

REQUEST TO ESTABLISH DOCKET

(Please type or print. File original with CLK.)

Date:	2/19/2018 <i>me</i>	
1. From Division / Staff:	AFD/Cicchetti	
2. OPR:	AFD	
3. OCR:	GCL, ECO, ENG	
4. Suggested Docket Title:	<u>Docket to consider the Stipulation and Settlement Agreement between Gulf Power Company and the Office of Public Counsel, the Florida Industrial Power Users Group, and the Southern Alliance for Clean Energy regarding the Tax Cuts and Jobs Act of 2017.</u>	
5. Program/Module/Submodule Assignment:		
6. Suggested Docket Mailing List		
a. Provide NAMES/ACRONYMS, if registered company		<input type="checkbox"/> Provided as an Attachment
Company Code, if applicable:	Parties (include address, if different from MCD):	Representatives (name and address):
GLF		J.Stone, One Energy Place, Pensacola, Florida 32520-0100
OPC		J.R. Kelly, 111 West Madison Street, Rm 812, Tallahassee, FL
FIPUG		J. Moyle, 118 North Gadsden Street, Tallahassee, FL 32301
SACE		George Cavros, 120 E. Oakland Park Blvd. Ft. Lauderdale, FL
b. Provide COMPLETE NAME AND ADDRESS for all others (match representatives to companies)		
Company Code, if applicable:	Interested persons, if any, (include address, if different from MCD):	Representatives (name and address):
7. Check one:	<input checked="" type="checkbox"/> Supporting documentation attached	<input type="checkbox"/> To be provided with Recommendation
Comments:		

RECEIVED - FPSC
 2018 FEB 19 PM 7:56
 COMMISSION CLERK



Rhonda J. Alexander
Manager
Regulatory, Forecasting & Pricing

One Energy Place
Pensacola, FL 32520-0780
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850 444 6026 fax
rjalexad@southernco.com

February 14, 2018

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

Re: Docket No. 20160186-EI
Docket No. 20180013-PU

Dear Ms. Stauffer:

Attached for official filing in the above-referenced docket is a Stipulation and Settlement Agreement of Gulf Power Company, the Office of Public Counsel, the Florida Industrial Power Users Group, and the Southern Alliance for Clean Energy.

Sincerely,

Rhonda J. Alexander
Regulatory, Forecasting and Pricing Manager

md

Attachments

cc: Gulf Power Company
Jeffrey A. Stone, Esq., General Counsel
Beggs & Lane
Russell Badders, Esq.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to establish a generic docket to investigate and adjust rates for 2018 tax savings, by Office of Public Counsel.

Docket No. 20180013-PU

In re: Petition for rate increase by Gulf Power Company.

Docket No. 20160186-EI

Filed: February 14, 2018

STIPULATION AND SETTLEMENT AGREEMENT

WHEREAS, Gulf Power Company (“Gulf” or the “Company”), the Citizens of Florida through the Office of Public Counsel (“OPC”), the Florida Industrial Power Users Group (“FIPUG”), and the Southern Alliance for Clean Energy (“SACE”) have signed this Stipulation and Settlement Agreement (the “Agreement”) which is submitted to the Florida Public Service Commission (“Commission”) for its review and approval (unless the context clearly requires otherwise, the term “Party” or “Parties” means a signatory to this Agreement, whether or not specifically named above); and

WHEREAS, on December 22, 2017, the President of the United States signed the Tax Cuts and Jobs Act (G.L.c 164, § 94) (“the Act”) previously passed by both houses of the Congress of the United States, and the effective date of the Act became January 1, 2018; and

WHEREAS, on January 9, 2018, OPC petitioned the Commission to establish a generic docket to investigate and adjust rates for all investor owned utilities to reflect the reduction in federal income tax expense caused by the Act, resulting in the establishment of Docket No. 20180013-PU; and

WHEREAS, on January 30, 2018, FIPUG filed its notice in Docket No. 20180013-PU that it joins the Petition filed on or about January 9, 2018 by OPC; and

WHEREAS, OPC, and by its joinder, FIPUG, explicitly acknowledged in the January 9, 2018 petition that Gulf is one of four utilities that should be exempted from Docket No. 20180013-PU as a result of the specific provisions regarding tax reform contained in the comprehensive settlement agreement between OPC and Gulf filed on March 20, 2017 (“the 2017 comprehensive settlement agreement”), later signed by FIPUG and SACE, and subsequently approved by the Commission as evidenced by its Order No. PSC-2017-0178-S-EI, issued May 16, 2017 (“the 2017 Rate Order”); and

WHEREAS, the 2017 comprehensive settlement agreement and the 2017 Rate Order established the new 2017 base rates for Gulf that took effect on July 1, 2017; and

WHEREAS, pursuant to paragraph 6 in the 2017 comprehensive settlement agreement between the Parties, the prospective adjustment to base rates is to be based on the net operating income effect of the change in the income tax rate from 35 percent to 21 percent, based on the base rate revenue increase authorized by Order No. PSC-2017-0178-S-EI, with an assumed impact of \$1.3 million per each percentage point of income tax rate change. This formulation results in a prospective reduction to Gulf’s new 2017 base rates totaling \$18.2 million on an annual basis; and

WHEREAS, the intent of the Parties in formulating paragraph 6 in the 2017 comprehensive settlement agreement was to provide for an expedited permanent base rate reduction on a going-forward basis solely due to the impact of the change in federal income tax rates on the revenue requirements embedded in the new 2017 base rates resulting from the 2017 comprehensive settlement agreement, in this instance with a filing requirement on or before the 60th day following the effective date of the new income tax rates; and

WHEREAS, the Parties to this Agreement have undertaken to resolve the issues raised by the enactment of the Act so as to maintain a degree of reasonableness, stability and predictability with respect to Gulf's base rates and charges; and

WHEREAS, the Parties have entered into this Agreement in compromise of positions taken in accord with their rights and interests under Chapters 350, 366 and 120, Florida Statutes, as applicable, and as a part of the negotiated exchange of consideration among the Parties to this Agreement, each has agreed to concessions to the others with the expectation that all provisions of the Agreement will be enforced by the Commission as to all matters addressed herein with respect to all Parties, upon acceptance of the Agreement as provided herein and upon approval in the public interest;

NOW THEREFORE, in consideration of the foregoing and the covenants contained herein, the Parties hereby stipulate and agree:

1. This Agreement shall be in lieu of and as a complete substitution for Gulf's involvement in Docket No. 20180013-PU as a party with regard to the matters addressed herein, and Gulf shall not be subject to discovery requests in that docket with regard to such matters.
2. This Agreement will become effective upon Commission approval, and the rate changes agreed to herein, except as otherwise provided in this Agreement, shall be effective April 1, 2018 (the "Implementation Date"). The base rate changes shall be applied to meter readings beginning with the first billing cycle for April 2018 ("cycle one"), regardless of the actual date the cycle one meter readings occur, and shall continue until Gulf's base rates are next reset in a general base rate proceeding. The other rate changes agreed to herein shall also be applied to meter readings beginning with cycle one for April 2018, regardless of the actual date the cycle one meter readings occur, except as otherwise

provided in this Agreement, and shall continue until such rates are reset by the Commission in the normal course of the ongoing cost recovery clause dockets in which such rates are normally addressed.

