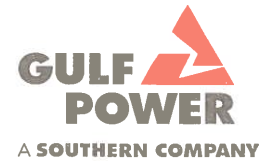


Robert L. McGee, Jr.
Regulatory & Pricing Manager

One Energy Place
Pensacola, Florida 32520-0780

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RLMCGEE@southernco.com



December 14, 2015

Mr. Bart Fletcher
Division of Accounting and Finance
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RE: Monthly Rate of Return Report

Dear Mr. Fletcher:

Enclosed is Gulf Power Company's Jurisdictional Rate of Return Report for the month of October, 2015.

Sincerely,

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

Robert L. McGee, Jr.
Regulatory and Pricing Manager

md

Enclosure

cc/enc.: Office of the Public Counsel
c/o Florida Legislature
111 W. Madison, Rm. 801
Tallahassee, FL 32399-1400

GOV 2-1-5-3

October 2015

Earnings Surveillance
Report
(Rate of Return)



GULF POWER COMPANY
Earnings Surveillance Report Summary
October, 2015

	(1) Actual Per Books	(2) FPSC Adjustments	(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
I. Average Rate of Return (Jurisdictional)					
Net Operating Income	(a) 189,077,139	(b) (70,795,268)	118,281,871	0	118,281,871
Average Rate Base	3,385,091,230	(1,402,840,379)	1,982,250,850	0	1,982,250,850
Average Rate of Return	5.59%		5.97%		5.97%
II. Year End Rate of Return (Jurisdictional)					
Net Operating Income	(a) 189,064,696	(b) (71,293,398)	117,771,298	0	117,771,298
Year End Rate Base	3,433,885,101	(1,446,702,484)	1,987,182,617	0	1,987,182,617
Year End Rate of Return	5.51%		5.93%		5.93%

(a) Includes AFUDC Earnings

(b) Includes Reversal of AFUDC Earnings

**III. Required Rates of Return
Average Capital Structure
(FPSC Adjusted Basis)**

Low	5.24%
Midpoint	5.61%
High	5.97%

IV. Financial Integrity Indicators

A. Tie With AFUDC	5.03 x (System per Books Basis)
B. Tie Without AFUDC	4.69 x (System per Books Basis)
C. AFUDC To Net Income	12.56% (System per Books Basis)
D. Internally Generated Funds	94.10% (System per Books Basis)
E. LTD To Total Investor Funds	46.42% (FPSC Adjusted Basis)
F. STD To Total Investor Funds	2.08% (FPSC Adjusted Basis)
G. Return on Common Equity	11.25% (FPSC Adjusted Basis)
H. Return on Common Equity	11.25% (Proforma Basis)

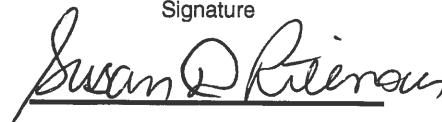
I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

