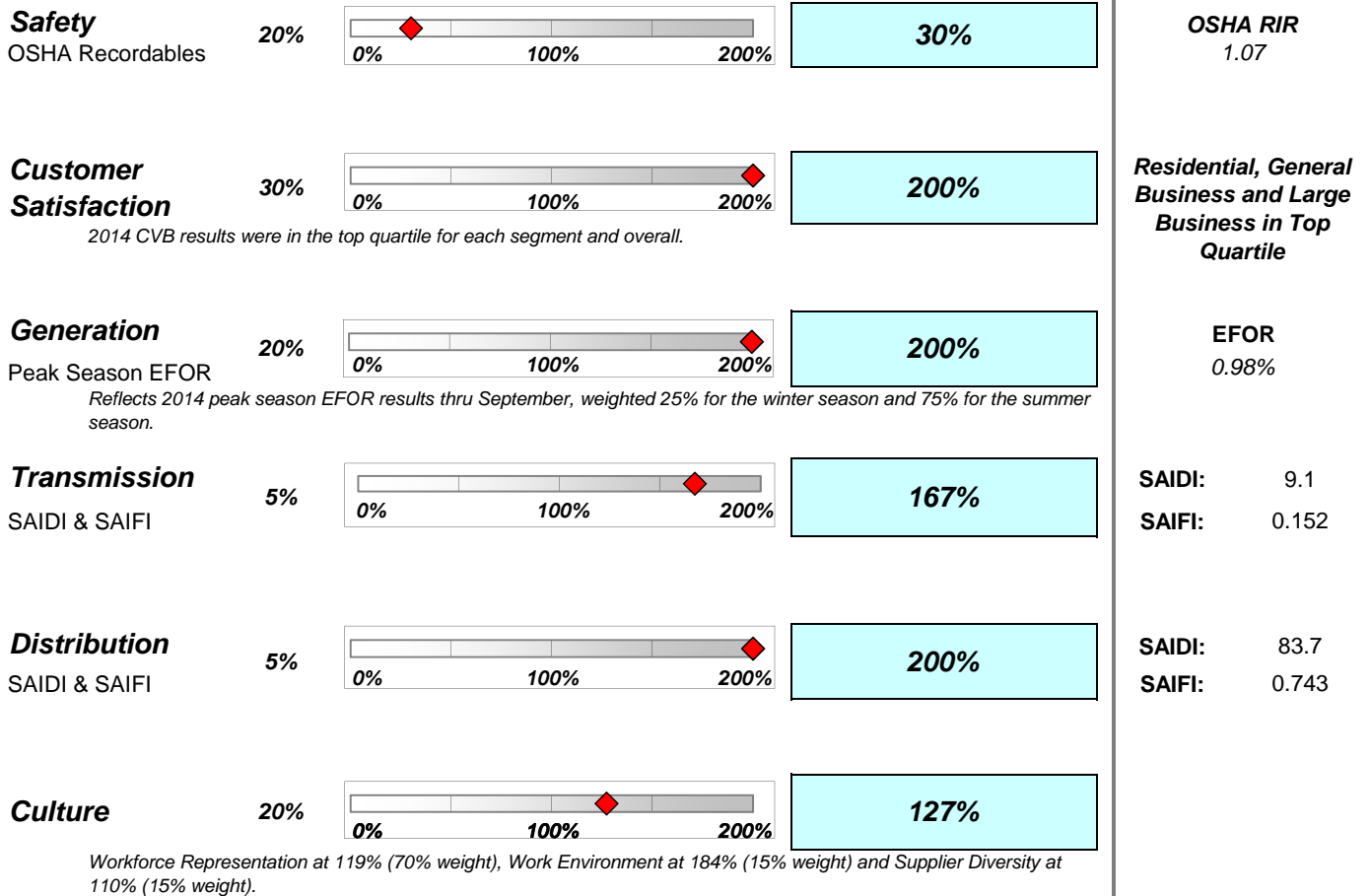
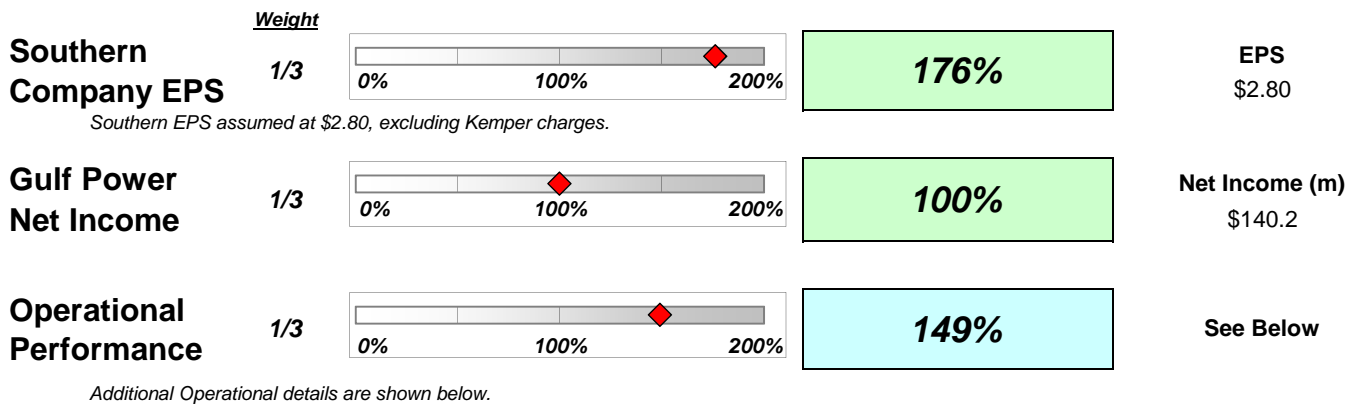
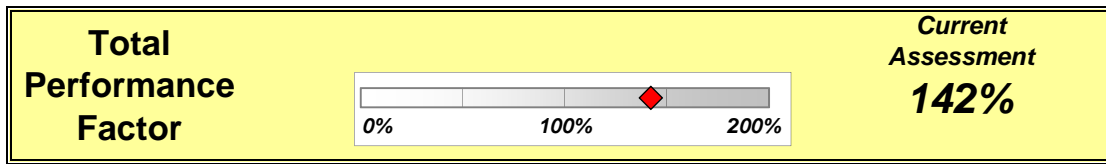


