	2.109
GS	1.895
GSD, GSDT, GSTOU	1.678
LP, LPT	1.488
PX, PXT, RTP, SBS	1.417
OS-I/II	0.503
OSIII	1.353

WHEREFORE, Gulf Power Company respectfully requests the Commission to approve the final environmental cost recovery true-up amounts for the period January 2014 through December 2014; estimated environmental cost recovery true-up amounts for the period January 2015 through December 2015; the projected environmental cost recovery amounts for the period

January 2016 through December 2016; the reasonableness and prudence of new and/or expansions of other environmental projects consistent with this petition; and the environmental cost recovery factors to be applied in customer billings beginning with the period January 2016 through December 2016.

Dated the 28th day of August, 2015.



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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ENVIRONMENTAL COST RECOVERY CLAUSE**

**DOCKET NO. 150007-EI**

PREPARED DIRECT TESTIMONY  
AND EXHIBIT OF  
JAMES O. VICK

PROJECTION FILING  
FOR THE PERIOD

JANUARY 2016 - DECEMBER 2016

August 31, 2015



1 GULF POWER COMPANY

2 Before the Florida Public Service Commission  
3 Prepared Direct Testimony and Exhibit of  
4 James O. Vick  
Docket No. 150007-EI  
Date of Filing: August 31, 2015

5 Q. Please state your name and business address.

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

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

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

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

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

24

25

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

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

8

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

11 A. Yes.

12

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

14 A. The purpose of my testimony is to support Gulf Power Company's projection  
15 of environmental compliance costs recoverable through the Environmental  
16 Cost Recovery Clause (ECRC) for the period from January 2016 through  
17 December 2016, including two new environmental programs.

18

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

21 A. Yes, my exhibit consists of the Coal Combustion Residual (CCR) regulation,  
22 the draft Plant Scholz National Pollutant Discharge Elimination System  
23 (NPDES) industrial wastewater permit, and the proposed Steam Electric  
24 Power Effluent Limitations Guidelines and Standards (ELG) regulation.

25

1 Counsel: We ask that Mr. Vick's exhibit  
2 consisting of three documents  
3 be marked as Exhibit No. \_\_\_\_\_ (JOV-1).  
4

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

7 A. The environmental capital projects for which Gulf seeks recovery through  
8 the ECRC are described in Schedules 3P, 4P, and 5P of Witness Boyett's  
9 Exhibit CSB-3. I am supporting the expenditures, clearings, retirements,  
10 salvage and cost of removal currently projected for each of these projects.  
11 Mr. Boyett compiled these schedules and has calculated the associated  
12 revenue requirements for Gulf's requested recovery. Of the projects shown  
13 on Mr. Boyett's schedules, there are four programs that were previously  
14 approved by the Commission with activities that have projected capital  
15 expenditures during 2016. These programs include: Continuous Emission  
16 Monitoring Systems (CEMS) – Plants Crist, Scholz, Smith, and Daniel,  
17 Smith Water Conservation, Crist FDEP Agreement for Ozone Attainment,  
18 and the Air Quality Compliance program.  
19

20 Q. Have all of the projects addressed in Gulf's testimony and exhibits been  
21 previously approved by the Commission?

22 A. No. Gulf is including two new Water Quality programs, the Coal  
23 Combustion Residual (CCR) program and the Steam Electric Power Effluent  
24 Limitations Guidelines (ELG) program, in addition to the programs  
25 previously approved by the Commission.

1 Q. Mr. Vick, please describe the Coal Combustion Residual program that Gulf  
2 seeks to recover through the ECRC.

3 A. The new program is related to the regulation of Coal Combustion Residuals  
4 by the United States Environmental Protection Agency (EPA) and the  
5 Florida Department of Environmental Protection (FDEP). For Gulf's  
6 generating plants, these new regulatory compliance obligations are  
7 pursuant to either the new CCR rule adopted earlier this year or in new  
8 permit requirements added by FDEP; through National Pollutant Discharge  
9 Elimination System (NPDES) permits issued for each of Gulf's generating  
10 facilities pursuant to authority granted under the Clean Water Act.

11  
12 On April 17, 2015 EPA published the final CCR rule in the Federal register  
13 regulating CCR disposal under Subtitle D of the Resource Conservation and  
14 Recovery Act (RCRA). The CCR rule is located in Title 40 Code of Federal  
15 Regulations (CFR) Parts 257 and 261 (See Exhibit JOV-1). The CCR rule  
16 regulates the disposal of CCR, including coal ash and gypsum, as non-  
17 hazardous solid waste at active generating power plants. The CCR rule  
18 includes minimum criteria for active and inactive surface impoundments  
19 containing CCR and liquids, lateral expansions of existing units, and active  
20 landfills (collectively referred to as "CCR Units"). Failure to meet the  
21 minimum criteria can result in the mandated closure of a CCR Unit. The  
22 new criteria will apply to CCR Units at Gulf's Plants Crist, Smith, and Daniel.

23  
24 A draft NPDES renewal permit for Plant Scholz (FL0002283) was issued on  
25 August 24, 2015 and is expected to become final in the fourth quarter of

1 2015 (See Exhibit JOV-1). This permit renewal has new conditions  
2 requiring closure of the Plant Scholz CCR Unit. Pursuant to the permit, the  
3 closure plan is required to be submitted to the FDEP in 2016 for review and  
4 approval. Once approved, Gulf will move forward with activities required for  
5 closure. The expenses associated with the Plant Scholz CCR Unit will be  
6 reflected in Operation and Maintenance (O&M) Line Item 1.23.

7  
8 Each plant will conduct engineering evaluations to meet the requirements  
9 for continued use of its CCR Units. By the effective date of the CCR rule,  
10 October 19, 2015, any CCR Unit subject to the EPA's new rule must have a  
11 publicly available website established, weekly and monthly inspections  
12 initiated, and a fugitive dust plan prepared. During 2015, Gulf is also  
13 required to install permanent markers at all CCR ponds and have annual  
14 inspections of the CCR impoundments and landfills performed by a  
15 professional engineer (PE). In 2016, Gulf will prepare closure and post-  
16 closure care plans for the CCR Units, conduct hydrologic and hydraulic  
17 capacity studies of the CCR ponds, compile a history of the structural  
18 integrity reports and design information for the CCR Units, prepare  
19 stormwater management plans, and conduct annual dust control and  
20 engineering inspections as well as groundwater monitoring. Costs  
21 associated with these activities are O&M expenses that are reflected on  
22 Line Item 1.23 of Mr. Boyett's Schedule 2P.

23  
24 Gulf's projected 2015 CCR capital expenditures of \$660,000 include  
25 installation of additional groundwater monitoring systems required for Plant

1 Crist, Plant Smith, and Plant Daniel. The proposed 2016 capital  
2 expenditures totaling \$9,359,600 are associated with the installation of a  
3 new bottom ash handling system for Plant Crist, dust suppression control  
4 equipment for Plant Smith, as well as new CCR wastewater management  
5 systems for Plant Crist and Plant Smith (Line Item 1.28).

6  
7 Q. Mr. Vick, please discuss the new Steam Electric Power Effluent Limitations  
8 Guidelines and Standards (ELG) program.

9 A. EPA is required to establish new ELG which are found in Title 40 of the  
10 Code of Federal Regulations, Part 423 (See Exhibit JOV-1). This regulation  
11 limits the discharge of pollutants into navigable waters and into publically  
12 owned treatment works by existing and new sources of steam electric  
13 power. The EPA is required to finalize revisions to the ELG by September  
14 30, 2015. The proposed ELG regulations, as currently drafted, would  
15 require the installation of additional controls such as wastewater treatment  
16 systems and/or dry ash handling systems at Gulf's generating facilities. The  
17 ultimate impact of these proposed regulations will, however, depend on the  
18 specific requirements of the final rule, which could require short compliance  
19 timeframes to complete modifications.

20  
21 During the 2015-2016 timeframe Gulf plans to complete water balance and  
22 engineering studies to evaluate further the impact of the proposed ELG  
23 regulatory options. The project costs will be recorded to a preliminary  
24 design and investigation account (deferred debit) until the rule is finalized  
25 and Gulf has determined the best option to comply with the regulation.

1 Q. Mr. Vick, please describe the projected 2016 capital expenditures for CEMS  
2 – Plants Crist, Scholz, Smith and Daniel (Line Item 1.5).

3 A. Gulf plans to relocate existing Plant Crist CEMS monitors that are currently  
4 located in bypass stacks to the individual unit's duct and to upgrade Plant  
5 Crist Unit 7 flue gas monitors. The CEMS monitors need to be relocated  
6 and upgraded due to the Mercury and Air Toxics Standards (MATS) rule  
7 requirements. Expenditures associated with these activities reflected in the  
8 2016 projection filing are \$3.1 million.

9  
10 Q. Mr. Vick, please provide an update on the Smith Water Conservation project  
11 (Line Item 1.17).

12 A. As discussed in previous filings, Gulf has determined that it is feasible to  
13 inject reclaimed water into the Plant Smith deep injection well system. Gulf  
14 has installed three deep injection wells and will begin the process of  
15 installing piping and initial equipment for the pump station during the latter  
16 portion of 2015 and the first part of 2016. During 2016, Gulf will obtain  
17 additional operational data required to design the final pump station and  
18 wastewater treatment equipment as well as any additional piping.  
19 Expenditures associated with these activities reflected in the 2016 projection  
20 filing are \$340,807.

21  
22 Q. Mr. Vick, please describe the projects included in the 2016 projection for  
23 (Line Item 1.19) the Crist FDEP Agreement for Ozone Attainment.

24 A. Gulf plans to add or replace a layer of the Plant Crist Unit 7 SCR catalyst  
25 and install the Plant Crist Unit 6 flame scanner during 2016. In 2016, the

1 effectiveness of the existing catalyst will have reached a point requiring  
2 either a replacement layer or the addition of another layer. Under either  
3 option, the replacement or additional layer will be a regenerated catalyst.  
4 The projected 2016 expenditures for this line item are \$1,183,284.  
5

6 Q. Mr. Vick, please describe the projected 2016 capital expenditures for the Air  
7 Quality Compliance program (Line Item 1.26).

8 A. The projected 2016 expenditures for this line item include completion of the  
9 work associated with the Plant Daniel scrubbers and CEMS equipment  
10 needed for Plant Crist and Plant Daniel to comply with the MATS regulation.  
11 Also, projected for this line item are capital retrofit projects for the Plant Crist  
12 scrubber. Gulf plans to replace Plant Crist's scrubber booster fan hubs,  
13 scrubber mist eliminator, and scrubber expansion joints, as well as increase  
14 the capacity of its scrubber wastewater treatment plant. The projected 2016  
15 expenditures for this line item is \$16,338,205.  
16

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

19 A. The Plant Daniel scrubber projects are currently scheduled for completion in  
20 the October to November 2015 time period. On August 19, 2015, the Plant  
21 Daniel Unit 1 scrubber had its initial gas flow. That activity initiated  
22 approximately 60 days of testing and optimization. The Unit 2 scrubber  
23 initial gas flow is planned for September, 2015. After the testing and  
24 optimization, the scrubbers will be drained and inspected prior to placing the  
25 scrubbers in-service. Other remaining major activities include

1 commissioning all ancillary equipment, completing the waste water  
2 treatment system and finishing the liner at the gypsum storage area. The  
3 total projected amount for 2016 for Daniel scrubber expenditures is \$8.5  
4 million which is included in the \$16.3 million of expenditures projected for  
5 the Air Quality Compliance Program, Line Item 1.26.

6  
7 Q. Please discuss the status of the MATS rule and the controls and monitoring  
8 equipment needed to comply with the MATS regulations.

9 A. On June 29, 2015, the Supreme Court decided that the EPA interpreted the  
10 Clean Air Act unreasonably when it deemed cost irrelevant to the decision  
11 of whether regulation of power plants under section 112 of the Clean Air Act  
12 is "appropriate and necessary". While the Court directed that the EPA must  
13 consider cost before deciding whether regulation of power plants is  
14 "appropriate and necessary", the Court left it up to EPA to decide how to  
15 account for cost upon remand. The MATS regulations remain in effect and  
16 the EPA announced it intends to submit its cost analysis by spring 2016.

17  
18 Gulf Power began installing MATS monitoring systems at Plant Crist in 2014  
19 and Plant Daniel in 2015 in order to comply with the MATS rule. The Plant  
20 Crist MATS monitoring system will monitor mercury and particulate  
21 emissions. Mercury monitors were included in Gulf's original Compliance  
22 Plan that was filed on March 29, 2007. The Plant Daniel and Plant Crist  
23 mercury monitors were two of the 10 specific components of Gulf's program  
24 that were agreed to as part of a stipulation approved on August 14, 2007.  
25 The stipulation is included in Order No. PSC-07-0721-S-EI. The 2016

1 projected expenditures for the Plant Crist MATS monitoring systems are  
2 \$3.2 million. The Plant Daniel MATS monitoring costs are included in the  
3 cost projection for the Plant Daniel scrubbers.  
4

5 Q. Mr. Vick, are you including the purchase of allowances in your 2016  
6 projection filing?

7 A. No, we are not currently projecting the need to purchase additional  
8 allowances during 2016.  
9

10 Q. How do the projected Environmental O&M activities listed on Schedule 2P  
11 of Mr. Boyett's Exhibit CSB-3 compare to the O&M activities approved for  
12 cost recovery in past ECRC proceedings?

13 A. All of the O&M activities listed on Schedule 2P have been approved for  
14 recovery through the ECRC in past proceedings other than the Coal  
15 Combustion Residual (CCR) program expenses (Line Item 1.23).  
16

17 Q. Please describe the O&M activities included in the air quality category for  
18 2016.

19 A. There are five O&M activities included in the air quality category that have  
20 projected expenses in 2016. On Schedule 2P, Air Emission Fees (Line Item  
21 1.2), represents the expenses projected for the annual fees required by the  
22 Clean Air Act Amendments (CAAA) of 1990 that are payable to the FDEP  
23 and Mississippi Department of Environmental Quality. The expenses  
24 projected for the 2016 recovery period total \$560,352.  
25

1 Included in the air quality category, Title V (Line Item 1.3) represents  
2 projected ongoing expenses associated with implementation of the Title V  
3 permits. The total 2016 estimated expenses for the Title V Program are  
4 \$144,489.

5  
6 On Schedule 2P, Asbestos Fees (Line Item 1.4) consists of the fees  
7 required to be paid to the FDEP for asbestos abatement projects. The  
8 projected expenses for this line item are \$1,000.

9  
10 Emission Monitoring (Line Item 1.5) on Schedule 2P reflects an ongoing  
11 O&M expense associated with the Continuous Emission Monitoring  
12 equipment as required by the CAAA. These expenses are incurred in  
13 response to EPA's requirements that the Company perform Quality  
14 Assurance/Quality Control (QA/QC) testing for the CEMS, including Relative  
15 Accuracy Test Audits (RATAs) and Linearity Tests. The expenses expected  
16 to be incurred during the 2016 recovery period for these activities total  
17 \$816,217.

18  
19 The FDEP NOx Reduction Agreement (Line Item 1.19) includes O&M costs  
20 associated with the Plant Crist Unit 7 SCR and the Plant Crist Units 4 and 5  
21 Selective Non-Catalytic Reduction (SNCR) projects that were included as  
22 part of the 2002 agreement with FDEP. This line item includes the cost of  
23 anhydrous ammonia, urea, air monitoring, and general O&M expenses  
24 related to activities undertaken in connection with the agreement. Gulf was  
25 granted approval for recovery of the costs incurred to complete these

1 activities in FPSC Order No. PSC-02-1396-PAA-EI in Docket No. 020943-  
2 EI. The projected expenses for the 2016 recovery period total \$952,387.  
3

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

5 A. General Water Quality (Line Item 1.6), identified in Schedule 2P, includes  
6 costs associated with Soil Contamination Studies, NPDES permit  
7 compliance, Dechlorination, Groundwater Monitoring, Surface Water  
8 Studies, the Cooling Water Intake Program, the Impaired Waters Rule, the  
9 Impoundment Integrity Program, and Stormwater Maintenance. The  
10 expenses expected to be incurred during the projection period for this line  
11 item totals \$2,009,676.  
12

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

14 A. Groundwater Contamination Investigation (Line Item 1.7) was previously  
15 approved for environmental cost recovery in Docket No. 930613-EI.  
16 This line item includes expenses related to substation investigation and  
17 remediation activities. Gulf has projected \$3,437,656 of incremental  
18 expenses for this line item during the 2016 recovery period.  
19

20 Line Item 1.8, State National Pollutant Discharge Elimination System  
21 (NPDES) Administration, was previously approved for recovery in the ECRC  
22 and reflects expenses associated with NPDES annual fees and permit  
23 renewal fees for Gulf's three generating facilities in Florida. These  
24 expenses are expected to be \$36,500 during the projected recovery period.  
25

1 Line Item 1.9, Lead and Copper Rule, was also previously approved for  
2 ECRC recovery and reflects sampling, analytical, and chemical costs  
3 related to the lead and copper drinking water quality standards. These  
4 expenses are expected to total \$16,974 during the 2016 projection period.  
5

6 Line Item 1.23, is the new Coal Combustion Residual (CCR) program that  
7 was previously discussed on pages 4 through 6. Gulf is requesting ECRC  
8 recovery for certain CCR compliance activities that will be conducted  
9 beginning in 2015. The projected 2015 and 2016 CCR O&M expenses are  
10 \$13.24 million.  
11

12 Q. What activities are included in the environmental affairs administration  
13 category?

14 A. Only one O&M activity is included in this category on Schedule 2P (Line  
15 Item 1.10) of Mr. Boyett's Exhibit CSB-3. This line item refers to the  
16 Company's Environmental Audit/Assessment function. This program is an  
17 on-going compliance activity previously approved for ECRC recovery.  
18 Expenses totaling \$9,000 are expected during the 2016 recovery period.  
19

20 Q. What O&M activities are included in the General Solid and Hazardous  
21 Waste category?

22 A. The General Solid and Hazardous Waste activity (Line Item 1.11) involves  
23 the proper identification, handling, storage, transportation, and disposal of  
24 solid and hazardous wastes as required by federal and state regulations.  
25 The program includes expenses for Gulf's generating and power delivery

1 facilities. This program is a previously approved program that is projected  
2 to incur incremental expenses totaling \$771,232 in 2016.