Name and Title

Susan D. Ritenour
Corporate Planning Manager, Corporate Treasurer & Secretary

Signature



Date

11/14/15

GULF POWER COMPANY
AVERAGE RATE OF RETURN
RATE BASE
October, 2015

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	4,608,261,020	1,562,329,991	3,045,931,029	15,018,231	435,963,977	0	3,496,913,237	225,959,291	3,722,872,528
JURISDICTIONAL PER BOOKS	4,096,592,223	1,412,238,754	2,684,353,469	14,578,875	423,170,930	0	3,122,103,274	262,987,955	3,385,091,230
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE	(1,020,191,422)	(185,806,524)	(834,384,898)		(18,783,844)		(853,168,742)	(6,298,590)	(859,467,332)
INT BEARING CWIP					(369,505,248)		(369,505,248)	0	(369,505,248)
ENERGY CONSERVATION CLAUSE	(12,725,277)	7,094,406	(19,819,683)		(5,769)		(19,825,452)	(1,381,567)	(21,207,019)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(95,242,129)		(95,242,129)				(95,242,129)	0	(95,242,129)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.								(1,298,244)	(1,298,244)
LOANS TO EMPLOYEES / RETIREES								(44,566)	(44,566)
INTEREST AND DIVIDENDS RECEIVABLE								(48,228)	(48,228)
FUNDED PROP RES. N. ESCAMBIA & OTHER INV.				(12,661,331)			(12,661,331)	(4,358,940)	(17,020,271)
FUEL RELATED DEFERRED DEBITS								(35,601,362)	(35,601,362)
ACCRUED PROVISION FOR REFUND								0	0
UNAMORTIZED RATE CASE EXPENSES								(3,405,980)	(3,405,980)
TOTAL FPSC ADJUSTMENTS	(1,128,158,828)	(178,712,118)	(949,446,710)	(12,661,331)	(388,294,861)	0	(1,350,402,902)	(52,437,477)	(1,402,840,379)
FPSC ADJUSTED	2,968,433,395	1,233,526,636	1,734,906,759	1,917,544	34,876,069	0	1,771,700,372	210,550,478	1,982,250,850
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUST	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	2,968,433,395	1,233,526,636	1,734,906,759	1,917,544	34,876,069	0	1,771,700,372	210,550,478	1,982,250,850

GULF POWER COMPANY
AVERAGE RATE OF RETURN
INCOME STATEMENT
October, 2015

	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,517,272,507	624,784,880	350,188,523	137,015,473	118,201,491	(6,589,511)	96,395,627	(796,934)	0	1,319,199,549	198,072,958 (a)
JURISDICTIONAL PER BOOKS	1,329,590,485	515,192,575	329,763,275	125,756,267	116,069,079	119,086	74,728,440	(533,737)	0	1,161,094,985	168,495,500 (a)
LESS FPSC ADJUSTMENTS:	(429,067,917)	(428,713,659)				(136,655)				(428,850,314)	(217,602)
RETAIL FUEL REVENUES & EXPENSES	(86,086,131)	(86,292,852)				79,743				(86,213,109)	126,979
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(18,514,867)			(356,441)	(340,335)	(683,991)				(17,425,513)	(1,089,154)
ENERGY CONSERVATION COST REVENUES & EXPENSES	(141,221,971)		(16,044,746)	(39,824,540)	(3,272,040)	(27,477,363)				(97,468,320)	(43,753,651)
ENVIRONMENTAL COST RECOVERY CLAUSE	(43,810,957)		(26,894,377)		(42,684,078)	(434,693)				(43,118,771)	(692,186)
FRANCHISE FEE REVENUE & EXPENSE	(32,994,715)				(32,618,997)	(144,933)				(32,763,930)	(230,786)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT			(209,130)			80,672				(128,459)	128,458
MARKETING SUPPORT ACTIVITIES		(186,063)				71,774				(114,289)	114,289
WHOLESALE EXPENSES			(209,727)			80,902				(128,825)	128,825
INSTITUTIONAL ADVERTISING EXPENSE			(53,246)			20,540				(32,706)	32,706
ECONOMIC DEVELOPMENT EXPENSE			(21,931)			8,460				(13,471)	13,471
MGMT FINANCIAL PLANNING SERVICES			(47,015)			18,136				(28,879)	28,879
DIRECTORS' & OFFICERS' INSURANCE			(1,400)			540				(860)	860
INDUSTRY ASSOCIATION DUES			(435,324)			176,105				(260,421)	260,421
TALLAHASSEE LIAISON EXPENSES					(21,202)						0
DEPRECIATION CREDIT ADJUSTMENT					(1,550,421)	598,075			(17,732)	(952,346)	952,346
GRT, FPSC FEES ON CLAUSES & FEES						6,840				(10,892)	10,892
(GAIN) / LOSS ON DISPOSITION OF PROPERTY						6,048,377				6,048,377	(6,048,377)
INTEREST SYNCHRONIZATION											
TOTAL FPSC ADJUSTMENTS	(751,896,357)	(515,192,575)	(43,916,897)	(40,180,981)	(80,487,072)	(21,687,471)	0	0	(17,732)	(701,482,728)	(50,213,629)
FPSC ADJUSTED	577,894,128	0	285,846,378	85,575,286	35,582,007	(21,588,385)	74,728,440	(533,737)	(17,732)	459,612,257	118,281,871
PRO FORMA REVENUE ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	577,894,128	0	285,846,378	85,575,286	35,582,007	(21,588,385)	74,728,440	(533,737)	(17,732)	459,612,257	118,281,871
PRO FORMA ADJUSTED	109,412,569	39,622,045	24,158,102	13,915,079	9,408,990	200,654	5,728,379	(58,495)	0	92,974,753	16,437,816
(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY	97,078,509	33,740,685	21,696,545	12,969,564	9,211,866	1,228,723	3,790,750	(38,715)	0	82,601,237	14,477,272
CURRENT MONTH SYSTEM PER BOOKS											
CURRENT MONTH JURISDICTIONAL PER BOOKS											