Gulf Power Company

2014 PPP Assessment - Final



2014 Gulf Power PPP Goals

Applicable to all eligible Gulf employees

Operational
(1/3)

Safety (20%)
Target Zero
OSHA Recordable
Incidence Rate (20%)

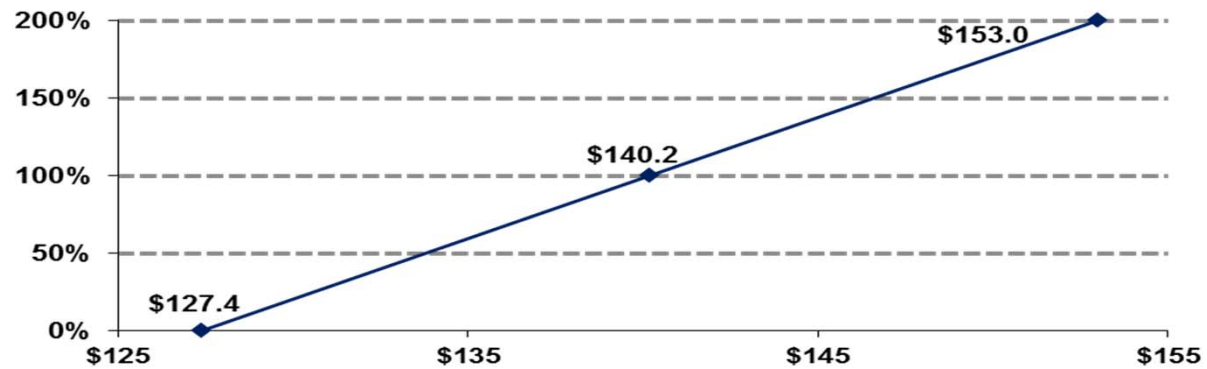
Operations (60%)
Customer Satisfaction (30%)
Generation (15%)
Transmission (7.5%)
SAIDI & SAIFI (3.75% each)
Distribution (7.5%)
SAIDI & SAIFI (3.75% each)