3. In the event that the achieved effective date for new rates is less than 30 days following a vote by the Commission to approve this Agreement, the Parties agree that the public interest warrants implementation of the new reduced rates using meter readings less than 30 days following said vote and hereby waive any rights that may otherwise apply with regard to such effective date.
4. The annualized impact on Gulf's base rates associated with the Act is a reduction of \$18.2 million per year and shall be implemented as a reduction to the current base rates (newly established and implemented in 2017 by the 2017 comprehensive settlement agreement) through the package of new 2018 rates set forth in Attachment A. The revised tariff sheets reflecting the revised rates shall be submitted by Gulf under separate cover letter.
5. Because the effective date of the Act is January 1, 2018, bills rendered on meter readings starting with cycle one for February 2018 and continuing until the effective date of the base rate reduction identified in paragraph 4 are not able to reflect the tax rate reduction of the Act. Therefore, a regulatory liability will be established that initially consists of an amount equal to 1/24th of the \$18.2 million annualized impact for the billing month of January, plus 1/12th of the \$18.2 million annualized impact for the billing month of February, plus 1/12th of the \$18.2 million annualized impact for the billing month of March (and, if necessary, any additional subsequent billing month prior to the actual effective date of new 2018 rates provided for herein). The accumulated balance in this

regulatory liability shall be refunded to Gulf's retail customers through a credit to the fuel cost recovery clause. In this fashion, the full annualized impact of the tax savings resulting from the Act will be either reflected in prospective base rates or as a credit to the benefit of customers in 2018. The refund to customers provided under this paragraph shall be in lieu of any other assertion of continuing jurisdiction over Gulf's base rates for periods prior to the prospective application of the new 2018 rates provided for herein.

6. The excess accumulated deferred income taxes created by the Act are accounted for as regulatory liabilities under Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) paragraphs ASC 740-10-30-8, ASC 740-10-25-47, ASC 740-10-35-4 and ASC 740-10-55-23. In order to become compliant with these standards, Gulf restated the deferred taxes at December 31, 2017, to the new rates and booked the difference as regulatory liabilities. Some of these excess accumulated deferred income taxes (referred to as "protected" deferred taxes) relate to depreciable property and must be returned to customers over a specified time under provisions in federal law governing the flow back of the excess under principles of normalization.
7. Gulf contends that the remaining excess accumulated deferred income taxes (referred to as "unprotected" deferred taxes), while not subject to the same normalization provisions under federal law as the "protected" deferred taxes, would expose Gulf to added risk from future increases in federal tax over the next 20 years (the average remaining life of the underlying assets) if flowed back to customers over a shorter time frame. The Parties agree that the "unprotected" excess deferred tax regulatory liability shall be addressed as follows:
 - a. The "unprotected" deferred tax liability as of December 31, 2017 shall be

refunded to customers with the retail portion (\$69,407,000) credited to customers through the fuel cost recovery clause, and the cost recovery rates for the fuel cost recovery clause shall be reduced for the remainder of 2018 as provided in paragraph 8 below such that the full amount of the resulting credit is refunded to customers through rates in 2018.

b. In the event of a subsequent increase to the federal income tax rate applicable to Gulf that takes effect prior to 2038, Gulf shall be entitled to initiate a regulatory proceeding to address recovery through rates of any portion of the “unprotected” deferred tax liability credited to customers in accordance with this paragraph 7 that would then no longer be excess deferred taxes under the applicable tax law if the accelerated credit to customers resulting from this Agreement had not occurred. The Parties to this Agreement are not precluded from participating in any such proceeding with all rights conferred to a party therein.

8. The credits to the fuel cost recovery clause set forth in paragraphs 5 and 7 above shall be combined for use in calculating revised fuel cost recovery rates for the remainder of 2018 designed to refund to customers the full combined amount through rates in 2018. The effective date for the new fuel cost recovery rates shall be the same as the effective date for new 2018 base rates established pursuant to this Agreement.
9. Because of the significant level of investment reflected in the 2018 rates established for Gulf’s Environmental Cost Recovery Clause (“ECRC”), the tax rate change in the Act also has a sizable impact on recoverable costs in 2018. As a result, Gulf shall implement revised ECRC rates for the remainder of 2018 that reflect a reduction of \$15.6 million, which is estimated to be the full annual impact of the tax rate change on 2018 recoverable costs. The effective date for the new ECRC rates shall be the same as the effective date

for new 2018 base rates established pursuant to this Agreement. Any difference between the estimated impact credited to customers through this reduction in rates and the actual impact shall be addressed, resolved and trued-up through the normal process associated with the ECRC mechanism. The new fuel cost recovery rates to be implemented pursuant to paragraph 8 above and the revised ECRC rates for the remainder of 2018 to be implemented pursuant to this paragraph 9 are set forth in Attachment B. The revised tariff sheets reflecting the revised rates shall be submitted by Gulf under separate cover letter.

10. Gulf contends that returning the full amount of “unprotected” deferred taxes to customers in 2018, along with the loss of bonus depreciation, will put a strain on Gulf’s credit metrics (specifically its Funds From Operations (“FFO”) to Debt) over the short and long term. To offset this contended adverse impact on Gulf’s financial integrity, Gulf has stated its intent to fund 100 percent of the \$69.4 million refund to its customers with common equity.
11. The Parties agree that the first sentence in paragraph 3(b) of the 2017 comprehensive settlement agreement between the Parties approved by Order No. PSC-2017-0178-S-EI is hereby amended by replacing “52.5%” with “53.5%”. In all other respects, paragraph 3(b) of the 2017 comprehensive settlement agreement remains unchanged.
12. For purposes of transition, the remaining amount of the additional common equity not already reflected in the May 2018 Surveillance Report shall be added to the weighted average cost of capital (“WACC”) before use in the cost recovery clause filings normally based in part on the WACC from the May 2018 Surveillance Report (this transition adjustment is so that a full 13/13ths of the increased common equity related to replacing

the unprotected excess deferred taxes in Gulf's capital structure is included for all future cost recovery clause filings). The revised cost of capital revenue requirement rate set forth in Attachment B shall be used for all cost recovery clause purposes for costs incurred after January 1, 2018, beginning January 1, 2018, until such rate is superseded by the May 2018 Surveillance WACC as adjusted by operation of this paragraph 12.

13. The Parties acknowledge that, within the scope of paragraph 6 of the 2017 comprehensive settlement agreement, work is required to determine whether it is possible to recognize the flow back of the "protected" excess deferred taxes as an additional reduction in Gulf's base rates while remaining consistent with provisions in federal law governing the flow back of the excess under principles of normalization, and if so determined, whether such recognition is desirable to the Parties. It is the desire and intent of the Parties that the rate reductions agreed to elsewhere in this Agreement not be held up pending the additional work required as noted above. The Parties therefore agree that they will either submit a later agreement on the issue regarding "protected" excess deferred taxes identified and reserved for future determination under this paragraph 13 or initiate a limited scope proceeding, by May 1, 2018, for the purpose of determining the amount and flow back period of the "protected" excess deferred taxes through a prospective reduction in base rates. Any further base rate reduction resulting from such later agreement or limited scope proceeding within the scope of paragraph 6 of the 2017 comprehensive settlement agreement as set forth in this paragraph 13 shall be implemented on a prospective basis only no earlier than cycle one meter readings for January 2019. There will be an annual flow back or amortization of the "protected" excess deferred taxes in accordance with federal law establishing and governing the

principles of normalization, and the unamortized portion of the “protected” excess deferred tax regulatory liability shall continue to be included as a cost-free source of capital in Gulf’s capital structure. Resolution of the subject matter identified and reserved for future determination under this paragraph 13 shall not become a vehicle to revisit or alter the resolution of the issues addressed by the rate reductions set forth in paragraphs 4, 5 and 7 above which are intended to be the complete and final determination of the matters addressed therein.