TOTALS MAY NOT ADD DUE TO ROUNDING.

GULF POWER COMPANY
AVERAGE RATE OF RETURN
SYSTEM ADJUSTMENTS
October, 2015

SCHEDULE 2
PAGE 3 OF 3

<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,050,858,762)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(539,918,168)	(208,273,433)
ACCUMULATED DEPRECIATION	191,391,939	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(145,481,324)	(56,119,421)
CWIP	(19,348,494)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(86,357,577)	(33,312,435)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(12,725,277)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,514,667)	(7,142,033)
ACCUMULATED DEPRECIATION	(7,094,406)	FUEL EXPENSE	(535,992,205)	206,758,993
CWIP	(5,769)	PURCHASED POWER CAPACITY COST EXPENSE	(88,898,214)	34,291,714
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(95,242,129)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(16,401,188)	6,326,758
FAS 143 NET PLANT	(42,733,984)	CONSERVATION EXPENSES - OTHER TAXES	(340,335)	131,284
INTEREST BEARING CWIP	(378,293,751)	ENVIRONMENTAL COST RECOVERY EXPENSE	(72,043,151)	27,790,645
PHFU - NORTH ESCAMBIA	(13,042,899)	FRANCHISE FEE REVENUES	(43,810,957)	(16,900,076)
		FRANCHISE FEE	(42,684,078)	16,465,383
		GROSS RECEIPTS TAX REVENUES	(32,994,715)	(12,727,711)
		GROSS RECEIPTS TAX EXPENSE	(32,618,997)	12,582,778
		MARKETING SUPPORT ACTIVITIES	(209,130)	80,672
WORKING CAPITAL:		WHOLESALE EXPENSE	(191,734)	73,961
ECRC WORKING CAPITAL	(6,487,928)	INSTITUTIONAL ADVERTISING EXPENSE	(213,859)	82,496
CONSERVATION/AEM INVENTORY	(1,381,567)	ECONOMIC DEVELOPMENT EXPENSE	(53,246)	20,540
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(1,298,244)	MGMT FINANCIAL PLANNING SERVICES	(22,415)	8,647
FUNDED PROPERTY INSURANCE RESERVE	0	DIRECTORS' & OFFICERS' INSURANCE	(48,053)	18,537
LOANS TO EMPLOYEES AND RETIREES	(46,511)	INDUSTRY ASSOCIATION DUES	(1,427)	551
INTEREST & DIVIDENDS RECEIVABLE	(50,333)	TALLAHASSEE LIAISON EXPENSE	(466,611)	179,995
NORTH ESCAMBIA SITE	(4,549,398)	DEPRECIATION CREDIT ADJUSTMENT	0	0
UNAMORTIZED RATE CASE EXPENSE	(3,554,800)	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,550,421)	598,075
FUEL RELATED DEFERRED DEBITS	(35,601,362)	COMP SALES/TRANS REV/G/L SALE GAS/PROV RT REFIN. ESC REV	(112,862)	(43,536)
UNREALIZED LOSS ON FWD CONTRACT	634	GAIN/LOSS ON DISPOSITION OF PROPERTY	(17,943)	6,921
ACCUM. PROV. FOR RATE REFUNDS	0	INTEREST SYNCHRONIZATION	6,387,480	6,387,480
FAS 143 WORKING CAPITAL	54,519,324			
FAS 158 REGULATORY ASSETS	(134,299,580)			
FAS 158 REGULATORY LIABILITIES	134,299,580			
PPA REGULATORY ASSETS	(177,736,016)			
PPA REGULATORY LIABILITIES	177,736,016			
FAS 133 REGULATORY ASSETS	(77,468,326)			
FAS 133 REGULATORY LIABILITIES	77,468,326			

