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Regulatory & Pricing Manager

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October 12, 2016

VIA ELECTRONIC FILING

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

Re: Petition for an increase in rates by Gulf Power Company, Docket No. 160186-EI

Re: Petition for approval of 2016 depreciation and dismantlement studies, approval of proposed depreciation rates and annual dismantlement accruals and Plant Smith Units 1 and 2 regulatory asset amortization by Gulf Power Company, Docket No. 160170-EI

Dear Ms. Stauffer:

Attached is Gulf Power Company's Minimum Filing Requirements Section C – Net Operating Income Schedules.

(Document 23 of 29)

Sincerely,

A handwritten signature in blue ink that reads "Robert L. McGee, Jr.".

Robert L. McGee, Jr.
Regulatory & Pricing Manager

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

DOCKET NO. 160186-EI



Gulf Power

MINIMUM FILING REQUIREMENTS

**SECTION C – NET OPERATING INCOME
SCHEDULES**

GULF POWER COMPANY

Docket No. 160186-EI
Minimum Filing Requirements

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C. Net Operating Income Schedules

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

Adjusted Jurisdictional Net Operating Income Calculation for the Twelve Months Ended

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Description	Total Company per Books	Non-Electric Utility	Electric Utility (4) - (5)	Commission Adjustments (Sch. C-3)	Utility Adjusted per Commission (6) + (7)	Company Adjustments (Sch. C-3)	Total Adjusted Utility (8) + (9)	Unit Power Sales Net Operating Income	Total Adjusted Utility net of UPS (10) + (11)	Jurisdictional Separation Factor	Jurisdictional Amount (12) x (13)	
1	<u>Operating Revenues:</u>												
2	Sales of Electricity	1,435,921	-	1,435,921	(834,474)	601,447	-	601,447	(12,919)	588,528	0.9753521	574,022	
3	Other Operating Revenues	67,213	-	67,213	(41,767)	25,446	1,423	26,869	-	26,869	0.8427556	22,644	
4	Total Operating Revenues	1,503,134	-	1,503,134	(876,241)	626,893	1,423	628,316	(12,919)	615,397	0.9695627	596,666	
5	<u>Operating Expenses:</u>												
6	Recoverable Fuel	508,191	-	508,191	(508,191)	-	-	-	-	-	-	-	
7	Recoverable Capacity	87,837	-	87,837	(87,837)	-	-	-	-	-	-	-	
8	Recoverable Conservation	10,354	-	10,354	(10,354)	-	-	-	-	-	-	-	
9	Recoverable Environmental	45,588	-	45,588	(45,588)	-	-	-	-	-	-	-	
10	Other Operation & Maintenance	320,295	-	320,295	(1,343)	318,952	4,144	323,096	(3,283)	319,813	0.9812609	313,820	
11	Depreciation & Amortization	177,929	-	177,929	(54,222)	123,707	17,165	140,872	(2,002)	138,870	0.9813351	136,278	
12	Amortization of Investment Credit	(394)	-	(394)	-	(394)	-	(394)	61	(333)	0.9819820	(327)	
13	Taxes Other Than Income Taxes	115,277	-	115,277	(80,029)	35,248	-	35,248	(185)	35,063	0.9800074	34,362	
14	Income Taxes												
15	Federal	49,087	-	49,087	(20,907)	28,180	(6,577)	21,603	(1,786)	19,817	0.9043098	17,921	
16	State	3,669	-	3,669	(3,476)	193	(1,094)	(901)	(134)	(1,035)	0.9043098	(936)	
17	Deferred Income Taxes - Net												
18	Federal	10,357	-	10,357	-	10,357	-	10,357	(377)	9,980	0.9043098	9,025	
19	State	6,656	-	6,656	-	6,656	-	6,656	(242)	6,414	0.9043098	5,800	
20	Total Operating Expenses	1,334,846	-	1,334,846	(811,947)	522,899	13,638	536,537	(7,948)	528,589	0.9760759	515,943	
21	Net Operating Income	168,288	-	168,288	(64,294)	103,994	(12,215)	91,779	(4,971)	86,808	0.9299028	80,723	

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

Adjusted Jurisdictional Net Operating Income Calculation for the Twelve Months Ended

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Description	Total Company per Books	Non-Electric Utility	Electric Utility (4) - (5)	Commission Adjustments (Sch. C-3)	Adjusted per Utility Commission (6) + (7)	Company Adjustments (Sch. C-3)	Total Adjusted Utility (8) + (9)	Unit Power Sales Net Operating Income	Total Adjusted Utility net of UPS (10) + (11)	Jurisdictional Separation Factor	Jurisdictional Amount (12) x (13)	
1	<u>Operating Revenues:</u>												
2	Sales of Electricity	1,349,028	-	1,349,028	(759,845)	589,183	-	589,183	(18,651)	570,532	0.9764255	557,082	
3	Other Operating Revenues	84,443	-	84,443	(59,594)	24,849	-	24,849	-	24,849	0.8331522	20,703	
4	Total Operating Revenues	<u>1,433,471</u>	-	<u>1,433,471</u>	<u>(819,439)</u>	<u>614,032</u>	-	<u>614,032</u>	<u>(18,651)</u>	<u>595,381</u>	<u>0.9704458</u>	<u>577,785</u>	
5	<u>Operating Expenses:</u>												
6	Recoverable Fuel	446,544	-	446,544	(446,544)	-	-	-	-	-	-	-	
7	Recoverable Capacity	88,167	-	88,167	(88,167)	-	-	-	-	-	-	-	
8	Recoverable Conservation	10,348	-	10,348	(10,348)	-	-	-	-	-	-	-	
9	Recoverable Environmental	48,889	-	48,889	(48,889)	-	-	-	-	-	-	-	
10	Other Operation & Maintenance	310,410	-	310,410	(1,566)	308,844	-	308,844	(3,281)	305,563	0.9812609	299,837	
11	Depreciation & Amortization	173,731	-	173,731	(53,941)	119,790	-	119,790	(2,769)	117,021	0.9813351	114,837	
12	Amortization of Investment Credit	(511)	-	(511)	-	(511)	-	(511)	86	(425)	0.9819820	(417)	
13	Taxes Other Than Income Taxes	113,124	-	113,124	(75,381)	37,743	-	37,743	(339)	37,404	0.9800021	36,656	
14	Income Taxes												
15	Federal	36,321	-	36,321	(22,870)	13,451	-	13,451	(2,070)	11,381	0.9214239	10,487	
16	State	1,717	-	1,717	(3,803)	(2,086)	-	(2,086)	(95)	(2,181)	0.9214239	(2,010)	
17	Deferred Income Taxes - Net												
18	Federal	24,945	-	24,945	-	24,945	-	24,945	(1,422)	23,523	0.9214239	21,675	
19	State	8,809	-	8,809	-	8,809	-	8,809	(486)	8,323	0.9214239	7,669	
20	Total Operating Expenses	<u>1,262,494</u>	-	<u>1,262,494</u>	<u>(751,509)</u>	<u>510,985</u>	-	<u>510,985</u>	<u>(10,376)</u>	<u>500,609</u>	<u>0.9762784</u>	<u>488,734</u>	
21	Net Operating Income	<u>170,977</u>	-	<u>170,977</u>	<u>(67,930)</u>	<u>103,047</u>	-	<u>103,047</u>	<u>(8,275)</u>	<u>94,772</u>	<u>0.9396365</u>	<u>89,051</u>	

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the jurisdictional net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

Adjusted Jurisdictional Net Operating Income Calculation for the Twelve Months Ended

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No.	Description	Total Company per Books	Non-Electric Utility	Electric Utility (4) - (5)	Commission Adjustments (Sch. C-3)	Adjusted per Utility Commission (6) + (7)	Company Adjustments (Sch. C-3)	Total Adjusted Utility (8) + (9)	Unit Power Sales Net Operating Income	Total Adjusted Utility net of UPS (10) + (11)	Jurisdictional Separation Factor	Jurisdictional Amount (12) x (13)	
1	<u>Operating Revenues:</u>												
2	Sales of Electricity	1,489,114	-	1,489,114	(863,212)	625,902	-	625,902	(58,803)	567,099	0.9779633	554,602	
3	Other Operating Revenues	(6,108)	-	(6,108)	31,195	25,087	-	25,087	(31)	25,056	0.8217193	20,589	
4	Total Operating Revenues	1,483,006	-	1,483,006	(832,017)	650,989	-	650,989	(58,834)	592,155	0.9713521	575,191	
5	<u>Operating Expenses:</u>												
6	Recoverable Fuel	499,635	-	499,635	(499,635)	-	-	-	-	-	-	-	
7	Recoverable Capacity	88,843	-	88,843	(88,843)	-	-	-	-	-	-	-	
8	Recoverable Conservation	15,488	-	15,488	(15,488)	-	-	-	-	-	-	-	
9	Recoverable Environmental	25,966	-	25,966	(25,966)	-	-	-	-	-	-	-	
10	Other Operation & Maintenance	303,522	-	303,522	(1,082)	302,440	-	302,440	(13,049)	289,391	0.9812609	283,968	
11	Depreciation & Amortization	142,152	-	142,152	(42,272)	99,880	20,090	119,970	(8,150)	111,820	0.9813351	109,733	
12	Amortization of Investment Credit	(702)	-	(702)	-	(702)	-	(702)	253	(449)	0.9819820	(441)	
13	Taxes Other Than Income Taxes	117,719	-	117,719	(81,411)	36,308	-	36,308	(1,184)	35,124	0.9800137	34,422	
14	Income Taxes												
15	Federal	(27,216)	-	(27,216)	(19,832)	(47,048)	(6,645)	(53,693)	3,769	(49,924)	0.9324938	(46,554)	
16	State	1,444	-	1,444	(3,298)	(1,854)	(1,105)	(2,959)	(171)	(3,130)	0.9324938	(2,919)	
17	Deferred Income Taxes - Net												
18	Federal	103,322	-	103,322	-	103,322	-	103,322	(14,308)	89,014	0.9324938	83,005	
19	State	13,326	-	13,326	-	13,326	-	13,326	(1,581)	11,745	0.9324938	10,952	
20	Total Operating Expenses	1,283,499	-	1,283,499	(777,827)	505,672	12,340	518,012	(34,421)	483,591	0.9763759	472,167	
21	Net Operating Income	199,507	-	199,507	(54,190)	145,317	(12,340)	132,977	(24,413)	108,564	0.9489737	103,024	

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

Adjustments for the Twelve Months Ended 12/31/2017

(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Description	Fuel Related Revenues & Expenses	Conservation Revenues & Expenses	PPCC Revenues & Expenses	ECRC Revenues & Expenses	Miscellaneous Adjustments	Total Adjustments
1	<u>Operating Revenues:</u>						
2	Sales of Electricity	(508,545)	(13,466)	(85,334)	(195,598)	(31,531)	(834,474)
3	Other Operating Revenues	-	-	-	-	(40,344)	(40,344)
4	Total Operating Revenues	(508,545)	(13,466)	(85,334)	(195,598)	(71,875)	(874,818)
5	<u>Operating Expenses:</u>						
6	Recoverable Fuel	(508,191)	-	-	-	-	(508,191)
7	Recoverable Capacity	-	-	(87,837)	-	-	(87,837)
8	Recoverable Conservation	-	(10,354)	-	-	-	(10,354)
9	Recoverable Environmental	-	-	-	(45,588)	-	(45,588)
10	Other Operation & Maintenance	-	-	-	-	2,801	2,801
11	Depreciation & Amortization	-	(467)	-	(53,755)	17,165	(37,057)
12	Amortization of Investment Credit	-	-	-	-	-	-
13	Taxes Other Than Income Taxes	(277)	(654)	(61)	(5,727)	(73,310)	(80,029)
14	Income Taxes						
15	Federal	(25)	(659)	848	(29,942)	2,294	(27,484)
16	State	(4)	(110)	141	(4,979)	382	(4,570)
17	Deferred Income Taxes - Net						
18	Federal	-	-	-	-	-	-
19	State	-	-	-	-	-	-
20	Investment Tax Credit	-	-	-	-	-	-
21	Total Operating Expenses	(508,497)	(12,244)	(86,909)	(139,991)	(50,668)	(798,309)
22	Net Operating Income	(48)	(1,222)	1,575	(55,607)	(21,207)	(76,509)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

Adjustments for the Twelve Months Ended 12/31/2016
(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Description	Fuel Related Revenues & Expenses	Conservation Revenues & Expenses	PPCC Revenues & Expenses	ECRC Revenues & Expenses	Miscellaneous Adjustments	Total Adjustments
1	<u>Operating Revenues:</u>						
2	Sales of Electricity	(430,064)	(13,184)	(85,654)	(200,578)	(30,365)	(759,845)
3	Other Operating Revenues	(19,479)	-	-	-	(40,115)	(59,594)
4	Total Operating Revenues	(449,543)	(13,184)	(85,654)	(200,578)	(70,480)	(819,439)
5	<u>Operating Expenses:</u>						
6	Recoverable Fuel	(446,544)	-	-	-	-	(446,544)
7	Recoverable Capacity	-	-	(88,167)	-	-	(88,167)
8	Recoverable Conservation	-	(10,348)	-	-	-	(10,348)
9	Recoverable Environmental	-	-	-	(48,889)	-	(48,889)
10	Other Operation & Maintenance	-	-	-	-	(1,566)	(1,566)
11	Depreciation & Amortization	-	(411)	-	(53,530)	-	(53,941)
12	Amortization of Investment Credit	-	-	-	-	-	-
13	Taxes Other Than Income Taxes	(247)	(608)	(61)	(3,969)	(70,496)	(75,381)
14	Income Taxes						
15	Federal	(910)	(601)	851	(31,153)	8,943	(22,870)
16	State	(151)	(100)	142	(5,180)	1,486	(3,803)
17	Deferred Income Taxes - Net						
18	Federal	-	-	-	-	-	-
19	State	-	-	-	-	-	-
20	Investment Tax Credit	-	-	-	-	-	-
21	Total Operating Expenses	(447,852)	(12,068)	(87,235)	(142,721)	(61,633)	(751,509)
22	Net Operating Income	(1,691)	(1,116)	1,581	(57,857)	(8,847)	(67,930)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

Adjustments for the Twelve Months Ended 12/31/2015
(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Description	Fuel Related Revenues & Expenses	Conservation Revenues & Expenses	PPCC Revenues & Expenses	ECRC Revenues & Expenses	Miscellaneous Adjustments	Total Adjustments
1	<u>Operating Revenues:</u>						
2	Sales of Electricity	(562,008)	(24,229)	(85,652)	(158,127)	(33,196)	(863,212)
3	Other Operating Revenues	59,384	6,250	(656)	10,311	(44,094)	31,195
4	Total Operating Revenues	(502,624)	(17,979)	(86,308)	(147,816)	(77,290)	(832,017)
5	<u>Operating Expenses:</u>						
6	Recoverable Fuel	(499,635)	-	-	-	-	(499,635)
7	Recoverable Capacity	-	-	(88,843)	-	-	(88,843)
8	Recoverable Conservation	-	(15,488)	-	-	-	(15,488)
9	Recoverable Environmental	-	-	-	(25,966)	-	(25,966)
10	Other Operation & Maintenance	-	-	-	-	(1,082)	(1,082)
11	Depreciation & Amortization	-	(362)	-	(41,888)	20,068	(22,182)
12	Amortization of Investment Credit	-	-	-	-	-	-
13	Taxes Other Than Income Taxes	(343)	(349)	(61)	(3,711)	(76,947)	(81,411)
14	Income Taxes						
15	Federal	(875)	(589)	859	(25,220)	(652)	(26,477)
16	State	(146)	(98)	143	(4,194)	(108)	(4,403)
17	Deferred Income Taxes - Net						
18	Federal	-	-	-	-	-	-
19	State	-	-	-	-	-	-
20	Investment Tax Credit	-	-	-	-	-	-
21	Total Operating Expenses	(500,999)	(16,886)	(87,902)	(100,979)	(58,721)	(765,487)
22	Net Operating Income	(1,625)	(1,093)	1,594	(46,837)	(18,569)	(66,530)

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(\$000s)

Witness: S. D. Ritenour

(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments:</u>				
2	(1)	Fuel Revenues	To remove all fuel-related revenues and expenses from NOI (net operating income) for ratemaking purposes.	(508,545)	Direct	(487,461)
3						
4	(2)	Fuel Expense	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	481,800	0.9579743	461,552
5						
6	(3)	Fuel Expense - Interchange Energy	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	25,967	0.9715793	25,229
7						
8	(4)	Purchased Transmission	To remove expenses associated with transmission that are recoverable through the fuel clause.	424	0.9716981	412
9						
10	(5)	PPCC Revenues	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	(85,334)	Direct	(85,324)
11						
12	(6)	PPCC Expenses	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	75,188	0.9707134	72,986
13						
14	(7)	Purchased Transmission	To remove transmission expenses that are recoverable through the capacity clause.	12,649	0.9707487	12,279
15						
16	(8)	ECCR Revenues	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	(13,466)	Direct	(13,466)
17						
18	(9)	ECCR Expenses in O&M Expense	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	10,354	1.0000000	10,354
19						
20		<u>Legend:</u>				
21	ECCR	Energy Conservation Cost Recovery Clause				
22	PPCC	Purchased Power Capacity Cost Recovery Clause				
23	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(\$000s)

Witness: S. D. Ritenour

(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments (Continued):</u>				
2	(10)	ECCR Depreciation	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	467	1.0000000	467
3						
4	(11)	ECRC Revenues	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	(195,598)	Direct	(189,644)
5						
6	(12)	ECRC Expenses in O&M	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	45,588	0.9710889	44,270
7						
8	(13)	ECRC in Depreciation Expense	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	53,755	0.9707562	52,183
9						
10	(14)	Gross Receipts & Franchise Fee Revenues	To remove gross receipts & franchise revenues from NOI for ratemaking purposes.	(73,298)	1.0000000	(73,298)
11						
12	(15)	Gross Receipts & Franchise Fee Expenses	To remove gross receipts & franchise expenses from NOI for ratemaking purposes.	73,245	1.0000000	73,245
13						
14	(16)	FPSC Assessment Fee on Fuel Revenues	To remove the FPSC assessment fee on fuel revenues.	277	1.0000000	277
15	(17)	FPSC Assessment Fee on PPCC Revenues	To remove the FPSC assessment fee on capacity revenues.	61	1.0000000	61
16						
17	(18)	FPSC Assessment Fee on ECCR Revenues	To remove the FPSC assessment fee on ECCR revenues.	10	1.0000000	10
18						
19		<u>Legend:</u>				
20	ECCR	Energy Conservation Cost Recovery Clause				
21	PPCC	Purchased Power Capacity Cost Recovery Clause				
22	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(\$000s)

Witness: S. D. Ritenour

(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments (Continued):</u>				
2	(19)	FPSC Assessment Fee on ECRC Revenues	To remove the FPSC assessment fee on ECRC revenues.	137	1.0000000	137
3						
4	(20)	FPSC Assessment Fee on Franchise Fee Revenue	To remove the FPSC assessment fee on Franchise Fee revenues.	30	1.0000000	30
5						
6	(21)	FPSC Assessment Fee on Miscellaneous Service Revenues	To include the FPSC assessment fee on the miscellaneous service revenue adjustment.	(1)	1.0000000	(1)
7						
8	(22)	Payroll Taxes-Liaison Office Salaries	To remove expenses associated with Gulf's liaison office located in Tallahassee.	36	0.9837536	35
9						
10	(23)	ECRC Expenses in Other Tax Expense	To remove the ECRC payroll tax and ECRC property tax.	5,590	0.9708408	5,427
11	(24)	ECCR Expenses in Other Tax Expense	To remove the ECCR payroll tax & ECCR property tax.	644	1.0000000	644
12	(25)	Institutional Advertising	To remove expenses related to institutional advertising.	200	0.9840665	197
13						
14	(26)	Economic Development Expenses	To remove 5% of expenses related to economic development.	63	0.9994942	63
15						
16	(27)	Tallahassee Liaison Expenses O&M	To remove expenses associated with Gulf's liaison office located in Tallahassee.	549	0.9840665	540
17						
18		<u>Legend:</u>				
19	ECCR	Energy Conservation Cost Recovery Clause				
20	PPCC	Purchased Power Capacity Cost Recovery Clause				
21	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments (Continued):</u>				
2	(28)	Management Financial Planning Services	To remove the management financial planning services from net operating income.	43	0.9840665	42
3						
4	(29)	Marketing Support Activities	To remove expenses that are promotional in nature.	178	1.0000000	178
5						
6	(30)	Wholesale Sales Expense	To remove expense associated with wholesale activities.	310	1.0000000	310
7						
8	(31)	Income Taxes - Adjustments	To reflect the tax effect of all Commission adjustments.	34,207		34,049
9						
10	(32)	Income Taxes - Interest Synchronization	To reflect the tax effect of interest synchronization.	(9,824)		(9,693)
11						
12		Total Commission Adjustments		<u>(64,294)</u>		<u>(63,910)</u>
13		<u>Company Adjustments:</u>				
14	(33)	Electric Vehicle Charging Revenues	To reflect increased revenues associated with electric vehicle charging stations.	239	0.9720737	232
15						
16	(34)	Miscellaneous Service Revenues	To reflect higher Miscellaneous Service Revenues.	1,184	1.0000000	1,184
17		<u>Legend:</u>				
18	ECCR	Energy Conservation Cost Recovery Clause				
19	PPCC	Purchased Power Capacity Cost Recovery Clause				
20	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

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COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Company Adjustments (Continued):</u>				
2	(35)	Increase in Property Insurance Reserve	To increase the property insurance	(5,400)	0.9842920	(5,315)
3			reserve annual accrual to \$8.9 million.			
4	(36)	Amortization of Rate Case Expenses	To reflect the amortization of rate case	(1,673)	1.0000000	(1,673)
5			expenses.			
6	(37)	Hiring Lag Adjustment to O&M	To reflect the decrease in O&M expense due to a	863	0.9847735	850
7			hiring lag adjustment.			
8	(38)	Production O&M Expense	To reflect changes in Production O&M expense.	(348)	0.9577982	(333)
9	(39)	Power Delivery O&M Expense	To reflect changes in Power Delivery O&M expense.	(1,123)	0.9724192	(1,092)
10	(40)	Long Term Evolution System O&M	To exclude the O&M that was inadvertently budgeted twice	2,100	0.9901408	2,079
11			for Long Term Evolution.			
12	(41)	Customer Service O&M Expense	To reflect changes in Customer Service O&M expense.	772	0.9907783	765
13	(42)	Pension Expense	To reflect the decrease in Administrative & General expense	665	0.9855595	655
14			associated with additional pension funding.			
15	(43)	Depreciation & Dismantlement Adj: 2016	To adjust depreciation & dismantlement based on the	(7,291)	0.9639424	(7,028)
16		Depreciation & 2016 Dismantlement Study	2016 Depreciation Study and 2016 Dismantlement Study.			
17		<u>Legend:</u>				
18	ECCR	Energy Conservation Cost Recovery Clause				
19	PPCC	Purchased Power Capacity Cost Recovery Clause				
20	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

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COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

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Witness: S. D. Ritenour

(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Company Adjustments (Continued):</u>				
2	(44)	Depreciation Expense - Community Solar	To remove depreciation expense associated with	219	0.9720336	213
3			Community Solar			
4	(45)	Depreciation Expense - Generation	To reflect changes to depreciation expense associated with	(472)	0.9720336	(459)
5			Generation capital projects.			
6	(46)	Depreciation Expense - Power Delivery	To reflect changes to depreciation expense associated with	(192)	0.9741896	(187)
7			Power Delivery capital projects.			
8	(47)	Depreciation Expense - Customer Service	To reflect changes to depreciation expense associated with	29	0.9840739	29
9			Customer Service capital projects.			
10	(48)	Amortization of Smith 1&2 Net Investment	To include amortization expense associated with the	(2,781)	0.9720871	(2,703)
11			Plant Smith NBV Regulatory Asset			
12	(49)	Amortization of Deferred Return on	To include amortization expense associated with the	(6,525)	0.9720871	(6,343)
13		Transmission Investment	Transmission Settlement Regulatory Asset.			
14	(50)	Amortization of Scholz Materials and Supplies	To amortize inventory associated with Plant	(152)	0.9720871	(148)
15			Scholz.			
16	(51)	Income Taxes - Adjustments	To reflect the tax effect of all Company adjustments.	<u>7,671</u>		<u>7,435</u>
17		Total Company Adjustments		<u>(12,215)</u>		<u>(11,839)</u>
18		<u>Legend:</u>				
19	ECCR	Energy Conservation Cost Recovery Clause				
20	PPCC	Purchased Power Capacity Cost Recovery Clause				
21	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

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(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments:</u>				
2	(1)	Fuel Revenues	To remove all fuel-related revenues and expenses from NOI (net operating income) for ratemaking purposes.	(449,543)	Direct	(426,797)
3						
4	(2)	Fuel Expense	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	406,168	0.9484302	385,222
5						
6	(3)	Fuel Expense - Interchange Energy	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	39,952	0.9710152	38,794
7						
8	(4)	Purchased Transmission	To remove expenses associated with transmission that are recoverable through the fuel clause.	424	0.9716981	412
9						
10	(5)	PPCC Revenues	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	(85,654)	Direct	(85,646)
11						
12	(6)	PPCC Expenses	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	75,189	0.9707134	72,987
13						
14	(7)	Purchased Transmission	To remove transmission expenses that are recoverable through the capacity clause.	12,978	0.9707487	12,598
15						
16	(8)	ECCR Revenues	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	(13,184)	Direct	(13,184)
17						
18	(9)	ECCR Expenses in O&M Expense	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	10,348	1.0000000	10,348
19						
20		<u>Legend:</u>				
21	ECCR	Energy Conservation Cost Recovery Clause				
22	PPCC	Purchased Power Capacity Cost Recovery Clause				
23	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