3  
4 Q. Are there any other O&M activities that have been approved for recovery  
5 that have projected expenses?

6 A. There are five other O&M activities that have been approved in past  
7 proceedings which have projected expenses during 2016. They are the  
8 Above Ground Storage Tanks program, the Sodium Injection System, the  
9 Air Quality Compliance Program, Crist Water Conservation, and Emission  
10 Allowances.

11  
12 Q. What O&M activities are included in the Above Ground Storage Tanks line  
13 item?

14 A. Above Ground Storage Tanks (Line Item 1.12) includes maintenance  
15 activities and fees required by Florida's above ground storage tank  
16 regulation, Chapter 62 Part 762, F.A.C. Expenses totaling \$164,181 are  
17 projected to be incurred during 2016.

18  
19 Q. What activity is included in the Sodium Injection line item?

20 A. The Sodium Injection System (Line Item 1.16) was originally approved for  
21 inclusion in the ECRC in Order No. PSC-99-1954-PAA-EI. The activities in  
22 this line item involve sodium injection to the coal supply that enhances  
23 precipitator efficiencies when burning certain low sulfur coals at Plant Crist  
24 and Plant Smith. Expenses totaling \$72,800 are projected to be incurred  
25 during 2016 for this line item.

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

3 A. This line item includes O&M expenses associated with the capital projects  
4 approved for ECRC recovery under the Air Quality Compliance Program.  
5 This line item includes the cost of anhydrous ammonia, hydrated lime, urea,  
6 limestone and general O&M expenses. The projected 2016 expenses for  
7 this line item total approximately \$27.1 million which includes \$9.5 million for  
8 limestone costs associated with operation of the Plant Crist and Plant Daniel  
9 scrubbers.

10

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

13 A. The Crist Water Conservation line item includes general O&M expenses  
14 associated with the Plant Crist reclaimed water system, such as piping,  
15 valve maintenance and pump replacements. Expenses totaling \$570,300  
16 are projected to be incurred during 2016 for this line item.

17

18 Q. Please describe the emission allowance line item (Line Item 1.27).

19 A. This line item includes projected allowance expenses for Gulf's generation.  
20 Line Item 1.27 includes \$226,209 of projected expenses for SO<sub>2</sub> allowances  
21 during 2016.

22

23

24

25

1 Q. Do each of the capital projects and O&M activities that have projected costs  
2 in 2016 meet the ECRC statutory guidelines?

3 A. Yes. The projects included in Gulf's 2016 ECRC projection filing meet the  
4 requirements of the ECRC statute and are consistent with the Commission's  
5 precedents regarding environmental cost recovery. Each of the capital  
6 projects and O&M activities set forth in Mr. Boyett's schedules include only  
7 prudent costs that are not recovered through some other cost recovery  
8 mechanism or base rates. The projected environmental costs are  
9 necessary to achieve and/or maintain compliance with environmental laws,  
10 rules, and regulations.

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

13 A. Yes.

14  
15  
16  
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22  
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24  
25

AFFIDAVIT

STATE OF FLORIDA     )  
                                  )  
COUNTY OF ESCAMBIA )

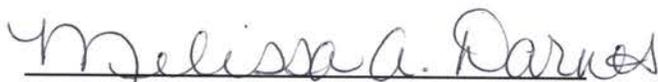
Docket No. 150007-EI

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



James O. Vick  
Director of Environmental Affairs

Sworn to and subscribed before me this 27<sup>th</sup> day of August, 2015.



Notary Public, State of Florida at Large



**Exhibit JOV-1**  
**See DVD Labeled**  
**Docket No. 150007-EI**  
**Electronic Exhibit JOV-1**

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

**ENVIRONMENTAL COST RECOVERY CLAUSE**

**DOCKET NO. 150007-EI**

PREPARED DIRECT TESTIMONY  
AND EXHIBIT OF  
C. SHANE BOYETT

PROJECTION FILING  
FOR THE PERIOD

JANUARY 2016 - DECEMBER 2016

August 31, 2015



1 GULF POWER COMPANY

2 Before the Florida Public Service Commission  
3 Prepared Direct Testimony and Exhibit of  
4 C. Shane Boyett  
Docket No. 150007-EI  
Date of Filing: August 31, 2015

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

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

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

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

25

1 Q. What is the purpose of your testimony?

2 A. The purpose of my testimony is to present both the calculation of the  
3 revenue requirements and the development of the environmental cost  
4 recovery factors for the period of January 2016 through December 2016.

5  
6 Q. Have you prepared any exhibits that contain information to which you will  
7 refer in your testimony?

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

10 Counsel: We ask that Mr. Boyett's exhibit  
11 consisting of eight schedules be marked as  
12 Exhibit No. \_\_\_\_\_(CSB-3).

13  
14 Q. What environmental costs is Gulf requesting recovery of through the  
15 Environmental Cost Recovery Clause (ECRC)?

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

23  
24 Q. How was the amount of projected Operations and Maintenance (O&M)  
25 expenses to be recovered through the ECRC calculated?

1 A. Mr. Vick has provided me with projected recoverable O&M expenses for  
2 January 2016 through December 2016. Schedule 2P of Exhibit CSB-3  
3 shows the calculation of the recoverable O&M expenses broken down  
4 between demand-related and energy-related expenses. Schedule 2P also  
5 provides the appropriate jurisdictional factors and amounts related to  
6 these expenses. All O&M expenses associated with compliance with air  
7 quality environmental regulations were considered to be energy-related,  
8 consistent with Commission Order No. PSC-94-0044-FOF-EI. The  
9 remaining expenses were broken down between demand and energy  
10 consistent with Gulf's last approved cost-of-service methodology in Docket  
11 No. 110138-EI.

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

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

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

5  
6 Q. How was the amount of property taxes to be recovered through the ECRC  
7 derived?

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

16  
17 Q. What capital structure and return on equity were used to develop the rate  
18 of return used to calculate the revenue requirements as shown on 8P?

19 A. Consistent with Commission Order No. PSC-12-0425-PAA-EU dated  
20 August 16, 2012 in Docket No. 120007-EI, the capital structure used in  
21 calculating the rate of return for recovery clause purposes is based on the  
22 weighted average cost of capital (WACC) presented in Gulf's May 2015  
23 Earnings Surveillance Report. This rate of return used to calculate ECRC  
24 revenue requirements includes a return on equity of 10.25 percent for the  
25 period January 1, 2016 through December 31, 2016.

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

3 A. Consistent with Commission Order No. PSC-13-0606-FOF-EI dated  
4 November 19, 2013 in Docket No. 130007-EI, investment costs  
5 recoverable through ECRC were broken down within the retail jurisdiction  
6 based on the 12-MCP and 1/13<sup>th</sup> energy allocator. The use of this  
7 allocator is consistent with cost-of-service studies approved in Gulf's prior  
8 base rate cases. The calculation of this breakdown is shown on Schedule  
9 4P and summarized on Schedule 3P.

10

11 Q. What is the total amount of projected recoverable costs related to the  
12 period January 2016 through December 2016?

13 A. The total projected jurisdictional recoverable costs for the period January  
14 2016 through December 2016 is \$197,765,402 as shown on line 1c of  
15 Schedule 1P of Exhibit CSB-3. This includes costs related to O&M  
16 activities of \$48,094,205 and costs related to capital projects of  
17 \$149,671,197 as shown on lines 1a and 1b of Schedule 1P.

18

19 Q. What is the total recoverable revenue requirement to be recovered in the  
20 projection period January 2016 through December 2016 and how was it  
21 allocated to each rate class?

22 A. The total recoverable revenue requirement including revenue taxes is  
23 \$200,521,584 for the period January 2016 through December 2016 as  
24 shown on line 5 of Schedule 1P of Exhibit CSB-3. This amount includes  
25 the recoverable costs related to the projection period and the total true-up

1 cost of \$2,611,911 to be collected. Schedule 1P also summarizes the  
2 energy and demand components of the requested revenue requirement.  
3 These amounts are allocated by rate class using the appropriate energy  
4 and demand allocators as shown on Schedules 6P and 7P of  
5 Exhibit CSB-3.

6  
7 Q. Is this data and information presented from the books and records of Gulf  
8 Power and kept in accordance with generally accepted accounting  
9 principles and practices, and with the provisions of the Uniform System of  
10 Accounts as prescribed by this Commission?

11 A. Yes.

12  
13 Q. How were the allocation factors calculated for use in the Environmental  
14 Cost Recovery Clause?

15 A. The demand allocation factors used in the ECRC were calculated using  
16 the 2012 load data filed with the Commission in accordance with FPSC  
17 Rule 25-6.0437. The energy allocation factors were calculated based on  
18 projected kWh sales for the period adjusted for losses. The calculation of  
19 the allocation factors for the period is shown in columns one through nine  
20 on Schedule 6P of Exhibit CSB-3.

21  
22 Q. How were these factors applied to allocate the requested recovery amount  
23 properly to the rate classes?

24 A. As I described earlier in my testimony, Schedule 1P of Exhibit CSB-3  
25 summarizes the energy and demand portions of the total requested

1 revenue requirement. The energy-related recoverable revenue  
2 requirement of \$41,172,439 for the period January 2016 through  
3 December 2016 was allocated using the energy allocator, as shown in  
4 column three on Schedule 7P of Exhibit CSB-3. The demand-related  
5 recoverable revenue requirement of \$159,349,145 for the period January  
6 2016 through December 2016 was allocated using the demand allocator,  
7 as shown in column four on Schedule 7P. The energy-related and  
8 demand-related recoverable revenue requirements are added together to  
9 derive the total amount assigned to each rate class, as shown in column  
10 five.

11

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

15 A. The environmental costs recovered through the clause from the residential  
16 customer who uses 1,000 kWh will be \$21.09 monthly for the period  
17 January 2016 through December 2016.

18

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

21 A. The factors will be effective beginning with Cycle 1 billings in January  
22 2016 and will continue through the last billing cycle of December 2016.

23

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

25 A. Yes.

AFFIDAVIT

STATE OF FLORIDA     )  
                                  )  
COUNTY OF ESCAMBIA    )

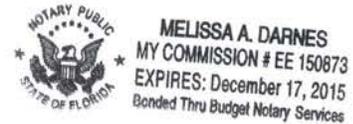
Docket No. 150007-EI

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

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

Sworn to and subscribed before me this 27<sup>th</sup> day of August, 2015.

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



## Schedule 1P

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

For the Projected Period  
**January 2016 - December 2016**

Line No.	Energy (\$)	Demand (\$)	Total (\$)
1	Total Jurisdictional Rev. Req. for the projected period		
a	29,090,992	19,003,213	48,094,205
b	<u>11,529,442</u>	<u>138,141,755</u>	<u>149,671,197</u>
c	40,620,434	157,144,968	197,765,402
2	True-Up for Estimated Over/(Under) Recovery for the period January 2015 - December 2015 (Schedule 1E, Line 3)		
	(339,826)	(1,359,302)	(1,699,128)
3	Final True-Up for the period January 2014 - December 2014 (Schedule 1A, Line 3)		
	(182,557)	(730,226)	(912,783)
4	Total Jurisdictional Amount to be Recovered/(Refunded) in the projection period January 2016 - December 2016 (Line 1c - Line 2 - Line 3)		
	<u>41,142,816</u>	<u>159,234,496</u>	<u>200,377,313</u>
5	Total Projected Jurisdictional Amount Adjusted for Taxes (Line 4 x Revenue Tax Multiplier)		
	<u>41,172,439</u>	<u>159,349,145</u>	<u>200,521,584</u>

## Notes:

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

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Projected Period Amount**  
**January 2016 - December 2016**

**O & M Activities**  
 (in Dollars)

Line	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	End of	Method of Classification	
	January	February	March	April	May	June	July	August	September	October	November	December	12-Month	Demand	Energy
1	Description of O & M Activities														
1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	0	212,000	169,677	0	0	0	0	178,675	0	0	0	0	560,352	0	560,352
3	10,513	10,513	10,817	16,014	10,817	11,717	11,317	11,317	17,014	11,817	11,317	11,313	144,489	0	144,489
4	1,000	0	0	0	0	0	0	0	0	0	0	0	1,000	1,000	0
5	58,452	107,616	59,117	72,720	63,289	61,261	61,761	63,289	74,748	65,317	63,289	65,361	816,217	0	816,217
6	143,370	142,680	188,060	169,847	177,964	164,267	164,064	168,868	193,606	178,837	161,511	156,603	2,009,676	2,009,676	0
7	275,818	280,501	282,564	304,615	292,179	280,840	280,346	282,319	304,369	292,424	282,564	279,119	3,437,656	3,437,656	0
8	34,667	167	167	167	167	167	167	167	167	167	167	163	36,500	36,500	0
9	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,414	1,420	16,974	16,974	0
10	0	0	0	0	0	0	0	0	0	4,500	4,500	0	9,000	9,000	0
11	58,046	57,046	64,249	71,814	66,249	65,249	59,749	60,749	78,314	61,749	66,249	61,769	771,232	771,232	0
12	35,419	34,937	10,400	7,168	7,263	10,647	5,810	6,243	6,613	16,685	16,231	6,762	164,181	164,181	0
13	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
15	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
16	5,096	4,368	5,096	5,824	6,552	5,824	5,824	6,552	6,552	7,280	6,552	7,280	72,800	0	72,800
17	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
19	74,907	60,980	68,752	71,623	84,536	91,331	94,018	96,666	64,233	94,984	68,161	82,197	952,387	0	952,387
20	2,104,526	1,812,554	1,662,539	1,703,498	2,293,101	2,474,066	2,812,491	2,991,807	2,027,466	2,972,632	2,173,933	2,117,820	27,146,432	0	27,146,432
21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
22	16,510	17,480	113,910	19,840	20,770	119,340	26,740	27,270	121,670	29,300	28,270	29,200	570,300	570,300	0
23	230,000	30,000	530,000	530,000	1,030,000	1,030,000	1,530,000	1,530,000	1,530,000	1,530,000	1,530,000	1,530,000	12,560,000	12,560,000	0
24	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
25	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
27	15,310	11,377	11,199	15,165	24,453	17,354	30,208	29,552	16,943	25,686	13,043	15,921	226,209	0	226,209
2	<u>3,065,049</u>	<u>2,783,634</u>	<u>3,177,961</u>	<u>2,989,709</u>	<u>4,078,753</u>	<u>4,333,476</u>	<u>5,083,908</u>	<u>5,454,887</u>	<u>4,443,109</u>	<u>5,292,791</u>	<u>4,427,200</u>	<u>4,364,928</u>	<u>49,495,405</u>	<u>19,576,519</u>	<u>29,918,886</u>
3	2,268,803	2,219,407	1,987,197	1,884,844	2,482,748	2,661,553	3,015,618	3,377,858	2,206,956	3,177,716	2,336,295	2,299,891	29,918,886		
4	796,245	564,226	1,190,764	1,104,865	1,596,005	1,671,923	2,068,289	2,077,029	2,236,153	2,115,075	2,090,905	2,065,036	19,576,519		
5	0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922			
6	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146			
7	2,200,050	2,154,852	1,930,920	1,833,198	2,416,042	2,591,968	2,936,906	3,288,178	2,148,930	3,090,971	2,268,899	2,230,077	29,090,992		
8	772,927	547,703	1,155,892	1,072,309	1,549,266	1,622,961	2,007,719	2,016,203	2,170,667	2,053,135	2,029,672	2,004,561	19,003,213		
9	<u>2,972,977</u>	<u>2,702,555</u>	<u>3,086,812</u>	<u>2,905,707</u>	<u>3,965,308</u>	<u>4,214,922</u>	<u>4,944,625</u>	<u>5,304,381</u>	<u>4,319,596</u>	<u>5,144,106</u>	<u>4,298,572</u>	<u>4,234,638</u>	<u>48,094,205</u>		

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

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Projected Period Amount**  
**January 2016 - December 2016**