GULF POWER COMPANY
YEAR END RATE OF RETURN
RATE BASE
October, 2015

	PLANT IN SERVICE	ACCUMULATED DEPRECIATION & AMORTIZATION	NET PLANT IN SERVICE	PROPERTY HELD FOR FUTURE USE	CONSTRUCTION WORK IN PROGRESS	NUCLEAR FUEL (NET)	NET UTILITY PLANT	WORKING CAPITAL	TOTAL RATE BASE
SYSTEM PER BOOKS	4,760,390,702	1,607,198,049	3,153,192,653	14,756,744	416,864,035	0	3,584,813,431	225,959,291	3,810,772,722
JURISDICTIONAL PER BOOKS	4,199,960,936	1,452,253,981	2,747,706,955	14,925,038	405,476,609	0	3,167,508,602	266,376,499	3,433,885,101
FPSC ADJUSTMENTS:									
ENVIRONMENTAL RECOVERY CLAUSE INT BEARING CWIP	(1,021,370,394)	(204,755,531)	(816,614,803)		(21,536,232)		(838,151,035)	(6,298,590)	(844,449,625)
ENERGY CONSERVATION CLAUSE	(13,434,270)	7,318,965	(20,753,235)		(342,994,936)		(342,994,936)	0	(342,994,936)
TRANSMISSION INVESTMENT PURSUANT TO STIP. & SETT.	(176,587,466)		(176,587,466)				(20,753,235)	(1,381,567)	(22,134,802)
CAPITALIZED DEF. EARNINGS ON TRANSM PURSUANT TO STIP. & SETT.							(176,587,466)	0	(176,587,466)
LOANS TO EMPLOYEES AND RETIREES INTEREST AND DIVIDENDS RECEIVABLE							(4,415,248)	(4,415,248)	(4,415,248)
FUNDED PROP RES. N. ESCAMBIA SITE, & OTHER INV.				(12,661,331)			(12,661,331)	(4,566)	(44,566)
FUEL RELATED DEFERRED DEBITS							(4,358,940)	(48,228)	(48,228)
ACCRUED PROVISION FOR REFUND							(4,358,940)	(4,358,940)	(17,020,271)
UNAMORTIZED RATE CASE EXPENSES							(35,601,362)	(35,601,362)	(35,601,362)
TOTAL FPSC ADJUSTMENTS	(1,211,392,070)	(197,436,566)	(1,013,955,504)	(12,661,331)	(364,531,168)	0	(1,391,148,003)	(55,554,481)	(1,446,702,484)
FPSC ADJUSTED	2,988,568,866	1,254,817,415	1,733,751,451	1,663,707	40,945,441	0	1,776,360,599	210,822,018	1,987,182,617
PRO FORMA REVENUE AND ANNUALIZATION ADJUSTMENTS	0	0	0	0	0	0	0	0	0
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	2,988,568,866	1,254,817,415	1,733,751,451	1,663,707	40,945,441	0	1,776,360,599	210,822,018	1,987,182,617