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COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

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Witness: S. D. Ritenour

(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments (Continued):</u>				
2	(10)	ECCR Depreciation	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	411	1.0000000	411
3						
4	(11)	ECRC Revenues	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	(200,578)	Direct	(194,548)
5						
6	(12)	ECRC Expenses in O&M	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	48,889	0.9710889	47,476
7						
8	(13)	ECRC in Depreciation Expense	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	53,530	0.9707562	51,965
9						
10	(14)	Gross Receipts & Franchise Fee Revenues	To remove gross receipts & franchise revenues from NOI for ratemaking purposes.	(70,480)	1.0000000	(70,480)
11						
12	(15)	Gross Receipts & Franchise Fee Expenses	To remove gross receipts & franchise expenses from NOI for ratemaking purposes.	70,432	1.0000000	70,432
13						
14	(16)	FPSC Assessment Fee on Fuel Revenues	To remove the FPSC assessment fee on fuel revenues.	247	1.0000000	247
15	(17)	FPSC Assessment Fee on PPCC Revenues	To remove the FPSC assessment fee on capacity revenues.	61	1.0000000	61
16						
17	(18)	FPSC Assessment Fee on ECCR Revenues	To remove the FPSC assessment fee on ECCR revenues.	9	1.0000000	9
18						
19		<u>Legend:</u>				
20	ECCR	Energy Conservation Cost Recovery Clause				
21	PPCC	Purchased Power Capacity Cost Recovery Clause				
22	ECRC	Environmental Cost Recovery Clause				

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

(\$000s)

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

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(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments (Continued):</u>				
2	(19)	FPSC Assessment Fee on ECRC	To remove the FPSC assessment fee on ECRC revenues.	140	1.0000000	140
3		Revenues				
4	(20)	FPSC Assessment Fee on Franchise	To remove the FPSC assessment fee on Franchise	29	1.0000000	29
5		Fee Revenue	Fee revenues.			
6	(21)	Payroll Taxes-Liaison Office Salaries	To remove expenses associated with Gulf's liaison office	35	0.9837536	34
7			located in Tallahassee.			
8	(22)	ECRC Expenses in Other Tax Expense	To remove the ECRC payroll tax and ECRC property tax.	3,829	0.9708408	3,717
9	(23)	ECCR Expenses in Other Tax Expense	To remove the ECCR payroll tax & ECCR property tax.	599	1.0000000	599
10	(24)	Institutional Advertising	To remove expenses related to institutional	450	0.9840665	443
11			advertising.			
12	(25)	Economic Development Expenses	To remove 5% of expenses related to economic	61	0.9994942	61
13			development.			
14	(26)	Tallahassee Liaison Expenses O&M	To remove expenses associated with Gulf's liaison	535	0.9840665	526
15			office located in Tallahassee.			
16	(27)	Management Financial Planning Services	To remove the management financial planning	43	0.9840665	42
17			services from net operating income.			
18		<u>Legend:</u>				
19	ECCR	Energy Conservation Cost Recovery Clause				
20	PPCC	Purchased Power Capacity Cost Recovery Clause				
21	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

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(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Adj No.	Adjustment	Reason for Adjustment or Omission (Provide Supporting Schedules)	Total Adjustment	Jurisdictional Factor	Jurisdictional Adjustment
1		<u>Commission Adjustments (Continued):</u>				
2	(28)	Marketing Support Activities	To remove expenses that are promotional in nature.	181	1.0000000	181
3						
4	(29)	Wholesale Sales Expense	To remove expense associated with wholesale activities.	296	1.0000000	296
5						
6	(30)	Income Taxes - Adjustments	To reflect the tax effect of all Commission adjustments.	36,493		36,116
7						
8	(31)	Income Taxes - Interest Synchronization	To reflect the tax effect of interest synchronization.	(9,820)		(9,806)
9						
10		Total Commission Adjustments		<u>(67,930)</u>		<u>(67,315)</u>
11		<u>Company Adjustments:</u>				
12	(32)	Income Taxes - Adjustments	To reflect the tax effect of all Company adjustments.	-		-
13		Total Company Adjustments		<u>-</u>		<u>-</u>
14		<u>Legend:</u>				
15	ECCR	Energy Conservation Cost Recovery Clause				
16	PPCC	Purchased Power Capacity Cost Recovery Clause				
17	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

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COMPANY: GULF POWER COMPANY

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(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments:</u>				
2	(1)	Fuel Revenues	To remove all fuel-related revenues and expenses from NOI (net operating income) for ratemaking purposes.	(502,624)	Direct	(475,511)
3						
4	(2)	Fuel Expense	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	441,872	0.9739223	430,349
5						
6	(3)	Fuel Expense - Interchange Energy	To remove all fuel-related revenues and expenses from NOI for ratemaking purposes.	57,865	0.9739221	56,356
7						
8	(4)	Purchased Transmission	To remove expenses associated with transmission that are recoverable through the fuel clause.	(102)	0.9705882	(99)
9						
10	(5)	PPCC Revenues	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	(86,308)	Direct	(85,638)
11						
12	(6)	PPCC Expenses	To remove all PPCC revenues and expenses from NOI for ratemaking purposes.	75,242	0.9707134	73,038
13						
14	(7)	Purchased Transmission	To remove transmission expenses that are recoverable through the capacity clause.	13,601	0.9707487	13,203
15						
16	(8)	ECCR Revenues	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	(17,979)	Direct	(17,979)
17						
18	(9)	ECCR Expenses in O&M Expense	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	15,488	1.0000000	15,488
19						
20		<u>Legend:</u>				
21	ECCR	Energy Conservation Cost Recovery Clause				
22	PPCC	Purchased Power Capacity Cost Recovery Clause				
23	ECRC	Environmental Cost Recovery Clause				

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COMPANY: GULF POWER COMPANY

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Witness: S. D. Ritenour

(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments (Continued):</u>				
2	(10)	ECCR Depreciation	To remove all ECCR revenues and expenses from NOI for ratemaking purposes.	362	1.0000000	362
3						
4	(11)	ECRC Revenues	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	(147,816)	Direct	(143,668)
5						
6	(12)	ECRC Expenses in O&M	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	25,966	0.9710889	25,215
7						
8	(13)	ECRC in Depreciation Expense	To remove all ECRC revenues and expenses from NOI for ratemaking purposes.	41,888	0.9707562	40,663
9						
10	(14)	Loss on Disposition of Property	To remove the loss on sale of property.	22	0.9820109	22
11	(15)	Gross Receipts & Franchise Fee Revenues	To remove gross receipts & franchise revenues from NOI for ratemaking purposes.	(77,290)	1.0000000	(77,290)
12						
13	(16)	Gross Receipts & Franchise Fee Expenses	To remove gross receipts & franchise expenses from NOI for ratemaking purposes.	76,893	1.0000000	76,893
14						
15	(17)	FPSC Assessment Fee on Fuel Revenues	To remove the FPSC assessment fee on fuel revenues.	343	1.0000000	343
16	(18)	FPSC Assessment Fee on PPCC	To remove the FPSC assessment fee on capacity revenues.	61	1.0000000	61
17		Revenues				
18		<u>Legend:</u>				
19		ECCR	Energy Conservation Cost Recovery Clause			
20		PPCC	Purchased Power Capacity Cost Recovery Clause			
21		ECRC	Environmental Cost Recovery Clause			

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EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
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 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(\$000s)

Witness: S. D. Ritenour

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(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments (Continued):</u>				
2	(19)	FPSC Assessment Fee on ECCR	To remove the FPSC assessment fee on ECCR revenues.	17	1.0000000	17
3		Revenues				
4	(20)	FPSC Assessment Fee on ECRC	To remove the FPSC assessment fee on ECRC revenues.	111	1.0000000	111
5		Revenues				
6	(21)	FPSC Assessment Fee on Franchise	To remove the FPSC assessment fee on Franchise	32	1.0000000	32
7		Fee Revenue	Fee revenues.			
8	(22)	Payroll Taxes-Liaison Office Salaries	To remove expenses associated with Gulf's liaison office	22	0.9837536	22
9			located in Tallahassee.			
10	(23)	ECRC Expenses in Other Tax Expense	To remove the ECRC payroll tax and ECRC property tax.	3,600	0.9708408	3,495
11	(24)	ECCR Expenses in Other Tax Expense	To remove the ECCR payroll tax & ECCR property tax.	332	1.0000000	332
12	(25)	Institutional Advertising	To remove expenses related to institutional	184	0.9840665	181
13			advertising.			
14	(26)	Economic Development Expenses	To remove 5% of expenses related to economic	60	0.9994942	60
15			development.			
16	(27)	Tallahassee Liaison Expenses O&M	To remove expenses associated with Gulf's liaison	446	0.9840665	439
17			office located in Tallahassee.			
18		<u>Legend:</u>				
19	ECCR	Energy Conservation Cost Recovery Clause				
20	PPCC	Purchased Power Capacity Cost Recovery Clause				
21	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: List and explain all proposed adjustments to net operating income for the test year, the prior year and the most recent historical year.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

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(1) Line No.	(2) Adj No.	(3) Adjustment	(4) Reason for Adjustment or Omission (Provide Supporting Schedules)	(5) Total Adjustment	(6) Jurisdictional Factor	(7) Jurisdictional Adjustment
1		<u>Commission Adjustments (Continued):</u>				
2	(28)	Management Financial Planning Services	To remove the management financial planning services from net operating income.	21	0.9840665	21
3						
4	(29)	Marketing Support Activities	To remove expenses that are promotional in nature.	176	1.0000000	176
5						
6	(30)	Wholesale Sales Expense	To remove expense associated with wholesale activities.	195	1.0000000	195
7						
8	(31)	Income Taxes - Adjustments	To reflect the tax effect of all Commission adjustments.	29,826		24,345
9						
10	(32)	Income Taxes - Interest Synchronization	To reflect the tax effect of interest synchronization.	(6,696)		(6,500)
11						
12		Total Commission Adjustments		<u>(54,190)</u>		<u>(45,266)</u>
13		<u>Company Adjustments:</u>				
14	(33)	Cost of Removal - Depreciation	To increase depreciation expense associated with the 2013 Rate Case Settlement COR credits	(20,090)	1.0000000	(20,090)
15	(34)	Income Taxes - Adjustments	To reflect the tax effect of all Company adjustments.	<u>7,750</u>		<u>7,750</u>
16		Total Company Adjustments		<u>(12,340)</u>		<u>(12,340)</u>
17		<u>Legend:</u>				
18	ECCR	Energy Conservation Cost Recovery Clause				
19	PPCC	Purchased Power Capacity Cost Recovery Clause				
20	ECRC	Environmental Cost Recovery Clause				

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: M. T. O'Sheasy

DOCKET NO.: 160186-EI

(\$000s)							
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Account Number	Description	Total Adjusted Utility	Unit Power Sales	Total Adjusted Utility Net of UPS	Jurisdictional Amount	Jurisdictional Separation Factor
1		OPERATING REVENUES					
2	440-447	REVENUES FROM SALES	569,849	0	569,849	555,880	0.9754865
3		OTHER OPERATING REVENUES:					
4	451	Misc. Service Revenues	5,640	0	5,640	5,640	1.0000000
5	454	Rent from Electric Property	7,004	0	7,004	6,976	0.9960023
6	455	Interdepartmental Rental	0	0	0	0	0.0000000
7	456	Other Electric Revenues	14,225	0	14,225	10,028	0.7049561
8		TOTAL OTHER OPERATING REVENUES	26,869	0	26,869	22,644	0.8427556
9	447	SALES TO NON-ASSOCIATED COMPANIES	31,598	12,919	18,679	18,142	0.9712511
10		TOTAL REVENUES	628,316	12,919	615,397	596,666	0.9695627
11		OPERATION AND MAINTENANCE EXPENSES					
12		STEAM POWER GENERATION					
13		OPERATION EXPENSE:					
14	500	Supervision & Engineering	12,315	109	12,206	11,865	0.9720629
15	501	Fuel (Net)	5,803	109	5,694	5,530	0.9711978
16	502	Steam	6,980	276	6,704	6,513	0.9715095
17	505	Electric	3,777	52	3,725	3,621	0.9720805
18	506	Miscellaneous Steam	16,123	316	15,807	15,365	0.9720377
19	507	Rents	0	0	0	0	0.0000000
20	509	Allowances	19	0	19	18	0.9473684
21		TOTAL OPERATION	45,017	862	44,155	42,912	0.9718492
22		MAINTENANCE EXPENSE:					
23	510	Supervision & Engineering	10,892	274	10,618	10,321	0.9720286
24	511	Structures	5,673	176	5,497	5,343	0.9719847
25	512	Boiler Plant	31,974	1,117	30,857	29,975	0.9714165
26	513	Electric Plant	10,430	186	10,244	9,951	0.9713979
27	514	Miscellaneous Steam	3,154	60	3,094	3,007	0.9718811
28		TOTAL MAINTENANCE	62,123	1,813	60,310	58,597	0.9715968
29		TOTAL STEAM POWER GENERATION	107,140	2,675	104,465	101,509	0.9717034

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: M. T. O'Sheasy

DOCKET NO.: 160186-EI

(1) Line No.	(2) Account Number	(3) Description	(\$000s)				(8) Jurisdictional Separation Factor
			(4) Total Adjusted Utility	(5) Unit Power Sales	(6) Total Adjusted Utility Net of UPS	(7) Jurisdictional Amount	
1		OTHER POWER GENERATION					
2		OPERATING EXPENSE:					
3	546	Supervision	1,756	0	1,756	1,707	0.9720394
4	547	Energy	712	0	712	692	0.9712411
5	547	Fuel (Net)	0	0	0	0	0.0000000
6	548	Generation	507	0	507	493	0.9720394
7	549	Miscellaneous	2,602	0	2,602	2,529	0.9720394
8		Total Operation	5,577	0	5,577	5,421	0.9720280
9		MAINTENANCE EXPENSE:					
10	551	Supervision & Engineering	672	0	672	653	0.9720394
11	552	Structures	373	0	373	363	0.9720394
12	553	Generating & Electric Equipment	5,878	0	5,878	5,709	0.9712487
13	554	Miscellaneous	780	0	780	758	0.9717949
14		Total Maintenance Expense	7,703	0	7,703	7,483	0.9714397
15		TOTAL OTHER POWER GENERATION	13,280	0	13,280	12,904	0.9716867
16	555	PURCHASED POWER	0	0	0	0	0.0000000
17	556	SYSTEM CONTROL & LOAD DISPATCH	1,987	0	1,987	1,931	0.9718168
18	557	OTHER EXPENSES	2,423	0	2,423	2,355	0.9720394
19		TOTAL PRODUCTION	124,830	2,675	122,155	118,699	0.9717081
20		TRANSMISSION EXPENSE					
21		OPERATIONS:					
22	560	Supervision & Engineering	2,419	0	2,419	2,351	0.9718892
23	561	Load Dispatching	3,793	0	3,793	3,687	0.9720394
24	562	Station Expenses	45	0	45	44	0.9777778
25	563	Overhead Lines	219	0	219	213	0.9726027
26	564	Underground Lines	0	0	0	0	0.0000000
27	565	Transmission of Elec.	(264)	0	(264)	(257)	0.9734848
28	566	Miscellaneous	1,462	0	1,462	1,421	0.9719562
29	567	Rents	1,269	0	1,269	1,234	0.9724192
30		Total Operation	8,943	0	8,943	8,693	0.9720452

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: M. T. O'Sheasy

DOCKET NO.: 160186-EI

(1) Line No.	(2) Account Number	(3) Description	(\$000s)				(8) Jurisdictional Separation Factor
			(4) Total Adjusted Utility	(5) Unit Power Sales	(6) Total Adjusted Utility Net of UPS	(7) Jurisdictional Amount	
1		MAINTENANCE:					
2	568	Supervision & Engineering	1,396	0	1,396	1,358	0.9727794
3	569	Structures	972	0	972	945	0.9722222
4	570	Station Equipment	888	0	888	868	0.9774775
5	571	Overhead Lines	4,248	0	4,248	4,129	0.9719868
6	573	Miscellaneous	121	0	121	118	0.9752066
7		Total Maintenance Expense	7,625	0	7,625	7,418	0.9728525
8		TOTAL TRANSMISSION	16,568	0	16,568	16,111	0.9724167
9		DISTRIBUTION EXPENSE					
10		OPERATION:					
11	580	Supervision & Engineering	7,490	0	7,490	7,484	0.9991989
12	581	Load Dispatching	1,226	0	1,226	1,226	1.0000000
13	582	Station Expenses	438	0	438	430	0.9817352
14	583	Overhead Lines	3,195	0	3,195	3,195	1.0000000
15	584	Underground Lines	1,138	0	1,138	1,138	1.0000000
16	585	Street Lighting	674	0	674	674	1.0000000
17	586	Meters	2,541	0	2,541	2,539	0.9992129
18	587	Customer Installations	2,100	0	2,100	2,100	1.0000000
19	588	Miscellaneous	4,962	0	4,962	4,957	0.9989923
20	589	Rents	0	0	0	0	0.0000000
21		Total Operation	23,764	0	23,764	23,743	0.9991163

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: M. T. O'Sheasy

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(1) Line No.	(2) Account Number	(3) Description	(\$000s)				(8) Jurisdictional Separation Factor
			(4) Total Adjusted Utility	(5) Unit Power Sales	(6) Total Adjusted Utility Net of UPS	(7) Jurisdictional Amount	
1		MAINTENANCE:					
2	590	Supervision & Engineering	4,216	0	4,216	4,209	0.9983397
3	591	Structures	271	0	271	265	0.9778598
4	592	Station Equipment	1,199	0	1,199	1,177	0.9816514
5	593	Overhead Lines	12,336	0	12,336	12,336	1.0000000
6	594	Underground Lines	1,640	0	1,640	1,640	1.0000000
7	595	Line Transformers	1,106	0	1,106	1,106	1.0000000
8	596	Street Lighting	624	0	624	624	1.0000000
9	597	Meters	181	0	181	181	1.0000000
10	598	Miscellaneous	534	0	534	533	0.9981273
11		Total Maintenance Expense	22,107	0	22,107	22,071	0.9983716
12		TOTAL DISTRIBUTION	45,871	0	45,871	45,814	0.9987574
13	901-905	CUSTOMER ACCOUNTS EXPENSE	23,735	0	23,735	23,546	0.9920371
14	904	UNCOLLECTIBLE EXPENSE	3,994	0	3,994	3,994	1.0000000
15		TOTAL CUST ACCTS EXP & UNCOLL EXP	27,729	0	27,729	27,540	0.9931840
16		CUSTOMER ASSISTANCE EXPENSE					
17	907/911	Supervision	1,650	0	1,650	1,650	1.0000000
18	908/912	Customer Assistance	15,843	0	15,843	15,843	1.0000000
19	909/913	Informational & Instructional Advertising	557	0	557	557	1.0000000
20	910	Miscellaneous	90	0	90	90	1.0000000
21		Energy Conservation Costs	0	0	0	0	0.0000000
22		TOTAL CUSTOMER ASSISTANCE	18,140	0	18,140	18,140	1.0000000
23	920-932	ADMINISTRATIVE & GENERAL EXPENSE	93,952	608	93,344	91,510	0.9803522
24	904	LESS: UNCOLLECTIBLE EXPENSE	3,994	0	3,994	3,994	1.0000000
25		TOTAL A&G EXP LESS UNCOLL EXP	89,958	608	89,350	87,516	0.9794740
26		TOTAL OPERATION & MAINTENANCE EXP	323,096	3,283	319,813	313,820	0.9812609

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: M. T. O'Sheasy

DOCKET NO.: 160186-EI

(1) Line No.	(2) Account Number	(3) Description	(\$000s)				(8) Jurisdictional Separation Factor
			(4) Total Adjusted Utility	(5) Unit Power Sales	(6) Total Adjusted Utility Net of UPS	(7) Jurisdictional Amount	
1		DEPRECIATION EXPENSE					
2	300-346	PRODUCTION PLANT	52,471	1,946	50,525	49,112	0.9720336
3		TRANSMISSION PLANT					
4	350	Easements & Rights-of-Way	191	0	191	186	0.9738220
5	352	Structures & Improvements	407	0	407	398	0.9778870
6	353	Station Equipment	7,265	30	7,235	7,070	0.9771942
7	354	Towers and Fixtures	765	0	765	744	0.9720394
8	355	Poles and Fixtures	11,177	0	11,177	10,864	0.9720394
9	356	Overhead Conductors and Devices	3,277	0	3,277	3,185	0.9720394
10	358	Underground Conductors and Devices	244	0	244	237	0.9720394
11	359	Roads and Trails	5	0	5	5	0.9720394
12		TOTAL TRANSMISSION	23,331	30	23,301	22,689	0.9737350
13		DISTRIBUTION PLANT					
14	360	Easements & Rights-of-Way	4	0	4	4	1.0000000
15	361	Structures and Improvements	516	0	516	504	0.9767442
16	362	Station Equipment	6,663	0	6,663	6,543	0.9819901
17	364	Poles, Towers and Fixtures	7,001	0	7,001	7,001	1.0000000
18	365	Overhead Conductors and Devices	5,647	0	5,647	5,647	1.0000000
19	366	Underground Conduits	13	0	13	13	1.0000000
20	367	Underground Conductors and Devices	3,898	0	3,898	3,898	1.0000000
21	368	Line Transformers	9,865	0	9,865	9,865	1.0000000
22	369	Services	3,980	0	3,980	3,980	1.0000000
23	370	Meters	4,573	0	4,573	4,564	0.9980319
24	373	Street Lighting	3,254	0	3,254	3,254	1.0000000
25		TOTAL DISTRIBUTION	45,414	0	45,414	45,273	0.9968952
26	389-398	GENERAL PLANT	10,198	26	10,172	10,010	0.9840739
27		TOTAL DEPRECIATION	131,414	2,002	129,412	127,084	0.9820109

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide jurisdictional factors for net operating income for the test year, and the prior year if the test year is projected.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: M. T. O'Sheasy

DOCKET NO.: 160186-EI

(1) Line No.	(2) Account Number	(3) Description	(\$000s)				(8) Jurisdictional Separation Factor
			(4) Total Adjusted Utility	(5) Unit Power Sales	(6) Total Adjusted Utility Net of UPS	(7) Jurisdictional Amount	
1	404	AMORT. OF INVESTMENT TAX CREDITS	(394)	(61)	(333)	(327)	0.9819820
2	407	OTHER AMORTIZATION	9,458	0	9,458	9,194	0.9720871
3		TAXES OTHER THAN INCOME TAXES					
4	408	Real and Personal Property Taxes	25,927	125	25,802	25,249	0.9785676
5	408	Payroll Taxes	8,308	60	8,248	8,114	0.9837536
6	408	Revenue Taxes	442	0	442	442	1.0000000
7	408	Other	571	0	571	557	0.9754816
8		TOTAL TAXES OTHER THAN INCOME	35,248	185	35,063	34,362	0.9800074
9		EXPENSES EXCLUDING INCOME TAXES	498,822	5,409	493,413	484,133	0.9811922
10		OPERATING INCOME BEFORE INC. TAXES	129,494	7,510	121,984	112,533	0.9225226
11	409	TOTAL INCOME TAXES	37,715	2,539	35,176	31,810	0.9043098
12		NET OPERATING INCOME	91,779	4,971	86,808	80,723	0.9299028

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operating revenue by primary account for the test year. Provide the per books amounts and the adjustments required to adjust the per books amounts to reflect the requested test year operating revenues.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