14. Pending resolution of the matters reserved under paragraph 13 above, for 2018, Gulf shall initially accrue an amount to a regulatory liability account established pursuant to this Agreement (the “2018 Tax Refund Reserve”) that is the projected annual revenue requirement impact of reflecting the flow-back or amortization of the “protected” excess deferred taxes to customers under the Average Rate Assumption Method used following the Tax Reform Act of 1986. The amount so accrued shall be trueed up to the actual annual amount for 2018 under the methodology required by federal law establishing and governing the principles of normalization as applied under the Act. Unless the Parties agree to some other disposition as part of the resolution of the matters reserved under paragraph 13 above, the amount so accrued to the 2018 Reserve, including the true-up amount, shall be refunded to Gulf’s retail customers during the full calendar year 2019 through a credit to the fuel cost recovery clause in the same manner used to refund the “unprotected” excess deferred taxes through the fuel cost recovery clause rates during the remainder of 2018. The associated reduction in the fuel cost recovery rates from what would otherwise be applicable shall be effective for bills rendered on meter readings starting with cycle one for January 2019, regardless of the actual date the cycle one meter

readings occur.

15. The Parties request that the Commission consider and approve this Agreement at the earliest possible date so that final agency action will allow implementation in accordance with paragraph 2 above. Notwithstanding the desire and agreement of the Parties regarding the implementation date for new rates as set forth in paragraph 2 above, new rates agreed to herein shall not be implemented with an effective date prior to cycle one meter readings for the first calendar month following the Commission's issuance of final order, or in the event that the approval occurs through the Proposed Agency Action ("PAA") process, a Consummating Order in connection with any Proposed Agency Action Order approving this Agreement thereby rendering such PAA as final agency action.
16. No Party to this Agreement will request, support, or seek to impose a change in the application of any provision hereof.
17. Except as expressly amended herein in paragraph 11, the 2017 comprehensive settlement agreement is not modified by this Agreement. Nothing in this Agreement shall be construed as a precedent in any other docket nor will any affiliate of Gulf cite or suggest any treatment of capital structure provided for in this Agreement should govern or be used as guidance or precedent in any Commission Docket pending on the effective date.
18. The provisions of this Agreement are contingent on approval of this Agreement in its entirety by the Commission without modification. The Parties agree that approval of this Agreement is in the public interest. The Parties further agree that they will support this Agreement and will not request or support any order, relief, outcome, or result in conflict with the terms of this Agreement in any administrative or judicial proceeding relating to,

reviewing, or challenging the establishment, approval, adoption, or implementation of this Agreement or the subject matter hereof. No party will assert in any proceeding before the Commission or any court that this Agreement or any of the terms in the Agreement shall have any precedential value, except to enforce the provisions of this Agreement. Approval of this Agreement in its entirety will resolve all matters and issues as they may relate to Gulf Power Company in Docket No. 20180013-PU, pursuant to and in accordance with Section 120.57(4), Florida Statutes. Gulf will be excused from further participation in Docket No. 20180013-PU, and the docket will be closed with regard to any issues affecting Gulf Power effective on the date of the Commission vote approving this Agreement. No Party shall seek appellate review of any order issued in regards to this Agreement. The prohibition against seeking appellate review of any order issued in regards to this Agreement shall not apply to any order resulting from the limited scope proceeding, if any, arising from the provisions of paragraph 13 above.

19. This Agreement is dated as of February 14, 2018. It may be executed in counterpart originals, and a scanned .pdf copy of an original signature shall be deemed an original. Any person or entity that executes a signature page to this Agreement shall become and be deemed a Party with the full range of rights and responsibilities provided hereunder, notwithstanding that such person or entity is not listed in the first recital above and executes the signature page subsequent to the date of this Agreement, it being expressly understood that the addition of any such additional Party (or Parties) shall not disturb or diminish the benefits of this Agreement to any current Party.

In Witness Whereof, the Parties evidence their acceptance and agreement with the provisions of this Agreement by their signature on one of the following pages.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'J. A. Stone', written over a horizontal line.

Jeffrey A. Stone

Florida Bar No. 325953

Vice President, General Counsel & Corporate Secretary

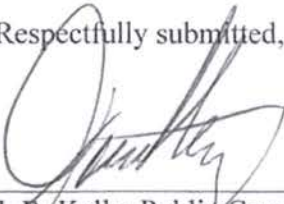
Gulf Power Company

One Energy Place

Pensacola, Florida 32520-0100

(850) 444-6550

Respectfully submitted,



J. R. Kelly, Public Counsel
Charles J. Rehwinkel, Deputy Public Counsel
Stephanie Morse, Associate Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
Office of Public Counsel

Attorneys for the Citizens of Florida

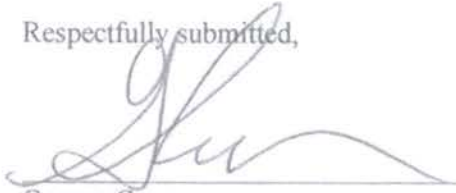
Respectfully submitted,

A handwritten signature in cursive script is written over a horizontal line. To the right of the signature, the date "Feb. 14, 2018" is written in a similar cursive style.

Jon C. Moyle, Jr., Esquire
Karen A. Putnal, Esquire
Moyle Law Firm, P.A.
The Perkins House
118 North Gadsden Street
Tallahassee, FL 32301

Attorneys for the Florida Industrial Power Users Group (FIPUG)

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'G. Cavros', with a long horizontal flourish extending to the right.

George Cavros
Southern Alliance for Clean Energy
120 E. Oakland Park Blvd., Suite 105
Fort Lauderdale, FL 33334
(954) 295-5714 (tel)
(866) 924-2824 (fax)

On Behalf of Southern Alliance for Clean Energy (SACE)

Rate Design Materials

This attachment is organized in five sections:

Section	Description	Page Numbers
A	Summary Rate Summary Table and Impact on 1,000 kWh Residential Bill.	2 - 5
B	Allocation of the Rate Change Tables showing how the overall retail rate change has been spread to the various retail rate classes.	6 - 7
C	Proof of Revenue A detailed demonstration of the revenue produced by the retail rates (excluding Rate Schedule OS), and associated back-up information. The style of this section is very similar to that of MFR E-13c.	8 - 24
D	Proof of Revenue – Rate Schedule OS A detailed demonstration of the revenue produced by Rate Schedule OS (Outdoor Service). The style of this section is very similar to that of MFR E-13d.	25 - 30
E	Proof of Revenue Summary A summary of revenue achieved for all new retail rates from Section C and Section D.	31 - 32