GULF POWER COMPANY
YEAR END RATE OF RETURN
INCOME STATEMENT
October, 2015

	OPERATING REVENUES	O & M FUEL & NET INTERCHANGE	O & M OTHER	DEPRECIATION & AMORTIZATION	TAXES OTHER THAN INCOME	INCOME TAXES CURRENT	DEFERRED INCOME TAXES (NET)	INVESTMENT TAX CREDIT (NET)	(GAIN)/LOSS ON DISPOSITION OF PROPERTY	TOTAL OPERATING EXPENSES	NET OPERATING INCOME
SYSTEM PER BOOKS	1,517,272,507	624,784,880	350,188,523	137,015,473	118,201,491	(6,589,511)	96,395,827	(796,934)	0	1,319,199,549	198,072,958 (a)
JURISDICTIONAL PER BOOKS	1,329,590,485	515,192,575	329,763,275	125,756,267	116,069,079	111,792	74,748,177	(533,737)	0	1,161,107,428	168,485,057 (a)
LESS FPSC ADJUSTMENTS:	(429,067,917)	(428,713,659)				(136,655)				(428,650,314)	(217,602)
RETAIL FUEL REVENUES & EXPENSES	(86,086,131)	(86,292,852)				79,743				(86,213,109)	126,979
PURCHASED POWER CAPACITY REVENUES & EXPENSES	(18,514,667)		(16,044,746)	(356,441)	(340,335)	(683,991)				(17,425,513)	(1,089,154)
ENERGY CONSERVATION COST REVENUES & EXPENSES	(141,221,971)		(26,894,377)	(39,824,540)	(42,684,078)	(27,477,363)				(97,468,320)	(43,753,651)
ENVIRONMENTAL COST RECOVERY CLAUSE	(43,810,957)				(42,684,078)	(494,693)				(43,118,771)	(692,186)
FRANCHISE FEE REVENUE & EXPENSE	(32,994,715)				(32,618,997)	(144,933)				(32,763,930)	(230,786)
GROSS RECEIPTS TAX REVENUE & ADJUSTMENT			(209,130)			80,672				(128,458)	128,458
MARKETING SUPPORT ACTIVITIES		(186,063)				71,774				(114,289)	114,289
WHOLESALE EXPENSES						80,902				(128,825)	128,825
INSTITUTIONAL ADVERTISING EXPENSE			(209,727)			20,540				(32,706)	32,706
ECONOMIC DEVELOPMENT EXPENSE			(53,246)			8,460				(13,471)	13,471
MGMT FINANCIAL PLANNING SERVICES			(21,931)			18,136				(28,879)	28,879
DIRECTORS' & OFFICERS' INSURANCE			(47,015)			540				(860)	860
INDUSTRY ASSOCIATION DUES			(1,400)			176,105				(280,421)	280,421
TALLAHASSEE LIAISON EXPENSES			(435,324)		(21,202)					(952,346)	952,346
DEPRECIATION CREDIT ADJUSTMENT					(1,550,421)	598,075			(17,732)	(10,892)	10,892
GRT, FPSC FEES ON CLAUSES & FEES						6,840				6,546,507	(6,546,507)
(GAIN)/LOSS ON DISPOSITION OF PROPERTY INTEREST SYNCHRONIZATION						6,546,507					
TOTAL FPSC ADJUSTMENTS	(751,696,357)	(515,192,575)	(43,916,897)	(40,180,981)	(80,487,072)	(21,189,341)	0	0	(17,732)	(700,984,598)	(50,711,759)
FPSC ADJUSTED	577,894,128	0	285,846,378	85,575,286	35,562,007	(21,077,549)	74,748,177	(533,737)	(17,732)	460,122,830	117,771,298
PRO FORMA REVENUE ANNUALIZATION											
TOTAL PRO FORMA ADJUSTMENTS	0	0	0	0	0	0	0	0	0	0	0
PRO FORMA ADJUSTED	577,894,128	0	285,846,378	85,575,286	35,562,007	(21,077,549)	74,748,177	(533,737)	(17,732)	460,122,830	117,771,298