(1) Line	(2) Acct No.	(3) Account Title	(4) Per Books	(5) Non- Utility	(6) Electric Utility (4)-(5)	(7) Fuel	(8) PPCC	(9) ECCR	Adjustments				(14) Total (7) thru (13)	(15) Adjusted Total (6)-(14)
									(10) ECRC	(11) Franchise Fees & GRT	(12) UPS	(13) Other		
1		<u>SALES OF ELECTRICITY</u>												
2	440	Residential Sales	704,102	-	704,102	186,669	48,451	6,479	105,932	17,618	-	-	365,149	338,953
3	442	Commercial Sales	401,899	-	401,899	137,751	24,032	4,852	54,659	10,055	-	-	231,349	170,550
4	442	Industrial Sales	149,101	-	149,101	59,379	12,480	2,105	28,951	3,731	-	-	106,646	42,455
5	444	Public Street & Highway Lighting	5,020	-	5,020	815	24	30	102	127	-	-	1,098	3,922
6	445	Other Sales to Public Authorities	-	-	-	-	-	-	-	-	-	-	-	-
7	446	Sales to Railroads & Railways	-	-	-	-	-	-	-	-	-	-	-	-
8	448	Interdepartmental Sales	-	-	-	-	-	-	-	-	-	-	-	-
9		Total Sales to Ultimate Consumers	1,260,122	-	1,260,122	384,614	84,987	13,466	189,644	31,531	-	-	704,242	555,880
10	447	Sales for Resale	175,799	-	175,799	123,931	347	-	5,954	-	12,919	-	143,151	32,648
11		TOTAL SALES OF ELECTRICITY	1,435,921	-	1,435,921	508,545	85,334	13,466	195,598	31,531	12,919	-	847,393	588,528
12	449.1	(Less) Provision for Rate Refunds	-	-	-	-	-	-	-	-	-	-	-	-
13		TOTAL REVENUE NET OF REFUND PROVISION	1,435,921	-	1,435,921	508,545	85,334	13,466	195,598	31,531	12,919	-	847,393	588,528
14		OTHER OPERATING REVENUES												
15	450	Forfeited Discounts	-	-	-	-	-	-	-	-	-	-	-	-
16	451	Miscellaneous Service Revenues	46,223	-	46,223	-	-	-	-	41,767	-	(1,184)	40,583	5,640
17	453	Sales of Water and Water Power	-	-	-	-	-	-	-	-	-	-	-	-
18	454	Rent from Electric Property	7,004	-	7,004	-	-	-	-	-	-	-	-	7,004
19	455	Interdepartmental Rents	-	-	-	-	-	-	-	-	-	-	-	-
20	456	Deferred Fuel Revenue	-	-	-	-	-	-	-	-	-	-	-	-
21	456	Unbilled Revenue	-	-	-	-	-	-	-	-	-	-	-	-
22	456	Other Electric Revenues (In Detail)	13,986	-	13,986	-	-	-	-	-	-	(239)	(239)	14,225
23		TOTAL OTHER OPERATING REVENUES	67,213	-	67,213	-	-	-	-	41,767	-	(1,423)	40,344	26,869
24		TOTAL ELECTRIC OPERATING REVENUES	1,503,134	-	1,503,134	508,545	85,334	13,466	195,598	73,298	12,919	(1,423)	887,737	615,397

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operating revenue by primary account for the test year. Provide the per books amounts and the adjustments required to adjust the per books amounts to reflect the requested test year operating revenues.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15
 Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

(1) Line No.	(2) Acct No.	(3) Account Title	(4) Per Books	(5) Non-Utility	(6) Electric Utility (4)-(5)	(7) Fuel	(8) PPCC	(9) ECCR	Adjustments				(14) Total (7) thru (13)	(15) Adjusted Total (6)-(14)
									(10) ECRC	(11) Franchise Fees & GRT	(12) UPS	(13) Other		
1		<u>SALES OF ELECTRICITY</u>												
2	440	Residential Sales	672,667	-	672,667	157,740	48,693	6,326	108,848	16,814	-	-	338,421	334,246
3	442	Commercial Sales	390,933	-	390,933	128,679	24,151	4,744	55,989	9,771	-	-	223,334	167,599
4	442	Industrial Sales	146,596	-	146,596	56,206	12,543	2,084	29,611	3,664	-	-	104,108	42,488
5	444	Public Street & Highway Lighting	4,646	-	4,646	808	25	30	100	116	-	-	1,079	3,567
6	445	Other Sales to Public Authorities	-	-	-	-	-	-	-	-	-	-	-	-
7	446	Sales to Railroads & Railways	-	-	-	-	-	-	-	-	-	-	-	-
8	448	Interdepartmental Sales	-	-	-	-	-	-	-	-	-	-	-	-
9		Total Sales to Ultimate Consumers	1,214,842	-	1,214,842	343,433	85,412	13,184	194,548	30,365	-	-	666,942	547,900
10	447	Sales for Resale	134,186	-	134,186	86,631	242		6,030	-	18,651	-	111,554	22,632
11		TOTAL SALES OF ELECTRICITY	1,349,028	-	1,349,028	430,064	85,654	13,184	200,578	30,365	18,651	-	778,496	570,532
12	449.1	(Less) Provision for Rate Refunds	-	-	-	-	-	-	-	-	-	-	-	-
13		TOTAL REVENUE NET OF REFUND PROVISION	1,349,028	-	1,349,028	430,064	85,654	13,184	200,578	30,365	18,651	-	778,496	570,532
14		<u>OTHER OPERATING REVENUES</u>												
15	450	Forfeited Discounts	-	-	-	-	-	-	-	-	-	-	-	-
16	451	Miscellaneous Service Revenues	44,587	-	44,587	-	-	-	-	40,115	-	-	40,115	4,472
17	453	Sales of Water and Water Power	-	-	-	-	-	-	-	-	-	-	-	-
18	454	Rent from Electric Property	6,749	-	6,749	-	-	-	-	-	-	-	-	6,749
19	455	Interdepartmental Rents	-	-	-	-	-	-	-	-	-	-	-	-
20	456	Deferred Fuel Revenue	19,479	-	19,479	19,479	-	-	-	-	-	-	19,479	-
21	456	Unbilled Revenue	-	-	-	-	-	-	-	-	-	-	-	-
22	456	Other Electric Revenues (In Detail)	13,628	-	13,628	-	-	-	-	-	-	-	-	13,628
23		TOTAL OTHER OPERATING REVENUES	84,443	-	84,443	19,479	-	-	-	40,115	-	-	59,594	24,849
24		TOTAL ELECTRIC OPERATING REVENUES	1,433,471	-	1,433,471	449,543	85,654	13,184	200,578	70,480	18,651	-	838,090	595,381

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operating revenue by primary account for the test year. Provide the per books amounts and the adjustments required to adjust the per books amounts to reflect the requested test year operating revenues.

Type of Data Shown:

____ Projected Test Year Ended 12/31/17

____ Prior Year Ended 12/31/16

X Historical Year Ended 12/31/15

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

(1) Line	(2) Acct No.	(3) Account Title	(4) Per Books	(5) Non- Utility	(6) Electric Utility (4)-(5)	(7) Fuel	(8) PPCC	(9) ECCR	Adjustments			(13) Other	(14) Total (7) thru (13)	(15) Adjusted Total (6)-(14)	
									(10) ECRC	(11) Franchise Fees & GRT	(12) UPS				
1		<u>SALES OF ELECTRICITY</u>													
2	440	Residential Sales	734,381	-	734,381	233,071	48,977	10,752	86,135	18,424	-	-	397,359	337,022	
3	442	Commercial Sales	428,738	-	428,738	167,790	26,216	9,346	48,594	10,758	-	-	262,704	166,034	
4	442	Industrial Sales	155,363	-	155,363	74,908	10,017	4,075	19,208	3,898	-	-	112,106	43,257	
5	444	Public Street & Highway Lighting	4,642	-	4,642	1,088	31	56	105	116	-	-	1,396	3,246	
6	445	Other Sales to Public Authorities	-	-	-	-	-	-	-	-	-	-	-	-	
7	446	Sales to Railroads & Railways	-	-	-	-	-	-	-	-	-	-	-	-	
8	448	Interdepartmental Sales	-	-	-	-	-	-	-	-	-	-	-	-	
9		Total Sales to Ultimate Consumers	1,323,124	-	1,323,124	476,857	85,241	24,229	154,042	33,196	-	-	773,565	549,559	
10	447	Sales for Resale	166,436	-	166,436	85,151	411		4,085	-	58,803	-	148,450	17,986	
11		TOTAL SALES OF ELECTRICITY	1,489,560	-	1,489,560	562,008	85,652	24,229	158,127	33,196	58,803	-	922,015	567,545	
12	449.1	(Less) Provision for Rate Refunds	(446)	-	(446)								-	(446)	
13		TOTAL REVENUE NET OF REFUND PROVISION	1,489,114	-	1,489,114	562,008	85,652	24,229	158,127	33,196	58,803	-	922,015	567,099	
14		<u>OTHER OPERATING REVENUES</u>													
15	450	Forfeited Discounts	-	-	-	-	-	-	-	-	-	-	-	-	
16	451	Miscellaneous Service Revenues	49,572	-	49,572	-	-	-	-	44,094	-	-	44,094	5,478	
17	453	Sales of Water and Water Power	-	-	-	-	-	-	-	-	-	-	-	-	
18	454	Rent from Electric Property	6,450	-	6,450	-	-	-	-	-	-	-	-	6,450	
19	455	Interdepartmental Rents	-	-	-	-	-	-	-	-	-	-	-	-	
20	456	Deferred Fuel Revenue	(59,486)	-	(59,486)	(59,486)	-	-	-	-	-	-	(59,486)	-	
21	456	Unbilled Revenue	-	-	-	-	-	-	-	-	-	-	-	-	
22	456	Other Electric Revenues (In Detail)	(2,644)	-	(2,644)	102	656	(6,250)	(10,311)	-	31	-	(15,772)	13,128	
23		TOTAL OTHER OPERATING REVENUES	(6,108)	-	(6,108)	(59,384)	656	(6,250)	(10,311)	44,094	31	-	(31,164)	25,056	
24		TOTAL ELECTRIC OPERATING REVENUES	1,483,006	-	1,483,006	502,624	86,308	17,979	147,816	77,290	58,834	-	890,851	592,155	

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Years Ended 12/31/11 through 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs, W. E. Smith, B. C. Terry

DOCKET NO.: 160186-EI

(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Line No.	Acct. No.	Account Title	2017 Budget	2016 Budget	2015 Budget	2014 Actual	2014 Budget	2013 Actual	2013 Budget	2012 Actual	2012 Budget	2012 Actual
1		<u>Operating Revenues</u>										
2	440	Residential Sales	(704,103)	(672,667)	(734,356)	(734,381)	(695,316)	(697,244)	(629,409)	(600,797)	(649,156)	(603,349)
3	442	Commercial & Industrial Sales	(551,002)	(537,529)	(584,126)	(584,101)	(584,785)	(557,393)	(573,393)	(500,131)	(550,830)	(525,299)
4	444	Public Street & Highway Lighting	(5,021)	(4,646)	(4,642)	(4,642)	(6,029)	(4,502)	(5,813)	(3,734)	(5,829)	(4,577)
5	445	Other Sales to Public Authorities	-	-	-	-	-	-	-	-	-	-
6	447	Sales for Resale	(175,798)	(134,186)	(166,436)	(166,436)	(178,539)	(258,871)	(206,423)	(206,772)	(198,036)	(231,088)
7	448	Interdepartmental Sales	-	-	-	-	-	-	-	-	-	-
8	449	(Less) Provision for Rate Refund	-	-	-	446	-	121	-	(88)	-	1,242
9	451	Misc Service Revenues	(46,223)	(44,588)	(49,572)	(49,572)	(47,306)	(47,461)	(44,080)	(41,891)	(42,487)	(42,184)
10	454	Rent from Electric Property	(7,004)	(6,749)	(6,450)	(6,450)	(7,450)	(6,297)	(6,227)	(7,304)	(5,983)	(6,897)
11	455	Interdepartmental Rent	-	-	-	-	-	-	-	-	-	-
12	456	Other Electric Revenues	(13,983)	(33,107)	62,576	62,130	956	(18,941)	(42,395)	(79,693)	(4,860)	(27,744)
13		Total Operating Revenues	(1,503,134)	(1,433,470)	(1,483,006)	(1,483,006)	(1,518,469)	(1,590,588)	(1,507,740)	(1,440,410)	(1,457,181)	(1,439,896)
14		<u>Production Expenses</u>										
15	500	Operation, Supervision & Engineering	12,607	11,789	12,240	13,277	10,723	10,629	10,602	9,106	11,114	7,946
16	501	Fuel Expense	180,720	151,346	238,540	195,517	248,523	302,964	299,180	237,595	290,406	266,472
17	502	Steam Expenses	19,777	17,727	19,819	16,749	19,675	17,683	20,076	15,702	19,303	16,861
18	505	Electric Expense	3,777	3,676	4,109	3,933	3,957	3,867	4,105	3,436	3,733	3,404
19	506	Misc Steam Power Expense	35,040	38,742	20,853	21,863	22,170	22,832	18,038	19,908	17,974	20,092
20	507	Rents	-	-	-	-	-	-	-	-	-	-
21	509	Allowances	18	69	659	288	699	1,461	1,023	971	2,464	1,268
22	546	Operation, Supervision & Engineering	1,770	2,224	1,436	872	1,846	895	1,687	886	1,789	875
23	547	Fuel Expense - Other Production	307,594	261,214	293,735	249,036	293,751	300,215	291,863	294,179	246,283	277,056
24	548	Generation Expenses	507	553	546	880	638	1,101	554	1,045	573	913
25	549	Misc Other Power Generation Expense	2,633	4,598	831	1,473	1,006	620	826	576	776	666
26		Total Production Operation	564,443	491,938	592,768	503,888	602,988	662,267	647,953	583,404	594,416	595,553
27		Totals may not add due to rounding.										

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Years Ended 12/31/11 through 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs,

W. E. Smith, B. C. Terry

(\$000s)

(1)	(2)	(3)	(4)	(5)
Line	Acct.	Account	2011	
No.	No.	Title	Budget	Actual
1		<u>Operating Revenues</u>		
2	440	Residential Sales	(684,009)	(649,414)
3	442	Commercial & Industrial Sales	(617,291)	(579,217)
4	444	Public Street & Highway Lighting	(6,287)	(4,436)
5	445	Other Sales to Public Authorities	-	-
6	447	Sales for Resale	(190,396)	(245,741)
7	448	Interdepartmental Sales	-	-
8	449	(Less) Provision for Rate Refund	-	525
9	451	Misc Service Revenues	(43,652)	(44,940)
10	454	Rent from Electric Property	(5,699)	(5,782)
11	455	Interdepartmental Rent	-	-
12	456	Other Electric Revenues	(5,152)	9,052
13		Total Operating Revenues	<u>(1,552,486)</u>	<u>(1,519,953)</u>
14		<u>Production Expenses</u>		
15	500	Operation, Supervision & Engineering	10,789	7,939
16	501	Fuel Expense	506,276	401,397
17	502	Steam Expenses	24,367	14,446
18	505	Electric Expense	4,662	3,505
19	506	Misc Steam Power Expense	19,035	21,722
20	507	Rents	-	-
21	509	Allowances	-	3,980
22	546	Operation, Supervision & Engineering	402	887
23	547	Fuel Expense - Other Production	154,325	256,838
24	548	Generation Expenses	689	784
25	549	Misc Other Power Generation Expense	768	749
26		Total Production Operation	<u>721,313</u>	<u>712,247</u>
27		Totals may not add due to rounding.		

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Years Ended 12/31/11 through 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs, W. E. Smith, B. C. Terry

(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Line No.	Acct. No.	Account Title	2017 Budget	2016 Budget	2015 Budget	Actual	2014 Budget	Actual	2013 Budget	Actual	2012 Budget	Actual
1	510	Maintenance, Supervision & Engineering	11,532	8,828	9,406	6,885	8,407	8,140	9,240	7,206	9,086	6,413
2	511	Maintenance of Structures	6,375	6,557	8,422	7,917	7,949	7,712	6,539	5,900	6,390	6,674
3	512	Maintenance of Boiler Plant	39,172	31,901	38,400	34,393	38,841	40,788	24,762	23,483	33,399	28,811
4	513	Maintenance of Electric Plant	9,870	7,132	10,170	7,691	7,961	5,241	5,149	4,648	15,910	11,504
5	514	Maintenance of Misc Steam Plant	3,705	3,580	4,359	4,927	4,105	4,972	3,517	4,685	2,619	6,166
6	551	Maint., Supervision & Engineering-Other	672	679	50	19	48	77	288	75	349	68
7	552	Maintenance of Structures	373	388	-	229	529	173	-	138	77	237
8	553	Maint. of Generation & Elec. Equip.	5,878	8,123	7,744	8,366	5,755	5,919	7,334	7,350	5,158	6,529
9	554	Maint. of Misc. Other Power Gen. Plant	832	1,481	605	425	127	264	205	(65)	224	104
10		Total Production Maintenance	78,408	68,669	79,155	70,852	73,723	73,286	57,033	53,420	73,213	66,506
11	555	Purchased & Interchanged Power	101,155	115,142	114,389	135,098	92,805	107,239	73,216	85,278	83,775	74,086
12	556	System Control & Load Dispatch	1,958	1,891	1,925	1,996	1,759	1,760	1,640	1,657	1,703	1,562
13	557	Other Production Expenses	2,733	2,663	2,334	2,427	2,101	2,132	2,195	2,005	2,591	2,313
14		Total Other Power Supply	105,846	119,696	118,649	139,521	96,665	111,131	77,051	88,940	88,069	77,961
15		Total Production	748,697	680,302	790,572	714,261	773,376	846,684	782,038	725,764	755,698	740,020
16		<u>Transmission Expenses</u>										
17	560	Operation Supervision & Engineering	2,431	2,303	1,711	1,636	1,448	1,401	1,510	1,311	1,664	1,606
18	561	Load Dispatching	3,882	3,647	3,598	3,092	3,217	3,113	3,366	2,855	3,439	2,920
19	562	Station Expenses	45	45	47	55	61	51	43	54	296	84
20	563	Overhead Line Expenses	219	219	190	-	166	11	165	47	144	46
21	564	Underground Line Expenses	-	-	-	-	-	-	-	-	-	-
22	565	Trans-Trans of Elec by Others	160	160	219	85	113	188	102	150	24	153
23	566	Misc. Transmission Expenses	1,462	1,420	1,097	1,449	1,041	1,222	981	1,151	1,103	1,274
24	567	Rents	12,795	13,127	13,709	13,717	13,044	13,026	9,812	10,396	6,106	5,508
25		Total Operation	20,994	20,921	20,571	20,034	19,089	19,012	15,980	15,964	12,776	11,591
26		Totals may not add due to rounding.										

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Years Ended 12/31/11 through 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs,
W. E. Smith, B. C. Terry

(\$000s)

(1) Line No.	(2) Acct. No.	(3) Account Title	(4) Budget	(5) Actual
			2011	
1	510	Maintenance, Supervision & Engineering	9,292	6,260
2	511	Maintenance of Structures	5,386	6,145
3	512	Maintenance of Boiler Plant	36,227	38,987
4	513	Maintenance of Electric Plant	11,705	11,128
5	514	Maintenance of Misc Steam Plant	2,554	4,196
6	551	Maint., Supervision & Engineering-Other	673	29
7	552	Maintenance of Structures	3	131
8	553	Maint. of Generation & Elec. Equip.	4,861	6,846
9	554	Maint. of Misc. Other Power Gen. Plant	425	157
10		Total Production Maintenance	<u>71,126</u>	<u>73,879</u>
11	555	Purchased & Interchanged Power	109,667	90,494
12	556	System Control & Load Dispatch	1,865	1,677
13	557	Other Production Expenses	<u>2,555</u>	<u>2,141</u>
14		Total Other Power Supply	<u>114,087</u>	<u>94,312</u>
15		Total Production	<u>906,525</u>	<u>880,438</u>
16		<u>Transmission Expenses</u>		
17	560	Operation Supervision & Engineering	1,089	1,068
18	561	Load Dispatching	3,455	2,901
19	562	Station Expenses	237	(709)
20	563	Overhead Line Expenses	248	1,198
21	564	Underground Line Expenses	-	-
22	565	Recoverable Energy Expenses	300	77
23	566	Misc. Transmission Expenses	1,633	1,193
24	567	Rents	<u>2,521</u>	<u>2,497</u>
25		Total Operation	<u>9,483</u>	<u>8,225</u>
26		Totals may not add due to rounding.		

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: GULF POWER COMPANY

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Years Ended 12/31/11 through 12/31/15

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs,
 W. E. Smith, B. C. Terry

DOCKET NO.: 160186-EI

(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Line	Acct.	Account	2017	2016	2015	2014	2014	2013	2013	2012	2012	
No.	No.	Title	Budget	Budget	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
1	568	Maintenance,Supervision & Engineering	1,405.66	1,347	844	739	871	726	1,005	712	1,029	869
2	569	Maintenance of Structures	972.40	904	1,045	719	812	700	788	521	721	488
3	570	Maintenance of Substation Equipment	887.88	915	1,030	834	908	1,015	814	740	871	738
4	571	Maint.of Overhead Lines	4,247.95	4,340	4,208	3,377	4,493	3,683	3,290	2,748	2,645	2,823
5	572	Maintenance of Underground Lines	-	-	-	-	-	11	-	19	-	112
6	573	Maint.of Misc.Transmission Lines	121	121	116	104	106	84	113	89	139	95
7		Total Maintenance	7,635	7,628	7,242	5,773	7,190	6,219	6,010	4,829	5,404	5,125
8		Total Transmission	28,629	28,550	27,813	25,807	26,279	25,231	21,990	20,793	18,181	16,716
9		<u>Distribution Expenses</u>										
10	580	Operation Supervision & Engineering	8,506	6,697	6,489	6,349	6,425	6,241	6,257	5,551	5,748	5,314
11	581	Load Dispatching	1,226	1,181	1,206	845	1,100	776	865	700	771	693
12	582	Station Expenses	439	439	410	477	327	359	307	346	419	287
13	583	Overhead Line Expenses	3,395	3,437	3,749	3,025	2,762	2,990	2,719	3,125	2,708	3,086
14	584	Underground Line Expenses	1,138	1,103	657	1,096	735	1,093	741	771	886	873
15	585	Street Lighting & Signal System Exp	674	674	651	624	607	581	598	550	595	546
16	586	Meter Expenses	2,541	2,535	2,608	2,470	2,935	2,439	2,658	2,223	3,538	2,756
17	587	Customer Installation Expense	2,100	2,104	2,166	1,867	1,490	1,726	1,383	1,486	1,108	969
18	588	Misc.Distribution Expense	4,987	5,365	4,528	4,449	4,264	4,242	4,301	4,164	4,247	4,130
19	589	Rents	-	-	-	-	-	-	-	-	-	-
20		Total Operation	25,006	23,536	22,464	21,202	20,646	20,447	19,829	18,916	20,019	18,654

21 Totals may not add due to rounding.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Years Ended 12/31/11 through 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs,
W. E. Smith, B. C. Terry

DOCKET NO.: 160186-EI

(\$000s)

(1) Line No.	(2) Acct. No.	(3) Account Title	(4) 2011 Budget	(5) Actual
1	568	Maintenance, Supervision & Engineering	1,021	774
2	569	Maintenance of Structures	572	543
3	570	Maintenance of Substation Equipment	847	1,585
4	571	Maint. of Overhead Lines	2,351	3,822
5	572	Maintenance of Underground Lines	-	15
6	573	Maint. of Misc. Transmission Lines	144	106
7		Total Maintenance	4,935	6,845
8		Total Transmission	14,419	15,070
9		<u>Distribution Expenses</u>		
10	580	Operation Supervision & Engineering	5,941	5,348
11	581	Load Dispatching	745	732
12	582	Station Expenses	447	251
13	583	Overhead Line Expenses	2,805	3,041
14	584	Underground Line Expenses	860	898
15	585	Street Lighting & Signal System Exp	594	662
16	586	Meter Expenses	3,668	3,153
17	587	Customer Installation Expense	728	816
18	588	Misc. Distribution Expense	4,829	4,581
19	589	Rents	22	-
20		Total Operation	20,640	19,482

21 Totals may not add due to rounding.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Years Ended 12/31/11 through 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs, W. E. Smith, B. C. Terry

DOCKET NO.: 160186-EI

(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Line No.	Acct. No.	Account Title	2017 Budget	2016 Budget	2015 Budget	Actual	2014 Budget	Actual	2013 Budget	Actual	2012 Budget	Actual
1	590	Maintenance, Supervision & Engineering	4,461	3,877	3,756	3,707	3,502	3,589	3,393	3,224	3,103	2,929
2	591	Maintenance of Structures	3,828	4,253	4,230	4,825	2,886	5,360	2,253	3,503	2,141	2,710
3	592	Maintenance of Substation Equipment	1,199	1,185	1,173	1,128	885	1,078	952	751	1,033	998
4	593	Maint. of Overhead Lines	12,336	12,374	12,669	10,931	13,715	12,400	12,630	12,650	12,538	11,245
5	594	Maintenance of Underground Lines	1,640	1,641	1,634	1,551	1,826	1,803	1,902	1,797	1,789	2,138
6	595	Maint. of Line Transformers	1,338	1,236	1,037	1,150	1,140	1,053	1,087	1,061	880	905
7	596	Maint. of Street Lighting & Signal Sys.	624	624	570	531	582	557	599	437	599	547
8	597	Maintenance of Meters	181	180	184	166	163	156	158	153	155	160
9	598	Maint. of Misc. Distribution Plant	534	534	509	486	490	400	531	424	499	420
10		Total Maintenance	26,141	25,904	25,762	24,475	25,190	26,396	23,504	24,000	22,737	22,052
11		Total Distribution	51,147	49,440	48,225	45,677	45,835	46,843	43,333	42,916	42,757	40,706
12		<u>Customer Accounts Expenses</u>										
13	901	Customer Accounts Supervision	748	741	770	772	641	716	604	554	429	506
14	902	Meter Reading Expenses	1,191	1,183	1,164	1,051	1,229	1,075	1,520	1,226	1,000	1,565
15	903	Customer Records & Collection Expense	20,981	19,688	19,295	19,318	19,048	17,874	17,829	16,311	17,479	15,332
16	904	Uncollectible Accounts	3,994	3,892	3,179	2,041	2,979	4,304	3,233	1,900	3,508	2,611
17	905	Misc. Customer Accounts Expense	1,755	1,558	1,563	1,448	1,484	1,452	1,412	1,304	1,287	1,186
18		Total Customer Accounts	28,670	27,063	25,970	24,630	25,381	25,421	24,598	21,295	23,704	21,200
19		<u>Customer Service & Information</u>										
20	907	Cust. Serv. & Information Supervision	1,668	1,639	1,752	1,454	1,831	1,626	1,877	1,606	1,927	1,650
21	908	Customer Assistance Expense	23,645	23,231	32,007	27,523	31,334	23,318	33,818	33,100	34,131	34,961
22	909	Information & Institutional Adv.	1,273	1,283	1,618	1,050	1,624	803	2,283	1,209	2,251	1,131
23	910	Misc. Customer Service & Info Exp.	89	86	72	72	83	73	187	77	85	75
24		Total Customer Serv. & Information	26,675	26,239	35,449	30,099	34,871	25,820	38,166	35,992	38,394	37,817
25		Totals may not add due to rounding.										