**Capital Investment Projects - Recoverable Costs**  
**(in Dollars)**

Line	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	Projected	End of	Method of Classification		
	January	February	March	April	May	June	July	August	September	October	November	December	12-Month	Demand	Energy	
1	Description of Investment Projects (A)															
1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	353,721	353,011	352,302	351,593	350,884	350,175	349,466	348,756	348,047	347,338	346,629	345,920	4,197,842	3,874,931	322,911	
3	9,884	9,884	9,884	9,884	9,884	9,884	9,884	9,884	9,884	9,884	9,884	9,884	118,609	109,485	9,124	
4	145,851	145,603	145,355	145,107	144,860	144,612	144,364	144,116	143,869	143,621	143,373	143,125	1,733,856	1,600,482	133,374	
5	73,763	77,323	80,601	83,597	81,853	84,882	86,781	95,944	95,833	95,760	95,688	95,616	1,047,640	967,052	80,588	
6	18,567	18,537	18,506	18,475	18,445	18,414	18,383	18,352	18,322	18,291	18,261	18,230	220,783	203,799	16,983	
7	1,524	1,520	1,515	1,510	1,506	1,501	1,496	1,491	1,487	1,482	1,477	1,472	17,981	16,598	1,383	
8	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	40,280	37,182	3,098	
9	2,325	2,317	2,310	2,302	2,295	2,287	2,280	2,272	2,264	2,257	2,249	2,242	27,400	25,292	2,108	
10	375	374	372	371	370	368	367	365	364	363	361	360	4,410	4,071	339	
11	489	487	485	483	481	479	477	475	473	471	469	467	5,740	5,299	442	
12	285	284	283	281	280	279	278	277	276	274	273	272	3,342	3,085	257	
13	2,746	2,738	2,730	2,723	2,715	2,707	2,700	2,692	2,684	2,676	2,668	2,660	30,162	27,842	2,320	
14	14,575	14,523	14,470	14,418	14,366	14,314	14,262	14,210	14,157	14,105	14,053	14,001	171,453	158,265	13,189	
15	2,121	2,117	2,114	2,111	2,107	2,104	2,100	2,097	2,094	2,090	2,087	2,084	25,226	23,285	1,940	
16	117,854	117,555	117,256	116,957	116,658	116,358	116,059	115,760	115,461	115,162	114,863	114,563	1,394,507	1,287,237	107,270	
17	115,059	116,219	116,216	116,214	116,211	116,209	116,206	116,204	116,201	116,199	116,196	116,194	1,393,327	1,286,148	107,179	
18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19	974,898	973,334	971,950	969,794	967,920	966,046	963,652	961,258	959,123	958,076	957,694	956,485	11,580,228	10,689,442	890,787	
20	7,144	7,125	7,107	7,088	7,069	7,051	7,032	7,014	6,995	6,977	6,958	6,939	84,498	77,999	6,500	
21	440	439	438	436	435	434	433	431	430	429	428	426	5,199	4,799	400	
22	229,544	228,971	228,398	227,825	184,182	183,904	183,625	183,347	183,068	182,790	182,511	182,233	2,380,396	2,197,289	183,107	
23	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24	167,674	167,276	166,878	166,479	166,081	165,683	165,285	164,886	164,488	164,090	163,691	163,293	1,985,804	1,833,050	152,754	
25	46,422	46,300	46,177	46,055	45,932	45,810	45,688	45,565	45,443	45,320	45,198	45,076	548,985	506,755	42,230	
26	10,595,481	10,597,092	10,586,554	10,575,548	10,529,369	10,518,267	10,503,457	10,492,424	10,472,678	10,456,302	10,441,223	10,419,859	126,188,252	116,481,463	9,706,789	
27	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
28	8,906	14,147	19,729	25,585	30,825	36,064	41,303	46,542	51,781	57,021	62,260	67,500	461,713	426,196	35,516	
29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
30	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
31	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
32	42,408	42,318	42,241	42,151	42,016	41,873	41,711	41,507	41,349	41,203	41,071	40,972	500,819	462,295	38,525	
2	<u>12,935,413</u>	<u>12,942,849</u>	<u>12,937,226</u>	<u>12,930,344</u>	<u>12,839,807</u>	<u>12,832,770</u>	<u>12,820,355</u>	<u>12,818,941</u>	<u>12,799,844</u>	<u>12,785,256</u>	<u>12,772,643</u>	<u>12,753,003</u>	<u>154,168,453</u>	<u>142,309,341</u>	<u>11,859,112</u>	
3	995,032	995,603.80	995,171	994,642	987,677	987,136	986,181	986,072	984,603	983,481	982,511	981,000	11,859,112			
4	11,940,382	11,947,245.56	11,942,055	11,935,702	11,852,130	11,845,634	11,834,174	11,832,869	11,815,240	11,801,775	11,790,132	11,772,003	142,309,341			
5	0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922				
6	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146				
7	964,879	966,645.06	966,988	967,388	961,141	961,328	960,440	959,893	958,716	956,634	954,168	951,221	11,529,442			
8	<u>11,590,703</u>	<u>11,597,365.70</u>	<u>11,592,327</u>	<u>11,586,160</u>	<u>11,505,036</u>	<u>11,498,729</u>	<u>11,487,606</u>	<u>11,486,338</u>	<u>11,469,226</u>	<u>11,456,155</u>	<u>11,444,854</u>	<u>11,427,255</u>	<u>138,141,755</u>			
9	<u>12,555,581</u>	<u>12,564,011</u>	<u>12,559,315</u>	<u>12,553,548</u>	<u>12,466,177</u>	<u>12,460,058</u>	<u>12,448,046</u>	<u>12,446,231</u>	<u>12,427,942</u>	<u>12,412,789</u>	<u>12,399,022</u>	<u>12,378,476</u>	<u>149,671,197</u>			

Notes:

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

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Air Quality Assurance Testing  
P.E.s 1006 & 1244  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Average Net Investment		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 6 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	0
a	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) PE 1006 & 1244 are fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Crist 5, 6 & 7 Precipitator Projects  
P.E.s 1038, 1119, 1216, 1243, 1249  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	33,678,001	33,678,001	33,678,001	33,678,001	33,678,001	33,678,001	33,678,001	33,678,001	33,678,001	33,678,001	33,678,001	33,678,001	33,678,001	33,678,001
3	Less: Accumulated Depreciation (C)	2,995,197	2,891,196	2,787,195	2,683,194	2,579,194	2,475,193	2,371,192	2,267,191	2,163,191	2,059,190	1,955,189	1,851,188	1,747,188	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	36,673,198	36,569,197	36,465,196	36,361,195	36,257,195	36,153,194	36,049,193	35,945,193	35,841,192	35,737,191	35,633,190	35,529,190	35,425,189	
6	Average Net Investment		36,621,197	36,517,197	36,413,196	36,309,195	36,205,194	36,101,194	35,997,193	35,893,192	35,789,191	35,685,191	35,581,190	35,477,189	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		198,890	198,325	197,760	197,195	196,630	196,066	195,501	194,936	194,371	193,806	193,241	192,677	2,349,398
b	Debt Component (Line 6 x Debt Component x 1/12)		50,830	50,686	50,542	50,397	50,253	50,108	49,964	49,820	49,675	49,531	49,387	49,242	600,435
8	Investment Expenses														
a	Depreciation (E)		98,239	98,239	98,239	98,239	98,239	98,239	98,239	98,239	98,239	98,239	98,239	98,239	1,178,865
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		5,762	5,762	5,762	5,762	5,762	5,762	5,762	5,762	5,762	5,762	5,762	5,762	69,144
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		353,721	353,011	352,302	351,593	350,884	350,175	349,466	348,756	348,047	347,338	346,629	345,920	4,197,842
a	Recoverable Costs Allocated to Energy		27,209	27,155	27,100	27,046	26,991	26,937	26,882	26,827	26,773	26,718	26,664	26,609	322,911
b	Recoverable Costs Allocated to Demand		326,511	325,857	325,202	324,548	323,893	323,238	322,584	321,929	321,274	320,620	319,965	319,310	3,874,931
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		26,385	26,365	26,333	26,305	26,266	26,232	26,180	26,115	26,069	25,989	25,895	25,801	313,934
13	Retail Demand-Related Recoverable Costs (I)		316,949	316,314	315,678	315,043	314,408	313,772	313,137	312,501	311,866	311,230	310,595	309,959	3,761,452
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		343,334	342,679	342,011	341,348	340,673	340,004	339,317	338,616	337,935	337,219	336,489	335,761	4,075,387

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Projected Period Amount**  
**January 2016 - December 2016**  
**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Crist 7 Flue Gas Conditioning**  
**P.E. 1228**  
**(in Dollars)**

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Less: Accumulated Depreciation (C)	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	
6	Average Net Investment		1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	1,449,490	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		7,872	7,872	7,872	7,872	7,872	7,872	7,872	7,872	7,872	7,872	7,872	7,872	94,466
b	Debt Component (Line 6 x Debt Component x 1/12)		2,012	2,012	2,012	2,012	2,012	2,012	2,012	2,012	2,012	2,012	2,012	2,012	24,143
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		9,884	9,884	9,884	9,884	9,884	9,884	9,884	9,884	9,884	9,884	9,884	9,884	118,609
a	Recoverable Costs Allocated to Energy		760	760	760	760	760	760	760	760	760	760	760	760	9,124
b	Recoverable Costs Allocated to Demand		9,124	9,124	9,124	9,124	9,124	9,124	9,124	9,124	9,124	9,124	9,124	9,124	109,485
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		737	738	739	739	740	740	740	740	740	740	738	737	8,870
13	Retail Demand-Related Recoverable Costs (I)		8,857	8,857	8,857	8,857	8,857	8,857	8,857	8,857	8,857	8,857	8,857	8,857	106,279
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		9,594	9,595	9,595	9,596	9,596	9,597	9,597	9,597	9,597	9,596	9,595	9,594	115,149

**Notes:**

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Projected Period Amount**  
**January 2016 - December 2016**  
**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Low NOx Burners, Crist 6 & 7**  
**P.E.s 1234, 1236, 1242, 1284**  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	12,010,894	12,010,894	12,010,894	12,010,894	12,010,894	12,010,894	12,010,894	12,010,894	12,010,894	12,010,894	12,010,894	12,010,894	12,010,894	
3	Less: Accumulated Depreciation (C)	4,068,431	4,032,101	3,995,772	3,959,442	3,923,113	3,886,783	3,850,454	3,814,124	3,777,795	3,741,466	3,705,136	3,668,807	3,632,477	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	16,079,325	16,042,996	16,006,666	15,970,337	15,934,007	15,897,678	15,861,348	15,825,019	15,788,689	15,752,360	15,716,031	15,679,701	15,643,372	
6	Average Net Investment		16,061,160	16,024,831	15,988,501	15,952,172	15,915,843	15,879,513	15,843,184	15,806,854	15,770,525	15,734,195	15,697,866	15,661,536	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		87,228	87,031	86,834	86,636	86,439	86,242	86,044	85,847	85,650	85,452	85,255	85,058	1,033,716
b	Debt Component (Line 6 x Debt Component x 1/12)		22,293	22,242	22,192	22,142	22,091	22,041	21,990	21,940	21,889	21,839	21,789	21,738	264,187
8	Investment Expenses														
a	Depreciation (E)		34,616	34,616	34,616	34,616	34,616	34,616	34,616	34,616	34,616	34,616	34,616	34,616	415,391
b	Amortization (F)		1,714	1,714	1,714	1,714	1,714	1,714	1,714	1,714	1,714	1,714	1,714	1,714	20,562
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		145,851	145,603	145,355	145,107	144,860	144,612	144,364	144,116	143,869	143,621	143,373	143,125	1,733,856
a	Recoverable Costs Allocated to Energy		11,219	11,200	11,181	11,162	11,143	11,124	11,105	11,086	11,067	11,048	11,029	11,010	133,374
b	Recoverable Costs Allocated to Demand		134,631	134,403	134,174	133,945	133,717	133,488	133,259	133,031	132,802	132,573	132,344	132,116	1,600,482
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		10,879	10,874	10,865	10,856	10,844	10,833	10,815	10,792	10,776	10,746	10,711	10,675	129,666
13	Retail Demand-Related Recoverable Costs (I)		130,689	130,467	130,245	130,023	129,801	129,579	129,357	129,135	128,913	128,691	128,469	128,247	1,553,612
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		141,568	141,341	141,109	140,879	140,644	140,412	140,172	139,926	139,689	139,437	139,179	138,922	1,683,277

**Notes:**

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Portions of PE 1236 has a 7-year amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

Gulf Power Company  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
January 2016 - December 2016

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

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

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		539,997	539,996	457,390	457,390	457,390	457,390	126,000	0	11,500	11,500	11,500	11,500	
b	Clearings to Plant		0	0	0	0	0	0	3,035,553	0	0	0	0	0	0
c	Retirements		0	0	0	1,729,329	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	6,366,956	6,366,956	6,366,956	6,366,956	4,637,626	4,637,626	4,637,626	7,673,179	7,673,179	7,673,179	7,673,179	7,673,179	7,673,179	
3	Less: Accumulated Depreciation (C)	1,393,221	1,375,206	1,357,192	1,339,177	3,050,492	3,037,233	3,023,974	3,010,715	2,988,601	2,966,487	2,944,374	2,922,260	2,900,146	
4	CWIP - Non Interest Bearing	0	539,997	1,079,993	1,537,383	1,994,773	2,452,163	2,909,553	0	0	11,500	23,000	34,500	46,000	
5	Net Investment (Lines 2 + 3 + 4) (A)	7,760,177	8,282,159	8,804,140	9,243,516	9,682,891	10,127,022	10,571,153	10,683,894	10,661,780	10,651,167	10,640,553	10,629,939	10,619,326	
6	Average Net Investment		8,021,168	8,543,150	9,023,828	9,463,203	9,904,956	10,349,088	10,627,524	10,672,837	10,656,474	10,645,860	10,635,246	10,624,632	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		43,563	46,398	49,008	51,395	53,794	56,206	57,718	57,964	57,875	57,818	57,760	57,702	647,201
b	Debt Component (Line 6 x Debt Component x 1/12)		11,133	11,858	12,525	13,135	13,748	14,365	14,751	14,814	14,791	14,776	14,762	14,747	165,405
8	Investment Expenses														
a	Depreciation (E)		17,919	17,919	17,919	17,919	13,163	13,163	13,163	22,018	22,018	22,018	22,018	22,018	221,255
b	Amortization (F)		96	96	96	96	96	96	96	96	96	96	96	96	1,149
c	Dis dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		1,052	1,052	1,052	1,052	1,052	1,052	1,052	1,052	1,052	1,052	1,052	1,052	12,629
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)	73,763	77,323	80,601	83,597	81,853	84,882	86,781	95,944	95,833	95,760	95,688	95,616	95,616	1,047,640
a	Recoverable Costs Allocated to Energy	5,674	5,948	6,200	6,431	6,296	6,529	6,675	7,380	7,372	7,366	7,361	7,355	7,355	80,588
b	Recoverable Costs Allocated to Demand	68,089	71,375	74,401	77,166	75,557	78,352	80,105	88,564	88,461	88,394	88,327	88,260	88,260	967,052
10	Energy Jurisdictional Factor	0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	0.9681922	
11	Demand Jurisdictional Factor	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)	5,502	5,775	6,024	6,254	6,127	6,359	6,501	7,184	7,178	7,165	7,148	7,132	7,132	78,350
13	Retail Demand-Related Recoverable Costs (I)	66,095	69,285	72,222	74,906	73,344	76,058	77,759	85,970	85,870	85,805	85,741	85,676	85,676	938,731
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)	71,597	75,060	78,246	81,161	79,471	82,417	84,260	93,155	93,048	92,971	92,889	92,807	92,807	1,017,082

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Beginning Balances: Crist \$4,053,254; Smith \$1,729,329; Daniel \$584,373. Ending Balances: Crist \$7,088,807; Smith \$0; Daniel \$584,373
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Portions of PE 1283 has a 7 year amortization period. PEs 1364 & 1658 are fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Substation Contamination Remediation  
P.E.s 1007, 2859, 3400, 3412, 3463, 3477  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333	2,483,333
3	Less: Accumulated Depreciation (C)	(417,510)	(422,006)	(426,501)	(430,997)	(435,493)	(439,988)	(444,484)	(448,980)	(453,475)	(457,971)	(462,467)	(466,962)	(471,458)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	2,065,823	2,061,328	2,056,832	2,052,336	2,047,841	2,043,345	2,038,850	2,034,354	2,029,858	2,025,363	2,020,867	2,016,371	2,011,876	
6	Average Net Investment		2,063,576	2,059,080	2,054,584	2,050,089	2,045,593	2,041,097	2,036,602	2,032,106	2,027,610	2,023,115	2,018,619	2,014,123	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		11,207	11,183	11,158	11,134	11,110	11,085	11,061	11,036	11,012	10,988	10,963	10,939	132,876
b	Debt Component (Line 6 x Debt Component x 1/12)		2,864	2,858	2,852	2,846	2,839	2,833	2,827	2,821	2,814	2,808	2,802	2,796	33,959
8	Investment Expenses														
a	Depreciation (E)		4,496	4,496	4,496	4,496	4,496	4,496	4,496	4,496	4,496	4,496	4,496	4,496	53,948
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		18,567	18,537	18,506	18,475	18,445	18,414	18,383	18,353	18,322	18,291	18,261	18,230	220,783
a	Recoverable Costs Allocated to Energy		1,428	1,426	1,424	1,421	1,419	1,416	1,414	1,412	1,409	1,407	1,405	1,402	16,983
b	Recoverable Costs Allocated to Demand		17,139	17,111	17,082	17,054	17,026	16,997	16,969	16,941	16,913	16,884	16,856	16,828	203,799
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		1,385	1,384	1,383	1,382	1,381	1,379	1,377	1,374	1,372	1,369	1,364	1,360	16,511
13	Retail Demand-Related Recoverable Costs (I)		16,637	16,610	16,582	16,555	16,527	16,500	16,472	16,445	16,417	16,390	16,362	16,335	197,831
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		18,022	17,994	17,965	17,937	17,908	17,879	17,849	17,819	17,790	17,758	17,726	17,695	214,342