(a) THE ADDITION OF EARNINGS FROM AFUDC WOULD INCREASE THE SYSTEM NOI BY 21,071,163 AND THE JURISDICTIONAL NOI BY 20,581,639

GULF POWER COMPANY
YEAR END RATE OF RETURN
SYSTEM ADJUSTMENTS
October, 2015

SCHEDULE 3
PAGE 3 OF 3

<u>RATE BASE ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>NET OPERATING INCOME STATEMENT ADJUSTMENTS</u>	<u>AMOUNT</u>	<u>TAX EFFECT</u>
ENVIRONMENTAL COST RECOVERY CLAUSE INVESTMENT	(1,052,015,121)	FUEL & IIC FUEL REVENUES AND ECONOMY PROFITS	(539,918,168)	(208,273,433)
ACCUMULATED DEPRECIATION CWIP	210,898,934	ENVIRONMENTAL COST RECOVERY CLAUSE REVENUES	(145,481,324)	(56,119,421)
ENERGY CONSERVATION COST RECOVERY INVESTMENT	(13,434,270)	PURCHASED POWER CAPACITY COST CLAUSE REVENUES	(86,357,577)	(33,312,435)
ACCUMULATED DEPRECIATION CWIP	(7,318,965)	ENERGY CONSERVATION COST RECOVERY CLAUSE REVENUES	(18,514,667)	(7,142,039)
TRANSMISSION PURSUANT TO STIP. & SETT. INVESTMENT	(176,587,466)	FUEL EXPENSE	(535,992,205)	206,758,993
FAS 143 NET PLANT	(86,462,849)	PURCHASED POWER CAPACITY COST EXPENSE	(88,896,214)	34,291,714
INTEREST BEARING CWIP	(351,152,904)	CONSERVATION EXPENSES - DEPRECIATION AND O & M	(16,401,188)	6,326,758
PHFU - NORTH ESCAMBIA	(13,042,899)	CONSERVATION EXPENSES - OTHER TAXES	(340,335)	131,284
WORKING CAPITAL:		ENVIRONMENTAL COST RECOVERY EXPENSE	(72,043,151)	27,790,645
ECRC WORKING CAPITAL	(6,487,928)	FRANCHISE FEE REVENUES	(43,810,957)	(16,900,076)
CONSERVATION/AEM INVENTORY	(1,381,567)	FRANCHISE FEE	(42,684,078)	16,465,383
CAPITALIZED DEF. EARNINGS ON TRANSMISSION PURSUANT TO STIP. & SETT.	(1,298,244)	GROSS RECEIPTS TAX REVENUES	(32,994,715)	(12,727,711)
FUNDED PROPERTY INSURANCE RESERVE	0	GROSS RECEIPTS TAX EXPENSE	(32,618,997)	12,582,778
LOANS TO EMPLOYEES AND RETIREES	(46,511)	MARKETING SUPPORT ACTIVITIES	(209,130)	80,672
INTEREST & DIVIDENDS RECEIVABLE	(50,333)	WHOLESALE EXPENSE	(191,734)	73,961
NORTH ESCAMBIA SITE	(4,549,398)	INSTITUTIONAL ADVERTISING EXPENSE	(213,859)	82,496
UNAMORTIZED RATE CASE EXPENSE	(3,554,800)	ECONOMIC DEVELOPMENT EXPENSE	(53,246)	20,540
FUEL RELATED DEFERRED DEBITS	(35,601,362)	MGMT FINANCIAL PLANNING SERVICES	(22,415)	8,647
UNREALIZED LOSS ON FWD CONTRACT	634	DIRECTORS' & OFFICERS' INSURANCE	(48,053)	18,537
ACCUM. PROV. FOR RATE REFUNDS	0	INDUSTRY ASSOCIATION DUES	(1,427)	551
FAS 143 WORKING CAPITAL	54,519,324	TALLAHASSEE LIAISON EXPENSE	(466,611)	179,995
FAS 158 REGULATORY ASSETS	(134,299,580)	DEPRECIATION CREDIT ADJUSTMENT	0	0
FAS 158 REGULATORY LIABILITIES	134,299,580	GRT/FPSC FEES ON CLAUSE REV ADJ & FRAN FEES	(1,550,421)	598,075
PPA REGULATORY ASSETS	(177,736,016)	COMP SALES\TRANS REV\G/L SALE GAS\PROV RT REFN. ESC REV	(112,862)	(43,536)
PPA REGULATORY LIABILITIES	177,736,016	GAIN/LOSS ON DISPOSITION OF PROPERTY	(17,943)	6,921
FAS 133 REGULATORY ASSETS	(77,468,326)	INTEREST SYNCHRONIZATION	6,913,438	6,913,438
FAS 133 REGULATORY LIABILITIES	77,468,326			