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Years Ended 12/31/11 through 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs,
W. E. Smith, B. C. Terry

(\$000s)

(1)	(2)	(3)	(4)	(5)
Line	Acct.	Account	2011	
No.	No.	Title	Budget	Actual
1	590	Maintenance, Supervision & Engineering	3,538	3,003
2	591	Maintenance of Structures	2,001	2,170
3	592	Maintenance of Substation Equipment	1,035	1,338
4	593	Maint. of Overhead Lines	12,086	13,000
5	594	Maintenance of Underground Lines	1,792	2,071
6	595	Maint. of Line Transformers	871	1,069
7	596	Maint. of Street Lighting & Signal Sys.	598	515
8	597	Maintenance of Meters	134	154
9	598	Maint. of Misc. Distribution Plant	464	489
10		Total Maintenance	22,517	23,809
11		Total Distribution	43,157	43,291
12		<u>Customer Accounts Expenses</u>		
13	901	Customer Accounts Supervision	387	430
14	902	Meter Reading Expenses	2,629	2,208
15	903	Customer Records & Collection Expense	16,151	14,411
16	904	Uncollectible Accounts	4,306	3,333
17	905	Misc. Customer Accounts Expense	1,295	1,322
18		Total Customer Accounts	24,767	21,704
19		<u>Customer Service & Information</u>		
20	907	Cust. Serv. & Information Supervision	3,240	1,736
21	908	Customer Assistance Expense	31,107	26,374
22	909	Information & Institutional Adv.	1,788	1,913
23	910	Misc. Customer Service & Info Exp.	75	65
24		Total Customer Serv. & Information	36,210	30,088
25		Totals may not add due to rounding.		

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Years Ended 12/31/11 through 12/31/15

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs, W. E. Smith, B. C. Terry

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Line	Acct.	Account	2017	2016	2015	2014	2013	2012				
No.	No.	Title	Budget	Budget	Budget	Actual	Budget	Actual	Budget	Actual	Budget	Actual
1		<u>Sales Expenses</u>										
2	911	Sales Supervision	-	-	-	-	-	-	-	-	-	-
3	912	Demonstration & Selling Expense	1,398	1,386	1,333	1,391	1,526	1,460	1,378	1,186	1,082	993
4	913	Advertising & Promotional Expense	-	-	-	-	-	-	-	-	-	-
5		Total Sales Expense	1,398	1,386	1,333	1,391	1,526	1,460	1,378	1,186	1,082	993
6		<u>Administrative & General Expenses</u>										
7	920	Administrative & General Salaries	20,407	19,821	18,619	19,188	16,481	18,405	15,899	15,353	14,566	15,102
8	921	Office Supplies & Expenses	4,304	4,132	3,988	4,532	4,460	3,629	4,037	3,156	3,940	3,702
9	922	Admin.Expense Transferred (Credit)	(397)	(385)	(315)	(369)	(304)	(322)	(333)	(298)	(320)	(331)
10	923	Outside Services Employed	19,640	19,063	18,742	18,008	17,698	17,302	18,163	16,235	19,724	17,760
11	924	Property Insurance	8,217	7,678	8,383	7,600	7,897	7,722	7,487	7,425	7,535	7,262
12	925	Injuries & Damages	3,249	3,199	3,348	3,429	3,198	3,043	3,117	2,996	3,001	2,923
13	926	Employee Pension & Benefits	20,072	21,269	24,776	25,199	22,766	21,029	25,880	25,400	23,332	20,273
14	927	Franchise Requirements	-	-	-	-	-	-	-	-	-	-
15	928	Regulatory Commission Expense	1,426	3,848	2,973	5,458	2,168	2,804	2,091	1,686	1,940	2,532
16	929	Duplicate Charges (Credit)	(935)	(871)	(871)	(1,138)	(930)	(982)	(1,027)	(1,107)	(865)	(1,357)
17	930	Misc.General & Advertising Expenses	10,060	12,629	9,921	8,832	8,466	8,202	9,320	7,825	(536)	7,047
18	931	Rents	264	258	285	235	278	268	388	383	325	361
19		Total Operation	86,307	90,640	89,850	90,974	82,178	81,100	85,023	79,054	72,641	75,274
20	935	Admin.& General Maintenance	742	739	741	616	690	640	724	1,044	605	621
21		Total Administrative & General	87,049	91,379	90,591	91,590	82,868	81,740	85,747	80,098	73,246	75,895
22		Total Operation & Maintenance	972,265	904,358	1,019,953	933,455	990,136	1,053,199	997,250	928,044	953,061	933,347

23 Totals may not add due to rounding.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Years Ended 12/31/11 through 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs,
W. E. Smith, B. C. Terry

(\$000s)

(1)	(2)	(3)	(4)	(5)
Line	Acct.	Account	2011	
No.	No.	Title	Budget	Actual
1		<u>Sales Expenses</u>		
2	911	Sales Supervision	-	-
3	912	Demonstration & Selling Expense	1,085	1,149
4	913	Advertising & Promotional Expense	-	-
5		Total Sales Expense	<u>1,085</u>	<u>1,149</u>
6		<u>Administrative & General Expenses</u>		
7	920	Administrative & General Salaries	14,360	14,225
8	921	Office Supplies & Expenses	3,926	5,338
9	922	Admin.Expense Transferred (Credit)	(324)	(311)
10	923	Outside Services Employed	19,840	18,605
11	924	Property Insurance	7,397	7,008
12	925	Injuries & Damages	2,869	2,893
13	926	Employee Pension & Benefits	18,730	15,287
14	927	Franchise Requirements	-	-
15	928	Regulatory Commission Expense	1,284	2,003
16	929	Duplicate Charges (Credit)	(1,065)	(1,211)
17	930	Misc.General & Advertising Expenses	7,797	7,592
18	931	Rents	325	320
19		Total Operation	<u>75,140</u>	<u>71,749</u>
20	935	Admin.& General Maintenance	515	786
21		Total Administrative & General	<u>75,655</u>	<u>72,535</u>
22		Total Operation & Maintenance	<u>1,101,818</u>	<u>1,064,275</u>
23		Totals may not add due to rounding.		

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Years Ended 12/31/11 through 12/31/15

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs,
W. E. Smith, B. C. Terry

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Line No.	Acct. No.	Account Title	2017 Budget	2016 Budget	2015 Budget	Actual	2014 Budget	Actual	2013 Budget	Actual	2012 Budget	Actual
1		<u>Other Operating Expenses</u>										
2	403	Depreciation Expense	169,661	165,519	154,566	155,157	147,968	146,485	144,379	142,701	136,266	134,778
3	404	Amortization of Limited Plant	7,056	7,005	6,711	7,281	6,237	6,734	6,184	6,186	6,261	6,237
4	406	Amortization of Plant Acquisition Adj.	-	-	-	-	-	-	-	0	-	-
5	407	Amort. of Property Losses	1,213	1,213	1,213	(22,107)	1,213	(7,456)	1,213	1,016	991	1,132
6	408	Taxes Other than Income Taxes	115,277	113,124	116,709	117,720	110,150	111,147	103,988	98,355	100,777	97,313
7	409	Current Income Tax - Operating Inc./Loss	52,755	38,039	18,119	(25,772)	-	50,002	33,784	3,643	(92,575)	(94,779)
8	410	Provision for Deferred Income Tax	23,937	42,768	95,596	763,543	-	115,657	65,821	178,474	181,457	297,298
9	411	Provision for Deferred Income Tax (CR)	(6,922)	(9,014)	(36,110)	(646,895)	-	(77,011)	(22,629)	(101,382)	(11,578)	(122,977)
10	411	Accretion	-	-	-	1,932	-	718	-	703	-	508
11	411	Investment Tax Credit (Net)	(394)	(511)	(702)	(702)	(1,272)	(1,272)	(1,304)	(1,352)	(1,304)	(1,352)
12	411	Gains from Disp. Of Utility Plant	-	-	-	-	-	-	-	-	-	-
13	411	Losses from Disp. Of Utility Plant	-	-	-	-	-	-	-	-	-	-
14	411	Gains from Disposition of Allowances	(2)	(5)	(110)	(111)	(172)	(172)	(244)	(245)	(264)	(265)
15		Total Other Operating Expenses	362,581	358,137	355,991	350,046	264,124	344,832	331,192	328,099	320,031	317,893
16		Totals may not add due to rounding.										

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the test year is PROJECTED, provide the budgeted versus actual operating revenues and expenses by primary account for a historical five year period and the forecasted data for the test year and the prior year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Years Ended 12/31/11 through 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Mason, J. J. Hodnett, M. L. Burroughs,
W. E. Smith, B. C. Terry

DOCKET NO.: 160186-EI

(\$000s)

(1) Line No.	(2) Acct. No.	(3) Account Title	(4) Budget	(5) Actual
1		<u>Other Operating Expenses</u>		
2	403	Depreciation Expense	125,315	124,093
3	404	Amortization of Limited Plant	5,793	5,817
4	406	Amortization of Plant Acquisition Adj.	-	-
5	407	Amort. of Property	324	673
6	408	Taxes Other than Income Taxes	102,166	101,302
7	409	Current Income Tax - Operating Inc./Loss	(13,962)	(15,612)
8	410	Provision for Deferred Income Tax	93,981	177,591
9	411	Provision for Deferred Income Tax (CR)	(18,821)	(98,474)
10	411	Accretion	-	545
11	411	Investment Tax Credit (Net)	(1,349)	(1,349)
12	411	Gains from Disp. Of Utility Plant	-	-
13	411	Losses from Disp. Of Utility Plant	-	-
14	411	Gains from Disposition of Allowances	(108)	(128)
15		Total Other Operating Expenses	<u>293,339</u>	<u>294,458</u>
16		Totals may not add due to rounding.		

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: If the requested revenue requirements are based on a historical test year, provide actual monthly operation and maintenance expense by primary account for the test year.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(1) (2)

Line

No.

- 1 Not applicable, requested revenue requirements are based on projected test year, not historical.

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the changes in primary accounts that exceed 1/20th of one percent (.0005) of total operating expenses and ten percent from the prior year to the test year. Quantify each reason for the change.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15
 Witness: J. J. Hodnett, W. E. Smith
 M. L. Burroughs

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(1) Line	(2) Acct. No.	(3) Account	(4) Test Year Ended 12/31/17	(5) Prior Year Ended 12/31/16	(6) Increase/(Decrease)		(7) Reason(s) for Change
					(6) Dollars (4)-(5) (\$000s)	(7) Percent (6)/(5) (%)	
1	501	Steam Power - Fuel	180,720	151,346	29,374	19.41%	See Note 1
2	502	Steam Power - Steam Expenses	19,777	17,727	2,049	11.56%	See Note 2
3	510	Steam Power Op. - Supervision & Engineering	11,532	8,828	2,704	30.63%	See Note 3
4	512	Steam Power Maintenance - Boiler Plant	39,172	31,901	7,271	22.79%	See Note 4
5	513	Steam Power Maintenance - Electric Plant	9,870	7,132	2,738	38.39%	See Note 5
6	547	Other Power Generation - Fuel	307,594	261,214	46,380	17.76%	See Note 6
7	549	Other Power Generation - Misc Expenses	2,633	4,598	(1,965)	-42.73%	See Note 7
8	553	Other Power Generation - Maintenance	5,878	8,123	(2,245)	-27.63%	See Note 8
9	554	Other Power Generation - Maintenance	832	1,481	(649)	-43.85%	See Note 9
10	555	Purchased Power	101,155	115,142	(13,987)	-12.15%	See Note 10
11	580	Distribution Operations - Supervision & Engineering	8,506	6,697	1,809	27.02%	See Note 11
12	928	Regulatory Commission Expenses	1,426	3,848	(2,422)	-62.94%	See Note 12
13	930	Miscellaneous General Expenses	10,060	12,629	(2,568)	-20.34%	See Note 13
14	Note 1 : Not included in base rates - recovered through the fuel cost recovery and purchased power capacity cost recovery clauses.						
15	Note 2 : Plant Crist ECRC budget increase \$1,800,000 for limestone handling and \$283,000 for ammonia unloading and storage.						
16	Note 3 : Plant Daniel increase of \$1,700,000 and Plant Scherer increase of \$381,000.						
17	Note 4 : Outages budgeted for Crist Units 4, 5, & 6 in 2017 and Crist Unit 7 in 2016. The net increase for Crist Plant outages is \$2,700,000. Daniel and Scherer did not have outages budgeted in 2016 but have outages budgeted in 2017. Daniel increased \$3,300,000 and Scherer outage increased \$2,200,000.						
18	Note 5 : Outages budgeted in 2017 for Crist Plant Units 4, 5 & 6 for \$3,800,000, Daniel for \$527,000, and Scherer for \$666,000. Offset by the Crist Unit 7 outage of (\$1,700,000) budgeted in 2016. Daniel and Scherer did not have outages budgeted in 2016.						
19	Note 6 : Not included in base rates - recovered through the fuel cost recovery and purchased power capacity cost recovery clauses.						
20	Note 7 : Smith Unit 3 decreased \$1,900,000 due to the major outage budgeted in 2016.						
21	Note 8 : Smith Unit 3 decreased \$1,800,000 due to the the major outage budgeted in 2016 and Plant Smith baseline decreased \$420,000.						
22	Note 9 : Decrease of \$424,000 at Plant Smith and \$327,000 at Perdido Landfill related to outages.						
23	Note 10: Not included in base rates - recovered through the fuel cost recovery and purchased power capacity cost recovery clauses.						
24	Note 11: Increases of \$1,100,000 for LINC system, \$127,000 for LINC airtime & tower rentals, \$325,000 for IT distribution projects, and \$211,000 for labor accruals.						
25	Note 12: Rate Case expenses from 2011 and 2013 cases fully amortized by 2016.						
26	Note 13: Reduction of miscellaneous expenses.						
27	Note 13: Reduction of miscellaneous expenses.						
28	Note 13: Reduction of miscellaneous expenses.						
29	Totals may not add due to rounding.						

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule showing the change in cost, by functional group, for the last five years.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/11-12/31/15

DOCKET NO.: 160186-EI

Witness: J. J. Hodnett, M. L. Burroughs,

W. E. Smith, B. C. Terry

(1)	(2)	(3)	(4)		(5)		(6)		(7)		(8)		(9)		(10)		(11)		(12)		(13)		(14)	
Line No.	Description of Functional Group	Type of Cost	2015		2014		2013		2012		2011		2010		2010		2010		2010		2010		Dollars (000s)	
			Dollars (000s)	Percent Change	Dollars (000s)																			
1	Fuel	Variable	444,553	-26.30%	603,179	13.43%	531,774	-2.16%	543,528	-17.43%	658,235	-9.90%	730,539											730,539
2	Interchange	Semi-Variable	135,098	25.98%	107,239	25.75%	85,278	15.11%	74,086	-18.13%	90,494	-6.93%	97,227											97,227
3	Production	Semi-Variable	134,610	-1.22%	136,266	25.35%	108,712	-11.19%	122,406	-7.06%	131,709	5.38%	124,989											124,989
4	Transmission	Semi-Variable	25,807	2.28%	25,231	21.34%	20,793	24.39%	16,716	10.92%	15,070	23.03%	12,249											12,249
5	Distribution	Semi-Variable	45,677	-2.49%	46,843	9.15%	42,916	5.43%	40,706	-5.97%	43,291	8.72%	39,817											39,817
6	Customer Account	Semi-Variable	24,630	-3.11%	25,421	19.38%	21,295	0.45%	21,200	-2.32%	21,704	-0.08%	21,721											21,721
7	Customer Service & Information & Sales	Semi-Variable	31,490	15.43%	27,280	-26.62%	37,178	-4.21%	38,810	24.24%	31,237	39.77%	22,349											22,349
8	Administrative and General	Semi-Variable	91,590	12.05%	81,740	2.05%	80,098	5.53%	75,895	4.63%	72,535	1.59%	71,401											71,401
9	Depreciation	Fixed	141,450	-2.47%	145,037	-2.67%	149,009	5.65%	141,038	8.78%	129,651	6.72%	121,492											121,492
10	Taxes	Semi-Variable	208,596	4.41%	199,795	11.56%	179,090	1.26%	176,855	7.31%	164,807	-5.60%	174,577											174,577
11	Interest (without AFUDC)	Semi-Variable	60,797	3.74%	58,607	-1.41%	59,445	-5.27%	62,749	1.04%	62,101	13.38%	54,771											54,771
12	TOTAL		1,344,298	-7.71%	1,456,638	10.72%	1,315,588	0.12%	1,313,989	-7.52%	1,420,834	-3.42%	1,471,132											1,471,132

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a detailed breakdown of rate case expenses by service provided for each outside consultant, attorney, engineer or other consultant providing professional services for the case.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Hodnett

DOCKET NO.: 160186-EI

(1) Line No.	(2) Vendor Name	(3) Counsel, Consultant, or Witness	(4) Specific Services Rendered	(5) Fee (\$)	(6) Basis of Charge	(7) Travel Expenses (\$)	(8) Other (\$)	(9) Total (5+7+8) (\$)	(10) Type of Services (A)
<u>OUTSIDE CONSULTANTS</u>									
1	Various	Consultant/	Accounting, Cost of Capital,	2,360,485	Contract	0	0	2,360,485	A, B, S, R, O
2		Witness	Cost of Service, Rate Design, Other						
<u>OUTSIDE LEGAL SERVICES</u>									
3	Various	Counsel	Legal Services	4,333,160	Contract	0	0	4,333,160	L
4	(A) TYPE OF SERVICE								
5	A = ACCOUNTING								
6	B = COST OF CAPITAL								
7	C = ENGINEERING								
8	L = LEGAL								
9	O = OTHER								
10	R = RATE DESIGN								
11	S = COST OF SERVICE								

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SCHEDULE OF RATE CASE EXPENSE AMORTIZATION IN TEST YEAR

Rate Case	Total Expenses (\$000s)	Rate Order Date	Amortization Period	Unamortized Amount (\$000s)	Test Year Amortization (\$000s)
12 Docket No. 160186-EI	6,694	N/A	4 years	5,021	1,673

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information concerning bad debts for the four most recent historical years and the test year. In addition, provide a calculation of the bad debt component of the Revenue Expansion Factor.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/12-12/31/15

COMPANY: GULF POWER COMPANY

Witness: B. C. Terry

DOCKET NO.: 160186-EI

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Year	Write-Offs (Retail) (000s)	Gross Revenues From Sales of Electricity (Retail) (000s)	Adjustments to Gross Revenues (Specify) (000s)	Adjusted Gross Revenues (000s)	Bad Debt Factor (3) / (6)
1	2012	3,084	1,133,224	0	1,133,224	0.2721%
2	2013	2,259	1,104,662	0	1,104,662	0.2045%
3	2014	3,348	1,259,139	0	1,259,139	0.2659%
4	2015	<u>3,353</u>	<u>1,323,124</u>	<u>0</u>	<u>1,323,124</u>	<u>0.2534%</u>
5	4 Year Totals	<u>12,044</u>	<u>4,820,149</u>	<u>0</u>	<u>4,820,149</u>	<u>0.2499%</u>
6	2017 Test Year	<u>3,149</u>	<u>1,260,127</u>	<u>0</u>	<u>1,260,127</u>	<u>0.2499%</u>

7 Bad Debt factor based on 4 year average (2012 - 2015) of net write-offs to gross revenue

8 Total Retail Revenue includes lighting, Gross Receipts Tax

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of jurisdictional administrative, general, customer service, R&D, and other miscellaneous expenses by category and on a per customer basis for the test year and the most recent historical year.

COMPANY: GULF POWER COMPANY

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: J. J. Hodnett, B. C. Terry

DOCKET NO.: 160186-EI

(000s)

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Jurisdictional Adjusted Administrative Expenses	Test Year Ended 2017	Historical Year Ended 2015	Difference (3) - (4)	Percent Increase/(Decrease) (5)/(4)
1	Total Administrative & General Expenses	87,516	84,141	3,375	4%
2	(Accounts 920 - 935)				
3	Customer Accounts Expenses	27,540	24,461	3,079	13%
4	(Accounts 901 - 905)				
5	Customer Service & Information Expense	16,984	15,750	1,234	8%
6	(Accounts 907 - 910)				
7	Sales Expense	1,156	1,155	1	0%
8	(Accounts 911 - 916)				
9	Total Jurisdictional Administrative Expenses	<u>133,196</u>	<u>125,507</u>	<u>7,689</u>	<u>6%</u>
10	(Accounts 901 - 935)				
11	Average Number of Customers	<u>458,781</u>	<u>447,556</u>	<u>11,225</u>	<u>3%</u>
12	Administrative Expense per Customer	<u>0.29</u>	<u>0.28</u>	<u>0.01</u>	<u>3%</u>

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of charges to Account 930.2 (Miscellaneous General Expenses) by type of charge for the most recent historical year. Aggregate all charges that do not exceed \$100,000 and all similar charges that exceed \$100,000.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: J. J. Hodnett

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(1)	(2)	(3)	(4)	(5)
Line No.	Description	Electric Utility	Jurisdictional Factor	Amount
1	Total Miscellaneous General			
2	Expenses of \$100,000 or Less	\$ 132,217	0.9794740	\$ 129,503
3	Miscellaneous General Expenses			
4	Exceeding \$100,000 (Specify)			
5	Industry Association Dues	680,836	0.9794740	666,861
6	Directors Fees & Expenses	373,927	0.9794740	366,252
7	A&G for Joint Ownership	6,673,549	0.9794740	6,536,568
8	Commitment Fees	428,541	0.9794740	419,745
9	R&D Expenses	112,721	0.9794740	110,407
10	Public & Dist Info to Stkhldrs	133,492	0.9794740	130,752
11	Bank Service Charges	112,993	0.9794740	110,674
12	Total Miscellaneous General Expenses	\$ 8,648,276		\$ 8,470,762
13	Average Number of Customers	447,557		447,556
14	Miscellaneous General Expenses Per Customer	\$ 19		\$ 19

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ADVERTISING EXPENSES

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of advertising expenses by subaccounts for the test year and the most recent historical year for each type of advertising that is included in base rate cost of service.