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) The amortizable portion of PE 1007 is fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Raw Water Well Flowmeters - Plants Crist & Smith  
P.E.s 1155 & 1606  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973	242,973
3	Less: Accumulated Depreciation (C)	(120,731)	(121,424)	(122,118)	(122,811)	(123,504)	(124,197)	(124,890)	(125,584)	(126,277)	(126,970)	(127,663)	(128,357)	(129,050)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	122,241	121,548	120,855	120,162	119,469	118,775	118,082	117,389	116,696	116,002	115,309	114,616	113,923	
6	Average Net Investment		121,895	121,202	120,508	119,815	119,122	118,429	117,735	117,042	116,349	115,656	114,963	114,269	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		662	658	654	651	647	643	639	636	632	628	624	621	7,696
b	Debt Component (Line 6 x Debt Component x 1/12)		169	168	167	166	165	164	163	162	161	161	160	159	1,967
8	Investment Expenses														
a	Depreciation (E)		693	693	693	693	693	693	693	693	693	693	693	693	8,319
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		1,524	1,520	1,515	1,510	1,506	1,501	1,496	1,491	1,487	1,482	1,477	1,472	17,981
a	Recoverable Costs Allocated to Energy		117	117	117	116	116	115	115	115	114	114	114	113	1,383
b	Recoverable Costs Allocated to Demand		1,407	1,403	1,398	1,394	1,390	1,385	1,381	1,377	1,372	1,368	1,364	1,359	16,598
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		114	113	113	113	113	112	112	112	111	111	110	110	1,345
13	Retail Demand-Related Recoverable Costs (I)		1,366	1,362	1,357	1,353	1,349	1,345	1,341	1,336	1,332	1,328	1,324	1,319	16,112
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		1,480	1,475	1,471	1,466	1,462	1,457	1,453	1,448	1,443	1,439	1,434	1,429	17,456

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Beginning and Ending Balances: Crist \$149,950; Smith \$93,023.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Crist Cooling Tower CcII  
P.E. 1232  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Less: Accumulated Depreciation (C)	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	
6	Average Net Investment		492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	492,255	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		2,673	2,673	2,673	2,673	2,673	2,673	2,673	2,673	2,673	2,673	2,673	2,673	32,081
b	Debt Component (Line 6 x Debt Component x 1/12)		683	683	683	683	683	683	683	683	683	683	683	683	8,199
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	3,357	40,280
a	Recoverable Costs Allocated to Energy		258	258	258	258	258	258	258	258	258	258	258	258	3,098
b	Recoverable Costs Allocated to Demand		3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	3,098	37,182
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		250	251	251	251	251	251	251	251	251	251	251	250	3,012
13	Retail Demand-Related Recoverable Costs (I)		3,008	3,008	3,008	3,008	3,008	3,008	3,008	3,008	3,008	3,008	3,008	3,008	36,093
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		3,258	3,258	3,259	3,259	3,259	3,259	3,259	3,259	3,259	3,259	3,258	3,258	39,105

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Crist Dechlorination System  
P.E.s 1180 & 1248  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697	380,697
3	Less: Accumulated Depreciation (C)	(202,040)	(203,151)	(204,261)	(205,372)	(206,482)	(207,593)	(208,703)	(209,814)	(210,924)	(212,035)	(213,145)	(214,256)	(215,366)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	178,657	177,546	176,436	175,325	174,215	173,104	171,994	170,883	169,773	168,662	167,552	166,441	165,331	
6	Average Net Investment		178,101	176,991	175,880	174,770	173,659	172,549	171,438	170,328	169,217	168,107	166,996	165,886	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		967	961	955	949	943	937	931	925	919	913	907	901	11,209
b	Debt Component (Line 6 x Debt Component x 1/12)		247	246	244	243	241	239	238	236	235	233	232	230	2,865
8	Investment Expenses														
a	Depreciation (E)		1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	1,111	13,326
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		2,325	2,317	2,310	2,302	2,295	2,287	2,280	2,272	2,264	2,257	2,249	2,242	27,400
a	Recoverable Costs Allocated to Energy		179	178	178	177	177	176	175	175	174	174	173	172	2,108
b	Recoverable Costs Allocated to Demand		2,146	2,139	2,132	2,125	2,118	2,111	2,104	2,097	2,090	2,083	2,076	2,069	25,292
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		173	173	173	172	172	171	171	170	170	169	168	167	2,049
13	Retail Demand-Related Recoverable Costs (I)		2,083	2,076	2,070	2,063	2,056	2,049	2,043	2,036	2,029	2,022	2,015	2,009	24,552
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,257	2,250	2,242	2,235	2,228	2,221	2,213	2,206	2,199	2,191	2,183	2,176	26,601

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Crist Diesel Fuel Oil Remediation  
P.E. 1270  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	68,923	
3	Less: Accumulated Depreciation (C)	(43,306)	(43,507)	(43,708)	(43,909)	(44,110)	(44,311)	(44,512)	(44,713)	(44,914)	(45,115)	(45,316)	(45,517)	(45,718)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	25,617	25,416	25,215	25,014	24,813	24,612	24,411	24,210	24,009	23,808	23,607	23,406	23,205	
6	Average Net Investment		25,517	25,316	25,115	24,914	24,713	24,512	24,311	24,110	23,909	23,708	23,506	23,305	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		139	137	136	135	134	133	132	131	130	129	128	127	1,591
b	Debt Component (Line 6 x Debt Component x 1/12)		35	35	35	35	34	34	34	33	33	33	33	32	407
8	Investment Expenses														
a	Depreciation (E)		201	201	201	201	201	201	201	201	201	201	201	201	2,413
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		375	374	372	371	370	368	367	365	364	363	361	360	4,410
a	Recoverable Costs Allocated to Energy		29	29	29	29	28	28	28	28	28	28	28	28	339
b	Recoverable Costs Allocated to Demand		346	345	344	342	341	340	339	337	336	335	334	332	4,071
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		28	28	28	28	28	28	27	27	27	27	27	27	330
13	Retail Demand-Related Recoverable Costs (I)		336	335	334	332	331	330	329	327	326	325	324	323	3,952
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		364	363	361	360	359	357	356	355	354	352	351	349	4,281

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Crist Bulk Tanker Unload Sec Contain Struc  
P.E. 1271  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	101,495	
3	Less: Accumulated Depreciation (C)	(72,984)	(73,280)	(73,576)	(73,872)	(74,168)	(74,464)	(74,760)	(75,056)	(75,352)	(75,648)	(75,945)	(76,241)	(76,537)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	28,511	28,215	27,919	27,623	27,327	27,031	26,735	26,439	26,143	25,847	25,551	25,254	24,958	
6	Average Net Investment		28,363	28,067	27,771	27,475	27,179	26,883	26,587	26,291	25,995	25,699	25,403	25,106	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		154	152	151	149	148	146	144	143	141	140	138	136	1,742
b	Debt Component (Line 6 x Debt Component x 1/12)		39	39	39	38	38	37	37	36	36	36	35	35	445
8	Investment Expenses														
a	Depreciation (E)		296	296	296	296	296	296	296	296	296	296	296	296	3,553
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		489	487	485	483	481	479	477	475	473	471	469	467	5,740
a	Recoverable Costs Allocated to Energy		38	37	37	37	37	37	37	37	36	36	36	36	442
b	Recoverable Costs Allocated to Demand		452	450	448	446	444	443	441	439	437	435	433	431	5,299
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		37	36	36	36	36	36	36	36	35	35	35	35	429
13	Retail Demand-Related Recoverable Costs (I)		439	437	435	433	431	430	428	426	424	422	420	419	5,144
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		475	473	471	469	467	465	463	462	460	458	456	454	5,573

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Crist IWW Sampling System  
P.E. 1275  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	59,543	
3	Less: Accumulated Depreciation (C)	(43,135)	(43,308)	(43,482)	(43,656)	(43,830)	(44,003)	(44,177)	(44,351)	(44,524)	(44,698)	(44,872)	(45,045)	(45,219)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	16,408	16,234	16,061	15,887	15,713	15,540	15,366	15,192	15,018	14,845	14,671	14,497	14,324	
6	Average Net Investment		16,321	16,147	15,974	15,800	15,626	15,453	15,279	15,105	14,932	14,758	14,584	14,411	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		89	88	87	86	85	84	83	82	81	80	79	78	1,001
b	Debt Component (Line 6 x Debt Component x 1/12)		23	22	22	22	22	21	21	21	21	20	20	20	256
8	Investment Expenses														
a	Depreciation (E)		174	174	174	174	174	174	174	174	174	174	174	174	2,084
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		285	284	283	281	280	279	278	277	276	274	273	272	3,342
a	Recoverable Costs Allocated to Energy		22	22	22	22	22	21	21	21	21	21	21	21	257
b	Recoverable Costs Allocated to Demand		263	262	261	260	259	258	257	255	254	253	252	251	3,085
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		21	21	21	21	21	21	21	21	21	21	20	20	250
13	Retail Demand-Related Recoverable Costs (I)		255	254	253	252	251	250	249	248	247	246	245	244	2,994
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		277	275	274	273	272	271	270	269	268	266	265	264	3,244

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Sodium Injection System  
P.E.s 1214 & 1413  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	106,497	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	391,119	391,119	391,119	391,119	284,622	284,622	284,622	284,622	284,622	284,622	284,622	284,622	284,622	
3	Less: Accumulated Depreciation (C)	(152,626)	(153,749)	(154,872)	(155,995)	(50,621)	(51,451)	(52,282)	(53,112)	(53,942)	(54,772)	(55,603)	(56,433)	(57,263)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	238,493	237,370	236,247	235,124	234,001	233,170	232,340	231,510	230,680	229,849	229,019	228,189	227,359	
6	Average Net Investment		237,931	236,808	235,685	234,562	233,585	232,755	231,925	231,095	230,264	229,434	228,604	227,774	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,292	1,286	1,280	1,274	1,269	1,264	1,260	1,255	1,251	1,246	1,242	1,237	15,155
b	Debt Component (Line 6 x Debt Component x 1/12)		330	329	327	326	324	323	322	321	320	318	317	316	3,873
8	Investment Expenses														
a	Depreciation (E)		1,123	1,123	1,123	1,123	830	830	830	830	830	830	830	830	11,134
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	
9	Total System Recoverable Expenses (Lines 7 + 8)		2,746	2,738	2,730	2,723	2,423	2,417	2,412	2,406	2,400	2,395	2,389	2,383	30,162
a	Recoverable Costs Allocated to Energy		211	211	210	209	186	186	186	185	185	184	184	183	2,320
b	Recoverable Costs Allocated to Demand		2,534	2,527	2,520	2,513	2,237	2,231	2,226	2,221	2,216	2,211	2,205	2,200	27,842
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		205	204	204	204	181	181	181	180	180	179	178	178	2,256
13	Retail Demand-Related Recoverable Costs (I)		2,460	2,453	2,446	2,440	2,171	2,166	2,161	2,156	2,151	2,146	2,141	2,136	27,027
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,665	2,658	2,650	2,643	2,353	2,347	2,342	2,336	2,331	2,325	2,319	2,313	29,282

**Notes:**

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
- (B) Beginning Balances: Crist \$284,622; Smith \$106,497. Ending Balances: Crist \$284,622; Smith \$0.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Smith Stormwater Collection System  
P.E. 1446  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	2,782,600	
3	Less: Accumulated Depreciation (C)	(1,763,579)	(1,771,232)	(1,778,884)	(1,786,536)	(1,794,188)	(1,801,840)	(1,809,492)	(1,817,145)	(1,824,797)	(1,832,449)	(1,840,101)	(1,847,753)	(1,855,405)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	1,019,021	1,011,369	1,003,716	996,064	988,412	980,760	973,108	965,456	957,804	950,151	942,499	934,847	927,195	
6	Average Net Investment		1,015,195	1,007,543	999,890	992,238	984,586	976,934	969,282	961,630	953,978	946,325	938,673	931,021	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		5,514	5,472	5,430	5,389	5,347	5,306	5,264	5,223	5,181	5,139	5,098	5,056	63,419
b	Debt Component (Line 6 x Debt Component x 1/12)		1,409	1,398	1,388	1,377	1,367	1,356	1,345	1,335	1,324	1,313	1,303	1,292	16,208
8	Investment Expenses														
a	Depreciation (E)		7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	7,652	91,826
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		14,575	14,523	14,470	14,418	14,366	14,314	14,262	14,210	14,157	14,105	14,053	14,001	171,453
a	Recoverable Costs Allocated to Energy		1,121	1,117	1,113	1,109	1,105	1,101	1,097	1,093	1,089	1,085	1,081	1,077	13,189
b	Recoverable Costs Allocated to Demand		13,454	13,405	13,357	13,309	13,261	13,213	13,165	13,116	13,068	13,020	12,972	12,924	158,265
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		1,087	1,085	1,082	1,079	1,075	1,072	1,068	1,064	1,060	1,055	1,050	1,044	12,822
13	Retail Demand-Related Recoverable Costs (I)		13,060	13,013	12,966	12,919	12,873	12,826	12,779	12,732	12,686	12,639	12,592	12,545	153,630
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		14,147	14,098	14,048	13,998	13,948	13,898	13,848	13,796	13,746	13,694	13,642	13,590	166,452

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
January 2016 - December 2016  
Return on Capital Investments, Depreciation and Taxes  
For Project: Smith Waste Water Treatment Facility  
P.E.s 1466 & 1643  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	178,962	
3	Less: Accumulated Depreciation (C)	60,095	59,602	59,110	58,618	58,126	57,634	57,142	56,649	56,157	55,665	55,173	54,681	54,189	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	239,056	238,564	238,072	237,580	237,088	236,596	236,104	235,611	235,119	234,627	234,135	233,643	233,151	
6	Average Net Investment		238,810	238,318	237,826	237,334	236,842	236,350	235,857	235,365	234,873	234,381	233,889	233,397	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		1,297	1,294	1,292	1,289	1,286	1,284	1,281	1,278	1,276	1,273	1,270	1,268	15,387
b	Debt Component (Line 6 x Debt Component x 1/12)		331	331	330	329	329	328	327	327	326	325	325	324	3,933
8	Investment Expenses														
a	Depreciation (E)		492	492	492	492	492	492	492	492	492	492	492	492	5,906
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dis dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		2,121	2,117	2,114	2,111	2,107	2,104	2,100	2,097	2,094	2,090	2,087	2,084	25,226
a	Recoverable Costs Allocated to Energy		163	163	163	162	162	162	162	161	161	161	161	160	1,940
b	Recoverable Costs Allocated to Demand		1,957	1,954	1,951	1,948	1,945	1,942	1,939	1,936	1,933	1,930	1,927	1,923	23,285
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		158	158	158	158	158	158	157	157	157	156	156	155	1,886
13	Retail Demand-Related Recoverable Costs (I)		1,900	1,897	1,894	1,891	1,888	1,885	1,882	1,879	1,876	1,873	1,870	1,867	22,603
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		2,058	2,055	2,052	2,049	2,046	2,043	2,039	2,036	2,033	2,029	2,026	2,022	24,490

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Daniel Ash Management Project  
P.E.s 1501, 1535, 1555, & 1819  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	14,950,124	
3	Less: Accumulated Depreciation (C)	(7,274,790)	(7,318,664)	(7,362,539)	(7,406,414)	(7,450,288)	(7,494,163)	(7,538,037)	(7,581,912)	(7,625,787)	(7,669,661)	(7,713,536)	(7,757,411)	(7,801,285)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	7,675,334	7,631,460	7,587,585	7,543,710	7,499,836	7,455,961	7,412,087	7,368,212	7,324,337	7,280,463	7,236,588	7,192,713	7,148,839	
6	Average Net Investment		7,653,397	7,609,522	7,565,648	7,521,773	7,477,899	7,434,024	7,390,149	7,346,275	7,302,400	7,258,525	7,214,651	7,170,776	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		41,566	41,327	41,089	40,851	40,612	40,374	40,136	39,898	39,659	39,421	39,183	38,944	483,061
b	Debt Component (Line 6 x Debt Component x 1/12)		10,623	10,562	10,501	10,440	10,379	10,318	10,258	10,197	10,136	10,075	10,014	9,953	123,456
8	Investment Expenses														
a	Depreciation (E)		34,879	34,879	34,879	34,879	34,879	34,879	34,879	34,879	34,879	34,879	34,879	34,879	418,544
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		8,996	8,996	8,996	8,996	8,996	8,996	8,996	8,996	8,996	8,996	8,996	8,996	107,952
d	Property Taxes		21,791	21,791	21,791	21,791	21,791	21,791	21,791	21,791	21,791	21,791	21,791	21,791	261,495
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		117,854	117,555	117,256	116,957	116,658	116,358	116,059	115,760	115,461	115,162	114,863	114,563	1,394,507
a	Recoverable Costs Allocated to Energy		9,066	9,043	9,020	8,997	8,974	8,951	8,928	8,905	8,882	8,859	8,836	8,813	107,270
b	Recoverable Costs Allocated to Demand		108,789	108,513	108,236	107,960	107,684	107,408	107,132	106,856	106,579	106,303	106,027	105,751	1,287,237
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		8,791	8,780	8,764	8,750	8,733	8,717	8,695	8,668	8,648	8,617	8,581	8,545	104,288
13	Retail Demand-Related Recoverable Costs (I)		105,603	105,335	105,067	104,799	104,530	104,262	103,994	103,726	103,458	103,190	102,922	102,654	1,249,540
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		114,394	114,114	113,831	113,549	113,263	112,979	112,689	112,394	112,106	111,807	111,503	111,199	1,353,827