Section A Summary

**TAX REFORM
NEW RETAIL ELECTRIC SERVICE RATES
SUMMARY**

<u>Rate Schedule</u>	<u>Rate Component</u>	<u>Tax Reform Rates</u>
RS	Base Charge (\$/day)	\$0.64
	Energy-Demand Charge (¢/KWH)	4.997 ¢
GS	Base Charge (\$/Bill)	\$26.00
	Energy-Demand Charge (¢/KWH)	5.126 ¢
GSD	Base Charge (\$/Bill)	\$47.33
	Demand Charge (\$/KW)	\$7.16
	Energy Charge (¢/KWH)	1.834 ¢
	Primary Voltage Discount	(\$0.28)
LP	Base Charge (\$/Bill)	\$262.80
	Demand Charge (\$/KW)	\$12.48
	Energy Charge (¢/KWH)	0.942 ¢
	Primary Voltage Discount	(\$0.37)
	Transmission Voltage Discount	(\$0.57)
PX	Base Charge (\$/Bill)	\$813.73
	Demand Charge (\$/KW)	\$11.87
	Energy Charge (¢/KWH)	0.436 ¢
	Minimum Monthly Bill	
	Demand Charge (\$/KW)*	\$14.26
	Transmission Voltage Discount	(\$0.18)
RSTOU	Base Charge (\$/day)	\$0.64
	On-Peak Energy-Demand Charge (¢/KWH)	4.997 ¢
	Off-Peak Energy-Demand Charge (¢/KWH)	4.997 ¢
RSVP	Base Charge (\$/day)	\$0.64
	Low P1 (¢/KWH)	4.997 ¢
	Medium P2 (¢/KWH)	4.997 ¢
	High P3 (¢/KWH)	4.997 ¢
	Critical P4 (¢/KWH)	4.997 ¢
GSTOU	Base Charge (\$/Bill)	\$47.33
	Summer On-Peak (¢/KWH)	19.732 ¢
	Summer Intermediate (¢/KWH)	7.366 ¢
	Summer Off-Peak (¢/KWH)	3.063 ¢
	Winter (¢/KWH)	4.287 ¢
GSDT	Base Charge (\$/Bill)	\$47.33
	Maximum Demand Charge (\$/KW)	\$3.40
	On-Peak Demand Charge (\$/KW)	\$3.83
	On-Peak Energy Charge (¢/KWH)	1.834 ¢
	Off-Peak Energy Charge (¢/KWH)	1.834 ¢
	Primary Voltage Discount	(\$0.28)

<u>Rate Schedule</u>	<u>Rate Component</u>	<u>Tax Reform Rates</u>
LPT	Base Charge (\$/Bill)	\$262.80
	Maximum Demand Charge (\$/KW)	\$2.55
	On-Peak Demand Charge (\$/KW)	\$10.03
	On-Peak Energy Charge (¢/KWH)	0.942 ¢
	Off-Peak Energy Charge (¢/KWH)	0.942 ¢
	Primary Voltage Discount	(\$0.37)
	Transmission Voltage Discount	(\$0.57)
	Critical Peak Option:	
	Max Demand (\$/KW)	\$2.55
	On-Peak Demand (\$/KW)	\$10.03
PXT	Base Charge (\$/Bill)	\$813.73
	Maximum Demand Charge (\$/KW)	\$0.97
	On-Peak Demand Charge (\$/KW)	\$11.02
	On-Peak Energy Charge (¢/KWH)	0.436 ¢
	Off-Peak Energy Charge (¢/KWH)	0.436 ¢
	Minimum Monthly Bill	
	Maximum Demand Charge (\$/KW)*	\$14.38
	Transmission Voltage Discount	(\$0.18)
OS-I/II	Energy Charge (¢/KWH)	2.558 ¢
OS-III	Energy Charge (¢/KWH)	4.821 ¢
SBS 100 to 499 KW	Base Charge (\$/Bill)	\$261.68
	Local Facilities Charge (\$/KW)	\$2.96
	Reservation Charge (\$/KW)	\$1.40
	Daily Demand Charge (\$/KW)	\$0.66
	On-Peak Demand Charge (\$/KW)	\$3.83
	Energy Charge (¢/KWH)	3.071 ¢
	Primary Voltage Discount	(\$0.05)
SBS 500 to 7,499 KW	Base Charge (\$/Bill)	\$261.68
	Local Facilities Charge (\$/KW)	\$2.70
	Reservation Charge (\$/KW)	\$1.40
	Daily Demand Charge (\$/KW)	\$0.66
	On-Peak Demand Charge (\$/KW)	\$10.03
	Energy Charge (¢/KWH)	3.071 ¢
	Primary Voltage Discount	(\$0.05)
Transmission Voltage Discount	(\$0.06)	
SBS Above 7,499 KW	Base Charge (\$/Bill)	\$623.10
	Local Facilities Charge (\$/KW)	\$0.94
	Reservation Charge (\$/KW)	\$1.43
	Daily Demand Charge (\$/KW)	\$0.67
	On-Peak Demand Charge (\$/KW)	\$11.02
	Energy Charge (¢/KWH)	3.071 ¢
Transmission Voltage Discount	(\$0.07)	

Gulf Power Company
Residential Service @ 1,000 kWh
Total Monthly Billing Base Rate Impact of Tax Reform
(Includes Clauses & GRT)

Billing Basis	Monthly Bill	Change
Present Rate	\$ 144.00	
Proposed Rate	\$ 141.81	\$ (2.19)

Section B

Allocation of the Rate Change

**TAX REFORM
ALLOCATION OF CHANGE**

(1) RATE CLASS	(2) CHANGE FROM SERVICE CHARGES	(3) CHANGE FROM SALE OF ELECTRICITY	(4) CHANGE FROM OTHER REVENUE - UNBILLED	(5) TOTAL CHANGE	(6) % CHANGE
RESIDENTIAL	\$0	(\$10,912,895)	(\$14,105)	(\$10,927,000)	-2.95%
GS	\$0	(\$747,881)	(\$1,119)	(\$749,000)	-2.95%
GSD/GSDT	\$0	(\$3,622,892)	(\$1,108)	(\$3,624,000)	-2.95%
LP/LPT	\$0	(\$943,175)	\$175	(\$943,000)	-2.95%
MAJOR ACCTS	\$0	(\$1,369,000)	\$0	(\$1,369,000)	-2.95%
OS	\$0	(\$585,913)	(\$2,087)	(\$588,000)	-2.95%
TOTAL RETAIL:	<u>\$0</u>	<u>(\$18,181,756)</u>	<u>(\$18,244)</u>	<u>(\$18,200,000)</u>	<u>-2.95%</u>

Section C

Proof of Revenue

TAX REFORM
GULF POWER COMPANY
PROOF OF REVENUE AND RATE MIGRATIONS
BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES RS, RSVP AND FLAT-RS