Type of Data Shown:

- Projected Test Year Ended 12/31/17
- Prior Year Ended 12/31/16
- Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: B. C. Terry

DOCKET NO.: 160186-EI

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Account/Sub Account Number	Account/Sub Account Title	Projected Year	NOI	Projected Year	Jurisdictional	
			Electric Utility (\$000s)	Adjustment (\$000s)	Electric Utility Net (\$000s)	Factor	Amount (\$000s)
1	ACCOUNT 909						
2	90900000	ECCR Advertising	717	(717)	0	0.0000000	0
3	90900000	Non-ECCR Advertising	556	0	556	1.0000000	556
4	Total 909		1,273	(717)	556		556
5	ACCOUNT 930						
6	93010155	General Advertising	511	(200)	311	0.9803522	305
7	Total 930		511	(200)	311		305
8	Total Advertising Expenses		1,784	(917)	867		861
9	Average Number of Customers		459	459	459		459
10	Advertising Expenses per Customer		3.89	(2.00)	1.89		1.88

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of advertising expenses by subaccounts for the test year and the most recent historical year for each type of advertising that is included in base rate cost of service.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: B. C. Terry

DOCKET NO.: 160186-EI

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Account/Sub Account Number	Account/Sub Account Title	Historical Year	NOI	Historical Year	Jurisdictional	
			Electric Utility (\$000s)	Adjustment (\$000s)	Electric Utility Net (\$000s)	Factor	Amount (\$000s)
1	ACCOUNT 909						
2	90900000	ECCR Advertising	497	(497)	0	0.0000000	0
3	90900000	Non-ECCR Advertising	554	0	554	1.0000000	554
4	Total 909		1,051	(497)	554		554
5	ACCOUNT 930						
6	93010155	General Advertising	184	(184)	0	0.9803522	0
7	Total 930		184	(184)	0		0
8	Total Advertising Expenses		1,235	(681)	554		554
9	Average Number of Customers		448	448	448		448
10	Advertising Expenses per Customer		2.76	(1.52)	1.24		1.24

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of industry association dues included in cost of service by organization for the test year and the most recent historical year. Indicate the nature of each organization. Individual dues less than \$10,000 may be aggregated.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Hodnett

DOCKET NO.: 160186-EI

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Name of Organization	Nature of Organization	Electric Utility \$	Jurisdictional Factor	Amount \$
1	Edison Electric Institute	Business Association	278,839	0.9803522	273,360
2	Florida Electric Power Coordinating Group	Business Association	91,000	0.9803522	89,212
3	North American Electric Reliability Corporation	Business Association	313,650	0.9803522	307,487
4	Other Industry Dues	Technical/Professional	12,500	0.9803522	12,254
5	Total Industry Association Dues		695,989		682,313
6	Average Number of Customers		458,781		458,780
7	Dues Per Customer		1.52		1.49
8	Lobby Expenses Included in Industry Association Dues		0		0

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of industry association dues included in cost of service by organization for the test year and the most recent historical year. Indicate the nature of each organization. Individual dues less than \$10,000 may be aggregated.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: J. J. Hodnett

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(1)	(2)	(3)	(4)	(5)	(6)
Line No.	Name of Organization	Nature of Organization	Electric Utility \$	Jurisdictional Factor	Amount \$
1	Edison Electric Institute	Business Association	260,553	0.9803522	255,434
2	Florida Electric Power Coordinating Group	Business Association	88,400	0.9803522	86,663
3	Florida Reliability Coordinating Council	Business Association	10,000	0.9803522	9,804
4	North American Electric Reliability Corporation	Business Association	303,310	0.9803522	297,351
5	Other Industry Dues	Technical/Professional	18,573	0.9803522	18,208
6	Total Industry Association Dues		680,836		667,460
7	Average Number of Customers		447,557		447,556
8	Dues Per Customer		1.52		1.49
9	Lobby Expenses Included in Industry Association Dues		0		0

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

EXPLANATION: Provide the following information regarding the use of outside professional services during the test year. Segregate the services by types such as accounting, financial, engineering, legal or other. If a projected test period is used, provide on both a projected and a historical basis for services exceeding the greater of \$1,000,000 or .5% (.005) of operation and maintenance expenses.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: J. J. Hodnett

(1) Line No.	(2) Type of Service	(3) Description of Service	(4) Accounts Charged	(5) Test Year Costs	(6) Historical Year Costs
1	Accounting			None over the threshold in any year	
2	Financial			None over the threshold in any year	
3	Engineering			None over the threshold in any year	
4	Legal			None over the threshold in any year	
5	Other (specify)			None over the threshold in any year	
6	Total Outside Professional Services				

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information concerning pension cost for the test year and the most recent historical year if the test year is projected.

Type of Data Shown:

- Projected Test Year Ended 12/31/17
- Prior Year Ended 12/31/16
- Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Hodnett

DOCKET NO.: 160186-EI

(000s)

(1) Line No.	(2) Description	(3) Test Year 12/31/17	(4) Historical Year 12/31/15
1	Service Cost	13,176	12,220
2	Interest Cost	18,841	20,026
3	Expected/Actual Return on Assets	(35,879)	(32,502)
4	Net Amortization and Deferral	600	9,281
5	Amortization of Prior Service Cost	6,071	1,115
6	Total Net Periodic Pension Cost	2,809	10,140
7	For the Year:		
8	Expected Return on Assets	35,879	32,502
9	Assumed Rate of Return on Plan Assets	8.20%	8.20%
10	Amortization of Transition Asset or Obligation	0	0
11	Percent of Pension Cost Capitalized	21.50%	19.84%
12	Pension Cost Recorded in Account 926	2,174	7,945
13	Minimum Required Contribution Per IRS (Note 1)	0	0
14	Maximum Allowable Contribution Per IRS	Note 6	Note 2
15	Actual Contribution Made to the Trust Fund	0	0
16	Actuarial Attribution Approach Used for Funding	Note 3	Note 3
17	Assumed Discount Rate for Computing Funding (Note 4)	5.95%	6.31%
18	Allocation Method Used to Assign Costs if the Utility Is Not the		
19	Sole Participant in the Plan. Attach the Relevant Procedures.	Note 5	Note 5
20			

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information concerning pension cost for the test year and the most recent historical year if the test year is projected.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15
 Witness: J. J. Hodnett

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(000s)

(1) Line No.	(2) Description	(3) Test Year 12/31/2017	(4) Historical Year 12/31/2015
1	At Year End:		
2	Accumulated Benefit Obligation	Note 6	423,751
3	Projected Benefit Obligation	519,242	479,752
4	Vested Benefit Obligation	Note 7	Note 7
5	Assumed Discount Rate (Settlement Rate)	4.43%	4.71%
6	Assumed Rate for Salary Increases	4.46%	4.46%
7	Fair Value of Plan Assets	461,610	419,075
8	Market Related Value of Assets	468,263	429,329
9	Balance in Working Capital (Note 8)	74,663	81,201
10	Note 1	No contributions were required for 2015 or are projected to be required for 2017 after application of Funding Balances per IRC § 430.	
11	Note 2	Gulf Power is a co-sponsor in The Southern Company pension plan. If the maximum allowed contribution was allocated between the	
12		co-sponsors based on ASC 715 service cost and amortization of pension deficit, Gulf's maximum contribution would be approximately	
13		\$220 million in 2015.	
14	Note 3	Actuarial Attribution Approach Used for Funding is the unit credit cost method per IRC § 430.	
15	Note 4	The Effective Interest Rate reflects actual/projected yield curves mandated by IRC § 430 for the historic and test year respectively.	
16	Note 5	Gulf Power is a co-sponsor in The Southern Company pension plan; however, for accounting purposes, its pension benefit liabilities,	
17		assets, and annual costs are calculated as if it sponsored its own plan.	
18	Note 6	Projected amount not readily available.	
19	Note 7	Amount is not required to be disclosed by GAAP and is not supplied with Gulf Power Co.'s actuarial information.	
20	Note 8	Includes Account Numbers 128-00920, 182-30830, 182-30840, 228-30014, 228-30028, 228-30068, and 242-01020.	

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule, by organization, of any expenses for lobbying, civic, political, and related activities for civic/charitable contributions included for recovery in cost of service for the test year and the most recent historical year.

Type of Data Shown:

- Projected Test Year Ended 12/31/17
- Prior Year Ended 12/31/16
- Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Witness: J.J. Hodnett

Line
No.

1 LOBBYING AND OTHER POLITICAL EXPENSES

2 The Company has made the appropriate adjustments to remove lobbying
3 and other political expenses when determining Net Operating Income.

4 CIVIC / CHARITABLE CONTRIBUTIONS

5 All charitable contributions are treated as "below the line" expenses.

6 Civic expenses such as Chamber of Commerce dues are listed below:

7	<u>(000s)</u>
8 Test Year	48
9 Historical Year	66

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule for each Amortization/Recovery amount by account or sub-account currently in effect or proposed and not shown on Schedule B-9.

Type of Data Shown:

- Projected Test Year Ended 12/31/17
- Prior Year Ended 12/31/16
- Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(\$000s)

Witness: S. D. Ritenour, J. J. Hodnett

(1) Line No.	(2) Account/ Sub-account Number	(3) Plant Account Title	(4) Total Amort/Recovery Expense	(5) Effective Date	(6) Amortization/ Recovery Period	(7) Reason
1 2 3 4 5	411	Gains on Disposition of Emission Allowances	(2)	Various	Various	Gains from the disposition of emission allowances are amortized annually by the vintage year. These are recoverable through the environmental clause and are included in the environmental adjustments.
6 7 8 9	407	Amortization of Non-AMI Meters	886	4/1/2012	8 Years	Amortization of analog meters, as approved in Gulf's 2011 rate case, Docket No. 110138-EI, Order No. PSC-12-0179-FOF-EI, issued April 3, 2012.
10 11 12 13 14 15	407	Amortization of Subsidy	327	4/1/2010	14 Years	The Patient Protection and Affordable Care Act and the Health Care and Education Reconciliation Act of 2010 eliminated the deductibility of healthcare costs that are covered by federal Medicare subsidy payments.

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

EXPLANATION: Provide a schedule of taxes other than income taxes for the historical base year, historical base year + 1, and the test year. For each tax, indicate the amount charged to operating expenses. Complete columns 7, 8 and 9 for the historical base year and test year only.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15
 Witness: J. J. Hodnett

(\$000s)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Line No.	Type of Tax	Rate	Tax Basis \$	Total Amount	Amount Charged to Operating Expense	Jurisdictional Factor	Jurisdictional Amount	Jurisdictional Amount Charged to Operating Expenses
1	Federal Unemployment	0.008	Wages	74	73	0.9766490	72	71
2	State Unemployment	Various	Wages	62	61	0.9766490	61	60
3	FICA	0.0765	Wages	10,542	8,477	0.9766490	10,296	8,279
4	Federal Vehicle	Various	Various	15	0	0.9849624	15	0
5	State Intangible	NA	NA	0	0	0.9849624	0	0
6	Utility Assessment Fee	0.00072	1,327,778	956	956	1.0000000	956	956
7	Property	Various	Assessed Values	32,039	31,894	0.9738497	31,201	31,060
8	Gross Receipts	0.025	1,302,080	32,552	32,552	1.0000000	32,552	32,552
9	Franchise Fee	Various	Revenue	40,693	40,693	1.0000000	40,693	40,693
10	Occupational License	Various	Various	12	0	0.9849624	12	0
11	Other - Mississippi Franchise Tax	0.0025	175,200	438	438	0.9726027	426	426
12	Other - Florida Use Tax - Electricity	Various	Various	81	73	0.9849624	80	72
13	Other - Georgia Net Worth Tax	Various	Various	5	5	0.9849624	5	5
14	Other - Miscellaneous	Various	Various	60	55	0.9849624	59	54
15	Total			117,529	115,277		116,428	114,228

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of taxes other than income taxes for the historical base year, historical base year + 1, and the test year. For each tax, indicate the amount charged to operating expenses. Complete columns 7, 8 and 9 for the historical base year and test year only.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15
 Witness: J. J. Hodnett

(\$000s)									
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
Line No.	Type of Tax	Rate	Tax Basis \$	Total Amount	Amount Charged to Operating Expense	Jurisdictional Factor	Jurisdictional Amount	Jurisdictional Amount Charged to Operating Expenses	
1	Federal Unemployment	0.008	Wages	74	73	0.9766490	72	71	
2	State Unemployment	Various	Wages	62	61	0.9766490	61	60	
3	FICA	0.0765	Wages	10,235	8,231	0.9766490	9,996	8,039	
4	Federal Vehicle	Various	Various	15	0	0.9849624	15	0	
5	State Intangible	NA	NA	0	0	0.9849624	0	0	
6	Utility Assessment Fee	0.00072	1,299,284	935	935	1.0000000	935	935	
7	Property	Various	Assessed Values	32,969	32,826	0.9738497	32,107	31,968	
8	Gross Receipts	0.025	1,253,831	31,346	31,346	1.0000000	31,346	31,346	
9	Franchise Fee	Various	Revenue	39,084	39,084	1.0000000	39,084	39,084	
10	Occupational License	Various	Various	12	0	0.9849624	12	0	
11	Other - Mississippi Franchise Tax	0.0025	173,955	435	435	0.9726027	423	423	
12	Other - Florida Use Tax - Electricity	Various	Various	81	73	0.9849624	80	72	
13	Other - Georgia Net Worth Tax	Various	Various	5	5	0.9849624	5	5	
14	Other - Miscellaneous	Various	Various	60	55	0.9849624	59	54	
15	Total			115,313	113,124		114,195	112,057	

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

EXPLANATION: Provide a schedule of taxes other than income taxes for the historical base year, historical base year + 1, and the test year. For each tax, indicate the amount charged to operating expenses. Complete columns 7, 8 and 9 for the historical base year and test year only.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15
 Witness: J. J. Hodnett

(\$000s)								
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Line No.	Type of Tax	Rate	Tax Basis \$	Total Amount	Amount Charged to Operating Expense	Jurisdictional Factor	Jurisdictional Amount	Jurisdictional Amount Charged to Operating Expenses
1	Federal Unemployment	0.006	Wages	75	74	0.9766490	73	72
2	State Unemployment	Various	Wages	25	24	0.9766490	24	23
3	FICA	0.0765	Wages	10,124	8,165	0.9766490	9,888	7,974
4	Federal Vehicle	Various	Various	0	0	0.9849624	0	0
5	State Intangible	NA	NA	0	0	0.9849624	0	0
6	Utility Assessment Fee	0.00072	1,316,570	948	948	1.0000000	948	948
7	Property	Various	Assessed Values	31,122	30,872	0.9738497	30,308	30,065
8	Gross Receipts	0.025	1,357,483	33,935	33,935	1.0000000	33,935	33,935
9	Franchise Fee	Various	Revenue	42,990	42,990	1.0000000	42,990	42,990
10	Occupational License	Various	Various	13	13	0.9849624	13	13
11	Other - Mississippi Franchise Tax	0.0025	216,400	541	541	0.9726027	526	526
12	Other - Florida Use Tax - Electricity	Various	Various	79	80	0.9849624	78	79
13	Other - Georgia Net Worth Tax	Max. Amount - \$5,000	Various	5	5	0.9849624	5	5
14	Other - Florida Sales Taxes	Various	Various	79	72	0.9849624	78	71
15	Total			119,936	117,719		118,866	116,701

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a calculation of the Gross Receipts Tax and Regulatory Assessment Fee for the historical base year, historical base year + 1, and the test year.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: J. J. Hodnett

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(000s)

(1) Line No.	(2) (3) (4) GROSS RECEIPTS TAX			(5) (6) (7) REGULATORY ASSESSMENT FEE		
	2015	2016	2017	2015	2016	2017
1	\$ 1,483,006	\$ 1,433,471	\$ 1,503,134	\$ 1,483,006	\$ 1,433,471	\$ 1,503,134
2	ADJUSTMENTS:					
3	Less: Miscellaneous Service Revenues					
4	5,478	4,472	4,456	0	0	0
5	6,450	6,749	7,004	0	0	0
6	(75,351)	19,479	0	0	0	0
7	24,823	13,628	13,986	0	0	0
8	(446)	0	0	0	0	0
9	136,915	104,649	144,545	136,915	104,649	144,545
10	29,521	29,537	31,254	29,521	29,537	31,254
11	(3,809)	1,127	(193)	0	0	0
12	2,041	0	0	0	0	0
12	125,622	179,641	201,052	166,436	134,186	175,799
13	1,357,384	1,253,830	1,302,082	1,316,570	1,299,285	1,327,335
14	0.025	0.025	0.025	0.00072	0.00072	0.00072
15	\$ 33,935	\$ 31,346	\$ 32,552	\$ 948	\$ 935	\$ 956

16 * In the forecast years, bad debt expense was not included in the calculation of gross receipts tax. There is no net effect on Net Operating Income.

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculations of state and federal
income taxes for the historical base year and the projected test year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Hodnett

DOCKET NO.: 160186-EI

(000s)

(1) Line No.	(2) DESCRIPTION	(4) CURRENT TAX			(8) DEFERRED TAX		
		(3) STATE	(4) FEDERAL	(5) TOTAL	(6) STATE	(7) FEDERAL	(8) TOTAL
1	NET UTILITY OPERATING INCOME	\$ 168,288	\$ 168,288				
2	ADD INCOME TAX ACCOUNTS	69,372	69,372				
3	LESS INTEREST CHARGES (FROM C-23)	(60,851)	(60,851)				
4	TAXABLE INCOME PER BOOKS	176,809	176,809				
5	TEMPORARY ADJUSTMENTS TO TAXABLE INCOME (LIST)						
6	ADD: BOOK DEPRECIATION	169,660	169,660				
7	LESS: AFUDC Equity	0	0				
8	LESS: TAX DEPRECIATION	(298,851)	(214,077)				
9	Tax over book depreciation	(129,191)	(44,417)		7,106	13,060	
10	Employee Benefits	1,884	1,884		(104)	(623)	
11	Emission Allowances	19	19		(1)	(6)	
12	Deferred Revenues	130	130		(7)	(43)	
13	Bad Debt Reserve	47	47		(3)	(16)	
14	Injuries & Damages Reserve	129	129		(7)	(43)	
15	Property Damage Reserve	3,735	3,735		(205)	(1,235)	
16	Loss/Gain on Reacquired Debt	1,016	1,016		(56)	(336)	
17	Other	1,213	1,213		(67)	(401)	
18		8,173	8,173		(450)	(2,703)	
19	TOTAL TEMPORARY DIFFERENCES	(121,018)	(36,244)		6,656	10,357	

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculations of state and federal income taxes for the historical base year and the projected test year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Hodnett

DOCKET NO.: 160186-EI

(000s)

(1) Line No.	(2) DESCRIPTION	(000s)			(000s)		
		(3) STATE	(4) FEDERAL	(5) TOTAL	(6) STATE	(7) FEDERAL	(8) TOTAL
1	PERMANENT ADJUSTMENTS TO TAXABLE INCOME (LIST)						
2	Non-deductible book depreciation	3,368	3,385				
3	AFUDC Equity	0	0				
4	Meals and Entertainment	405	405				
5	Other	80	33				
6	TOTAL PERMANENT ADJUSTMENTS	3,853	3,823		0	0	
7	ADJUSTMENTS TO DEFERRED TAXES				0	0	
8	Excess Deferred Taxes	145	(471)				
9	STATE TAXABLE INCOME	59,789			6,656	10,357	
10	STATE INCOME TAX (5.5% OR APPLICABLE RATE)*						
11	Florida 5.5%; Mississippi 5.0%; Georgia 5.7%	3,669					
12	ADJUSTMENTS TO STATE INCOME TAX (LIST)						
13	State of Georgia Investment Tax Credit	0			0		
14	FIN 48 Reserve	0			0		
15	Return to Accrual Out of Period Adj	0			0		
16	TOTAL ADJUSTMENTS TO STATE INCOME TAX	0			0		
17	STATE INCOME TAX	3,669			6,656		
18	FEDERAL TAXABLE INCOME		143,917			10,357	
19	State Tax Deduction		(3,669)				
20			140,248				
21	FEDERAL INCOME TAX (35% OR APPLICABLE RATE)		49,087				

22 *Note: The current year multistate effective tax rate is 6.1% due to the state taxable income difference, primarily due to Mississippi and Georgia disallowance of
 23 bonus depreciation verses Florida 7 year amortization.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculations of state and federal
income taxes for the historical base year and the projected test year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Hodnett

DOCKET NO.: 160186-EI

(000s)

(1) Line No.	(2) DESCRIPTION	(4) CURRENT TAX			(7) DEFERRED TAX		
		(3) STATE	(4) FEDERAL	(5) TOTAL	(6) STATE	(7) FEDERAL	(8) TOTAL
1	ADJUSTMENTS TO FEDERAL INCOME TAX						
2	ORIGINATING ITC						
3	WRITE OFF OF EXCESS DEFERRED TAXES						
4	OTHER ADJUSTMENTS (LIST)						
5	R&D Credit		0			0	
6	FIN 48 Reserve		0			0	
7	Return to Accrual Out of Period Adj		0			0	
8	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAX		0			0	
9	FEDERAL INCOME TAX		49,087			10,357	
10	ITC AMORTIZATION	0	(394)				
11	SUMMARY OF INCOME TAX EXPENSE:						
12		FEDERAL	STATE	TOTAL			
13	CURRENT TAX EXPENSE	49,087	3,669	52,756			
14	DEFERRED INCOME TAXES	10,357	6,656	17,013			
15	INVESTMENT TAX CREDITS, NET	(394)	0	(394)			
16	TOTAL INCOME TAX PROVISION	59,050	10,325	69,375			

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculations of state and federal income taxes for the historical base year and the projected test year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Hodnett

DOCKET NO.: 160186-EI

(000s)

(1) Line No.	(2) DESCRIPTION	(4) CURRENT TAX			(7) DEFERRED TAX		
		(3) STATE	(4) FEDERAL	(5) TOTAL	(6) STATE	(7) FEDERAL	(8) TOTAL
1	NET UTILITY OPERATING INCOME	\$ 199,507	\$ 199,507				
2	ADD INCOME TAX ACCOUNTS	90,175	90,175				
3	LESS INTEREST CHARGES (FROM C-23)	(55,189)	(55,189)				
4	TAXABLE INCOME PER BOOKS	234,493	234,493				
5	TEMPORARY ADJUSTMENTS TO TAXABLE INCOME (LIST)						
6	ADD: BOOK DEPRECIATION	155,157	155,157				
7	LESS: AFUDC Equity	(12,546)	(12,546)				
8	LESS: TAX DEPRECIATION	(307,632)	(449,443)				
9	Tax over book depreciation	(165,021)	(306,832)		8,431	100,163	
10	Purchased Power Capacity Recovery	(656)	(656)		36	217	
11	Employee Benefits	11,234	11,234		(618)	(3,716)	
12	Emission Allowances	178	178		(10)	(59)	
13	Energy Conservation Cost Recovery	6,251	6,251		(344)	(2,068)	
14	Environmental Cost Recovery	10,308	10,308		(567)	(3,409)	
15	Deferred Revenues	(77)	(77)		4	25	
16	Interest on Audits	52	52		(3)	(17)	
17	Bad Debt Reserve	(1,312)	(1,312)		72	434	
18	Fuel Cost Recovery	59,523	59,523		(3,274)	(19,687)	
19	Injuries & Damages Reserve	(3,954)	(3,954)		217	1,308	
20	Property Damage Reserve	2,446	2,446		(135)	(809)	
21	Loss/Gain on Reacquired Debt	765	765		(42)	(253)	
22	Tax Credit Carryforward	(751)	(969)		41	325	
23	NOL Carryforward	(79,520)			4,374	(1,531)	
24	Other	(23,946)	(23,887)		1,317	7,899	
25		(19,459)	59,902		1,068	(21,341)	
26	TOTAL TEMPORARY DIFFERENCES	(184,480)	(246,930)		9,499	78,822	

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculations of state and federal income taxes for the historical base year and the projected test year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Hodnett

DOCKET NO.: 160186-EI

(000s)

(1) Line No.	(2) DESCRIPTION	(4) CURRENT TAX			(7) DEFERRED TAX		
		(3) STATE	(4) FEDERAL	(5) TOTAL	(6) STATE	(7) FEDERAL	(8) TOTAL
1	PERMANENT ADJUSTMENTS TO TAXABLE INCOME (LIST)						
2	Non-deductible book depreciation	3,435	3,532				
3	AFUDC Equity	12,546	12,546				
4	Meals and Entertainment	382	382				
5	Medicare Subsidy	0	0				
6	Other	19	19				
7	TOTAL PERMANENT ADJUSTMENTS	16,382	16,479		0	0	
8	ADJUSTMENTS TO DEFERRED TAXES						
9	Excess Deferred Taxes				(14)	(246)	
10	STATE TAXABLE INCOME	66,395			9,485	78,576	
11	STATE INCOME TAX (5.5% OR APPLICABLE RATE)*						
12	Florida 5.5%; Mississippi 5.0%; Georgia 5.7%	4,470					
13	ADJUSTMENTS TO STATE INCOME TAX (LIST)						
14	State of Georgia Investment Tax Credit	(43)			0		
15	FIN 48 Reserve	0			0		
16	Return to Accrual Out of Period Adj	(2,983)			3,841		
17	TOTAL ADJUSTMENTS TO STATE INCOME TAX	(3,026)			3,841		
18	STATE INCOME TAX	1,444			13,326		
19	FEDERAL TAXABLE INCOME		4,042			78,576	
20	State Tax Deduction		(1,444)				
21			2,598				
22	FEDERAL INCOME TAX (35% OR APPLICABLE RATE)		909				

23 *Note: The current year multistate effective tax rate is 6.7% due to the state taxable income difference, primarily due to Mississippi and Georgia disallowance of
 24 bonus depreciation verses Florida 7 year amortization.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculations of state and federal
income taxes for the historical base year and the projected test year.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: J. J. Hodnett

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(000s)

(1) Line No.	(2) DESCRIPTION	(4) CURRENT TAX			(7) DEFERRED TAX		
		(3) STATE	(4) FEDERAL	(5) TOTAL	(6) STATE	(7) FEDERAL	(8) TOTAL
1	ADJUSTMENTS TO FEDERAL INCOME TAX						
2	ORIGINATING ITC						
3	WRITE OFF OF EXCESS DEFERRED TAXES						
4	OTHER ADJUSTMENTS (LIST)						
5	R&D Credit		(115)			0	
6	FIN 48 Reserve		256			0	
7	Return to Accrual Out of Period Adj		(28,266)			24,746	
8	TOTAL ADJUSTMENTS TO FEDERAL INCOME TAX		(28,125)			24,746	
9	FEDERAL INCOME TAX		(27,216)			103,322	
10	ITC AMORTIZATION		0	(702)			
11	SUMMARY OF INCOME TAX EXPENSE:						
		FEDERAL	STATE	TOTAL			
12	CURRENT TAX EXPENSE	(27,216)	1,444	(25,772)			
13	DEFERRED INCOME TAXES	103,322	13,326	116,648			
14	INVESTMENT TAX CREDITS, NET	(702)	0	(702)			
15	TOTAL INCOME TAX PROVISION	75,404	14,770	90,174			

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

EXPLANATION: Provide the amount of interest expense used to calculate net operating income taxes on Schedule C-22. If the basis for allocating interest used in the tax calculation differs from the basis used in allocating current income tax expense, the differing bases should be clearly identified.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: S. D. Ritenour