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Smith Water Conservation  
P.E.s 1601, 1620 & 1638  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		340,807	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		16,904,173	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	134,134	17,038,307	17,038,307	17,038,307	17,038,307	17,038,307	17,038,307	17,038,307	17,038,307	17,038,307	17,038,307	17,038,307	17,038,307	
3	Less: Accumulated Depreciation (C)	(48,479)	(48,848)	(49,217)	(49,585)	(49,954)	(50,323)	(50,692)	(51,061)	(51,430)	(51,799)	(52,167)	(52,536)	(52,905)	
4	CWIP - Non Interest Bearing	16,563,366	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	16,649,021	16,989,459	16,989,091	16,988,722	16,988,353	16,987,984	16,987,615	16,987,246	16,986,877	16,986,509	16,986,140	16,985,771	16,985,402	
6	Average Net Investment		16,819,240	16,989,275	16,988,906	16,988,537	16,988,168	16,987,800	16,987,431	16,987,062	16,986,693	16,986,324	16,985,955	16,985,586	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		91,345	92,269	92,267	92,265	92,263	92,261	92,259	92,257	92,255	92,253	92,251	92,249	1,106,191
b	Debt Component (Line 6 x Debt Component x 1/12)		23,345	23,581	23,581	23,580	23,580	23,579	23,579	23,578	23,578	23,577	23,577	23,576	282,709
8	Investment Expenses														
a	Depreciation (E)		369	369	369	369	369	369	369	369	369	369	369	369	4,426
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		115,059	116,219	116,216	116,214	116,211	116,209	116,206	116,204	116,201	116,199	116,196	116,194	1,393,327
a	Recoverable Costs Allocated to Energy		8,851	8,940	8,940	8,940	8,939	8,939	8,939	8,939	8,939	8,938	8,938	8,938	107,179
b	Recoverable Costs Allocated to Demand		106,209	107,279	107,277	107,274	107,272	107,270	107,267	107,265	107,263	107,260	107,258	107,256	1,286,148
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		8,583	8,680	8,687	8,695	8,699	8,705	8,706	8,701	8,704	8,694	8,680	8,667	104,200
13	Retail Demand-Related Recoverable Costs (I)		103,098	104,137	104,135	104,133	104,130	104,128	104,126	104,124	104,121	104,119	104,117	104,115	1,248,483
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		111,681	112,817	112,821	112,827	112,830	112,834	112,831	112,825	112,825	112,813	112,797	112,781	1,352,683

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Underground Fuel Tank Replacement  
P.E. 4397  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Average Net Investment		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 6 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	0
a	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) PE 4397 fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Crist FDEP Agreement for Ozone Attainment  
P.E.s 1031, 1158, 1167, 1199, 1250, 1258, 1287, 1958  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		17,241	201,341	69,741	0	152,482	0	0	0	76,241	318,750	271,249	76,239	
b	Clearings to Plant		0	0	467,630	0	0	0	0	0	0	0	0	894,961	
c	Retirements		0	0	33,888	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	25,000	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	119,510,628	119,510,628	119,510,628	119,944,370	119,944,370	119,944,370	119,944,370	119,944,370	119,944,370	119,944,370	119,944,370	119,944,370	120,839,331	
3	Less: Accumulated Depreciation (C)	(28,080,807)	(28,431,884)	(28,757,962)	(29,075,151)	(29,426,229)	(29,777,306)	(30,128,383)	(30,479,461)	(30,830,538)	(31,181,616)	(31,532,693)	(31,883,771)	(32,234,848)	
4	CWIP - Non Interest Bearing	219,799	237,040	438,381	40,492	40,492	192,974	192,974	192,974	192,974	269,215	587,965	859,214	40,492	
5	Net Investment (Lines 2 + 3 + 4) (A)	91,649,619	91,315,783	91,191,047	90,909,710	90,558,633	90,360,037	90,008,960	89,657,882	89,306,805	89,031,969	88,999,641	88,919,813	88,644,974	
6	Average Net Investment		91,482,701	91,253,415	91,050,378	90,734,171	90,459,335	90,184,499	89,833,421	89,482,344	89,169,387	89,015,805	88,959,727	88,782,394	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		496,843	495,597	494,495	492,777	491,285	489,792	487,885	485,979	484,279	483,445	483,140	482,177	5,867,694
b	Debt Component (Line 6 x Debt Component x 1/12)		126,978	126,660	126,378	125,939	125,558	125,176	124,689	124,201	123,767	123,554	123,476	123,230	1,499,606
8	Investment Expenses														
a	Depreciation (E)		308,939	308,939	308,939	308,939	308,939	308,939	308,939	308,939	308,939	308,939	308,939	308,939	3,707,272
b	Amortization (F)		9,468	9,468	9,468	9,468	9,468	9,468	9,468	9,468	9,468	9,468	9,468	9,468	113,617
c	Dismantlement		32,670	32,670	32,670	32,670	32,670	32,670	32,670	32,670	32,670	32,670	32,670	32,670	392,040
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		974,898	973,334	971,950	969,794	967,920	966,046	963,652	961,258	959,123	958,076	957,694	956,485	11,580,228
a	Recoverable Costs Allocated to Energy		74,992	74,872	74,765	74,600	74,455	74,311	74,127	73,943	73,779	73,698	73,669	73,576	890,787
b	Recoverable Costs Allocated to Demand		899,906	898,463	897,185	895,194	893,464	891,734	889,524	887,315	885,345	884,378	884,025	882,909	10,689,442
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		72,720	72,694	72,648	72,555	72,455	72,368	72,192	71,980	71,839	71,686	71,544	71,342	866,024
13	Retail Demand-Related Recoverable Costs (I)		873,552	872,151	870,910	868,978	867,299	865,620	863,474	861,329	859,417	858,479	858,136	857,052	10,376,397
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		946,271	944,845	943,558	941,534	939,754	937,988	935,667	933,309	931,256	930,165	929,680	928,395	11,242,421

**Notes:**

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Portions of PEs 1158, 1167 & 1199 have a 7-year amortization period. The amortizable portion of PE 1287 is fully amortized.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: SPCC Compliance  
P.E.s 1272, 1404, & 1628  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	934,730	
3	Less: Accumulated Depreciation (C)	(285,241)	(287,965)	(290,689)	(293,414)	(296,138)	(298,862)	(301,586)	(304,310)	(307,034)	(309,758)	(312,482)	(315,206)	(317,931)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	649,489	646,765	644,041	641,317	638,593	635,868	633,144	630,420	627,696	624,972	622,248	619,524	616,800	
6	Average Net Investment		648,127	645,403	642,679	639,955	637,230	634,506	631,782	629,058	626,334	623,610	620,886	618,162	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		3,520	3,505	3,490	3,476	3,461	3,446	3,431	3,416	3,402	3,387	3,372	3,357	41,263
b	Debt Component (Line 6 x Debt Component x 1/12)		900	896	892	888	884	881	877	873	869	866	862	858	10,546
8	Investment Expenses														
a	Depreciation (E)		2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	2,724	32,689
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		7,144	7,125	7,107	7,088	7,069	7,051	7,032	7,014	6,995	6,977	6,958	6,939	84,498
a	Recoverable Costs Allocated to Energy		550	548	547	545	544	542	541	540	538	537	535	534	6,500
b	Recoverable Costs Allocated to Demand		6,594	6,577	6,560	6,543	6,526	6,508	6,491	6,474	6,457	6,440	6,423	6,406	77,999
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		533	532	531	530	529	528	527	525	524	522	520	518	6,319
13	Retail Demand-Related Recoverable Costs (I)		6,401	6,384	6,368	6,351	6,334	6,318	6,301	6,285	6,268	6,251	6,235	6,218	75,714
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		6,934	6,917	6,899	6,881	6,864	6,846	6,828	6,810	6,792	6,773	6,754	6,736	82,033

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Beginning and Ending Balances: Crist \$919,836; Smith \$14,895.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Crist Common FTIR Monitor  
P.E. 1297  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	62,870	
3	Less: Accumulated Depreciation (C)	(25,123)	(25,307)	(25,490)	(25,674)	(25,857)	(26,040)	(26,224)	(26,407)	(26,591)	(26,774)	(26,957)	(27,141)	(27,324)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	37,747	37,564	37,380	37,197	37,013	36,830	36,647	36,463	36,280	36,096	35,913	35,730	35,546	
6	Average Net Investment		37,655	37,472	37,288	37,105	36,922	36,738	36,555	36,372	36,188	36,005	35,821	35,638	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		205	204	203	202	201	200	199	198	197	196	195	194	2,388
b	Debt Component (Line 6 x Debt Component x 1/12)		52	52	52	52	51	51	51	50	50	50	50	49	610
8	Investment Expenses														
a	Depreciation (E)		183	183	183	183	183	183	183	183	183	183	183	183	2,201
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		440	439	438	436	435	434	433	431	430	429	428	426	5,199
a	Recoverable Costs Allocated to Energy		34	34	34	34	33	33	33	33	33	33	33	33	400
b	Recoverable Costs Allocated to Demand		406	405	404	403	402	401	399	398	397	396	395	394	4,799
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		33	33	33	33	33	33	32	32	32	32	32	32	389
13	Retail Demand-Related Recoverable Costs (I)		394	393	392	391	390	389	388	387	385	384	383	382	4,659
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		427	426	425	424	422	421	420	419	418	416	415	414	5,048

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Precipitator Upgrades for CAM Compliance  
P.E.s 1175, 1191, 1305, 1330, 1461, 1462  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	15,715,201	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	29,712,897	29,712,897	29,712,897	29,712,897	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	13,997,696	
3	Less: Accumulated Depreciation (C)	(8,334,047)	(8,418,095)	(8,502,143)	(8,586,192)	7,044,962	7,004,130	6,963,299	6,922,468	6,881,636	6,840,805	6,799,974	6,759,143	6,718,311	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	21,378,850	21,294,802	21,210,754	21,126,705	21,042,657	21,001,826	20,960,995	20,920,164	20,879,332	20,838,501	20,797,670	20,756,838	20,716,007	
6	Average Net Investment		21,336,826	21,252,778	21,168,729	21,084,681	21,022,242	20,981,410	20,940,579	20,899,748	20,858,917	20,818,085	20,777,254	20,736,423	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		115,880	115,424	114,967	114,511	114,172	113,950	113,728	113,507	113,285	113,063	112,841	112,620	1,367,948
b	Debt Component (Line 6 x Debt Component x 1/12)		29,616	29,499	29,382	29,266	29,179	29,122	29,066	29,009	28,952	28,896	28,839	28,782	349,606
8	Investment Expenses														
a	Depreciation (E)		84,048	84,048	84,048	84,048	40,831	40,831	40,831	40,831	40,831	40,831	40,831	40,831	662,843
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	
9	Total System Recoverable Expenses (Lines 7 + 8)		229,544	228,971	228,398	227,825	184,182	183,904	183,625	183,347	183,068	182,790	182,511	182,233	2,380,396
a	Recoverable Costs Allocated to Energy		17,657	17,613	17,569	17,525	14,168	14,146	14,125	14,104	14,082	14,061	14,039	14,018	183,107
b	Recoverable Costs Allocated to Demand		211,887	211,358	210,829	210,300	170,014	169,757	169,500	169,243	168,986	168,729	168,472	168,215	2,197,289
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		17,122	17,101	17,071	17,045	13,787	13,777	13,756	13,729	13,712	13,677	13,634	13,592	178,004
13	Retail Demand-Related Recoverable Costs (I)		205,681	205,168	204,654	204,141	165,035	164,786	164,536	164,287	164,037	163,788	163,538	163,289	2,132,941
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		222,804	222,269	221,726	221,186	178,822	178,562	178,293	178,016	177,749	177,465	177,173	176,881	2,310,945

**Notes:**

- (A) Description and reason for "Other" adjustments to net investment for this project, if applicable.
- (B) Beginning Balances: Crist \$13,997,696; Smith \$15,715,201. Ending Balances: Crist \$13,997,696; Smith \$0.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Plant Groundwater Investigation  
P.E.s 1218 & 1361  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	0	0	0	0	0	0	0	0	0	0	0	0	0	0
6	Average Net Investment		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 6 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	0
a	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Projected Period Amount**  
**January 2016 - December 2016**  
**Return on Capital Investments, Depreciation and Taxes**  
**For Project: Plant Crist Water Conservation Project**  
**P.E.s 1178, 1227 & 1298**  
**(in Dollars)**

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	20,023,891	20,023,891	20,023,891	20,023,891	20,023,891	20,023,891	20,023,891	20,023,891	20,023,891	20,023,891	20,023,891	20,023,891	20,023,891	20,023,891
3	Less: Accumulated Depreciation (C)	(3,971,136)	(4,029,545)	(4,087,955)	(4,146,365)	(4,204,774)	(4,263,184)	(4,321,594)	(4,380,003)	(4,438,413)	(4,496,823)	(4,555,233)	(4,613,642)	(4,672,052)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	16,052,755	15,994,346	15,935,936	15,877,526	15,819,117	15,760,707	15,702,297	15,643,888	15,585,478	15,527,068	15,468,658	15,410,249	15,351,839	
6	Average Net Investment		16,023,551	15,965,141	15,906,731	15,848,322	15,789,912	15,731,502	15,673,092	15,614,683	15,556,273	15,497,863	15,439,454	15,381,044	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		87,024	86,707	86,389	86,072	85,755	85,438	85,121	84,803	84,486	84,169	83,852	83,534	1,023,350
b	Debt Component (Line 6 x Debt Component x 1/12)		22,241	22,160	22,079	21,997	21,916	21,835	21,754	21,673	21,592	21,511	21,430	21,349	261,537
8	Investment Expenses														
a	Depreciation (E)		58,410	58,410	58,410	58,410	58,410	58,410	58,410	58,410	58,410	58,410	58,410	58,410	700,916
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		167,674	167,276	166,878	166,479	166,081	165,683	165,285	164,886	164,488	164,090	163,691	163,293	1,985,804
a	Recoverable Costs Allocated to Energy		12,898	12,867	12,837	12,806	12,775	12,745	12,714	12,684	12,653	12,622	12,592	12,561	152,754
b	Recoverable Costs Allocated to Demand		154,776	154,409	154,041	153,673	153,306	152,938	152,570	152,203	151,835	151,467	151,100	150,732	1,833,050
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		12,507	12,493	12,473	12,455	12,432	12,412	12,382	12,347	12,320	12,278	12,228	12,180	148,508
13	Retail Demand-Related Recoverable Costs (I)		150,244	149,887	149,530	149,173	148,816	148,459	148,102	147,745	147,388	147,032	146,675	146,318	1,779,368
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		162,751	162,380	162,003	161,628	161,248	160,871	160,485	160,092	159,709	159,309	158,903	158,497	1,927,876

**Notes:**

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Plant NPDES Permit Compliance Projects  
P.E.s 1204 & 1299  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140	6,153,140
3	Less: Accumulated Depreciation (C)	(1,968,600)	(1,986,549)	(2,004,497)	(2,022,446)	(2,040,395)	(2,058,344)	(2,076,292)	(2,094,241)	(2,112,190)	(2,130,138)	(2,148,087)	(2,166,036)	(2,183,984)	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	0
5	Net Investment (Lines 2 + 3 + 4) (A)	4,184,540	4,166,591	4,148,643	4,130,694	4,112,745	4,094,797	4,076,848	4,058,899	4,040,951	4,023,002	4,005,053	3,987,104	3,969,156	
6	Average Net Investment		4,175,566	4,157,617	4,139,668	4,121,720	4,103,771	4,085,822	4,067,874	4,049,925	4,031,976	4,014,027	3,996,079	3,978,130	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		22,677	22,580	22,483	22,385	22,288	22,190	22,093	21,995	21,898	21,800	21,703	21,605	265,696
b	Debt Component (Line 6 x Debt Component x 1/12)		5,796	5,771	5,746	5,721	5,696	5,671	5,646	5,621	5,596	5,571	5,547	5,522	67,904
8	Investment Expenses														
a	Depreciation (E)		17,949	17,949	17,949	17,949	17,949	17,949	17,949	17,949	17,949	17,949	17,949	17,949	215,385
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		46,422	46,300	46,177	46,055	45,932	45,810	45,688	45,565	45,443	45,320	45,198	45,076	548,985
a	Recoverable Costs Allocated to Energy		3,571	3,562	3,552	3,543	3,533	3,524	3,514	3,505	3,496	3,486	3,477	3,467	42,230
b	Recoverable Costs Allocated to Demand		42,851	42,738	42,625	42,512	42,399	42,286	42,173	42,060	41,947	41,834	41,721	41,608	506,755
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		3,463	3,458	3,451	3,446	3,438	3,432	3,423	3,412	3,404	3,391	3,376	3,362	41,056
13	Retail Demand-Related Recoverable Costs (I)		41,596	41,486	41,377	41,267	41,157	41,048	40,938	40,828	40,719	40,609	40,499	40,390	491,915
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		45,059	44,944	44,828	44,713	44,596	44,479	44,361	44,240	44,122	44,000	43,876	43,752	532,970