Culture (20%)
Workforce Representation (14%)
Leadership (7%)
Leadership Pipeline (3.5%)
Total Workforce (3.5%)
Work Environment (3%)
Supplier Diversity (3%)

Gulf Power Net Income
(1/3)

Net Income Goal Performance Scale (in millions)

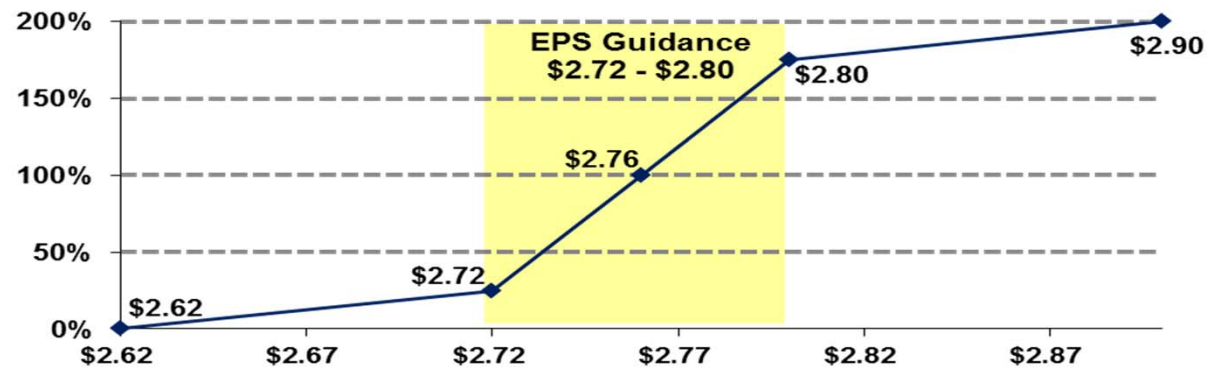
Range: 0-200%



Southern Company EPS
(1/3)

EPS Goal Performance Scale

Range: 0-200%



2014 Gulf Power PPP Goals

Operational Goal Performance Scales

Range: 0-200%

Safety (20%)

Target Zero	
Scale	OSHA Recordable Incidence Rate
200%	0.57
100%	0.93
0%	1.13

Operations (60%)

Customer Satisfaction		Goal Detail	
Scale	Customer Value Benchmark Study	Overall performance determines the payout range while Residential, General Business, and Large Business segment results determine the score within that range, based on the scale below.	
200%	Top Quartile Overall and 3 Points		
167%	Top Quartile Overall and 4 Points		
133%	Top Quartile Overall and 5 Points		
67%	Top Quartile Overall and 6 Points or more OR 2nd Quartile Overall and 6 Points or less	1st Quartile	1 Point
33%	2nd Quartile Overall and 7 Points	2nd Quartile	2 Points
0%	2nd Quartile Overall and 8 Points or more	3rd Quartile	3 Points
		4th Quartile	4 Points

Scale	Generation	Transmission		Distribution	
	Peak Season EFOR	SAIDI Duration/MVA	SAIFI Frequency/MVA	SAIDI Duration/Customer	SAIFI Frequency/Customer
200%	3.10%	10.3	0.136	98.1	0.927
150%	Interpolate	11.2	0.148	Interpolate	Interpolate
100%	5.51%	12.1	0.161	109.0	1.030
0%	9.00%	17.5	0.233	141.7	1.339

Culture (20%)

Scale	Representation			Work Environment	Supplier Diversity
	Leadership	Leadership Pipeline	Total Workforce	Internal Employee Survey	% of Total Spend
200%	Subjective assessment by the Southern Company CEO and Management Council			85%	18.89%
100%				75%	15.74%
0%				65%	9.50%

Financial Trigger

- Southern Company EPS must exceed prior year dividend to provide any PPP opportunity (dividend funding mechanism). The intent of the dividend funding mechanism is to ensure adequate coverage of the dividend payments and to eliminate PPP payouts only under circumstances that prevent or threaten continuation of the dividend at the prior year's level. It is not intended to activate when non-recurring, non-cash items occur. Thus, in situations where EPS does not exceed the prior year dividend but Southern Company's earnings are sufficient to fund the dividend, PPP will not be affected by this provision.