		(\$000s)	
(1)	(2)	(3)	(4)
Line		Historical Base Year	Test Year
No.	Description	Ended	Ended
		12/31/15	12/31/17
1	Interest on Long Term Debt	\$57,036	\$56,585
2	Amortization of Debt Discount, Premium, Issuing	2,566	1,995
3	Expense & Loss on Reacquired Debt		
4	Interest on Short Term Debt	442	1,430
5	Interest on Customer Deposits	844	841
6	Other Interest Expense	(91)	0
7	Less Allowance for Funds Used During Construction	<u>(5,608)</u>	<u>0</u>
8	Total Interest Expense	<u>\$55,189</u>	<u>\$60,851</u>

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide information required in order to adjust income tax expenses by reason of interest expense of parent(s) that may be invested in the equity of the utility in question. If a projected test period is used, provide on both a projected and historical basis.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: X. Liu

DOCKET NO.: 160186-EI

(1) Line No.	(2) Description	(3) Amount (000s)	(4) Percent of Capital	(5) Cost Rate	(6) Weighted Cost
1	Long-Term Debt	11,932,279	44.14%	3.50%	1.54%
2	Short-Term Debt	1,009,038	3.73%	3.37%	0.13%
3	Preferred Stock	0	0.00%		0.0%
4	Common Equity*	14,092,351	52.13%		0.0%
5	Deferred Income Tax	0	0.00%		0.0%
6	Investment Tax Credits	0	0.00%		0.0%
7	Other (specify)	0	0.00%		0.0%
8	Total	<u>\$ 27,033,668</u>	<u>100.00%</u>		<u>1.67%</u>
9	Weighted cost of parent debt 1.67% x Consolidated tax rate 38.575% x equity* of subsidiary \$1,091,285,000 =				<u>\$ 7,030,000</u>

10 * Excluding retained earnings

11 As discussed in Witness Liu's testimony, a parent debt adjustment is not appropriate.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide information required in order to adjust income tax expenses by reason of interest expense of parent(s) that may be invested in the equity of the utility in question. If a projected test period is used, provide on both a projected and historical basis.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: X. Liu

DOCKET NO.: 160186-EI

(1) Line No.	(2) Description	(3) Amount (000s)	(4) Percent of Capital	(5) Cost Rate	(6) Weighted Cost
1	Long Term Debt	2,930,404	21.12%	2.25%	0.47%
2	Short Term Debt	343,942	2.48%	0.84%	0.02%
3	Preferred Stock	0	0.00%		0.0%
4	Common Equity*	10,601,948	76.40%		0.0%
5	Deferred Income Tax	0	0.00%		0.0%
6	Investment Tax Credits	0	0.00%		0.0%
7	Other (specify)	0	0.00%		0.0%
8	Total	<u>\$ 13,876,294</u>	<u>100.00%</u>		<u>0.49%</u>
9	Weighted cost of parent debt 0.49% x Consolidated tax rate 38.575% x equity* of subsidiary \$1,064,274,000 = <u>\$ 2,012,000</u>				

10 * Excluding retained earnings

11 As discussed in Witness Liu's testimony, a parent debt adjustment is not appropriate.

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

EXPLANATION: To provide information required to present the excess/deficient deferred tax balances due to protected and unprotected timing differences at statutory tax rates different from the current tax rate. The protected deferred tax balances represent timing differences due to Life and Method effect on depreciation rates.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: J. J. Hodnett

(1)	(2)	(3)	(4)	(5)
Line		Taxes	Taxes	Total
No.	Balance and Activity	Protected	Unprotected	Excess/(Deficient)
1	Balance at Beginning of Historical Year	652,661	2,019,842	2,672,503
2	Historical Year Amortization	<u>(210,253)</u>	<u>(272,319)</u>	<u>(482,572)</u>
3	Balance at Beginning of Historical Year + 1	442,408	1,747,523	2,189,931
4	Historical Year + 1 Amortization	<u>(143,725)</u>	<u>(215,823)</u>	<u>(359,548)</u>
5	Balance at Beginning of Projected Test Year	298,683	1,531,700	1,830,383
6	Projected Test Year Amortization	<u>(131,024)</u>	<u>(123,493)</u>	<u>(254,517)</u>
7	Balance at End of Projected Test Year	<u>167,659</u>	<u>1,408,207</u>	<u>1,575,866</u>

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a copy of the company's most recent consolidated Federal Income Tax Return, State Income Tax Return and most recent final IRS revenue agent's report.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Witness: J. J. Hodnett

Line

No.

1 Gulf's portion of the Consolidated Federal Income Tax Return and Gulf's section
2 of the most recent final IRS revenue agent's report along with the State Income
3 Tax Return will be made available for review at the Company's Corporate Office
4 located at 500 Bayfront Parkway, Pensacola, FL 32501.

5 The remaining portions of the Consolidated Return and the IRS agent's
6 report are located at 241 Ralph McGill Blvd., Atlanta, GA 30308-3374.

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a summary of the specific tax effects (in dollars) of filing a consolidated return for the test year.

Type of Data Shown:

COMPANY: GULF POWER COMPANY

Identify the nature and amount of benefits to the company and to the ratepayers.

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

DOCKET NO.: 160186-EI

Witness: J. J. Hodnett

Line

No.

1 For the Southern system, the only tax effect that occurs from the filing of a consolidated Federal Income Tax Return relates to the
 2 allocation of Southern Company's Tax loss on taxable income to the members of the consolidated group. Gulf Power records
 3 its portion of the tax loss from Southern Company as a capital contribution. The reduction in income tax expense is recorded
 4 at The Southern Company.

5 The Southern Company's consolidated tax reduction should not be treated as a reduction in Gulf Power Company's tax expense for
 6 ratemaking purposes because the related expenses creating the benefit have not been included in expenses for ratemaking purposes.

7 The tax loss of The Southern Company results from the deductions of various corporate expenses of The Southern Company such as
 8 Annual Report costs, director's fees and expenses, stockholders' meeting expenses, transfer agents and dividend paying agent's fees and
 9 expenses, legal fees and interest expenses. These expenses of The Southern Company are not paid by Gulf Power Company, its ratepayers
 10 or any other company included in this affiliated group. These expenses are borne solely by the stockholders of The Southern Company
 11 rather than the ratepayers of Gulf Power Company.

12 If The Southern Company were to allocate its expenses to the operating companies, and if these expenses were included in the computation of
 13 Gulf's net operating income for ratemaking purposes, then, and only then, would it be appropriate for the related tax reduction to be included
 14 as an adjustment and "passed on."

15 The requested information will be made available for your review at the Company's General Office located at 500 Bayfront Parkway,
 16 Pensacola, FL 32501.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the requested miscellaneous tax information.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15
 Witness: J. J. Hodnett

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
----------	-----	-----	-----	-----	-----	-----	-----	-----

1 1. For profit and loss purposes, which IRC section 1552
 2 method is used for tax allocation?

1552(a)(1)

3 2. What tax years are open with the IRS?

2013, 2014 and forward

4 3. For the last three tax years, what dollars were paid to or
 5 received from the parent for federal income taxes?

	2013	2014	2015
6 Federal Income Tax Paid (Received)	\$1,057,788	\$30,725,176	(\$2,231,859)

8 4. How were the amounts in (3) treated?

Estimated payments were remitted to The Southern Company (parent) who remitted the consolidated payment to the IRS.

10 5. For each of the last three years, what was the dollar amount of
 11 interest deducted on the parent ONLY tax return?

	2013	2014	2015
	\$35,606,153	\$42,659,304	\$68,797,286

12 6. Complete the following chart for the last three years:

	Income (loss)						
	Book Basis ^(a)			Tax Basis			
	Year	Year	Year	Year	Year	Year	
16	2013	2014	2015	2013	2014	2015	
17	Parent Only	(\$8,228,226)	(\$21,920,254)	(\$52,950,802)	(\$215,707,073)	(\$207,632,980)	(\$273,908,274)
18	Applicant Only	\$124,429,330	\$140,175,560	\$148,000,075	\$3,351,441	\$89,693,465	(\$5,072,140)
19	Total Group	\$1,644,327,238	\$1,962,810,804	\$2,366,938,709	\$793,732,849	\$16,744,133	\$862,006,905
20	Total Group Excluding	\$1,528,126,134	\$1,844,555,498	\$2,271,889,436	\$1,006,088,481	\$134,683,648	\$1,140,987,319
21	Parent & Applicant						

22 (a) Net Income After Dividends on Preferred and Preference Stock

FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

EXPLANATION: Provide a schedule of gains and losses on disposition of plant and property previously used in providing electric service for the test year and the four prior years. List each item with a gain or loss of \$1 million or more, or more than .1% of total plant. List amounts allowed in prior cases, and the test year of such prior cases.

Type of Data Shown:

- Projected Test Year Ended 12/31/17
 - Prior Year Ended 12/31/16
 - Historical Year Ended 12/31/13-12/31/15
- Witness: J. J. Hodnett, S. D. Ritenour

(000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Line No	Description of Property	Date Acquired	Date Disposed	Original Classification Account	Reclass-ification Account(s)	Reclass-ification Date(s)	Original Amount Recorded	Additions or (Retirements)	Depreciation and Amortization	Net Book Value on Disposal Date	Gain or (Loss)	Amounts Allowed Prior Cases	Prior Cases Test Year Ended 12/31/17
1			2017									N/A	N/A
2			2016									N/A	N/A
3			2015									N/A	N/A
4			2014									N/A	N/A
5			2013									N/A	N/A

75

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule detailing transactions with affiliated companies and related parties for the test year including intercompany charges, licenses, contracts and fees.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: J. J. Hodnett

DOCKET NO.: 160186-EI

Line No.	Name of Company Or Related Party	Relation to Utility	Type of Service Provided or Received	Effective Contract Date	Charge or Credit During Year		Amount Included in Test Year \$000s	Allocation Method Used to Allocate Charges Between Companies
					\$000s	Account		
1	Alabama Power Company	Associated Company	Transmission Facility Services	Various	12,649	567	12,649	Cost
2	Georgia Power Company	Associated Company	Plant Scherer Unit 3	03/01/84	13,487	Various	13,487	Per Contract
3			Transmission Facility Services	05/12/09	-	567	-	Cost
4					<u>13,487</u>		<u>13,487</u>	
5	Mississippi Power Company	Associated Company	Plant Daniel	06/01/81	33,772	Various	33,772	Cost
6			Transmission Facility Services	04/20/81	146	567	146	Cost
7					<u>33,918</u>		<u>33,918</u>	
8	Southern Company Services	Service Company	Service Agreement	01/01/84	66,676	Various	66,676	Cost
9			Interchange - Purchases	05/01/07	6,150	Various	6,150	Cost
10			Interchange - Sales	05/01/07	(120,568)	Various	(120,568)	Cost
11			Unit Power Sales	Various	(19,652)	Various	(19,652)	Cost
12					<u>(67,395)</u>		<u>(67,395)</u>	
13	Southern Company	Parent Company	Common Stock Dividends	n/a	120,600	238	120,600	Earnings
14			Capital Contributions	n/a	(150,000)	211	(150,000)	n/a
15					<u>(29,400)</u>		<u>(29,400)</u>	
16			TOTAL Transactions with Affiliated Companies		<u>(36,740)</u>		<u>(36,740)</u>	

17 Note: The amounts shown above are the significant amounts included in Gulf's financial forecast that could be specifically identified as transactions to be made with an affiliate. The affiliated transactions shown are not all-inclusive. Gulf's budgeting process does not include the identification of specific vendors (affiliated or non-affiliated) that will be utilized in company transactions.

20 Totals may not add due to rounding.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a copy of the diversification report included in the company's most recently filed Annual Report as required by Rule 25-6.135, Florida Administrative Code. Provide any subsequent changes affecting the test year.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Test Year Ended 12/31/15

Witness: J.J. Hodnett

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(1)	(2)	(3)	(4)	(5)	(6)	(7)
-----	-----	-----	-----	-----	-----	-----

Line No.

1	See Attachment - Gulf Power Company's most recently filed Diversification report.					
---	---	--	--	--	--	--

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Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Officers: Michael L. Burroughs Bentina C. Terry		Director	Florida Solar Policy Advisory Board Cocoa, Florida
		Director	Pensacola Sports Association Pensacola, Florida
		Director	Southeast Labor and Management Public Affairs Committee (SE LAMPAC) Birmingham, AL
		Director / Vice Chair	Pensacola Symphony Orchestra Pensacola, Florida
		Director / Chair	Leadership Florida Tallahassee, Florida
		Trustee	Florida Chamber of Commerce Foundation Tallahassee, Florida
		Director	Florida Chamber of Commerce Tallahassee, Florida
		Director	Innovation Coast Pensacola, Florida
		Chair	Gulf Power Foundation Pensacola, Florida
		Director	Gulf Power Economic Development Fund Pensacola, Florida
	Director	American Association of Blacks in Energy Washington, D.C.	

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

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Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Terry (continued) Directors: Stan W. Connally		Trustee	University of West Florida Pensacola, Florida
		Director	Florida Chamber of Commerce Tallahassee, Florida
		Director/Vice Chair	Enterprise Florida Tallahassee, Florida
		Director	James Madison Institute Tallahassee, Florida
		Director	Aerospace Alliance Jackson, Mississippi
		Director	Gulf Coast Kid's House Pensacola, Florida
		Director	Triumph Gulf Coast, Inc. Tallahassee, Florida
		Member	Florida Council of 100 Tallahassee, Florida
		Director	Greater Pensacola Chamber of Commerce Foundation Board Pensacola, Florida
	Advisory Board	Georgia Tech Woodruff School of Mechanical Engineering Atlanta, GA	

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Allan G. Bense		Director /	Bay Economic Development Council Panama City, Florida
		Partner	Bay West Developers, LLC Panama City, Florida
		Partner	Bayou George Farms, LLC Panama City, Florida
		Partner	Bass, Bense, Hall & Bozarth Panama City, Florida
		Managing Partner	Bense Corporate Holdings, LLC Panama City, Florida
		President / CEO	Bense Enterprise, Inc. Panama City, Florida
		Partner	Bense Farms, LLC Panama City, Florida
		Managing Partner	Bense Investments, LLC Panama City, Florida
		Managing Partner	Bense Properties, LLC Panama City, Florida
		Partner	Brown Insurance Services, LLC Panama City, Florida

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Bense (continued)		Director	Capital City Bank Group Tallahassee, Florida
		Partner	Emerald Coast Investment Properties, LLC Panama City, Florida
		Partner	Emerald Coast Striping, LLC Panama City, Florida
		Director / Past Chairman	Florida Chamber of Commerce Tallahassee, Florida
		Trustee	Florida State University Tallahassee, Florida
		President	GAC Contractors, Inc. & Affiliates Panama City, Florida
		Director / Chairman	Gulf Coast Medical Center Panama City, Florida
		President	Holiday Golf & Racquet Club, Inc. Panama City, Florida
		Director / Chairman	James Madison Institute Tallahassee, Florida
	Director	LEAD Coalition of Bay County Panama City, Florida	

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Bense (continued)		Trustee	Robert Starr Johnson Trust Panama City, Florida
		Officer	T.D.W. Inc. Panama City, Florida
		Chairman / Board Member	Triumph Gulf Coast, Inc. Tallahassee, Florida
		Managing Partner	Woodland Heights Associates, LLC Panama City, Florida
Deborah H. Calder		Exec Vice President	Navy Federal Credit Union Pensacola, Florida
		Director	Greater Pensacola Chamber of Commerce Foundation Board Pensacola, Florida
		Trustee	Sacred Heart Health System Pensacola, Florida
William C. Cramer, Jr.	Automobile Dealer	President/ Owner	Bill Cramer Chevrolet Cadillac Buick GMC, Inc. Panama City, Florida
		Director	Florida College System Foundation Tallahassee, Florida
		President / Trustee / Director	Bunkers Cove Reinsurance Company, Ltd.

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
Cramer (continued)		President/ Owner	Outlet Rental Car Sales of Dothan, Inc. Dothan, Alabama
		President/ Owner	Cramer Properties, Inc Panama City, Florida
		President/ Owner	Cramer Properties of Alabama, Inc. Dothan, Alabama
		Board member	Gulf Coast State College Foundation Panama City, Florida
		President/ Partner	Cramer Investments, LLC Panama City, Florida
		President/ Partner	Cramer Brothers Investments, LLC Dothan, Alabama
		Director	Ceres Technologies, Inc. Panama City, Florida
		Trustee	The Cramer Family Limited Partnership Panama City, Florida
Julian B. MacQueen	Hotel Owner	Founder & CEO	Innisfree Hotels Gulf Breeze, FL
		Director	Beach Community Bank Ft. Walton Beach, FL
		Member	Aerose, LLC Gulf Breeze, FL

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
MacQueen (continued)		Member	Aloft Aviation Gulf Breeze, FL
		Member	Balmaquien Hospitality Orange Beach, AL
		Member	Balmaquien Manager Inc. Camden, Delaware
		Member	Baybridge Building, LLC Gulf Breeze, FL
		Member	Beach Hospitality Sunrise Fulford, LLC Mobile, AL
		President/Director	Blue Skye Productions Inc. Mobile, AL
		Limited Partner	Calumet Office Park Ltd Mobile, AL
		Member	Club Coco, LLC Gulf Breeze, FL
		Member	CRR Hospitality Orange Beach, AL
		Member	Deka, LLC Gulf Breeze, FL
		Member	Emerald Breeze Hospitality Gulf Breeze, FL
		Member	Emerald Breeze Resort Group Gulf Breeze, FL

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
MacQueen (continued)		Member	Fulford Harbour, LLC Gulf Breeze, FL
		Member	Fulford I Holdings Gulf Breeze, FL
		Member	Fulford II Mobile, AL
		Member	Fusion Spa of Alabama, LLC Orange Beach, AL
		Member	Fusion Spa Salon Panama City Beach Panama City, FL
		Member	GS Investments, LLC Gulf Breeze, FL
		Member	H&S Development, LLC Gulf Breeze, FL
		Member	High & Dry, LLC Wilmington, DE
		Member	Innisfree Development Corporation Gulf Breeze, FL
		President	Innisfree Jet Center Gulf Breeze, FL
		Managing Member	Interchange Supply International, LLC Gulf Breeze, FL
	President/Director	JBM GP, Inc. Gulf Breeze, FL	

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part I of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part I of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
MacQueen (continued)		President/Director	JMQ, Inc. Dover, DE
		Member	Killington Hospitality Group I, LLC Gulf Breeze, FL
		Member	Lafont Inn, LLC Pascagoula, MS
		Member	Leading Edge Hospitality, LLC Gulf Breeze, FL
		Member	M&B Holdings, LLC Gulf Breeze, FL
		President/Director	MacAd, Inc. Mobile, AL
		President/Director	MacQueen Enterprises Inc. Gulf Breeze, FL
		Member	Maddo Hospitality Gulf Breeze, FL
		Member	Maple Ventures, LLC Gulf Breeze, FL
		Member	Median Hospitality Gulf Breeze, FL
	Member	Metropolitan Hospitality, LLC Gulf Breeze, FL	

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
MacQueen (continued)		Member	Mezzo Hospitality Gulf Breeze, FL
		Member	Middle Earth Hospitality Gulf Breeze, FL
		Member	Middling Hospitality Gulf Breeze, FL
		Member	Midway Hospitality, LLC Gulf Breeze, FL
		Member	Panama City Beach Hotel, LLC Mobile, AL
		Managing Member	Perdido Cove, LLC Gulf Breeze, FL
		Limited Partner	Perdido Hospitality, Ltd Gulf Breeze, FL
		Member	Purg Hospitality Gulf Breeze, FL
		President/Director	Romar Motels, Inc. Orange Beach, AL
		Member	Sandspur Development, LLC Gulf Breeze, FL
	Member	Seaside Hospitality, LLC Orange Beach, AL	

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
MacQueen (continued)		Managing Member	Seawind Development, LLC Gulf Breeze, FL
		Member	Seminole Breeze, LLC Gulf Breeze, FL
		Member	Seminole Tide, LLC Gulf Breeze, FL
		Managing Member	Sleepco Management, LLC Mobile, AL
		Member	Soundside Center, LLC Gulf Breeze, FL
		Member	Soundside Market, LLC Gulf Breeze, FL
		Member	Southernmost Cabana Resort, LLC Gulf Breeze, FL
		Member	Spa Group, LLC Gulf Breeze, FL
		Member	Sunrise Hospitality, LLC Gulf Breeze, FL
		Member	Sunrise I, LLC Gulf Breeze, FL
		Member	Sunrise II, LLC Gulf Breeze, FL

Affiliation of Officers and Directors

Company:
For the Year Ended December 31, 2015

For each of the officials named in Part 1 of the Executive Summary, list the principal occupation or business affiliation if other than listed in Part 1 of the Executive Summary and all affiliations or connections with any other business or financial organizations, firms, or partnerships. For purposes of this part, the official will be considered to have an affiliation with any business or financial organization, firm or partnership in which he is an officer, director, trustee, partner, or a person exercising similar functions.

Name	Principal Occupation or Business Affiliation	Affiliation or Connection with any Other Business or Financial Organization Firm or Partnership	
		Affiliation or Connection	Name and Address
MacQueen (continued)		Managing Member	Surf & Sand Development, LLC Gulf Breeze, FL
		Vice President/Director	Surf and Sand Realty Gulf Breeze, FL
		Member	Tin Can Communication Gulf Breeze, FL
J. Mort O'Sullivan, III	CPA	Managing Member	Warren Averett, LLC Pensacola, Florida
		Director	Arca Holdings, LLC Mebane, North Carolina
		Advisory Board Member	Landrum Companies Pensacola, Florida
		Trustee	University of West Florida Pensacola, Florida
Michael T. Rehwinkel		Executive Chairman	EVRAZ North America Chicago, IL
Winston E. Scott		Senior Vice President for External Relations	Florida Institute of Technology Melbourne, Florida
		Director	Environmental Tectonics Corporations

Business Contracts with Officers, Directors and Affiliates

Company:

For the Year Ended December 31, 2015

List all contracts, agreements, or other business arrangements* entered into during the calendar year (other than compensation-related to position with respondent) between the respondent and each officer and director listed in Part 1 of the Executive Summary. In addition, provide the same information with respect to professional services for each firm, partnership, or organization with which the officer or director is affiliated.

Note: * Business agreement, for this schedule, shall mean any oral or written business deal which binds the concerned parties for products or services during the reporting year or future years.

Name of Officer or Director	Name and Address of Affiliated Entity	Amount	Identification of Product or Service
J. Mort O'Sullivan, III	Warren Averett 316 S. Baylen St., Suite 300 Pensacola, FL 32502	1,065.00	Accounting Services

*Reconciliation of Gross Operating Revenues
Annual Report versus Regulatory Assessment Fee Return*

Company: Gulf Power Company

For the Year Ended December 31, 2015

For the current year, reconcile the gross operating revenues as reported on Page 300 of this report with the gross operating revenues as reported on the utility's regulatory assessment fee return. Explain and justify any differences between the reported gross operating revenues in column (h).								
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
Line No.	Description	Gross Operating Revenues per Page 300	Interstate and Sales for Resale Adjustments	Adjusted Intrastate Gross Operating Revenues	Gross Operating Revenues per RAF Return	Interstate and Sales for Resale Adjustments	Adjusted Intrastate Gross Operating Revenues	Difference (d) - (g)
1	Total Sales to Ultimate Customers (440-446, 448)	1,323,124,107	-	1,323,124,107	1,323,124,107	-	1,323,124,107	-
2	Sales for Resale (447)	166,436,070	136,914,599	29,521,470	166,436,070	136,914,599	29,521,470	-
3	Total Sales of Electricity	1,489,560,177	136,914,599	1,352,645,578	1,489,560,177	136,914,599	1,352,645,578	-
4	Provision for Rate Refunds (449.1)	(446,080)	-	(446,080)	(446,080)	-	(446,080)	-
5	Total Net Sales of Electricity	1,489,114,097	136,914,599	1,352,199,498	1,489,114,097	136,914,599	1,352,199,498	-
6	Total Other Operating Revenues (450-456)	(6,108,040)	-	(6,108,040)	(6,108,040)	-	(6,108,040)	-
7	Other (Specify)							
8								
9								
10	Total Gross Operating Revenues	1,483,006,057	136,914,599	1,346,091,458	1,483,006,057	136,914,599	1,346,091,458	-

Notes:

**Analysis of Diversification Activity
Changes in Corporate Structure**

Company:
For the Year Ended December 31, 2015

Provide any changes in corporate structure including partnerships, minority interest, and joint ventures and an updated organizational chart, including all affiliates.

Effective Date (a)	Description of Change (b)
	No change for 2015

*Analysis of Diversification Activity
New or Amended Contracts with Affiliated*

Company: Companies

For the Year Ended December 31, 2015

Provide a synopsis of each new or amended contract, agreement, or arrangement with affiliated companies for the purchase, lease, or sale of land, goods, or services (excluding tariffed items). The synopsis shall include, at a minimum, the terms, price, quantity, amount, and duration of the contracts.