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable.
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal.
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Air Quality Compliance Program  
P.E.s 1034, 1035, 1036, 1037, 1067, 1075, 1095, 1168, 1187, 1188, 1222, 1233, 1259, 1279, 1288, 1362, 1468, 1469, 1505, 1508, 1512, 1513, 1517, 1551, 1552, 1646, 1647, 1684, 1809, 1810, 1824, 1826, 1909, 1911, 1913, 1950  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		3,707,838	1,644,655	1,566,036	1,509,761	1,503,091	1,527,099	430,937	87,207	1,092,814	1,076,031	1,116,693	1,076,043	
b	Clearings to Plant		3,126,175	1,062,993	1,066,980	1,010,705	1,004,035	988,668	3,793,098	45,541	28,720	28,720	28,720	4,063,250	
c	Retirements		0	0	0	12,701,643	0	0	0	0	0	0	2,068,161	996,591	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	368,150	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	80,000	
2	Plant-in-Service/Depreciation Base (B)	1,163,876,874	1,167,003,049	1,168,066,042	1,169,133,022	1,157,442,083	1,158,446,118	1,159,434,786	1,163,227,884	1,163,273,425	1,163,318,928	1,163,347,648	1,161,308,207	1,164,374,866	
3	Less: Accumulated Depreciation (C)	(178,371,900)	(181,877,822)	(185,391,037)	(188,906,732)	(179,723,273)	(183,208,886)	(186,696,841)	(190,187,103)	(193,688,402)	(197,189,808)	(200,691,321)	(201,756,589)	(204,335,611)	
4	CWIP - Non Interest Bearing	2,474,894	3,056,557	3,638,219	4,137,275	4,636,331	5,135,387	5,673,818	2,311,657	2,353,323	3,400,634	4,447,945	5,535,918	2,548,711	
5	Net Investment (Lines 2 + 3 + 4) (A)	987,979,867	988,181,784	986,313,223	984,363,564	982,355,141	980,372,619	978,411,763	975,352,438	971,938,345	969,529,754	967,104,272	965,087,536	962,587,966	
6	Average Net Investment		988,080,825	987,247,503	985,338,394	983,359,353	981,363,880	979,392,191	976,882,101	973,645,392	970,734,049	968,317,013	966,095,904	963,837,751	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		5,366,267	5,361,741	5,351,373	5,340,625	5,329,787	5,319,079	5,305,447	5,287,868	5,272,057	5,258,930	5,246,867	5,234,603	63,674,643
b	Debt Component (Line 6 x Debt Component x 1/12)		1,371,456	1,370,300	1,367,650	1,364,903	1,362,133	1,359,396	1,355,912	1,351,420	1,347,379	1,344,024	1,340,941	1,337,807	16,273,321
8	Investment Expenses														
a	Depreciation (E)		3,167,588	3,174,881	3,177,361	3,179,850	3,147,279	3,149,621	3,151,928	3,162,966	3,163,072	3,163,178	3,163,245	3,157,279	37,958,248
b	Amortization (F)		23,437	23,437	23,437	23,437	23,437	23,437	23,437	23,437	23,437	23,437	23,437	23,437	281,244
c	Dismantlement		314,897	314,897	314,897	314,897	314,897	314,897	314,897	314,897	314,897	314,897	314,897	314,897	3,778,764
d	Property Taxes		351,836	351,836	351,836	351,836	351,836	351,836	351,836	351,836	351,836	351,836	351,836	351,836	4,222,033
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		10,595,481	10,597,092	10,586,554	10,575,548	10,529,369	10,518,267	10,503,457	10,492,424	10,472,678	10,456,302	10,441,223	10,419,859	126,188,252
a	Recoverable Costs Allocated to Energy		815,037	815,161	814,350	813,504	809,951	809,097	807,958	807,110	805,591	804,331	803,171	801,528	9,706,789
b	Recoverable Costs Allocated to Demand		9,780,444	9,781,931	9,772,203	9,762,044	9,719,418	9,709,169	9,695,499	9,685,314	9,667,087	9,651,971	9,638,052	9,618,331	116,481,463
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		790,338	791,451	791,288	791,213	788,190	787,944	786,869	785,681	784,410	782,374	780,002	777,197	9,436,958
13	Retail Demand-Related Recoverable Costs (I)		9,494,020	9,495,463	9,486,020	9,476,159	9,434,781	9,424,832	9,411,562	9,401,676	9,383,982	9,369,309	9,355,798	9,336,655	113,070,257
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		10,284,358	10,286,914	10,277,308	10,267,372	10,222,971	10,212,776	10,198,431	10,187,357	10,168,392	10,151,684	10,135,800	10,113,852	122,507,215

Notes:

- (A) Description and reason for 'Other' adjustments to net investment for this project, if applicable
- (B) Beginning Balances: Crist \$783,351,695; Smith \$12,931,385; Daniel \$367,593,793. Ending Balances: Crist \$788,097,895; Smith \$229,742; Daniel \$376,047,229.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Portions of PE 1222, 1233, 1279 and 1909 have a 7 year amortization period. PE 1168 has a 7 year amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
January 2016 - December 2016  
Return on Capital Investments, Depreciation and Taxes  
For Project: General Water Quality  
P.E.1280  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		0	0	0	0	0	0	0	0	0	0	0	0	
b	Clearings to Plant		0	0	0	0	0	0	0	0	0	0	0	0	
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	
2	Plant-in-Service/Depreciation Base (B)	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Less: Accumulated Depreciation (C)	0	0	0	0	0	0	0	0	0	0	0	0	0	
4	CWIP - Non Interest Bearing	0	0	0	0	0	0	0	0	0	0	0	0	0	
5	Net Investment (Lines 2 + 3 + 4) (A)	0	0	0	0	0	0	0	0	0	0	0	0	0	
6	Average Net Investment		0	0	0	0	0	0	0	0	0	0	0	0	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 6 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Investment Expenses														
a	Depreciation (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	0
a	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (I)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

**Notes:**

- (A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable
- (B) Applicable beginning of period and end of period depreciable base by production plant name(s), unit(s), or plant account(s).
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Fully amortized
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Capital Investments, Depreciation and Taxes  
For Project: Coal Combustion Residual  
P.E.s 0404, 0412, 0514, 1193, 1597, 1598, 1599, 1641, 1912, 1997  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Expenditures/Additions		770,384	770,384	870,384	770,384	770,384	770,384	770,384	770,384	770,384	770,384	770,384	770,384	785,376
b	Clearings to Plant		0	0	100,000	0	0	0	0	0	0	0	0	0	0
c	Retirements		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Cost of Removal		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Salvage		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Plant-in-Service/Depreciation Base (B)	660,000	660,000	660,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000
3	Less: Accumulated Depreciation (C)	0	(1,785)	(3,570)	(5,355)	(7,415)	(9,475)	(11,535)	(13,595)	(15,655)	(17,715)	(19,775)	(21,835)	(23,895)	(23,895)
4	CWIP - Non Interest Bearing	0	770,384	1,540,768	2,311,152	3,081,536	3,851,920	4,622,304	5,392,688	6,163,072	6,933,456	7,703,840	8,474,224	9,259,600	
5	Net Investment (Lines 2 + 3 + 4) (A)	660,000	1,428,599	2,197,198	3,065,797	3,834,121	4,602,445	5,370,769	6,139,093	6,907,417	7,675,741	8,444,065	9,212,389	9,995,705	
6	Average Net Investment		1,044,299	1,812,898	2,631,497	3,449,959	4,218,283	4,986,607	5,754,931	6,523,255	7,291,579	8,059,903	8,828,227	9,604,047	
7	Return on Average Net Investment														
a	Equity Component (Line 6 x Equity Component x 1/12) (D)		5,672	9,846	14,292	18,737	22,909	27,082	31,255	35,428	39,601	43,773	47,946	52,160	348,700
b	Debt Component (Line 6 x Debt Component x 1/12)		1,449	2,516	3,653	4,789	5,855	6,921	7,988	9,054	10,121	11,187	12,254	13,330	89,117
8	Investment Expenses														
a	Depreciation (E)		1,785	1,785	1,785	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	2,060	23,895
b	Amortization (F)		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Dismantlement		0	0	0	0	0	0	0	0	0	0	0	0	0
d	Property Taxes		0	0	0	0	0	0	0	0	0	0	0	0	0
e	Other (G)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 7 + 8)		8,906	14,147	19,729	25,585	30,825	36,064	41,303	46,542	51,781	57,021	62,260	67,550	461,713
a	Recoverable Costs Allocated to Energy		685	1,088	1,518	1,968	2,371	2,774	3,177	3,580	3,983	4,386	4,789	5,196	35,516
b	Recoverable Costs Allocated to Demand		8,221	13,059	18,212	23,617	28,453	33,290	38,126	42,962	47,798	52,634	57,471	62,354	426,196
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (H)		664	1,057	1,475	1,914	2,307	2,702	3,094	3,485	3,878	4,266	4,651	5,038	34,532
13	Retail Demand-Related Recoverable Costs (I)		7,980	12,677	17,678	22,926	27,620	32,315	37,009	41,704	46,398	51,093	55,787	60,528	413,715
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		8,645	13,733	19,153	24,840	29,928	35,016	40,103	45,189	50,277	55,359	60,439	65,566	448,247

**Notes:**

- (A) Description and reason for 'Other' adjustments to net Investment for this project, if applicable.
- (B) Beginning Balances: Crist \$270,000; Smith \$210,000; Daniel \$180,000. Ending Balances: Crist \$270,000; Smith \$310,000; Daniel \$180,000.
- (C) Description of Adjustments to Reserve for Gross Salvage and Other Recoveries and Cost of Removal
- (D) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (E) Applicable depreciation rate or rates.
- (F) Applicable amortization period.
- (G) Description and reason for "Other" adjustments to investment expenses for this project.
- (H) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (I) Line 9b x Line 11.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Working Capital, Mercury Allowance Expenses  
For Project: Mercury Allowances  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	
2	Working Capital														
a	FERC 158.1 Allowance Inventory	0	0	0	0	0	0	0	0	0	0	0	0	0	
b	FERC 158.2 Allowances Withheld	0	0	0	0	0	0	0	0	0	0	0	0	0	
c	FERC 182.3 Other Regl. Assets - Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	
d	FERC 254 Regulatory Liabilities - Gains	0	0	0	0	0	0	0	0	0	0	0	0	0	
3	Total Working Capital Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	
4	Average Net Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12) (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 4 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Total Return Component (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Expenses														
a	Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Mercury Allowance Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Net Expenses (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 6 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	0
a	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (B)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

**Notes:**

- (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (B) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (C) Line 9b x Line 11.
- (D) Line 6 is reported on Schedule 3P.
- (E) Line 8 is reported on Schedule 2P.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Working Capital, Annual NOx Expenses  
For Project: Annual NOx Allowances  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
a	FERC 158.1 Allowance Inventory	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	FERC 158.2 Allowances Withheld	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	FERC 182.3 Other Regl. Assets - Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	FERC 254 Regulatory Liabilities - Gains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Total Working Capital Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Average Net Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12) (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 4 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Total Return Component (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Expenses														
a	Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Annual Nox Allowance Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Net Expenses (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 6 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	0
a	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (B)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

**Notes:**

- (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (B) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (C) Line 9b x Line 11.
- (D) Line 6 is reported on Schedule 3P.
- (E) Line 8 is reported on Schedule 2P.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Working Capital, Seasonal NOx Expenses  
For Project: Seasonal NOx Allowances  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	End of Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
a	FERC 158.1 Allowance Inventory	0	0	0	0	0	0	0	0	0	0	0	0	0	0
b	FERC 158.2 Allowances Withheld	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	FERC 182.3 Other Regl. Assets - Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	FERC 254 Regulatory Liabilities - Gains	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	Total Working Capital Balance	0	0	0	0	0	0	0	0	0	0	0	0	0	0
4	Average Net Working Capital Balance		0	0	0	0	0	0	0	0	0	0	0	0	0
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12) (A)		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Debt Component (Line 4 x Debt Component x 1/12)		0	0	0	0	0	0	0	0	0	0	0	0	0
6	Total Return Component (D)		0	0	0	0	0	0	0	0	0	0	0	0	0
7	Expenses														
a	Gains		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Seasonal NOx Allowance Expense		0	0	0	0	0	0	0	0	0	0	0	0	0
8	Net Expenses (E)		0	0	0	0	0	0	0	0	0	0	0	0	0
9	Total System Recoverable Expenses (Lines 6 + 8)		0	0	0	0	0	0	0	0	0	0	0	0	0
a	Recoverable Costs Allocated to Energy		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Recoverable Costs Allocated to Demand		0	0	0	0	0	0	0	0	0	0	0	0	0
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (B)		0	0	0	0	0	0	0	0	0	0	0	0	0
13	Retail Demand-Related Recoverable Costs (C)		0	0	0	0	0	0	0	0	0	0	0	0	0
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		0	0	0	0	0	0	0	0	0	0	0	0	0

**Notes:**

- (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (B) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (C) Line 9b x Line 11.
- (D) Line 6 is reported on Schedule 3P.
- (E) Line 8 is reported on Schedule 2P.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
Calculation of the Projected Period Amount  
**January 2016 - December 2016**  
Return on Working Capital, SO2 Expenses  
For Project: SO2 Allowances  
(in Dollars)

Line	Description	Beginning of Period Amount	Projected January	Projected February	Projected March	Projected April	Projected May	Projected June	Projected July	Projected August	Projected September	Projected October	Projected November	Projected December	12-Month Period Amount
1	Investments														
a	Purchases/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
b	Sales/Transfers		0	0	0	0	0	0	0	0	0	0	0	0	0
c	Auction Proceeds/Other		0	0	0	0	0	0	0	0	0	0	0	0	0
2	Working Capital														
a	FERC 158.1 Allowance Inventory	6,234,958	6,218,949	6,206,873	6,194,974	6,179,110	6,153,958	6,135,905	6,104,998	6,074,746	6,057,104	6,030,719	6,016,976	6,000,356	
b	FERC 158.2 Allowances Withheld	0	0	0	0	0	0	0	0	0	0	0	0	0	0
c	FERC 182.3 Other Regl. Assets - Losses	0	0	0	0	0	0	0	0	0	0	0	0	0	0
d	FERC 254 Regulatory Liabilities - Gains	(8,137)	(7,438)	(6,738)	(6,039)	(5,339)	(4,640)	(3,940)	(3,241)	(2,542)	(1,842)	(1,143)	(443)	256	
3	Total Working Capital Balance	6,226,821	6,211,511	6,200,135	6,188,936	6,173,771	6,149,318	6,131,964	6,101,756	6,072,204	6,055,262	6,029,576	6,016,533	6,000,612	
4	Average Net Working Capital Balance		6,219,166	6,205,823	6,194,535	6,181,353	6,161,544	6,140,641	6,116,860	6,086,980	6,063,733	6,042,419	6,023,054	6,008,572	
5	Return on Average Net Working Capital Balance														
a	Equity Component (Line 4 x Equity Component x 1/12) (A)		33,776	33,704	33,643	33,571	33,463	33,350	33,221	33,058	32,932	32,816	32,711	32,633	398,878
b	Debt Component (Line 4 x Debt Component x 1/12)		8,632	8,614	8,598	8,580	8,552	8,523	8,490	8,449	8,416	8,387	8,360	8,340	101,941
6	Total Return Component (D)		42,408	42,318	42,241	42,151	42,016	41,873	41,711	41,507	41,349	41,203	41,071	40,972	500,819
7	Expenses														
a	Gains		(699)	(699)	(699)	(699)	(699)	(699)	(699)	(699)	(699)	(699)	(699)	(699)	(8,393)
b	Losses		0	0	0	0	0	0	0	0	0	0	0	0	0
c	SO2 Allowance Expense		16,009	12,076	11,898	15,865	25,152	18,053	30,907	30,252	17,642	26,385	13,743	16,620	234,602
8	Net Expenses (E)		15,310	11,377	11,199	15,165	24,453	17,354	30,208	29,552	16,943	25,686	13,043	15,921	226,209
9	Total System Recoverable Expenses (Lines 6 + 8)		57,718	53,694	53,440	57,316	66,468	59,227	71,918	71,059	58,291	66,889	54,114	56,893	727,028
a	Recoverable Costs Allocated to Energy		18,572	14,632	14,448	18,407	27,685	20,575	33,416	32,745	20,123	28,855	16,203	19,072	264,734
b	Recoverable Costs Allocated to Demand		39,146	39,062	38,991	38,908	38,784	38,652	38,502	38,314	38,168	38,034	37,912	37,821	462,295
10	Energy Jurisdictional Factor		0.9682439	0.9694592	0.9702248	0.9711428	0.9716749	0.9723972	0.9724397	0.9719927	0.9722491	0.9712453	0.9696982	0.9681922	
11	Demand Jurisdictional Factor		0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	0.9707146	
12	Retail Energy-Related Recoverable Costs (B)		18,009	14,206	14,039	17,903	26,941	20,037	32,544	31,876	19,594	28,068	15,735	18,493	257,445
13	Retail Demand-Related Recoverable Costs (C)		38,000	37,918	37,849	37,769	37,648	37,520	37,375	37,192	37,050	36,920	36,802	36,713	448,756
14	Total Jurisdictional Recoverable Costs (Lines 12 + 13)		56,009	52,125	51,888	55,672	64,589	57,557	69,919	69,068	56,644	64,988	52,537	55,207	706,202

**Notes:**

- (A) The equity component has been grossed up for taxes. The approved ROE is 10.25%.
- (B) Line 9a x Line 10 x 1.0015 line loss multiplier.
- (C) Line 9b x Line 11.
- (D) Line 6 is reported on Schedule 3P.
- (E) Line 8 is reported on Schedule 2P.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:**

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

**Accomplishments:**

The RATA test trailer CEM system was replaced during the 2002-2003 recovery period. The CEMS trailer was also replaced in 2010. These replacements provide Gulf with the accuracy and reliability needed to accurately measure SO<sub>2</sub>, NO<sub>x</sub>, and CO<sub>2</sub> and to further maintain compliance with CAAA requirements.