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
PRESENT REVENUE CALCULATION				PROPOSED REVENUE CALCULATION					
BASE CHARGE (CHG)	NUMBER OF BILLS		CALCULATED REVENUES	BASE CHARGE	NUMBER OF BILLS		CALCULATED REVENUES		
STANDARD RS:	4,432,780	BILLS @	\$19.78 /BILL	\$87,680,388	STANDARD RS:	4,432,780	BILLS @	\$19.48 /BILL	\$86,350,554
RSVP:	225,114	BILLS @	\$19.78 /BILL	\$4,452,755	RSVP:	225,114	BILLS @	\$19.48 /BILL	\$4,385,221
ENERGY/DEMAND CHG	KWH IN BLOCK			ENERGY/DEMAND CHG	KWH IN BLOCK				
STANDARD RS:	4,863,898,089	KWH @	\$0.05181 /KWH	\$251,998,560	STANDARD RS:	4,863,898,089	KWH @	\$0.04997 /KWH	\$243,048,988
RSVP: LOW	71,577,727	KWH @	\$0.05181 /KWH	\$3,708,442	RSVP: LOW	71,577,727	KWH @	\$0.04997 /KWH	\$3,576,739
RSVP: MEDIUM	199,092,749	KWH @	\$0.05181 /KWH	\$10,314,995	RSVP: MEDIUM	199,092,749	KWH @	\$0.04997 /KWH	\$9,948,665
RSVP: HIGH	45,333,662	KWH @	\$0.05181 /KWH	\$2,348,737	RSVP: HIGH	45,333,662	KWH @	\$0.04997 /KWH	\$2,265,323
RSVP: CRITICAL	329,619	KWH @	\$0.05181 /KWH	\$17,078	RSVP: CRITICAL	329,619	KWH @	\$0.04997 /KWH	\$16,471
FLAT-RS	139,057	Bills	153,216,169 KWH	\$9,992,833	FLAT-RS	139,057	Bills	153,216,169 KWH	\$9,992,833
PRESENT BASE REVENUE:				<u>\$370,513,788</u>	PROJECTED BASE REVENUE:				<u>\$359,584,794</u>
								TOTAL CHANGE:	(\$10,928,994)
								% CHANGE:	-2.95%

TAX REFORM
 GULF POWER COMPANY
 PROOF OF REVENUE AND RATE MIGRATIONS
 BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES GS AND FLAT-GS

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
PRESENT REVENUE CALCULATION				PROPOSED REVENUE CALCULATION					
BASE CHARGE		NUMBER OF BILLS		CALCULATED REVENUES	BASE CHARGE		NUMBER OF BILLS	CALCULATED REVENUES	
STANDARD GS:	371,168	BILLS @	\$27.00 /BILL	\$10,021,536	STANDARD GS:	371,168	BILLS @	\$26.00 /BILL	\$9,650,368
ENERGY/DEMAND CHG		KWH IN BLOCK			ENERGY/DEMAND CHG		KWH IN BLOCK		
STANDARD GS:	290,359,844	KWH @	\$0.05256 /KWH	\$15,261,313	STANDARD GS:	290,359,844	KWH @	\$0.05126 /KWH	\$14,883,846
FLAT-GS	1,344	Bills	1,528,629 KWH	\$109,503	FLAT-GS	1,344	Bills	1,528,629 KWH	\$109,503
PRESENT BASE REVENUE :				<u>\$25,392,352</u>	PROJECTED BASE REVENUE :				<u>\$24,643,717</u>
								TOTAL CHANGE:	(\$748,635)
								% CHANGE:	-2.95%

TAX REFORM
 GULF POWER COMPANY
 PROOF OF REVENUE AND RATE MIGRATIONS
 BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES GSD, GSDT, AND GSTOU

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
PRESENT REVENUE CALCULATION - GSD, GSDT, AND GSTOU				PROPOSED REVENUE CALCULATION - GSD, GSDT, AND GSTOU					
BASE CHARGE		NUMBER OF BILLS		CALCULATED REVENUES	BASE CHARGE		NUMBER OF BILLS		CALCULATED REVENUES
STANDARD :	168,046	BILLS @	\$48.10 /BILL	\$8,083,013	STANDARD :	168,046	BILLS @	\$47.33 /BILL	\$7,953,617
TOU :	1,071	BILLS @	\$48.10 /BILL	\$51,515	TOU :	1,071	BILLS @	\$47.33 /BILL	\$50,690
GSTOU :	8,184	BILLS @	\$48.10 /BILL	\$393,650	GSTOU :	8,184	BILLS @	\$47.33 /BILL	\$387,349
DEMAND CHARGE		BILLING KW IN BLOCK			DEMAND CHARGE		BILLING KW IN BLOCK		
STANDARD :	7,801,902	KW @	\$7.38 /KW	\$57,578,037	STANDARD :	7,801,902	KW @	\$7.16 /KW	\$55,861,618
TOU : MAX DEMAND	88,787	KW @	\$3.51 /KW	\$311,642	TOU : MAX DEMAND	88,787	KW @	\$3.40 /KW	\$301,876
TOU : ON-PEAK	77,438	KW @	\$3.95 /KW	\$305,880	TOU : ON-PEAK	77,438	KW @	\$3.83 /KW	\$296,588
ENERGY CHARGE		KWH IN BLOCK			ENERGY CHARGE		KWH IN BLOCK		
STANDARD :	2,452,906,787	KWH @	\$0.01894 /KWH	\$46,458,055	STANDARD :	2,452,906,787	KWH @	\$0.01834 /KWH	\$44,986,310
TOU : ON-PEAK	6,599,972	KWH @	\$0.01894 /KWH	\$125,003	TOU : ON-PEAK	6,599,972	KWH @	\$0.01834 /KWH	\$121,043
TOU : OFF-PEAK	16,385,936	KWH @	\$0.01894 /KWH	\$310,350	TOU : OFF-PEAK	16,385,936	KWH @	\$0.01834 /KWH	\$300,518
TOU : SUM ON-PK	2,074,889	KWH @	\$0.20342 /KWH	\$422,074	TOU : SUM ON-PK	2,074,889	KWH @	\$0.19732 /KWH	\$409,417
TOU : SUM INTER	2,007,228	KWH @	\$0.07594 /KWH	\$152,429	TOU : SUM INTER	2,007,228	KWH @	\$0.07366 /KWH	\$147,852
TOU : SUM OFF-PK	9,353,666	KWH @	\$0.03158 /KWH	\$295,389	TOU : SUM OFF-PK	9,353,666	KWH @	\$0.03063 /KWH	\$286,503
TOU : WINTER	20,370,524	KWH @	\$0.04420 /KWH	\$900,377	TOU : WINTER	20,370,524	KWH @	\$0.04287 /KWH	\$873,284
REACTIVE CHARGE					REACTIVE CHARGE				
STANDARD :	52	KVAR @	\$1.00 /KVAR	\$52	STANDARD :	52	KVAR @	\$1.00 /KVAR	\$52
TOU :	---	KVAR @	---	---	TOU :	---	KVAR @	---	---
VOLTAGE DISCOUNTS					VOLTAGE DISCOUNTS				
STANDARD : PRIMARY	33,009	KW @	(\$0.30) /KW	(\$9,903)	STANDARD : PRIMARY	33,009	KW @	(\$0.28) /KW	(\$9,243)
	33,009	KW @	(\$0.07) /KW	(\$2,311)		33,009	KW @	(\$0.07) /KW	(\$2,311)
	11,444,701	KWH @	(\$0.00019) /KWH	(\$2,174)		11,444,701	KWH @	(\$0.00018) /KWH	(\$2,060)
SUBTOTAL BASE REVENUE:				\$115,373,078	SUBTOTAL BASE REVENUE:				\$111,963,103

TAX REFORM
 GULF POWER COMPANY
 PROOF OF REVENUE AND RATE MIGRATIONS
 BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES GSD, GSDT, AND GSTOU