GULF POWER COMPANY
CAPITAL STRUCTURE
FPSC ADJUSTED BASIS
October, 2015

AVERAGE	ADJUSTMENTS			LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,336,079,561	1,222,369,290	(506,570,985)	0	715,798,305	36.11	4.51	1.63	4.51	1.63	4.51	1.63
SHORT TERM DEBT	98,399,472	54,725,309	(22,679,115)	0	32,046,194	1.62	0.37	0.01	0.37	0.01	0.37	0.01
PREFERENCE STOCK	146,503,899	134,034,789	(55,546,336)	0	78,488,453	3.96	6.14	0.24	6.14	0.24	6.14	0.24
CUSTOMER DEPOSITS	35,495,327	35,891,827	(14,874,194)	0	21,017,633	1.06	2.34	0.02	2.34	0.02	2.34	0.02
COMMON EQUITY	1,324,800,785	1,222,255,492	(506,523,825)	0	715,731,667	36.11	9.25	3.34	10.25	3.70	11.25	4.06
DEFERRED INCOME TAXES	823,537,755	765,324,212	(317,163,596)	0	448,160,616	22.61						
FASB 109 DEFERRED TAXES	(54,191,889)	(50,361,218)	20,870,560	0	(29,490,658)	(1.49)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	2,560,371	851,528	(352,888)	0	498,640	0.03	6.84	0.00	7.32	0.00	7.79	0.00
TOTAL	3,713,185,281	3,385,091,230	(1,402,840,379)	0	1,982,250,850	100.00		5.24		5.61		5.97

YEAR-END	ADJUSTMENTS			LOW POINT			MIDPOINT			HIGH POINT		
	SYSTEM PER BOOKS	RETAIL PER BOOKS	PRO RATA	SPECIFIC	ADJUSTED RETAIL	RATIO (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)	COST RATE (%)	WEIGHTED COST (%)
LONG TERM DEBT	1,286,501,462	1,204,427,563	(507,427,679)	0	696,999,884	35.07	4.46	1.56	4.46	1.56	4.46	1.56
SHORT TERM DEBT	53,980,837	14,362,119	(6,050,789)	0	8,311,330	0.42	0.54	0.00	0.54	0.00	0.54	0.00
PREFERENCE STOCK	146,504,320	137,157,903	(57,784,892)	0	79,373,011	3.99	6.14	0.25	6.14	0.25	6.14	0.25
CUSTOMER DEPOSITS	35,828,126	37,116,273	(15,637,158)	0	21,479,115	1.08	2.13	0.02	2.13	0.02	2.13	0.02
COMMON EQUITY	1,335,134,223	1,268,652,666	(534,485,840)	0	734,166,826	36.95	9.25	3.42	10.25	3.79	11.25	4.16
DEFERRED INCOME TAXES	865,077,210	824,406,102	(347,323,897)	0	477,082,205	24.01						
FASB 109 DEFERRED TAXES	(55,478,274)	(52,869,993)	22,274,231	0	(30,595,762)	(1.54)						
TAX CREDITS - ZERO COST	0	0	0	0	0	0.00						
TAX CREDITS - WEIGHTED COST	2,198,440	632,468	(266,460)	0	366,008	0.02	6.87	0.00	7.36	0.00	7.85	0.00
TOTAL	3,669,746,344	3,433,885,101	(1,446,702,484)	0	1,987,182,617	100.00		5.25		5.62		5.99