**Project-to-Date: \$0**

**Progress Summary: Retired.**

**Projections: N/A**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

**FPSC Approval: Order No. PSC-94-0044-FOF-EI**  
**Order No. PSC-09-0759-FOF-EI**

**Description:**

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

**Accomplishments:**

The precipitators have successfully reduced particulate emissions. The upgraded Crist Unit 7 precipitator was placed in service during 2004 as part of the FDEP agreement. The Plant Crist Unit 6 precipitator upgrade was placed in service in April 2012. The digital control system for the Unit 6 precipitator will be upgraded during 2015.

**Project-to-Date:** Plant-in-service of \$33,678,001 projected at December 2016.

**Progress Summary:** In Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:**

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

**Accomplishments:**

The system enhanced particulate removal in the precipitator.

**Project-to-Date: \$0**

**Progress Summary: Retired**

**Projections: N/A**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Low NO<sub>x</sub> Burners, Crist 6 & 7  
PEs 1234, 1236, 1242, and 1284**

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

**Description:**

Low NO<sub>x</sub> burners are unique burners installed to decrease the NO<sub>x</sub> emissions that are formed during the combustion process. This equipment was installed to meet the requirements of the 1990 Clean Air Act Amendments.

**Accomplishments:**

The Low NO<sub>x</sub> burner systems have proven effective in reducing NO<sub>x</sub> emissions. The low NO<sub>x</sub> burners on Crist Unit 7 were replaced during the 2003-2004 time frame and the Crist Unit 6 burners were replaced during December 2005. The digital control systems for the Unit 6 and Unit 7 Low NO<sub>x</sub> burners will be upgraded during 2015.

**Project-to-Date:** Plant-in-service of \$12,010,894 projected at December 2016.

**Progress Summary:** In-Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: CEMs – Plant Crist, Scholz, Smith, and Daniel**  
**PEs 1001, 1060, 1154, 1164, 1213, 1217, 1240, 1245, 1247, 1256, 1283, 1286,**  
**1289, 1290, 1311, 1316, 1323, 1324, 1325, 1357, 1358, 1364, 1440, 1441, 1442,**  
**1444, 1445, 1454, 1459, 1460, 1558, 1570, 1592, 1658, 1829, and 1830**

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

**Description:**

The Continuous Emission Monitoring (CEM) line item includes dilution extraction emission monitors that measure the concentrations of sulfur dioxide (SO<sub>2</sub>), carbon dioxide (CO<sub>2</sub>) and nitrogen oxides (NO<sub>x</sub>) in the flue gas. Opacity and flow monitors were also installed under this line item. All CEMs monitors were installed pursuant to the 1990 Clean Air Act Amendments (CAAA).

**Accomplishments:**

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

**Project-to-Date:** Plant-in-service of \$7,673,179 projected at December 2016.

**Progress Summary:**

The Plant Scholz Units 1 & 2 CEMS analyzer replacements and the Smith Unit 1 gas analyzers and opacity monitor replacements were completed in 2001 and 2002. The Plant Crist Unit 6 & 7 and the Plant Scholz Units 1 & 2 flow monitors were replaced during 2005. The Plant Daniel Units 1 & 2 gas analyzers were also replaced during 2005 and the flow monitors were replaced during 2007. During 2008, the opacity, flow, and gas monitors at Plant Smith and opacity and gas monitors at Plant Scholz were replaced. During the 2009 recovery period, the CEMS project included replacement of opacity monitors at Plant Crist on Units 4 through 7 and the installation of CEMS equipment for the new Plant Crist scrubber stack to monitor SO<sub>2</sub>, NO<sub>x</sub>, CO<sub>2</sub> and flow. Plant Crist completed the installation of two CEMS bypass monitoring systems for Units 4 through 7 in the 2011-2012 timeframe. During 2016, Plant Crist will upgrade and relocate the CEMS bypass monitoring system from the stack to the individual unit duct to comply with the MATS rule and upgrade Plant Crist's Unit 7 flue gas monitors. The Smith CEMS systems are projected to be retired in April 2016 after the coal units cease operations in March 2016. The Scholz CEMS systems were retired in 2015 after the coal units ceased operation.

**Projections:** Expenditures reflected in the 2016 projection filing for this line item total \$3,081,553

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:**

Three groundwater treatment systems were purchased for the treatment of contaminated groundwater at substation sites. Capital components of substation soil remediation projects are also included in the line.

**Accomplishments:**

Systems have proven effective in groundwater remediation. During 2014 additional groundwater recovery well pumps and controls were added to the existing Ft. Walton substation treatment system.

**Project-to-Date:** Plant-in-service of \$2,483,333 projected at December 2016.

**Progress Summary:** N/A

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Raw Water Flowmeters - Plants Crist and Smith  
PEs 1155 and 1606**

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

**Description:**

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

**Accomplishments:**

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

**Project-to-Date:** Plant-in-service of \$242,973 projected at December 2016.

**Progress Summary:** In-Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Crist Cooling Tower Cell  
PE 1232**

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

**Description:**

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

**Accomplishments:**

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

**Project-to-Date: \$0**

**Progress Summary: Retired**

**Projections: N/A**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Crist Dechlorination System  
PE 1180 and PE 1248**

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

**Description:**

State and Federal Pollution Discharge Elimination System permits require significant reductions in chlorine concentrations prior to discharge from the plant. The Crist dechlorination system uses sodium bisulfite to chemically eliminate the residual chlorine present in the plant industrial wastewater prior to discharge.

**Accomplishments:**

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

**Project-to-Date:** Plant-in-service of \$380,697 projected at December 2016.

**Progress Summary:** In service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:**

The Plant Crist diesel fuel oil remediation project included installing monitoring wells in the vicinity of the Crist diesel tank systems to determine if groundwater contamination was present. The project also included the installation of an impervious cap to reduce migration of contaminants to groundwater.

**Accomplishments:** Monitoring wells and an impervious cap were installed.

**Project-to-Date:** Plant-in-service of \$68,923 projected at December 2016.

**Progress Summary:** In-Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:**

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

**Accomplishments:**

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

**Project-to-Date:** Plant-in-service of \$101,495 projected at December 2016.

**Progress Summary:** In-Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Crist IWW Sampling System  
PE 1275**

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

**Description:**

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

**Accomplishments:**

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

**Project-to-Date:** Plant-in-service of \$59,543 projected at December 2016.

**Progress Summary:** In-Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:**

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

**Accomplishments:**

The silo storage and injection system components at Plants Smith and Crist have been installed. These systems are fully operational. The Smith systems are projected to be retired in April 2016 after the coal units cease operations in March 2016.

**Project-to-Date:** Plant-in-service of \$284,622 projected at December 2016.

**Progress Summary:** In Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:**

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

**Accomplishments:**

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

**Project-to-Date:** Plant-in-service of \$2,782,600 projected at December 2016.

**Progress Summary:** In-Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:**

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

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

**Project-to-Date:** Plant-in-service of \$178,962 projected at December 2016.

**Progress Summary:** In-Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Daniel Ash Management Project**  
**PEs 1501, 1535, 1555, and 1819**

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

**Description:**

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

**Accomplishments:** Construction of the new on-site ash storage facility was completed in 2006. Portions of the original Daniel ash storage facility were closed in place during 2010.

**Project-to-Date:** Plant-in-service of \$14,950,124 projected at December 2016.

**Progress Summary:** In-Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:**

Specific Condition nine of Plant Smith's consumptive use permit, issued by the Northwest Florida Water Management District (NFWFMD), requires the plant to implement measures to increase water conservation and efficiency at the facility. Phase I of the Smith Water Conservation project consisted of adding pumps, piping, valves, and controls to reclaim water from the ash pond. Phase II, the Smith Closed Loop Cooling System for the laboratory sampling system, was installed during 2005 to further reduce groundwater usage. Phase III includes investigating and installing a deep injection well system to allow Plant Smith to utilize reclaimed water.

As discussed in previous filings, Gulf has determined that it is feasible to inject reclaimed water into the Plant Smith deep injection well system. Gulf has installed three deep injection wells and will begin the process of installing piping and initial equipment for the pump station during the latter portion of 2015 and the first part of 2016. During 2016, Gulf will obtain additional operational data required to design the final pump station and wastewater treatment equipment as well as any additional piping.

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

**Project-to-Date:** Plant-in-service of \$17,038,307 projected at December 2016.

**Progress Summary:** See Accomplishments

**Projections:** The projected 2016 expenditures for this line item total \$340,807.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Underground Fuel Tank Replacement  
PE 4397**

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

**Description:**

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

**Accomplishments:**

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

**Project-to-Date: \$0**

**Progress Summary: See Accomplishments**

**Projections: N/A**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:**

The Florida Department of Environmental Protection (FDEP) and Gulf Power entered into an agreement on August 28, 2002 to support Escambia/Santa Rosa County area's effort to maintain compliance with the 8-hour ozone ambient air quality standards. This agreement included a requirement for Gulf to install Selective Catalytic Reduction (SCR) controls on Plant Crist Unit 7, relocate the Crist Unit 7 precipitator, and install a NO<sub>x</sub> reduction technology on Plant Crist Unit 6, and Units 4 and 5 if necessary, to meet the NO<sub>x</sub> standard specified in the Agreement.

**Accomplishments:** The new Crist Unit 7 precipitator and SCR were placed in service during 2004 and 2005, respectively. The Crist Unit 6 Selective Non-Catalytic Reduction (SNCR)/low NO<sub>x</sub> burners with Over-Fired Air (OFA) technologies were then placed in service during November 2005. The Crist Unit 4 and Unit 5 SNCRs were subsequently placed in service during April 2006. The Crist Unit 6 SNCR was retired during the Spring of 2012 when the Crist Unit 6 SCR was placed in-service. Gulf replaced one layer of the Plant Crist Unit 7 SCR catalyst during the Fall of 2014. Gulf replaced the Plant Crist Unit 7 SCR ammonia unloading piping during 2015 and upgraded the digital control system for the Unit 7 SCR. Gulf plans to add or replace a layer of the Plant Crist unit 7 SCR catalyst and install the Plant Crist unit 6 flame scanner during 2016.

**Project-to-Date:** Plant-in-service of \$120,839,331 projected at December 2016.

**Progress Summary:** In-Service.

**Projections:** The projected 2016 expenditures for this line item total \$1,183,284.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: SPCC Compliance**  
**PEs 1272, 1404, and 1628**

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

**Description:**

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

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

**Project-to-Date:** Plant-in-service of \$934,730 projected at December 2016.

**Progress Summary:** In-service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Crist Common FTIR Monitor  
PE 1297**

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

**Description:**

The purchase of a Fourier Transform Infrared (FTIR) spectrometer, a device used to measure and analyze various low concentration stack gas emissions, was required at Plant Crist under Title V regulations.

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

**Project-to-Date:** Plant-in-service of \$62,870 projected at December 2016

**Progress Summary:** In-Service

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

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

**Accomplishments:** The Plant Smith Unit 2 and Unit 1 precipitator upgrades were placed in service during April 2005 and May 2007, respectively. The Plant Scholz Unit 2 precipitator upgrade was completed during December of 2007. The Plant Crist Units 4 and 5 precipitator upgrades were placed in-service during March of 2008. The Scholz precipitators were retired in 2015. The Plant Smith precipitators are projected to be retired in April 2016 after Plant Smith Units 1 & 2 cease operations in March 2016.

**Project-to-Date:** Plant-in-service of \$13,997,696 projected at December 2016.

**Progress Summary:** See Accomplishments

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

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

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

**Project-to-Date:** \$0

**Progress Summary:** See Accomplishments

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Crist Water Conservation Project**  
**PEs 1178, 1227 and 1298**

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

**Description:**

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

**Accomplishments:** Level controls were installed on the fire tank system during 2006. Portions of the Plant Crist reclaimed water project were placed in-service in 2009 and 2010. Gulf began receiving reclaimed water from ECUA in November 2010. During the 2011-2012 timeframe, Gulf installed defoaming and acid injection systems for the Units 6-7 cooling towers to treat scaling and foam associated with reclaimed water usage.

**Project-to-Date:** Plant-in-service of \$20,023,891 projected at December 2016.

**Progress Summary:** See Accomplishments

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

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

**Accomplishments:** Plant Crist installed stainless steel condenser tubes on Unit 6 during June 2006 in an effort to meet the revised water quality standards during times of lower hardness in the river water. During 2008, Plant Crist completed the second phase of the project which involved installing a chemical treatment system in the ash pond. During 2010, Gulf completed the third phase of the project that included installing an aeration system in the ash pond. During 2011-2012, Plant Crist completed installation of a new caustic tank and a sulfuric acid tank as part of the ash pond chemical treatment system.

**Project-to-Date:** Plant-in-service of \$6,153,140 projected at December 2016.

**Progress Summary:** See Accomplishments

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Air Quality Compliance Program**  
PEs 1034, 1035, 1036, 1037, 1067, 1075, 1095, 1168, 1187, 1188, 1222, 1233,  
1259, 1279, 1362, 1468, 1469, 1505, 1508, 1512, 1513, 1517, 1551, 1552, 1646,  
1647, 1684, 1809, 1810, 1824, 1826, 1909, 1911, 1913, and 1950

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

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

**Accomplishments:** The Plant Smith Unit 1 and Unit 2 SNCRs were placed in service during May 2009 and December 2008, respectively. The Crist Units 4 -7 scrubber project was placed in-service in December of 2009 and the Crist Unit 6 hydrated lime injection system was placed in-service in 2011. The Plant Crist Unit 6 SCR was placed-in-service in April of 2012. Gulf added an additional catalyst layer to the Plant Crist Unit 6 SCR in 2015. The digital control systems for the Unit 6 SCR and the scrubber were upgraded in 2015.

**Project-to-Date:** Plant-in-service of \$1,164,403,582 projected at December 2016.

**Progress Summary:** Gulf Power began installing MATS monitoring systems at Plant Plant Crist in 2014 and Plant Daniel in 2015 to comply with the MATS rule. The 2016 projected expenditures for the Plant Crist MATS monitoring systems are \$3.2 million. The Plant Daniel MATS monitoring costs are included in the cost projection for the Plant Daniel scrubbers. Also, projected for this line item are capital retrofit projects for the Plant Crist scrubber. Gulf plans to replace Plant Crist's scrubber booster fan hubs, scrubber mist eliminator, and scrubber expansion joints, as well as increase the capacity of its scrubber wastewater treatment plant.

The Plant Daniel scrubber projects are currently scheduled for completion in October and November 2015. The 2016 capital expenditures for Gulf's ownership portion of the scrubber are projected to be \$8.5 million. The scrubbers when used in conjunction with the bromine and activated carbon injection systems will allow Plant Daniel to comply with the MATS standards.

**Projections:** The projected 2016 expenditures for this line item total \$16,338,205.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: General Water Quality  
PE 1280**

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

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

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

**Project-to-Date:** \$0.

**Progress Summary:** Retired

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Coal Combustion Residual**  
**PEs 0404, 0412, 0514, 1193, 1597, 1598, 1599, 1641, 1912, 1997**

**FPSC Approval:**

**Description:** On April 17, 2015 EPA published the final CCR rule in the Federal register regulating CCR disposal under Subtitle D of the Resource Conservation and Recovery Act (RCRA). The CCR rule is located in Title 40 Code of Federal Regulations (CFR) Parts 257 and 261. The CCR rule regulates the disposal of CCR, including coal ash and gypsum, as non-hazardous solid waste at active generating power plants. The CCR rule includes minimum criteria for active and inactive surface impoundments containing CCR and liquids, lateral expansions of existing units, and active landfills (collectively referred to as "CCR Units"). Failure to meet the minimum criteria can result in the mandated closure of a CCR Unit. The new criteria will apply to CCR Units at Gulf's Plants Crist, Smith, and Daniel.

**Accomplishments:** Gulf is planning to install groundwater monitoring wells at Plants Crist, Daniel, and Smith during 2015. The projected 2015 capital expenditures total \$660,000.

**Project-to-Date:** Plant-in-service of \$760,000 projected at December 2016.

**Progress Summary:** N/A

**Projections:** The proposed 2016 capital expenditures totaling \$9,359,600 are associated with the installation of a new bottom ash handling system for Plant Crist, dust suppression control equipment for Plant Smith, as well as new CCR wastewater management systems for Plant Crist and Plant Smith.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Mercury Allowances**

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

**Description:**

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

**Accomplishments: N/A**

**Project-to-Date: N/A**

**Progress Summary: N/A**

**Projections: N/A**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Annual NO<sub>x</sub> Allowances**

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

**Description:**

Although the retrofit installations set forth in Gulf's Air Quality Compliance Program significantly reduce emissions, they will not result in Gulf achieving CAIR compliance levels without the purchase of some emission allowances. Thus, Gulf's Compliance Program called for the purchase of allowances. The purchase of allowances in conjunction with the retrofit projects comprised the most reasonable, cost-effective means for Gulf to meet CAIR requirements. CAIR has now been replaced by CSAPR.

**Accomplishments: N/A**

**Project-to-Date: N/A**

**Progress Summary:**

Gulf began surrendering annual NO<sub>x</sub> allowances during 2009.