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
TRANSFERS TO RATE SCHEDULE GS FROM GSD - PRESENT REVENUE CALCULATION				TRANSFERS TO RATE SCHEDULE GS FROM GSD - PROPOSED REVENUE CALCULATION					
BASE CHARGE		NUMBER OF BILLS		CALCULATED REVENUES	BASE CHARGE		NUMBER OF BILLS		CALCULATED REVENUES
STANDARD :	31,564	BILLS @	\$27.00 /BILL	\$852,228	STANDARD :	31,564	BILLS @	\$26.00 /BILL	\$820,664
TOU :	--	BILLS @	-- /BILL	--	TOU :	--	BILLS @	-- /BILL	--
DEMAND CHARGE		BILLING KW IN BLOCK			DEMAND CHARGE		BILLING KW IN BLOCK		
STANDARD :	--	KW @	-- /KW	--	STANDARD :	--	KW @	-- /KW	--
TOU : MAX DEMAND	--	KW @	-- /KW	--	TOU : MAX DEMAND	--	KW @	-- /KW	--
TOU : ON-PEAK	--	KW @	-- /KW	--	TOU : ON-PEAK	--	KW @	-- /KW	--
ENERGY CHARGE		KWH IN BLOCK			ENERGY/DEMAND CHG		KWH IN BLOCK		
STANDARD :	73,557,266	KWH @	\$0.05256 /KWH	\$3,866,170	STANDARD :	73,557,266	KWH @	\$0.05126 /KWH	\$3,770,545
TOU : ON-PEAK	--	KWH @	-- /KWH	--	TOU : ON-PEAK	--	KWH @	-- /KWH	--
TOU : OFF-PEAK	--	KWH @	-- /KWH	--	TOU : OFF-PEAK	--	KWH @	-- /KWH	--
VOLTAGE DISCOUNTS					VOLTAGE DISCOUNTS				
STANDARD : PRIMARY	--	KW @	-- /KW	--	STANDARD : PRIMARY	--	KW @	-- /KW	--
	--	KW @	-- /KW	--		--	KW @	-- /KW	--
	--	KWH @	-- /KWH	--		--	KWH @	-- /KWH	--
SUBTOTAL BASE REVENUE :				\$4,718,398	SUBTOTAL BASE REVENUE :				\$4,591,209

TAX REFORM
GULF POWER COMPANY
PROOF OF REVENUE AND RATE MIGRATIONS
BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES GSD, GSDT, AND GSTOU

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
<u>TRANSFERS TO RATE SCHEDULE LP FROM GSD - PRESENT REVENUE CALCULATION</u>				<u>TRANSFERS TO RATE SCHEDULE LP FROM GSD - PROPOSED REVENUE CALCULATION</u>					
<u>BASE CHARGE</u>		<u>NUMBER OF BILLS</u>		<u>CALCULATED REVENUES</u>	<u>BASE CHARGE</u>		<u>CALCULATED REVENUES</u>		
STANDARD :	354	BILLS @	\$262.80 /BILL	\$93,031	STANDARD :	354	BILLS @	\$262.80 /BILL	\$93,031
TOU :	---	BILLS @	--- /BILL	---	TOU :	---	BILLS @	--- /BILL	---
<u>DEMAND CHARGE</u>		<u>BILLING KW IN BLOCK</u>			<u>DEMAND CHARGE</u>		<u>BILLING KW IN BLOCK</u>		
STANDARD :	151,805	KW @	\$12.87 /KW	\$1,953,730	STANDARD :	151,805	KW @	\$12.48 /KW	\$1,894,526
TOU : MAX DEMAND	---	KW @	--- /KW	---	TOU : MAX DEMAND	---	KW @	--- /KW	---
TOU : ON-PEAK	---	KW @	--- /KW	---	TOU : ON-PEAK	---	KW @	--- /KW	---
<u>ENERGY CHARGE</u>		<u>KWH IN BLOCK</u>			<u>ENERGY CHARGE</u>		<u>KWH IN BLOCK</u>		
STANDARD :	57,102,033	KWH @	\$0.00972 /KWH	\$555,032	STANDARD :	57,102,033	KWH @	\$0.00942 /KWH	\$537,901
TOU : ON-PEAK	---	KWH @	--- /KWH	---	TOU : ON-PEAK	---	KWH @	--- /KWH	---
TOU : OFF-PEAK	---	KWH @	--- /KWH	---	TOU : OFF-PEAK	---	KWH @	--- /KWH	---
<u>VOLTAGE DISCOUNTS</u>					<u>VOLTAGE DISCOUNTS</u>				
STANDARD : PRIMARY	4,928	KW @	(\$0.40) /KW	(\$1,971)	STANDARD : PRIMARY	4,928	KW @	(\$0.37) /KW	(\$1,823)
	4,928	KW @	(\$0.13) /KW	(\$641)		4,928	KW @	(\$0.12) /KW	(\$591)
	1,215,255	KWH @	(\$0.00010) /KWH	(\$122)		1,215,255	KWH @	(\$0.00009) /KWH	(\$109)
SUBTOTAL BASE REVENUE :				<u>\$2,599,059</u>	SUBTOTAL BASE REVENUE :				<u>\$2,522,935</u>

TAX REFORM
GULF POWER COMPANY
PROOF OF REVENUE AND RATE MIGRATIONS
BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES GSD, GSDT, AND GSTOU

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
<u>TRANSFERS TO RATE SCHEDULE GSD FROM GSDT - PRESENT REVENUE CALCULATION</u>				<u>TRANSFERS TO RATE SCHEDULE GSD FROM GSDT - PROPOSED REVENUE CALCULATION</u>					
<u>BASE CHARGE</u>		<u>NUMBER OF BILLS</u>		<u>CALCULATED REVENUES</u>	<u>BASE CHARGE</u>		<u>CALCULATED REVENUES</u>		
STANDARD :	117	BILLS @	\$48.10 /BILL	\$5,628	STANDARD :	117	BILLS @	\$47.33 /BILL	\$5,538
TOU :	---	BILLS @	--- /BILL	---	TOU :	---	BILLS @	--- /BILL	---
<u>DEMAND CHARGE</u>		<u>BILLING KW IN BLOCK</u>			<u>DEMAND CHARGE</u>		<u>BILLING KW IN BLOCK</u>		
STANDARD :	18,542	KW @	\$7.38 /KW	\$136,840	STANDARD :	18,542	KW @	\$7.16 /KW	\$132,761
TOU : MAX DEMAND	---	KW @	--- /KW	---	TOU : MAX DEMAND	---	KW @	--- /KW	---
TOU : ON-PEAK	---	KW @	--- /KW	---	TOU : ON-PEAK	---	KW @	--- /KW	---
<u>ENERGY CHARGE</u>		<u>KWH IN BLOCK</u>			<u>ENERGY/DEMAND CHARGE</u>		<u>KWH IN BLOCK</u>		
STANDARD :	8,843,555	KWH @	\$0.01894 /KWH	\$167,497	STANDARD :	8,843,555	KWH @	\$0.01834 /KWH	\$162,191
TOU : ON-PEAK	---	KWH @	--- /KWH	---	TOU : ON-PEAK	---	KWH @	--- /KWH	---
TOU : OFF-PEAK	---	KWH @	--- /KWH	---	TOU : OFF-PEAK	---	KWH @	--- /KWH	---
<u>VOLTAGE DISCOUNTS</u>					<u>VOLTAGE DISCOUNTS</u>				
STANDARD : PRIMARY	---	KW @	--- /KW	---	STANDARD : PRIMARY	---	KW @	--- /KW	---
	---	KW @	--- /KW	---		---	KW @	--- /KW	---
	---	KWH @	--- /KWH	---		---	KWH @	--- /KWH	---
SUBTOTAL BASE REVENUE :				<u>\$309,965</u>	SUBTOTAL BASE REVENUE :				<u>\$300,490</u>