GULF POWER COMPANY
Financial Integrity Indicators
October, 2015

A. Times Interest Earned with AFUDC

Earnings Before Interest	211,370,931
AFUDC - Debt	6,508,876
Income Taxes	89,539,563
	<hr/>
Total	307,419,370
Interest Charges (Before Deducting AFUDC - Debt)	61,067,259
	<hr/>
T.I.E. With AFUDC	5.03 x

B. Times Interest Earned without AFUDC

Earnings Before Interest	211,370,931
AFUDC - Other	(14,562,287)
Income Taxes	89,539,563
	<hr/>
Total	286,348,207
Interest Charges (Before Deducting AFUDC - Debt)	61,067,259
	<hr/>
T.I.E. Without AFUDC	4.69 x

C. Percent AFUDC To Net Income Available for Common Stockholders

AFUDC - Debt	6,508,876
X (1 - Income Tax Rate)	0.61425
	<hr/>
Subtotal	3,998,077
AFUDC - Other	14,562,287
	<hr/>
Total	18,560,364
	<hr/>
Net Income Available for Common Stockholders	147,810,048
Percent AFUDC to Available Net Income	12.56%

D. Percent Internally Generated Funds

Net Income	156,812,548
Preference Dividends	(9,002,500)
Common Dividends	(130,160,000)
AFUDC (Debt & Other)	(21,071,163)
Depreciation & Amortization	146,123,052
Deferred Income Taxes	96,235,197
Investment Tax Credits	0
Other	6,333,961
	<hr/>
Total	245,271,095
	<hr/>
Construction Expenditures (Excluding AFUDC Other & Debt)	260,660,949
	<hr/>
Percent Internally Generated Funds	94.10%

E. Long Term Debt as Percent of Total Investor Capital
(See calculation in item F. below)F. Short Term Debt as Percent of Total Investor Capital
Reconciled Average Retail Amounts

Long Term Debt	715,798,305
Short Term Debt	32,046,194
Preference Stock	78,488,453
Common Equity	715,731,667
	<hr/>
Total	1,542,064,619
	<hr/>
% Long Term Debt To Total	46.42%
	<hr/>
% Short Term Debt To Total	2.08%

G. FPSC Adjusted Average Jurisdictional Return
On Common Equity

	G. FPSC ADJ.	H. PROFORMA
FPSC Adjusted Average Earned Rate of Return	5.97%	5.97%
Less: Reconciled Average Retail Weighted Cost Rates For:		
Long Term Debt	(1.63)	(1.63)
Short Term Debt	(0.01)	(0.01)
Preference Stock	(0.24)	(0.24)
Customer Deposits	(0.02)	(0.02)
Tax Credits - Weighted Cost (Common Equity at Midpoint)	(0.00)	(0.00)
	<hr/>	<hr/>
Subtotal	(1.90)	(1.90)
	<hr/>	<hr/>
Total	4.06	4.06
Divided by Common Equity Ratio	36.11	36.11
	<hr/>	<hr/>
Jurisdictional Return on Common Equity	11.25%	11.25%