Name of Affiliated Company (a)	Synopsis of Contract (b)
---	-------------------------------------

<p><i>No new or amended contract, agreement, or arrangement with affiliated companies during 2015.</i></p>	
--	--

***Analysis of Diversification Activity
Individual Affiliated Transactions in Excess of \$500,000***

Company:

For the Year Ended December 31, 2015

Provide information regarding individual affiliated transactions in excess of \$500,000. Recurring monthly affiliated transactions which exceed \$500,000 per month should be reported annually in the aggregate. However, each land or property sales transaction even though similar sales recur, should be reported as a "non-recurring" item for the period in which it occurs.		
Name of Affiliate (a)	Description of Transaction (b)	Dollar Amount (c)
Alabama Power	Regional Maintenance	524,080
Georgia Power Company	Plant Scherer Unit No. 3 - Capital Cost, Fuel Purchases, O&M Expenses and Labor Benefits and Taxes	42,277,746
Mississippi Power Company	Plant Daniel - Capital Cost, Fuel Purchases, O&M expenses and Labor Benefits and taxes	168,527,409
Southern Company Services, Inc.	Common Stock Dividends Paid	139,162,500
	Professional Services	80,548,580
	Other Payments to SCS	
	Payroll Related	60,105,861
	Interchange	16,618,397
	Fuel Stock - Gas	202,704,092
	Pensions & Benefits	20,205,528
	Transmission Service	3,875,280
	Sales to SCS	
	Interchange	39,194,873
	Wholesale Contracts Billed by SCS	73,707,324
	Transmission Service	45,585
	Common Stock Sales	20,000,000
	Customer Bill Collection Remittance	56,801,231
	Income Taxes	6,690,223
Professional Services	1,965,245	
Gas Contracts	167,809	
Manual Billings	2,331,385	

Analysis of Diversification Activity
Summary of Affiliated Transfers and Cost Allocations

Company:

For the Year Ended December 31, 2015

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

(a) Enter name of affiliate.
(b) Give description of type of service, or name the product involved.
(c) Enter contract or agreement effective dates.
(d) Enter the letter "p" if the service or product is purchased by the Respondent; "s" if the service or product is sold by the Respondent.
(e) Enter utility account number in which charges are recorded.
(f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (c)	Total Charge for Year		
			"p" or "s" (d)	Account Number (e)	Dollar Amount (f)
Alabama Power Company	Capital Construction	None	P	309	137,457
	Fuel & Fuel Testing	None	P	500-509	131,183
	Generation Maintenance	None	P	510-514	524,080
	Transmission Transactions	None	P	566, 570	126,695
	Customer Expenses	None	P	903	368,230
	Materials	None	P	Various	218,824
	Misc. Business Transaction	None	P	Various	511,072
	Storm Charges	None	S	146	256,201
	Material	None	S	146	40,137
	Railcar Charges	None	S	146	243
Misc. Business Trans.	None	S	146	209,428	
Georgia Power Company	Plant Scherer Unit No. 3	Cost of Ownership	P	Various	42,277,746
	Materials	None	P	Various	79,902
	Misc. Business Transactions	None	P	Various	163,000
	Customer Service	None	P	903	15,656
	Material	None	S	146	67,984
	Railcar	None	S	146	43,218
Misc. Business Trans.	None	S	146	1,430,740	

Analysis of Diversification Activity
Summary of Affiliated Transfers and Cost Allocations

Company:

For the Year Ended December 31, 2015

Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.

(a) Enter name of affiliate.
(b) Give description of type of service, or name the product involved.
(c) Enter contract or agreement effective dates.
(d) Enter the letter "p" if the service or product is purchased by the Respondent: "s" if the service or product is sold by the Respondent.
(e) Enter utility account number in which charges are recorded.
(f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.

Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (c)	Total Charge for Year		
			"p" or "s" (d)	Account Number (e)	Dollar Amount (f)
Mississippi Power Company	Trans. Facilities Services	4/20/1981	P	567	152,343
	Plant Daniel	Cost of Ownership	P	Various	167,903,524
	Materials	None	P	Various	623,885
	Misc. Business Transactions	None	P	Various	-3,456
	Material	None	S	146	29,746
	Railcar	None	S	146	931,338
	Tow Boat	None	S	146	27,239
	Storm Charges	None	S	146	123,649
	Misc. Business Trans.	None	S	146	429,970
Southern Company Services, Inc.	Common Stock Dividends Paid	None	P	238	139,162,500
	Service Agreement	1/1/1984 Amended 9/6/1985	P	Various	364,896,362
	Interchange	2/17/2000	P	Various	16,618,397
	Interchange	2/17/2000	S	146	39,194,873
	Transmission Service	Various	P	234	3,875,280
	Transmission Service	Various	S	146	45,585
	Wholesale Contracts Billed by SCS	Various	S	143, 146	73,707,324
	Common Stock Sales	Various	S	Various	20,000,000
	Customer Bill Collection Remittance	Various	S	Various	56,801,231
	Income Taxes	Various	S	Various	6,690,223
	Professional Services	Various	S	146	1,965,245
	Occupancy	Various	S	146	466,474
Misc. Business Transactions	None	S	146	621,600	

Analysis of Diversification Activity
Summary of Affiliated Transfers and Cost Allocations

Company:

For the Year Ended December 31, 2015

<p>Grouped by affiliate, list each contract, agreement, or other business transaction exceeding a cumulative amount of \$300 in any one year, entered into between the Respondent and an affiliated business or financial organization, firm, or partnership identifying parties, amounts, dates, and product, asset, or service involved.</p> <p>(a) Enter name of affiliate. (b) Give description of type of service, or name the product involved. (c) Enter contract or agreement effective dates. (d) Enter the letter "p" if the service or product is purchased by the Respondent: "s" if the service or product is sold by the Respondent. (e) Enter utility account number in which charges are recorded. (f) Enter total amount paid, received, or accrued during the year for each type of service or product listed in column (c). Do not net amounts when services are both received and provided.</p>					
Name of Affiliate (a)	Type of Service and/or Name of Product (b)	Relevant Contract or Agreement and Effective Date (c)	Total Charge for Year		
			"p" or "s" (d)	Account Number (e)	Dollar Amount (f)
Southern Linc	Materials	10/1/1995	P	Various	106,371
	Misc. Business Transaction	10/1/1995	P	Various	21,450
	Misc. Business Transaction	10/1/1995	S	146	963

Analysis of Diversification Activity
Assets or Rights Purchased from or Sold to Affiliates

Company: Gulf Power Company

For the Period Ended December 31, 2015

Provide a summary of affiliated transactions involving asset transfers or the right to use assets.							
Name of Affiliate	Description of Asset or Right	Cost/Orig. Cost	Accumulated Depreciation	Net Book Value	Fair Market Value	Purchase Price	Title Passed Yes/No
Purchases from Affiliates:		\$	\$	\$	\$	\$	
Alabama Power Company	Misc. Material	218,824		218,824		218,824	Yes
Georgia Power Company	Misc. Material	79,902		79,902		79,902	Yes
Mississippi Power Company	Misc. Material	15,700		15,700		15,700	Yes
Southern Linc	Misc. Material	106,371		106,371		106,371	Yes
Southern Power	None	-		-	-	-	
Total						\$ 420,797	
Sales to Affiliates:		\$	\$	\$	\$	Sales Price	
Alabama Power Company	Misc. Material	40,137		40,137	42,726	40,137	Yes
Georgia Power Company	Misc. Material	67,984		67,984	68,134	67,984	Yes
Mississippi Power Company	Misc. Material	29,746		29,746	42,749	29,746	Yes
Total						\$ 137,867	

*Analysis of Diversification Activity
Employee Transfers*

Company:

For the Year Ended December 31, 2015

List employees earning more than \$30,000 annually transferred to/from the utility to/from an affiliate company.				
Company Transferred From	Company Transferred To	Old Job Assignment	New Job Assignment	Transfer Permanent or Temporary and Duration
APC	FPC	Chemical Tech III	Chemical & Results Technician	Permanent
APC	FPC	Crane Specialist, Sr	CBM Specialist, Sr	Permanent
APC	FPC	Distribution Specialist, Sr.	Engineering Field Rep I	Permanent
APC	FPC	Distribution System Operator	Distribution System Operator	Permanent
APC	FPC	Division Area Manager	Marketing & Sales GM	Permanent
APC	FPC	Engineer I	Engineering Supervisor II	Permanent
APC	FPC	Market Specialist, IV	Administrative Assistant, Sr	Permanent
APC	FPC	Operations & Maintenance Mgr	Plant Manager	Permanent
GPC	FPC	Accounting Supv	Accounting Services & Tax Supv	Permanent
GPC	FPC	Distribution System Operator	Distribution System Operator	Permanent
GPC	FPC	Engineer, SR	Engineer, SR	Permanent
GPC	FPC	Laboratory Technician I (SDMS)	Chemical & Results Technician	Permanent
GPC	FPC	Local Manager I	District Construction Supv	Permanent
GPC	FPC	Power System Coordinator Sr	Power System Coordinator Sr	Permanent
GPC	FPC	Region Sales Supervisor	District Sales Manager	Permanent
MPC	FPC	District Manager I	Community Relations Manager	Permanent
MPC	FPC	Engineer, Sr	Engineer, SR	Permanent
MPC	FPC	Gasification Team Leader	Operations Specialist, Sr	Permanent
MPC	FPC	Gasification Team Leader	Team Leader - Maintenance	Permanent
SCS	FPC	Administrative Asst Sr (West)	Administrative Assistant, Sr	Permanent
SCS	FPC	Aircraft Coordinator Sr (WEST)	Administrative Assistant, Sr	Permanent
SCS	FPC	Engineer, SR	Engineer, SR	Permanent
SCS	FPC	Engineer, SR	Power Generation Specialist Sr	Permanent
SCS	FPC	IT Supervisor	District Engineering Supv	Permanent
SCS	FPC	SCM Specialist I	Buyer/Analyst, II	Permanent
SCS	FPC	SVP Finance & Treasurer	Vice President and CFO	Permanent
SNC	FPC	EP Specialist Sr	Distribution System Operator	Permanent
FPC	APC	Distribution System Operator	Distribution System Operator	Permanent
FPC	APC	Engineer, SR	Team Leader - Planning	Permanent
FPC	COM	Buyer/Analyst Sr	Bus Assur & Contracts Coord, Sr	Permanent
FPC	GPC	CCC Representative I	Marketing Rep, III	Permanent
FPC	GPC	Customer Rep, Sr	Customer Service Rep A	Permanent
FPC	GPC	Distribution System Operator	Power System Coordinator II	Permanent
FPC	GPC	District Operations Mgr(E&C)	Distribution Manager I	Permanent
FPC	GPC	Engineer, SR	Engineering Supervisor II	Permanent
FPC	GPC	Power System Coordinator Sr	Power System Coordinator Sr	Permanent
FPC	MPC	Plant Manager	Plant Mgr	Permanent
FPC	MPC	Team Leader - Maintenance	Operations Assistant Manager	Permanent
FPC	SCS	Administrative Assistant II	Administrative Assist II(West)	Permanent
FPC	SCS	Engineer I	IT Analyst Sr, Applications	Permanent
FPC	SCS	Engineer, SR	Engineer, Principal	Permanent
FPC	SCS	Financial & Revenue Rept Supv	Financial Rptg Investor Sup Mgr	Permanent
FPC	SCS	Marketing & Sales GM	Product Development Director	Permanent
FPC	SCS	Protection & Control Tech I	IT Supervisor	Permanent
FPC	SCS	Trans Ctrl Center Support Supv	EMS Operations Supervisor East	Permanent
FPC	SCS	Vice President and CFO	Vice President	Permanent
FPC	SNC	Chemical & Results Technician	Chemistry Technician	Permanent

Analysis of Diversification Activity
Non-Tariffed Services and Products Provided by the Utility

Company:

For the Year Ended December 31, 2015

Provide the following information regarding all non-tariffed services and products provided by the utility.		
Description of Product or Service (a)	Account No. (b)	Regulated or Non-regulated (c)
Building Space/Office Furniture	929	Regulated / Non Regulated
Professional Services	107, 165, 182, 186, 416-426, 500-599, 902-931	Regulated / Non Regulated
Material Transfers	154, 300-399, 500-740	Regulated / Non Regulated
Safety, Health and Wellness	921, 923, 925, 926, 929	Regulated / Non Regulated
Miscellaneous Non-Electric Revenues-All Connect, Premium Surge, Commercial Surge	415	Non-regulated
Miscellaneous Service Revenues-Revenue protection fees	451	Regulated
Rent from Electric Property-includes rent from pole attachments; from equipment devoted to electric operations including use of distribution lines and use of telecommunication transport assets by affiliates; land leases; use of cell towers on company land.	454	Regulated / Non Regulated
Other Electric Revenues-Energy Direct.com, Energy Services/Timber Sales	456	Regulated / Non Regulated
Transmission Services	350-359	Regulated
Distribution Services	186	Regulated / Non Regulated
Other Non-Electric Revenue Wood Chip Sales, Pot Ash Sale, Gypsum Sales	502, 593	Regulated

Name of Respondent Gulf Power Company	This Report is: (1) <input checked="" type="checkbox"/> An Original (2) <input type="checkbox"/> A Resubmission	Date of Report (Mo, Da, Yr)	Year of Report Dec. 31, 2015
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NONUTILITY PROPERTY (Account 121)

1. Give a brief description and state the location of non-utility property included in Account 121.
2. Designate with a double asterisk any property which is leased to another company. State name of lessee and whether lessee is an associated company.
3. Furnish particulars (details) concerning sales, purchases, or transfers of Nonutility Property during the year.
4. List separately all property previously devoted to public service and give date of transfer to Account 121, Nonutility Property.
5. Minor Items (5% of the Balance at the End of the Year), for Account 121 or \$100,000, whichever is less may be grouped by (1) previously devoted to public service, or (2) Other Nonutility Property.

Line No.	Description and Location (a)	Balance of Beginning of Year (b)	Purchases, Sales, Transfers, etc. (c)	Balance at End of Year (d)
1	Previously Devoted to Public Service:			
	39 parcels of minor items previously devoted to Public Service	347,220	1,550	348,770
2				
3				
4	Other Non-Utility Property Never Devoted to Public			
5	Blackwater Substation Site	181,083	0	181,083
6	Operation Center Additional Land	11,122,074	0	11,122,074
7	Surge Protection Equipment	4,187,106	196,013	4,383,119
8				
9	3 parcels of minor items never devoted to Public Service	19,699	0	19,699
10				
11				
12				
13				
14	\$1,550 represents fee land at Baker substation			
15	moved from 101 (Plant In Service) to 121			
16	\$196,013 represents additions and retirements			
17	of surge protection equipment			
18				
19				
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41				
42				
43				
44				
45				
46	TOTAL	15,857,182	197,563	16,054,745

Number of Electric Department Employees

Company:
For the Year Ended December 31, 2015

1. The data on number of employees should be reported for the payroll period ending nearest to October 31, or any payroll period ending 60 days before or after October 31.
2. If the respondent's payroll for the reporting period includes any special construction personnel, include such employees on line 3, and show the number of such special construction employees in a footnote.
3. The number of employees assignable to the electric department from joint functions of combination utilities may be determined by estimate, on the basis of employee equivalents. Show the estimated number of equivalent employees attributed to the electric department from joint functions.

1. Payroll Period Ended (Date)	12/18/2015
2. Total Regular Full-Time Employees	1382
3. Total Part-Time and Temporary Employees	9
4. Total Employees	1391

Details

Total Employees does not include SCS Employees On-Site.

Particulars Concerning Certain Income Deductions and Interest Charges Accounts

Company:

For the Year Ended December 31, 2015

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425) -- Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

(b) Miscellaneous Income Deductions -- Report the nature, payee, and amount of other income deductions for the year as required by Accounts 426.1, Donations; 426.2, Life Insurance; 426.3, Penalties; 426.4, Expenditures for Certain Civic, Political and related Activities; and 426.5, Other Deductions, of the Uniform System of Accounts. Amounts of less than 5% of each account total for the year (or \$1,000, whichever is greater) may be grouped by classes within the above accounts.

(c) Interest on Debt to Associated Companies (Account 430) -- For each associated company to which interest on debt was incurred during the year, indicate the amount and interest rate respectively for (a) advances on notes, (b) advances on open account, (c) notes payable, (d) accounts payable, and (e) other debt, and total interest. Explain the nature of other debt on which interest was incurred during the year.

(d) Other Interest Expense (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Item	Amount
Miscellaneous Amortization of Utility (Account 425)	
Plant Acquisition Adjustment - Plant Scherer Common Facilities (Contra Account I 14 Amortized over a period of 34 years)	255,312
Subtotal - 425	255,312
Miscellaneous Income Deductions (Account 426)	
Account 426.1 - Donations	
Donations - Community Vitality	357,734
Donations - Tax Credits	(2,197,000)
Donations - Human Needs	383,675
Donations - Education	2,123,158
Donations - Environmental	6,000
Donations - Other	6,904
Donations - Gulf Power Foundation	48,804
Donations - Transformer Labor	66,451
Donations - Made indirectly through SCS	17,606
Subtotal - 426.1	813,332
Account 426.3 - Penalties	9,993
Account 426.4 - Expenditures for Certain Civic, Political & Related Activities	
Salaries and Wages	891,966
Employee Expenses	82,067
Office and Related Expenses	331,998
Organizations and Dues	912,302
Outside Services Employed/Consultants	2,018,483
PAC Expenses	28,617
Subtotal - 426.4	4,265,433

Particulars Concerning Certain Income Deductions and Interest Charges Accounts

Company:

For the Year Ended December 31, 2015

Report the information specified below, in the order given, for the respective income deduction and interest charges accounts. Provide a subheading for each account and a total for the account. Additional columns may be added if deemed appropriate with respect to any account.

(a) Miscellaneous Amortization (Account 425) -- Describe the nature of items included in this account, the contra account charged, the total of amortization charges for the year, and the period of amortization.

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(d) Other Interest Expense (Account 431) -- Report particulars (details) including the amount and interest rate for other interest charges incurred during the year.

Item	Amount
Account 426.5 - Other Deductions	
Miscellaneous Non-Operating Expenses	590,830
Employee Fees, Dues in Civic/Social Clubs	27,726
Employee Reserves and Settlements	45,095
Energy Select Sales	(242,887)
Mark to Market Loss - Secondary Electric Hedge	(10,356)
Subtotal - 426.5	410,408
Interest on Debt to Associated Companies (Account 430)	
Commercial Paper Program (Variable Interest Rate ranging from high of 0.648 to a low of 0.302)	373,648
Subtotal - 430	373,648
Other Interest Expense (Account 431)	
Other Interest Expense (various rates)	(109,633)
Other Interest Expense - UPS	675
Other Interest Expense- Customer Deposits	844,264
Other Interest Expense - Notes Payable	67,891
Other Interest Expense - Tax Assessment	7,846
Other Interest Expense - FIN 48 (Federal)	6,182
Other Interest Expense - Environmental Over/Under Recovered (30 Day Commercial Paper Rate)	(2,400)
Other Interest Expense - Conservation Over/Under Recovered (30 Day Commercial Paper Rate)	2,103
Other Interest Expense - Fuel Over/Under Recovered (30 Day Commercial Paper Rate)	4,516
Other Interest Expense - Purchase Power Over/Under Recovered (30 Day Commercial Paper Rate)	17
Other Interest Expense - Wholesale FPU Fuel (30 Day Commercial Paper Rate)	(420)
Subtotal - 431	821,041
Total	6,949,167

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: GULF POWER COMPANY
 DOCKET NO.: 160186-EI

EXPLANATION: Provide an analysis of all non-utility operations such as orange groves, parking lots, etc. that utilized all or part of any utility plant that are not included in Schedule C-31.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Test Year Ended 12/31/15
 Witness: S. D. Ritenour

(1)	(2)	(3)	(4)	(5)	(6)	(7)
Line No.	Account No.	Description	Original Purchase Cost	Test Year Revenues (All Accts. 454)	Expense Amounts	Net Revenues

1						Not applicable to test year or prior year due to non-utility operations being removed from rate base.
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FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: GULF POWER COMPANY
 DOCKET NO.: 160186-EI

EXPLANATION: Provide a schedule for the last four prior years and the test year of other operation and maintenance expense summary by average customer, selected growth indices, selected growth rates and average number of customers.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Years Ended 12/31/13-12/31/15
 Witness: S. D. Ritenour

(1) Line No.	(2) Description	(3) 2017 Test Year	(4) 2016 Prior Year	(5) 2015 Actual	(6) 2014 Actual	(7) 2013 Actual
1	SUMMARY OF OTHER O&M EXPENSES, LESS FUEL-RELATED AND SCHERER 3 OFF SYSTEM EXPENSES (DOLLARS PER CUSTOMER)					
2	Power Production Expense	355.44	335.23	289.43	301.90	240.39
3	Transmission Expenses	33.91	33.50	26.62	26.73	23.18
4	Distribution Expenses	111.48	109.34	102.06	105.89	98.05
5	Customer Account Expenses	62.49	59.85	55.03	57.46	48.65
6	Customer Service Expenses	58.14	58.03	67.25	58.37	82.23
7	Sales Expenses	3.05	3.07	3.11	3.30	2.71
8	Administration & General Expenses	188.41	198.66	200.92	181.86	179.31
9	Total Other O & M Expenses	812.92	797.68	744.42	735.51	674.52
10	GROWTH INDICES					
11	Consumer Price Index	248.995	242.275	237.238	236.712	232.962
12	Average Customer	458,781	452,163	447,557	442,370	437,698
13	CPI Percent Increase	2.774%	2.123%	0.222%	1.610%	1.464%
14	Average Customer Percent Increase	1.464%	1.029%	1.173%	1.068%	0.750%
15	Index Percent CPI x Customer Growth	1.14523	1.09825	1.06446	1.04979	1.02225
16	Average Customer Increase	6,618	4,606	5,187	4,673	3,256

17 Totals may not add due to rounding.

FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: GULF POWER COMPANY
 DOCKET NO.: 160186-EI

EXPLANATION: Provide a schedule for the last four prior years and the test year of other operation and maintenance expense summary by average customer, selected growth indices, selected growth rates and average number of customers.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Years Ended 12/31/13-12/31/15

Witness: S. D. Ritenour

(1) Line No.	(2) Description	(3) 2017 Test Year	(4) 2016 Prior Year	(5) 2015 Actual	(6) 2014 Actual	(7) 2013 Actual
1	DOLLAR AMOUNTS, IN CURRENT DOLLARS AND ANNUAL GROWTH RATES FOR :					
2	O&M Expense less Fuel per KWH Sold	0.0328	0.0321	0.0292	0.0286	0.0270
3	Capital Cost per Installed Watt of Electricity	1,352	1,173	1,159	985	975
4	Revenue per KWH Sold	0.1137	0.1107	0.1186	0.1131	0.1035
5	AVERAGE NUMBER OF CUSTOMERS					
6	Residential	401,542	395,467	391,465	386,765	382,599
7	Commercial	56,376	55,835	55,234	54,749	54,261
8	Industrial	253	251	249	258	258
9	Street Lighting	609	609	609	597	578
10	Other Sales to Public Authorities	1	1	1	1	1
11	Total	458,781	452,163	447,557	442,370	437,698

12 Totals may not add due to rounding.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following statistical data
for the company, by calendar year for the most recent
5 historical years.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Years Ended 12/31/11 - 12/31/15

Witness: J. K. Park, M. L. Burroughs,

W. E. Smith

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(1) Line No.	(2) Description	(3) Year 2011	(4) Year 2012	(5) Year 2013	(6) Year 2014	(7) Year 2015	(8) Average Annual Growth Rate (%)
1	THE LEVEL AND ANNUAL GROWTH RATES FOR:						
2	Peak Load (MW)	2,535	2,351	2,362	2,694	2,495	(0.40)
3	Peak Load Per Customer (KW)	5.86	5.41	5.40	6.09	5.57	(1.25)
4	Energy Sales (MWH)	11,407,228	10,987,828	10,929,745	11,390,698	11,400,419	(0.01)
5	Energy Sales Per Customer (KWH)	26,381	25,292	24,971	25,749	25,472	(0.87)
6	Number of Customers (Average)	432,403	434,441	437,697	442,370	447,558	0.86
7	Installed Generating Capacity (MW)	2,663	2,663	2,663	2,663	2,583	(0.76)
8	Population of Service Area	882,080	899,870	914,410	928,620	942,670	1.67
9	End of Year Miles of Distribution Lines	7,710	7,723	7,721	7,713	7,729	0.06
10	End of Year Miles of Jurisdictional Transmission Lines	1,591	1,587	1,588	1,563	1,671	1.23

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following payroll and fringe benefits data for the historical, test year and two prior years. If a projected test year is used, provide the same data for the projected test year and prior years to include two historical years.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/13-12/31/15

Witness: S. D. Ritenour

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(1) Line No.	(2)	2017			2016		
		(3) \$ Amount	(4) % Inc	(5) % CPI	(6) \$ Amount	(7) % Inc	(8) % CPI
1	<u>Total Company Basis</u>						
2	Base Payroll	121,023,102	2.62	2.77	117,928,494	10.43	2.12
3	Variable Payroll	21,988,159	1.15		21,739,031	-11.68	
4	Total Payroll	143,011,260	2.39		139,667,525	6.28	
5	Gross Average Salary	97,752	3.37		94,562	-0.12	
6	<u>Fringe Benefits (including capitalized & clearing portions)</u>						
7	Medical and Other Group Insurance	14,255,244	4.12		13,691,648	1.33	
8	Educational Assistance	150,000	7.14		140,000	11.93	
9	Relocation Assistance	1,349,857	0.00		1,349,857	-44.93	
10	Other Employee Benefits	772,681	29.16		598,233	24.33	
11	Pension	450,000	-84.32		2,870,000	-61.33	
12	Supplemental Pension	2,360,000	-4.45		2,470,000	-9.17	
13	Employee Savings Plan	4,737,653	3.00		4,599,663	2.97	
14	Post-Retirement Life	620,000	0.00		620,000	20.95	
15	Post-Retirement Medical (less Subsidy)	2,300,000	-8.00		2,500,000	-8.24	
16	Post-Retirement Supplemental	23,049	7.00		21,541	-25.04	
17	Worker's Compensation	73,100	1.39		72,100	7.61	
18	FICA, Federal, State Unemployment Taxes	9,879,958	2.88		9,603,544	2.34	
19	Sub-Total - Fringes	36,971,542	-4.06		38,536,586	-12.21	
20	Total Payroll and Fringes	179,982,802	1.00		178,204,111	1.65	
21	Average Employees	1,463	-0.95		1,477	6.41	
22	Payroll and Fringes Per Employee	123,023	1.96		120,653	-4.47	
23	Totals may not add due to rounding.						