TAX REFORM
 GULF POWER COMPANY
 PROOF OF REVENUE AND RATE MIGRATIONS
 BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES GSD, GSDT, AND GSTOU

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		SUBTOTAL BASE REVENUE (PAGE 3 OF 14):	\$115,373,078			SUBTOTAL BASE REVENUE (PAGE 3 OF 14):	\$111,963,103
		SUBTOTAL BASE REVENUE (PAGE 4 OF 14):	\$4,718,398			SUBTOTAL BASE REVENUE (PAGE 4 OF 14):	\$4,591,209
		SUBTOTAL BASE REVENUE (PAGE 5 OF 14):	\$2,599,059			SUBTOTAL BASE REVENUE (PAGE 5 OF 14):	\$2,522,935
		SUBTOTAL BASE REVENUE (PAGE 6 OF 14):	\$309,965			SUBTOTAL BASE REVENUE (PAGE 6 OF 14):	\$300,490
		<hr/>				<hr/>	
		PRESENT BASE REVENUE:	<u>\$123,000,500</u>			PROJECTED BASE REVENUE:	<u>\$119,377,737</u>
						TOTAL CHANGE:	(\$3,622,763)
						% CHANGE:	-2.95%

TAX REFORM
 GULF POWER COMPANY
 PROOF OF REVENUE AND RATE MIGRATIONS
 BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES LP AND LPT

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
TRANSFERS TO RATE SCHEDULE GSD FROM LP - PRESENT REVENUE CALCULATION				TRANSFERS TO RATE SCHEDULE GSD FROM LP - PROPOSED REVENUE CALCULATION					
BASE CHARGE		NUMBER OF BILLS		CALCULATED REVENUES	BASE CHARGE		CALCULATED REVENUES		
STANDARD :	575	BILLS @	\$48.10 /BILL	\$27,658	STANDARD :	575	BILLS @ \$47.33 /BILL	\$27,215	
TOU :	--	BILLS @	-- /BILL	--	TOU :	--	BILLS @ -- /BILL	--	
DEMAND CHARGE		BILLING KW IN BLOCK			DEMAND CHARGE		BILLING KW IN BLOCK		
STANDARD :	185,822	KW @	\$7.38 /KW	\$1,371,366	STANDARD :	185,822	KW @ \$7.16 /KW	\$1,330,486	
TOU : MAX DEMAND	--	KW @	-- /KW	--	TOU : MAX DEMAND	--	KW @ -- /KW	--	
TOU : ON-PEAK	--	KW @	-- /KW	--	TOU : ON-PEAK	--	KW @ -- /KW	--	
ENERGY CHARGE		KWH IN BLOCK			ENERGY CHARGE		KWH IN BLOCK		
STANDARD :	86,844,865	KWH @	\$0.01894 /KWH	\$1,644,842	STANDARD :	86,844,865	KWH @ \$0.01834 /KWH	\$1,592,735	
TOU : ON-PEAK	--	KWH @	-- /KWH	--	TOU : ON-PEAK	--	KWH @ -- /KWH	--	
TOU : OFF-PEAK	--	KWH @	-- /KWH	--	TOU : OFF-PEAK	--	KWH @ -- /KWH	--	
REACTIVE CHARGE					REACTIVE CHARGE				
STANDARD :	10,390	KVARs @	\$1.00 /KVAR	\$10,390	STANDARD :	10,390	KVARs @ \$1.00 /KVAR	\$10,390	
TOU :	--	KVARs @	-- /KVAR	--	TOU :	--	KVARs @ -- /KVAR	--	
VOLTAGE DISCOUNTS					VOLTAGE DISCOUNTS				
STANDARD : PRIMARY	6,484	KW @	(\$0.30) /KW	(\$1,945)	STANDARD : PRIMARY	6,484	KW @ (\$0.28) /KW	(\$1,816)	
	6,484	KW @	(\$0.07) /KW	(\$454)		6,484	KW @ (\$0.07) /KW	(\$454)	
	3,244,309	KWH @	(\$0.00019) /KWH	(\$616)		3,244,309	KWH @ (\$0.00018) /KWH	(\$584)	
SUBTOTAL BASE REVENUE :				\$3,051,241	SUBTOTAL BASE REVENUE :				\$2,957,972

TAX REFORM
 GULF POWER COMPANY
 PROOF OF REVENUE AND RATE MIGRATIONS
 BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES LP AND LPT

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
TRANSFERS TO RATE SCHEDULE LP FROM LPT - PRESENT REVENUE CALCULATION				TRANSFERS TO RATE SCHEDULE LP FROM LPT - PROPOSED REVENUE CALCULATION					
BASE CHARGE		NUMBER OF BILLS		CALCULATED REVENUES	BASE CHARGE		NUMBER OF BILLS	CALCULATED REVENUES	
STANDARD :	100	BILLS @	\$262.80 /BILL	\$26,280	STANDARD :	100	BILLS @	\$262.80 /BILL	\$26,280
TOU :	---	BILLS @	--- /BILL	---	TOU :	---	BILLS @	--- /BILL	---
DEMAND CHARGE		BILLING KW IN BLOCK			DEMAND CHARGE		BILLING KW IN BLOCK		
STANDARD :	462,316	KW @	\$12.87 /KW	\$5,950,007	STANDARD :	462,316	KW @	\$12.48 /KW	\$5,769,704
TOU : MAX DEMAND	---	KW @	--- /KW	---	TOU : MAX DEMAND	---	KW @	--- /KW	---
TOU : ON-PEAK	---	KW @	--- /KW	---	TOU : ON-PEAK	---	KW @	--- /KW	---
ENERGY CHARGE		KWH IN BLOCK			ENERGY CHARGE		KWH IN BLOCK		
STANDARD :	254,225,155	KWH @	\$0.00972 /KWH	\$2,471,069	STANDARD :	254,225,155	KWH @	\$0.00942 /KWH	\$2,394,801
TOU : ON-PEAK	---	KWH @	--- /KWH	---	TOU : ON-PEAK	---	KWH @	--- /KWH	---
TOU : OFF-PEAK	---	KWH @	--- /KWH	---	TOU : OFF-PEAK	---	KWH @	--- /KWH	---
REACTIVE CHARGE					REACTIVE CHARGE				
STANDARD :	5,520	KVAR @	\$1.00 /KVAR	\$5,520	STANDARD :	5,520	KVAR @	\$1.00 /KVAR	\$5,520
TOU :	---	KVAR @	--- /KVAR	---	TOU :	---	KVAR @	--- /KVAR	---
VOLTAGE DISCOUNTS					VOLTAGE DISCOUNTS				
STANDARD : PRI	426,295	KW @	(\$0.40) /KW	(\$170,518)	STANDARD : PRI	426,295	KW @	(\$0.37) /KW	(\$157,729)
	426,295	KW @	(\$0.13) /KW	(\$55,418)		426,295	KW @	(\$0.12) /KW	(\$51,155)
	233,029,811	KWH @	(\$0.00010) /KWH	(\$23,303)		233,029,811	KWH @	(\$0.00009) /KWH	(\$20,973)
TOU : PRI	---	MAX KW @	(\$0.40) /KW	---	TOU : PRI	---	MAX KW @	(\$0.37) /KW	---
	---	MAX KW @	(\$0.03) /KW	---		---	MAX KW @	(\$0.03) /KW	---
	---	ON-PK KW @	(\$0.10) /KW	---		---	ON-PK KW @	(\$0.10) /KW	---
	---	ON-PK KWH @	(\$0.00010) /KWH	---		---	ON-PK KWH @	(\$0.00009) /KWH	---
	---	OFF-PK KWH @	(\$0.00010) /KWH	---		---	OFF-PK KWH @	(\$0.00009) /KWH	---
SUBTOTAL BASE REVENUE :				\$8,203,637	SUBTOTAL BASE REVENUE :				\$7,966,448