**Projections:** Gulf is not projecting the need to purchase additional annual NO<sub>x</sub> CSAPR allowances during 2016.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Seasonal NO<sub>x</sub> Allowances**

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

**Description:**

Although the retrofit installations set forth in Gulf's Air Quality Compliance Program significantly reduce emissions, they would not result in Gulf achieving CAIR/CASPR compliance levels without the purchase of some emission allowances. Thus, Gulf's Compliance Program called for the purchase of allowances. The purchase of allowances in conjunction with the retrofit projects comprised the most reasonable, cost-effective means for Gulf to meet CAIR/CSAPR requirements.

**Accomplishments: N/A**

**Project-to-Date: N/A**

**Progress Summary:**

Gulf began surrendering seasonal NO<sub>x</sub> allowances during 2009.

**Projections:** Gulf is not projecting the need to purchase additional seasonal NO<sub>x</sub> allowances during 2016.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: SO<sub>2</sub> Allowances**

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

**Description:**

Part of Gulf's strategy to comply with the Acid Rain Program under the Clean Air Act Amendments of 1990 was to bring several of Gulf's Phase II generating units into compliance early and bank the SO<sub>2</sub> allowances associated with those units. SO<sub>2</sub> reductions under the CAIR program utilize this program requiring an increased rate of surrender beginning in 2010. Gulf's bank has slowly been drawn down over the years due to more allowances being consumed than are allocated to Gulf by EPA. Gulf proposed to meet this shortfall by executing forward contracts to secure allowances supplemented with forward contracts, swaps, and spot market purchases of allowances as prices dictate.

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

**Project-to-Date:** N/A

**Progress Summary:** See Accomplishments

**Projections:** Gulf is not projecting the need to purchase any additional SO<sub>2</sub> allowances during 2016. The projected 2016 O&M SO<sub>2</sub> allowance expenses are \$226,209.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.1**

**Title:** Sulfur

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

**Description:**

The Plant Crist Unit 7 sulfur trioxide (SO<sub>3</sub>) flue gas system allowed for the injection of SO<sub>3</sub> into the flue gas stream. The addition of sulfur trioxide to the flue gas improved the collection efficiency of the precipitator when burning a low sulfur coal. Sulfur trioxide agglomerated the particles which in turn enhanced the collection efficiency of the precipitator.

**Accomplishments:**

The flue gas injection system was retired during 2005.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.2**

**Title: Air Emission Fees**

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

**Description:**

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

**Accomplishments:**

Fees have been paid by due dates.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** \$560,352

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.3**

**Title: Title V**

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

**Description:**

Title V expenses are associated with the preparation of the Clean Air Act Amendments (CAAA) Title V permit applications and the subsequent implementation of Title V permits. Renewal of the Title V permits is on a five year cycle ( i.e. 2009, 2014, etc). Title V permits are periodically revised between renewals to incorporate major changes or modifications of a source.

**Accomplishments:**

Gulf applied for Title V permit renewals for Plant Crist, Plant Scholz, and Plant Smith on May 19, 2014. An application to renew the Pea Ridge facility was submitted on July 25, 2014. All Title V 2014 permit renewals were finalized in January 2015 and are valid for a 5 year period. Title V permit amendments to incorporate a new Southern System NOx Averaging Plan for the Acid Rain Program (Title IV Permits) were issued by FDEP July, 2015 for Plant Crist, Plant Scholz and Plant Smith. Gulf's Perdido Landfill Gas-to-Energy Facility Title V permit is valid until March 1, 2017 and is not currently up for renewal.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** \$144,489

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title:** Asbestos Fees

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

**Description:**

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

**Accomplishments:**

Fees are paid as required by FDEP.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** \$1,000

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Emission Monitoring**

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

**Description:**

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

**Accomplishments:**

All systems are in compliance.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** \$816,217

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.6**

**Title: General Water Quality**

**FPSC Approval:** Order No. PSC-94-0044-FOF-EI  
Order No. PSC-04-1187-FOF-EI  
Order No. PSC-08-0775-FOF-EI  
Order No. PSC-11-0553-FOF-EI

**Description:**

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

**Accomplishments:**

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

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** The 2016 projected costs for this line item are \$2,009,676.

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.7**

**Title: Groundwater Contamination Investigation**

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

**Description:**

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

**Accomplishments:**

The Florida Department of Environmental Protection has issued a No Further Action (NFA) letter or Site Rehabilitation Completion Order for 92 sites.

**Fiscal Expenditures: N/A**

**Progress Summary: See Accomplishments**

**Projections: \$3,437,656**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: State NPDES Administration**

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

**Description:**

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

**Accomplishments:**

Gulf has complied with the NPDES program administration fee submittal schedule.

**Fiscal Expenditures: N/A**

**Progress Summary: See Accomplishments**

**Projections: \$36,500**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.9**

**Title: Lead & Copper Rule**

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

**Description:**

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

**Accomplishments:**

Gulf has complied with all sampling and analytical protocols.

**Fiscal Expenditures: N/A**

**Progress Summary: See Accomplishments**

**Projections: \$16,974**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Environmental Auditing/Assessment**

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

**Description:**

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

**Accomplishments:**

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

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** \$9,000

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.11**

**Title: General Solid and Hazardous Waste**

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

**Description:**

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

**Accomplishments:**

Gulf has complied with all hazardous and solid waste regulations.

**Fiscal Expenditures: N/A**

**Progress Summary: See Accomplishments**

**Projections: \$771,232**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.12**

**Title: Above Ground Storage Tanks**

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

**Description:**

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

**Accomplishments:**

Gulf has complied with all applicable storage tank requirements.

**Fiscal Expenditures: N/A**

**Progress Summary: See Accomplishments**

**Projections: \$164,181**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.13**

**Title:** Low NO<sub>x</sub>

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

**Description:**

The Low NO<sub>x</sub> activity refers to the maintenance expenses associated with the Low NO<sub>x</sub> burner tips on Crist Units 4 & 5 and Smith Unit 1.

**Accomplishments:**

Burner tips on Plant Crist Units 4 & 5 and Plant Smith Unit 1 have been installed and are in-service. Plant Smith Unit 1 is projected to cease operations in March 2016. The Smith Unit 1 Low NO<sub>x</sub> burners are scheduled to be retired in April 2016.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Ash Pond Diversion Curtains**

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

**Description:**

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

**Accomplishments:**

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

**Fiscal Expenditures: N/A**

**Progress Summary: See Accomplishments**

**Projections: N/A**

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.15**

**Title: Mercury Emissions**

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

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

**Accomplishments:**

Coal shipments were analyzed as required during 1999. Sampling and analytical requirements are not expected during 2016.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title: Sodium Injection**

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

**Description:**

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

**Accomplishments:**

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

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** \$72,800

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title:** Gulf Coast Ozone Study (GCOS)

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

**Description:**

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

**Accomplishments:** The GCOS project was completed during 2006.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.18**

**Title: SPCC Substation Project**

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

**Description:**

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

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

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title:** FDEP NO<sub>x</sub> Reduction Agreement

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

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

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

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** \$952,387

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title:** Air Quality Compliance Program

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

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

**Accomplishments:** The Plant Smith Unit 1 and Unit 2 SNCRs were placed in service during May 2009 and December 2008, respectively. The Smith SNCRs are projected to be retired in April 2016 after the coal units cease operations in March 2016. The Crist Units 4 -7 scrubber project was placed in-service December of 2009 and the Crist Unit 6 hydrated lime injection system was placed in-service in 2011. The Plant Crist Unit 6 SCR was placed-in-service in April of 2012. The Plant Daniel scrubbers are currently scheduled for completion in the October to November 2015 time period. The Plant Daniel Bromine and Activated Carbon Injection systems will be completed during the same timeframe. Gulf will be incurring O&M expenses associated with these projects during 2016.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** \$27,146,432

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

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

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

**Description:** During early 2010 EPA finalized an extensive Information Collection Request (ICR) for coal and oil fired steam electric generating units to support Maximum Achievable Control Technology (MACT) rulemaking under Section 112 of the Clean Air Act (CAA). The ICR required submission of information on control equipment efficiencies, emissions, capital and O&M costs, and fuel data for all coal and oil fired generating units greater than 25 MW.

**Accomplishments:**

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

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** N/A

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

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

**Title:** Crist Water Conservation

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

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

**Accomplishments:**

Gulfs began receiving reclaimed water from ECUA during November 2010.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** \$570,300

**Gulf Power Company**  
Environmental Cost Recovery Clause (ECRC)  
January 2016-December 2016

**Description and Progress Report of  
Environmental Compliance Activities and Projects  
O & M Line Item 1.23**

**Title: Coal Combustion Residual**

**FPSC Approval:**

**Description:** On April 17, 2015 EPA published the final CCR rule in the Federal register regulating CCR disposal under Subtitle D of the Resource Conservation and Recovery Act (RCRA). The CCR rule is located in Title 40 Code of Federal Regulations (CFR) Parts 257 and 261. The CCR rule regulates the disposal of CCR, including coal ash and gypsum, as non-hazardous solid waste at active generating power plants. The new rule will apply to CCR Units at Gulf's Plants Crist, Smith, and Daniel.

In addition, pursuant to its authority granted under the Clean Water Act, the FDEP issues National Pollutant Discharge Elimination System (NPDES) permits for each of Gulf's generating facilities. A draft NPDES renewal permit for Plant Scholz (FL0002283) was issued on August 24, 2015 and is expected to become final in the fourth quarter of 2015. This permit renewal has new conditions requiring closure of the Plant Scholz CCR Unit.

**Accomplishments:**

By the effective date of the CCR rule, October 19, 2015, any CCR Unit subject to the EPA's new rule must have a publicly available website established, weekly and monthly inspections initiated, and a fugitive dust plan prepared. During 2015, Gulf is also required to install permanent markers at all CCR ponds and have annual inspections of the CCR impoundments and landfills performed by a professional engineer (PE). In 2016, Gulf will prepare closure and post-closure care plans for the CCR Units, conduct hydrologic and hydraulic capacity studies of the CCR ponds, compile a history of the structural integrity reports and design information for the CCR Units, prepare stormwater management plans, and conduct annual dust control and engineering inspections as well as groundwater monitoring.

Pursuant to the draft Plant Scholz NPDES permit, a CCR closure plan is required to be submitted to the FDEP in 2016 for review and approval. Once approved, Gulf will move forward with activities required for closure.

**Fiscal Expenditures:** N/A

**Progress Summary:** See Accomplishments

**Projections:** \$680,000 in 2015 and \$12,560,000 in 2016

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Energy & Demand Allocation % By Rate Class**  
**January 2016 - December 2016**

Rate Class	(1) Average 12 CP Load Factor at Meter (%)	(2) Jan - Dec. 2016 Projected Sales at Meter (KWH)	(3) Projected Avg 12 CP at Meter (KW)	(4) Demand Loss Expansion Factor	(5) Energy Loss Expansion Factor	(6) Projected Sales at Generation (KWH)	(7) Projected Avg 12 CP at Generation (KW)	(8) Percentage of KWH Sales at Generation (%)	(9) Percentage of 12 CP Demand at Generation (%)
RS, RSVP, RSTOU	57.025261%	5,268,731,000	1,051,832	1.00820508	1.00777864	5,309,714,562	1,060,462	48.17163%	57.28868%
GS	65.082883%	283,353,000	49,564	1.00820395	1.00777656	285,556,512	49,971	2.59067%	2.69954%
GSD, GSDT, GSTOU	75.900487%	2,572,527,000	385,854	1.00800263	1.00762887	2,592,152,474	388,942	23.51693%	21.01155%
LP, LPT	85.148219%	979,635,000	130,977	0.97344897	0.98364378	963,611,874	127,500	8.74223%	6.88784%
PX, PXT, RTP, SBS	88.430490%	1,773,222,000	228,280	0.95247952	0.96644352	1,713,718,911	217,432	15.54747%	11.74621%
OS-I/II	782.722832%	111,141,000	1,616	1.00802086	1.00777465	112,005,082	1,629	1.01615%	0.08803%
OS-III	101.182319%	45,381,000	5,106	1.00838359	1.00778595	45,734,334	5,149	0.41492%	0.27815%
<b>TOTAL</b>		<u>11,033,990,000</u>	<u>1,853,231</u>			<u>11,022,493,749</u>	<u>1,851,086</u>	<u>100.00000%</u>	<u>100.00000%</u>

**Notes:**

- (1) Average 12 CP load factor based on actual 2012 load research data
- (2) Projected KWH sales for the period January 2016 - December 2016
- (3) Calculated: (Col 2) / (8,784 x Col 1), (8,784 hours = the # of hours in 1 year)
- (4) Based on demand losses identified in Docket No. 110138-EI
- (5) Based on energy losses identified in Docket No. 110138-EI
- (6) Col 2 x Col 5
- (7) Col 3 x Col 4
- (8) Col 6 / total for Col 6
- (9) Col 7 / total for Col 7

**Gulf Power Company**  
**Environmental Cost Recovery Clause (ECRC)**  
**Calculation of the Energy & Demand Allocation % By Rate Class**  
**January 2016 - December 2016**

Rate Class	(1) Percentage of KWH Sales at Generation (%)	(2) Percentage of 12 CP Demand at Generation (%)	(3) Energy- Related Costs	(4) Demand- Related Costs	(5) Total Environmental Costs	(6) Projected Sales at Meter (KWH)	(7) Environmental Cost Recovery Factors (¢/KWH)
RS, RSVP, RSTOU	48.17163%	57.28868%	19,833,434	91,289,022	111,122,456	5,268,731,000	2.109
GS	2.59067%	2.69954%	1,066,642	4,301,694	5,368,336	283,353,000	1.895
GSD, GSDT, GSTOU	23.51693%	21.01155%	9,682,494	33,481,725	43,164,219	2,572,527,000	1.678
LP, LPT	8.74223%	6.88784%	3,599,389	10,975,714	14,575,103	979,635,000	1.488
PX, PXT, RTP, SBS	15.54747%	11.74621%	6,401,273	18,717,485	25,118,758	1,773,222,000	1.417
OS-I, OS-II	1.01615%	0.08803%	418,374	140,275	558,649	111,141,000	0.503
OS-III	0.41492%	0.27815%	170,833	443,230	614,063	45,381,000	1.353
<b>TOTAL</b>	<u>100.00000%</u>	<u>100.00000%</u>	<u>\$41,172,439</u>	<u>\$159,349,145</u>	<u>200,521,584</u>	<u>11,033,990,000</u>	<u>1.817</u>

Notes:

- (1) From Schedule 6P, Col 8
- (2) From Schedule 6P, Col 9
- (3) Col 1 x Total Energy \$ from Schedule 1P, line 5
- (4) Col 2 x Total Demand \$ from Schedule 1P, line 5
- (5) Col 3 + Col 4
- (6) Projected KWH sales for the period January 2016 - December 2016
- (7) Col 5 x 100 / Col 6

**Gulf Power Company**  
 Environmental Cost Recovery Clause (ECRC)  
 Calculation of the Projected Period Amount  
**January 2016 - December 2016**

**FPSC Capital Structure and Cost Rates**

<u>Line</u>	<u>Capital Component</u>	(1) Jurisdictional <u>Amount</u> (\$000s)	(2) <u>Ratio</u> %	(3) Cost <u>Rate</u> %	(4) Weighted <u>Cost Rate</u> %	(5) Revenue Requirement <u>Rate</u> %	(6) Monthly Revenue Requirement <u>Rate</u> %
1	Bonds	710,379	36.4100	4.49	1.6348	1.6348	
2	Short-Term Debt	21,331	1.0933	0.27	0.0030	0.0030	
3	Preferred Stock	79,362	4.0676	6.14	0.2498	0.4067	
4	Common Stock	713,646	36.5774	10.25	3.7492	6.1037	
5	Customer Deposits	21,109	1.0819	2.40	0.0260	0.0260	
6	Deferred Taxes	403,636	20.6881				
7	Investment Tax Credit	<u>1,592</u>	<u>0.0816</u>	7.31	0.0060	<u>0.0086</u>	
8	Total	<u>1,951,055</u>	<u>100.0000</u>		<u>5.6688</u>	<u>8.1828</u>	<u>0.6819</u>
<u>ITC Component:</u>							
9	Debt	710,379	47.2519	4.49	2.1216	0.0017	
10	Equity-Preferred	79,362	5.2789	6.14	0.3241	0.0004	
11	-Common	<u>713,646</u>	<u>47.4692</u>	10.25	<u>4.8656</u>	<u>0.0065</u>	
12		<u>1,503,387</u>	<u>100.0000</u>		<u>7.3113</u>	<u>0.0086</u>	
<u>Breakdown of Revenue Requirement Rate of Return between Debt and Equity:</u>							
13	Total Debt Component (Lines 1, 2, 5, and 9)					1.6655	0.1388
14	Total Equity Component (Lines 3, 4, 10, and 11)					<u>6.5173</u>	<u>0.5431</u>
15	Total Revenue Requirement Rate of Return					<u>8.1828</u>	<u>0.6819</u>

Column:

- (1) Based on the May 2015 Surveillance Report, Schedule 4.
- (2) Column (1) / Total Column (1)
- (3) Based on the May 2015 Surveillance Report, Schedule 4.
- (4) Column (2) x Column (3)
- (5) For equity components: Column (4) / (1-.38575); 38.575% = effective income tax rate  
 For debt components: Column (4)
- (6) Column (5) / 12

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

Docket No.: **150007-EI**

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true copy of the foregoing was furnished by overnight mail this 28th day of August, 2015 to the following:

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