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following payroll and fringe benefits data for the historical, test year and two prior years. If a projected test year is used, provide the same data for the projected test year and prior years to include two historical years.

Type of Data Shown:

___ Projected Test Year Ended 12/31/17

___ Prior Year Ended 12/31/16

 Historical Year Ended 12/31/13-12/31/15

Witness: S. D. Ritenour

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(1) Line No.	(2)	2015			2014			(9)
		(3) \$ Amount	(4) % Inc	(5) % CPI	(6) \$ Amount	(7) % Inc	(8) % CPI	(9) \$ Amount
1	<u>Total Company Basis</u>							
2	Base Payroll	106,793,990	2.44	0.22	104,250,916	3.48	1.61	100,742,440
3	Variable Payroll	24,614,600	8.02		22,787,123	122.53		10,239,815
4	Total Payroll	131,408,589	3.44		127,038,040	14.47		110,982,255
5	Gross Average Salary	94,675	4.11		90,936	15.78		78,544
6	<u>Fringe Benefits (including capitalized & clearing portions)</u>							
7	Medical and Other Group Insurance	13,511,984	11.82		12,083,241	-5.91		12,842,130
8	Educational Assistance	125,079	-6.52		133,799	-29.86		190,756
9	Relocation Assistance	2,451,135	64.59		1,489,276	26.40		1,178,184
10	Other Employee Benefits	481,164	16.93		411,502	16.13		354,332
11	Pension	7,421,549	58.96		4,668,830	-50.65		9,459,837
12	Supplemental Pension	2,719,428	26.40		2,151,370	2.29		2,103,114
13	Employee Savings Plan	4,467,161	6.69		4,186,878	2.32		4,091,889
14	Post-Retirement Life	512,621	-41.15		871,125	-4.37		910,897
15	Post-Retirement Medical (less Subsidy)	2,724,449	15.61		2,356,682	-2.53		2,417,919
16	Post-Retirement Supplemental	28,736	14761.22		(196)	-99.24		(25,758)
17	Worker's Compensation	67,001	5.27		63,648	0.67		63,223
18	FICA, Federal, State Unemployment Taxes	9,384,265	0.20		9,365,317	14.27		8,196,034
19	Sub-Total - Fringes	43,894,570	16.18		37,781,471	-9.58		41,782,557
20	Total Payroll and Fringes	175,303,160	6.36		164,819,511	7.89		152,764,812
21	Average Employees	1,388	-0.64		1,397	-1.13		1,413
22	Payroll and Fringes Per Employee	126,299	7.05		117,981	9.13		108,114

23 Totals may not add due to rounding.

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a comparison of the change in operation and maintenance the change in operation and maintenance expenses (excluding fuel) for the last three years and the test year to CPI.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/14-12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

\$000s

(1) Line No.	(2) Description	(3) 2017	(4) 2016	(5) 2015	(6) 2014
1	Non-Fuel Operations & Maintenance Expenses				
2	(Excluding ECCR & ECRC & Transmission Energy				
3	& Capacity; Includes Other Regulatory Adjustments)	319,813	305,563	289,391	278,863
4	Percent Change in Non-Fuel Operations & Maintenance				
5	Expense Over Previous Year	4.664%	5.588%	3.775%	14.522%
6	Percent Change in CPI Over Previous Year	2.774%	2.123%	0.222%	1.610%
7	Difference Between Change in CPI and Non-Fuel				
8	Operations & Maintenance Expense	1.890%	3.465%	3.553%	12.912%

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For test year functionalized O&M expenses, provide the benchmark variances.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Line No.	Function	Test Year Total Company Per Books	O&M Adjustments	Adjusted Test Year O&M	Base Year Adjusted O&M	Compound Multiplier	Test Year Benchmark (6) x (7)	Unadjusted Benchmark Variance	Adjusted Benchmark Variance
1	Production - Steam	322,592	(218,139)	104,453	95,311	1.08447	103,362	219,230	1,091
2	Production - Other	320,258	(306,978)	13,280	7,312	1.08447	7,930	312,328	5,350
3	Production - Other Power Supply	105,847	(101,426)	4,421	4,312	1.08447	4,676	101,171	(255)
4	Transmission	28,629	(12,061)	16,568	11,320	1.14523	12,964	15,665	3,604
5	Distribution	51,147	(5,273)	45,874	39,877	1.14523	45,668	5,479	206
6	Customer Accounts	28,670	(940)	27,730	24,532	1.14523	28,095	575	(365)
7	Customer Service and Information	26,675	(9,692)	16,983	18,861	1.14523	21,600	5,075	(4,617)
8	Sales Expense	1,398	(242)	1,156	945	1.14523	1,082	316	74
9	Administrative and General	87,049	2,299	89,348	73,482	1.14523	84,154	2,895	5,194
10	Total	972,265	(652,452)	319,813	275,952		309,531	662,734	10,282

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the detail of adjustments made to test year per books O&M expenses by function.

Type of Data Shown:

Projected Test Year Ended 12/31/2017

Prior Year Ended 12/31/2016

Historical Year Ended 12/31/2015

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Line No.	Function	System Per Books	Direct Fuel, Test Year Expenses and Purchased Power	ECCR	ECRC	Scherer Off-System Sales	Marketing Support Activities	Wholesale Sales Expense	Institutional Advertising	Economic Development	Management Financial Planning	Property Insurance Reserve
1	Production											
2	Steam Production	322,592	(174,918)		(40,647)	(2,675)		(10)				
3	Other Production	320,258	(306,882)		(83)							
4	Other Power Supply	105,847	(101,155)					(300)				
5	Total Production	748,697	(582,955)	0	(40,730)	(2,675)	0	(310)	0	0	0	0
6	Transmission	28,629	(13,073)									
7	Distribution	51,147			(4,013)							
8	Customer Accounts	28,670										
9	Customer Service & Information	26,675		(9,627)								
10	Sales Expenses	1,398					(178)			(61)		
11	Administrative & General	87,049		(727)	(845)	(608)			(200)	(2)	(43)	5,400
12	Total Adjusted System O&M	972,265	(596,028)	(10,354)	(45,588)	(3,283)	(178)	(310)	(200)	(63)	(43)	5,400

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the detail of adjustments made to test year per books O&M expenses by function.

Type of Data Shown:

Projected Test Year Ended 12/31/2017

Prior Year Ended 12/31/2016

Historical Year Ended 12/31/2015

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(\$000s)

Witness: S. D. Ritenour

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
Line	Function	Tallahassee Liason Expenses	Rate Case Expenses	Hiring Lag	Generation	Transmission	LTE System	Customer Kiosks	Pension & OPRB	Subtotal Adjustments	Total Adjusted O&M
1	Production										
2	Steam Production			(227)	667		(410)		81	(218,139)	104,453
3	Other Production			(20)			0		7	(306,978)	13,280
4	Other Power Supply			0			0		29	(101,426)	4,421
5	Total Production	0	0	(247)	667	0	(410)	0	117	(626,543)	122,154
6	Transmission			(34)		1,123	(99)		22	(12,061)	16,568
7	Distribution			(160)			(1,123)		23	(5,273)	45,874
8	Customer Accounts			(92)			(224)	(650)	26	(940)	27,730
9	Customer Service & Information			(57)			(19)		11	(9,692)	16,983
10	Sales Expenses			(3)						(242)	1,156
11	Administrative & General	(549)	1,673	(270)	(319)		(225)	(122)	(864)	2,299	89,348
12	Total Adjusted System O&M	(549)	1,673	(863)	348	1,123	(2,100)	(772)	(665)	(652,452)	319,813

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide adjustments to benchmark year O&M expenses related to expenses recoverable through mechanisms other than base rates. Explain any adjustments.

Type of Data Shown:

 Projected Test Year Ended 12/31/12 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Witness: S. D. Ritenour

(\$000s)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Line	Function	2012 System Per Books	Eliminate Recoverable Fuel and Purchased Power	Eliminate Recoverable ECRC	Eliminate Recoverable ECCR	Other Regulatory O&M Adjustments	2012 Adjusted System Amount	Function Adjustments	2012 Adjusted System Amount (incl Function adjs)
1	Production	882,030	(730,362)	(30,440)	0	(14,293)	106,935	0	106,935
2	Transmission	14,269	(2,657)	0	0	(292)	11,320	0	11,320
3	Distribution	43,781	0	(2,185)	0	(1,032)	40,564	(687)	39,877
4	Customer Accounts	24,723	0	0	0	(1,054)	23,669	863	24,532
5	Customer Service & Information	38,757	0	0	(18,070)	(465)	20,222	(1,361)	18,861
6	Sales Expense	1,097	0	0	0	(152)	945	0	945
7	Administrative & General	82,178	(300)	(706)	(1,241)	(7,634)	72,297	1,185	73,482
8	Total O&M Expenses by Function	1,086,835	(733,319)	(33,331)	(19,311)	(24,922)	275,952	0	275,952

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: For each year since the benchmark year, provide the amounts and percent increases associated with customers and average CPI. Show the calculation for each compound multiplier.

Type of Data Shown:

- Projected Year Ended 12/31/17
- Prior Year Ended 12/31/16
- Historical Years 2012 - 2015

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour

DOCKET NO.: 160186-EI

(1)	(2)	(3)		(4)	(5)	(6)		(7)	(8)	(9)
Line No.	Year	Total Average Customers		% Increase *	Compound Multiplier **	Average CPI-U		% Increase *	Compound Multiplier **	Inflation and Growth Compound Multiplier (5) x (8)
		Amount				Amount***				
1	2012	434,441			1.00000	229.600			1.00000	1.00000
2	2013	437,698		0.750%	1.00750	232.962		1.464%	1.01464	1.02225
3	2014	442,370		1.068%	1.01825	236.712		1.610%	1.03098	1.04979
4	2015	447,557		1.172%	1.03019	237.238		0.222%	1.03327	1.06446
5	2016	452,163		1.029%	1.04079	242.275		2.123%	1.05520	1.09825
6	2017	458,781		1.464%	1.05602	248.995		2.774%	1.08447	1.14523

7 * Percent change from prior year to current year.

8 ** Current year Col. (5) or Col. (8) divided by the base year (2012) in the same column.

9 ***Based on CPI: Urban Consumers; Moody's Analytics, Oct. 2015

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FLORIDA PUBLIC SERVICE COMMISSION
 COMPANY: GULF POWER COMPANY
 DOCKET NO.: 160186-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15
 Witness: S. D. Ritenour, M. L. Burroughs,
 W. E. Smith, B. C. Terry, J. J. Hodnett

(1) Line No.	(2)	(3) PAGE NO.
1	INDEX	
2	Summary Justification for each Functional Benchmark Variance	
3	Summary of Test Year Benchmark Expenses	2
4	(A) Total Production Summary	
5	(1) Steam Production	3
6	(2) Production Other	5
7	(3) Production Other Power Supply	7
8	(B) Transmission	8
9	(C) Distribution	10
10	(D) Customer Accounts	12
11	(E) Customer Service & Information	13
12	(F) Sales	14
13	(G) Administrative & General	16

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: S. D. Ritenour, M. L. Burroughs,
W. E. Smith, B. C. Terry, J. J. Hodnett

DOCKET NO.: 160186-EI

(\$000s)

TOTAL ADJUSTED O&M LESS FUEL, PURCHASED POWER, ECCR AND ECRC
BENCHMARK VARIANCE BY FUNCTION
2012 ALLOWED COMPARED TO TEST YEAR REQUEST EXPENSES

(1) Line No.	(2) Description	(3) 2012 Allowed	(4) Test Year Benchmark	(5) Test Year Request	(6) Variance
1					
2					
3	Steam Production	95,311	103,362	104,453	1,091
4	Other Production	7,312	7,930	13,280	5,350
5	Other Power Supply	4,312	4,676	4,421	(255)
6	Total Production	106,935	115,968	122,154	6,186
7	Transmission	11,320	12,964	16,568	3,604
8	Distribution	39,877	45,668	45,874	206
9	Customer Accounts	24,532	28,095	27,730	(365)
10	Customer Service & Information	18,861	21,600	16,983	(4,617)
11	Sales	945	1,082	1,156	74
12	Administrative & General	73,482	84,154	89,348	5,194
13	Total Adjusted O&M	275,952	309,531	319,813	10,282

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: M. L. Burroughs

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

STEAM PRODUCTION

1		<u>(\$000s)</u>
2	2012 Allowed	95,311
3	Test Year Adjusted Benchmark	103,362
4	Test Year Adjusted Request	104,453
5	System Benchmark Variance	1,091
6	<u>Description</u>	<u>Variance</u>
7	1. Scherer	6,740
8	2. Common Transferred to Prod - Other	(2,560)
9	3. Other	(3,089)
10		<u><u>1,091</u></u>

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: M. L. Burroughs

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

STEAM PRODUCTION

1 Justification

2 1. Scherer: Plant Scherer was not reflected in the 2012 allowed expenses because it was dedicated to long-term off-system sales. Plant Scherer has
3 been rededicated to native load customers. 2017 Test Year O&M expenses reflect the portion of Scherer Unit 3 not currently committed to off system
4 sales.

5 2. Common Transferred to Prod - Other: Expenses common to both the coal and combined cycle units at Plant Smith were transferred from
6 Production-Steam to Production-Other due to the the retirement of the coal units.

7 3. N/A

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: M. L. Burroughs

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

OTHER PRODUCTION

Line No.		(\$000s)
1		
2	2012 Allowed	7,312
3	Test Year Adjusted Benchmark	7,930
4	Test Year Adjusted Request	13,280
5	System Benchmark Variance	5,350
6	<u>Description</u>	<u>Variance</u>
7	1. Heat Recovery Steam Generator (HRSG)	1,413
8	2. Smith Unit 3 Other Components	1,436
9	3. Common Transferred from Steam	2,560
10	4. Other	(59)
11		<u>5,350</u>

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: M. L. Burroughs

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

OTHER PRODUCTION

1

Justification

2

1. Heat Recovery Steam Generator (HRSG): Increased work on the Heat Recovery Steam Generator (HRSG) due to high utilization and aging of Smith Unit 3.

3

2. Smith Unit 3 Other Components: Other Smith Unit 3 components consisting of the turbine system, combustion system, service water system, condensate system, and service facilities are experiencing higher costs due to high utilization and aging of the unit.

4

5

3. Common Transferred from Steam: Expenses common to both the coal and combined cycle units at Plant Smith were transferred from Production-Steam to Production-Other due to the retirement of the coal units.

6

7

4. N/A

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: M. L. Burroughs

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

OTHER POWER SUPPLY

1

(\$000s)

2

2012 Allowed

4,312

3

Test Year Adjusted Benchmark

4,676

4

Test Year Adjusted Request

4,421

5

System Benchmark Variance

(255)

6

Description

7

N/A

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: W. E. Smith

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

TRANSMISSION

1		<u>(\$000s)</u>
2	2012 Allowed	11,320
3	Test Year Adjusted Benchmark	12,964
4	Test Year Adjusted Request	16,568
5	System Benchmark Variance	3,604
6	<u>Description</u>	<u>Variance</u>
7	1. Scherer 3 Delivery Obligation	1,123
8	2. Protection and Control	269
9	3. Line Inspections	572
10	4. Engineering and Supervision	842
11	5. Vegetation Management	798
12		<u><u>3,604</u></u>

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: W. E. Smith

Line No.

TRANSMISSION

- | | |
|---|--|
| 1 | <u>Justification</u> |
| 2 | 1. Scherer 3 Delivery Obligation: Transmission transport costs associated with Scherer Unit 3. Plant Scherer was not reflected |
| 3 | in the 2012 allowed expenses because it was dedicated to long-term off-system sales. Plant Scherer has been rededicated to native load customers. |
| 4 | 2. Protection and Control: Critical Infrastructure Program (CIP) facilities compliance requirements of NERC to include the identification and security |
| 5 | of Gulf's critical facilities. |
| 6 | 3. Line Inspections: Increased inspection activity and associated costs to ensure a reliable transmission system. |
| 7 | 4. Engineering and Supervision: Additional requirements for NERC compliance. Programs such as the documenting and monitoring of internal |
| 8 | control processes of high-risk NERC programs and cybersecurity costs comprise this variance. |
| 9 | 5. Vegetation Management: Additional NERC requirements of inspections and subsequent clearing along NERC regulated 230 kV corridors. |

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: W. E. Smith

Line No.	DISTRIBUTION	(\$000s)
1		
2	2012 Allowed	39,877
3	Test Year Adjusted Benchmark	45,668
4	Test Year Adjusted Request	45,874
5	System Benchmark Variance	206
6	<u>Description</u>	<u>Variance</u>
7	1. Overhead and Underground Line O&M	206
8		<u><u>206</u></u>

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:
 Projected Test Year Ended 12/31/17
 Prior Year Ended 12/31/16
 Historical Year Ended 12/31/15
Witness: W. E. Smith

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

DISTRIBUTION

1

Justification

2

1. Overhead and Underground Line O&M - A part of this program includes Personal Protective Equipment (PPE) for those employees working in hazardous conditions. Gulf provides an annual allotment to employees to purchase Company approved flame retardant clothing as part of the PPE program. Since Gulf's 2011 rate case, Gulf reviewed its policy for the flame retardant clothing program and increased the annual allotment for certain classifications of employees. In 2015, the Company began a safety footwear program, similar to the flame retardant clothing program, whereby field employees are eligible to purchase safety footwear utilizing an annual allotment.

3

4

5

6

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: B. C. Terry

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

CUSTOMER ACCOUNTS

Line No.		(\$000s)
1		
2	2012 Allowed	24,532
3	Test Year Adjusted Benchmark	28,095
4	Test Year Adjusted Request	27,730
5	System Benchmark Variance	(365)

6 Description

7 N/A

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: B. C. Terry

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

CUSTOMER SERVICE & INFORMATION

1		(\$000s)
2	2012 Allowed	18,861
3	Test Year Adjusted Benchmark	21,600
4	Test Year Adjusted Request	16,983
5	System Benchmark Variance	(4,617)

6 Description

7 N/A

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

COMPANY: GULF POWER COMPANY

Witness: B. C. Terry

DOCKET NO.: 160186-EI

Line No.	SALES	
1		<u>(\$000s)</u>
2	2012 Allowed	945
3	Test Year Adjusted Benchmark	1,082
4	Test Year Adjusted Request	1,156
5	System Benchmark Variance	74
6	<u>Description</u>	<u>Variance</u>
7	1. Administrative Expenses	(54)
8	2. Programs and Incentives	128
9		<u><u>74</u></u>

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: B. C. Terry

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

SALES

1

Justification

2

1. Administrative Expenses: Reductions of expenses in multiple areas result in a slight decrease in Gulf's administrative expenses compared to the benchmark.

3

4

2. Programs and Incentives: Increase in expenses primarily driven by the addition of an Economic Development analyst position. This position is necessary to provide a variety of research and analysis essential in supporting the Company's economic development function. This position performs research on talent availability, demographics, site readiness factors, quality of life indicators and many other variables that are necessary when working with prospective customers.

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: J. J. Hodnett

Line No.

ADMINISTRATIVE & GENERAL

Line No.		<u>(\$000s)</u>
1		
2	2012 Allowed	73,482
3	Test Year Adjusted Benchmark	84,154
4	Test Year Adjusted Request	89,348
5	System Benchmark Variance	5,194
6	<u>Description</u>	<u>Variance</u>
7	1. Property Insurance Reserve	4,892
8	2. Plant Scherer	1,875
9	3. Other	(1,573)
10		<u><u>5,194</u></u>

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule of operation and maintenance expense by function for the test year, the benchmark year and the variance. For each functional benchmark variance, provide the reason(s) for the difference.

Type of Data Shown:

 Projected Test Year Ended 12/31/17 Prior Year Ended 12/31/16 Historical Year Ended 12/31/15

Witness: J. J. Hodnett

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

Line No.

ADMINISTRATIVE & GENERAL

1

Justification

2

1. Property Insurance Reserve: In Gulf's 2011 rate case, the Commission approved a property damage reserve target of \$48-55 million as the amount necessary to build an adequate reserve to cover most storms. To achieve the target of \$48-55 million, Gulf has proposed an increase in the annual property damage reserve accrual from \$3,500,000 to \$8,900,000. The proposed annual accrual of \$8,900,000 is based on the expected average annual loss to be covered by the reserve (\$7,900,000), per Gulf's 2016 Hurricane Loss and Reserve Performance Analysis (Storm Study), and an additional annual amount of \$1,000,000 for non-storm charges to the reserve. The Storm Study is addressed in the testimony of Gulf Witness Harris, and the increase in the annual accrual is addressed in the testimony of Ms. Hodnett.

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2. Plant Scherer A&G was not reflected in the 2012 allowed expenses because it was dedicated to long-term off-system sales. Plant Scherer has been rededicated to native load customers.

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3. N/A

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

EXPLANATION: Provide hedging expenses and plant balances by primary account for the test year and the preceding three years. Hedging refers to initiating and/or maintaining a non-speculative financial and/or physical hedging program designed to mitigate fuel and purchased power price volatility for the utility's retail rate payers, exclusive of the costs referenced in Paragraph 3, page 5 of Order No PSC-02-1484-FOF-EI. Show hedging expenses and plant recovered through base rates separate from hedging expenses and plant recovered through the fuel clause.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/14 - 12/31/15

Witness: M. L. Burroughs

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Line No.	Account No.	Account Title	2014		2015		2016		2017		
			Base Rates	Clause	Base Rates	Clause	Base Rates	Clause	Base Rates	Clause	
1			HEDGING EXPENSE								
2	547	Gas Hedging Support (1)	109,975	-	90,079	-	116,108	-	118,047	-	
3			ANNUAL PLANT IN SERVICE								
4		There are no capital investments for hedging.									
5		NOTE: (1) Gas Hedging Support, BWO-4352GH, O&M expenses includes labor, overheads, and expenses of employees engaged in financial									
6		hedging of natural gas.									

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FLORIDA PUBLIC SERVICE COMMISSION

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

EXPLANATION: Provide a schedule of security expenses and security plant balances by primary account and totals for the test year and the preceding three years. Show the security expenses recovered through base rates separate from security expenses recovered through the fuel/capacity clauses. Show the plant balances supporting base rates separate from the plant balances supporting the fuel/capacity clauses. Provide only those security costs incurred after, and as a result of, the terrorist events of September 11, 2001.

Type of Data Shown:

- Projected Test Year Ended 12/31/17
- Prior Year Ended 12/31/16
- Historical Years Ended 12/31/14-12/31/15

Witness: J. J. Hodnett

(\$000s)																			
(1)	(2)	(3)	(4)		(5)		(6)		(7)		(8)		(9)		(10)		(11)		
Line No.	Account No.	Account Title	2014		2015		2016		2017		Base Rates		Clauses		Base Rates		Clauses		
			Base Rates	Clauses															
1		EXPENSES																	
2	506	Misc. Steam Power Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	549	Misc. Other Power Gen Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	935	Maintenance of General Plant	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5		Total Security Expense	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6		ANNUAL PLANT IN SERVICE																	
7		CAPITAL																	
8	398	Miscellaneous Equipment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9		Total Security Investment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10		Note - Gulf Power does not track security expenses specifically related to the terrorist attacks of September 11, 2001. However, there are no security expenses being																	
11		recovered through the fuel/capacity clauses.																	

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the calculation of the revenue expansion factor for the test year.

Type of Data Shown:

Projected Test Year Ended 12/31/17

Prior Year Ended 12/31/16

Historical Year Ended 12/31/15

Witness: S. D. Ritenour

COMPANY: GULF POWER COMPANY

DOCKET NO.: 160186-EI

(1) Line No.	(2) Description	(3) Percent
1	Revenue Requirement	100.0000
2	Regulatory Assessment Rate	0.0720
3	Bad Debt Rate	<u>0.2499</u>
4	Net Before Income Taxes (1) - (2) - (3)	99.6781
5	State Income Tax Rate	5.5000
6	State Income Tax (4) x (5)	<u>5.4823</u>
7	Net Before Federal Income Tax (4) - (6)	94.1958
8	Federal Income Tax Rate	35.0000
9	Federal Income Tax (7) x (8)	<u>32.9685</u>
10	Revenue Expansion Factor (7) - (9)	61.2273
11	Net Operating Income Multiplier (100% / Line 10)	1.633258

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