TAX REFORM
 GULF POWER COMPANY
 PROOF OF REVENUE AND RATE MIGRATIONS
 BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES LP AND LPT

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
TRANSFERS TO RATE SCHEDULE GSD FROM LPT - PRESENT REVENUE CALCULATION				TRANSFERS TO RATE SCHEDULE GSD FROM LPT - PROPOSED REVENUE CALCULATION					
BASE CHARGE		NUMBER OF BILLS		CALCULATED REVENUES	BASE CHARGE		NUMBER OF BILLS	CALCULATED REVENUES	
STANDARD :	194	BILLS @	\$48.10 /BILL	\$9,331	STANDARD :	194	BILLS @	\$47.33 /BILL	\$9,182
TOU :	---	BILLS @	--- /BILL	---	TOU :	---	BILLS @	--- /BILL	---
DEMAND CHARGE		BILLING KW IN BLOCK		CALCULATED REVENUES	DEMAND CHARGE		NUMBER OF BILLS	CALCULATED REVENUES	
STANDARD :	67,550	KW @	\$7.38 /KW	\$498,519	STANDARD :	67,550	KW @	\$7.16 /KW	\$483,658
TOU : MAX DEMAND	---	KW @	--- /KW	---	TOU : MAX DEMAND	---	KW @	--- /KW	---
TOU : ON-PEAK	---	KW @	--- /KW	---	TOU : ON-PEAK	---	KW @	--- /KW	---
ENERGY CHARGE		KWH IN BLOCK		CALCULATED REVENUES	ENERGY CHARGE		NUMBER OF BILLS	CALCULATED REVENUES	
STANDARD :	36,554,859	KWH @	\$0.01894 /KWH	\$692,349	STANDARD :	36,554,859	KWH @	\$0.01834 /KWH	\$670,416
TOU : ON-PEAK	---	KWH @	--- /KWH	---	TOU : ON-PEAK	---	KWH @	--- /KWH	---
TOU : OFF-PEAK	---	KWH @	--- /KWH	---	TOU : OFF-PEAK	---	KWH @	--- /KWH	---
REACTIVE CHARGE		KWH IN BLOCK		CALCULATED REVENUES	REACTIVE CHARGE		NUMBER OF BILLS	CALCULATED REVENUES	
STANDARD :	3,509	KVAR @	\$1.00 /KVAR	\$3,509	STANDARD :	3,509	KVAR @	\$1.00 /KVAR	\$3,509
TOU :	---	KVAR @	--- /KVAR	---	TOU :	---	KVAR @	--- /KVAR	---
VOLTAGE DISCOUNTS		KWH IN BLOCK		CALCULATED REVENUES	VOLTAGE DISCOUNTS		NUMBER OF BILLS	CALCULATED REVENUES	
STANDARD : PRI	5,191	KW @	(\$0.30) /KW	(\$1,557)	STANDARD : PRI	5,191	KW @	(\$0.28) /KW	(\$1,453)
	5,191	KW @	(\$0.07) /KW	(\$363)		5,191	KW @	(\$0.07) /KW	(\$363)
	2,269,715	KWH @	(\$0.00019) /KWH	(\$431)		2,269,715	KWH @	(\$0.00018) /KWH	(\$409)
TOU : PRI	---	MAX KW @	--- /KW	---	TOU : PRI	---	MAX KW @	--- /KW	---
	---	MAX KW @	--- /KW	---		---	MAX KW @	--- /KW	---
	---	ON-PK KW @	--- /KW	---		---	ON-PK KW @	--- /KW	---
	---	ON-PK KWH @	--- /KWH	---		---	ON-PK KWH @	--- /KWH	---
	---	OFF-PK KWH @	--- /KWH	---		---	OFF-PK KWH @	--- /KWH	---
SUBTOTAL BASE REVENUE :				\$1,201,357	SUBTOTAL BASE REVENUE :				\$1,164,540

TAX REFORM
GULF POWER COMPANY
PROOF OF REVENUE AND RATE MIGRATIONS
BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES LP AND LPT

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
<u>TRANSFERS TO RATE SCHEDULE GSDT FROM LPT - PRESENT REVENUE CALCULATION</u>				<u>TRANSFERS TO RATE SCHEDULE GSDT FROM LPT - PROPOSED REVENUE CALCULATION</u>					
<u>BASE CHARGE</u>		<u>NUMBER OF BILLS</u>		<u>CALCULATED REVENUES</u>	<u>BASE CHARGE</u>		<u>CALCULATED REVENUES</u>		
STANDARD :	---	BILLS @	---	/BILL	---	BILLS @	---		
TOU :	117	BILLS @	\$48.10	/BILL	117	BILLS @	\$5,628		
							\$5,538		
<u>DEMAND CHARGE</u>		<u>BILLING KW IN BLOCK</u>			<u>DEMAND CHARGE</u>				
STANDARD :	---	KW @	---	/KW	---	KW @	---		
TOU : MAX DEMAND	41,375	KW @	\$3.51	/KW	41,375	KW @	\$145,226		
TOU : ON-PEAK	40,353	KW @	\$3.95	/KW	40,353	KW @	\$159,394		
							\$154,552		
<u>ENERGY CHARGE</u>		<u>KWH IN BLOCK</u>			<u>ENERGY CHARGE</u>				
STANDARD :	---	KWH @	---	/KWH	---	KWH @	---		
TOU : ON-PEAK	5,518,189	KWH @	\$0.01894	/KWH	5,518,189	KWH @	\$104,514		
TOU : OFF-PEAK	15,081,485	KWH @	\$0.01894	/KWH	15,081,485	KWH @	\$285,643		
							\$101,204		
							\$276,594		
<u>REACTIVE CHARGE</u>		<u>KVAR @</u>			<u>REACTIVE CHARGE</u>				
STANDARD :	---	KVAR @	---	/KVAR	---	KVAR @	---		
TOU :	342	KVAR @	\$1.00	/KVAR	342	KVAR @	\$342		
							\$342		
SUBTOTAL BASE REVENUE :				\$700,747	SUBTOTAL BASE REVENUE :				\$678,905

TAX REFORM
 GULF POWER COMPANY
 PROOF OF REVENUE AND RATE MIGRATIONS
 BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES LP AND LPT

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
		SUBTOTAL BASE REVENUE (PAGE 8 OF 14): \$18,848,785 SUBTOTAL BASE REVENUE (PAGE 9 OF 14): \$3,051,241 SUBTOTAL BASE REVENUE (PAGE 10 OF 14): \$8,203,637 SUBTOTAL BASE REVENUE (PAGE 11 OF 14): \$1,201,357 SUBTOTAL BASE REVENUE (PAGE 12 OF 14): \$700,747				SUBTOTAL BASE REVENUE (PAGE 8 OF 14): \$18,296,663 SUBTOTAL BASE REVENUE (PAGE 9 OF 14): \$2,957,972 SUBTOTAL BASE REVENUE (PAGE 10 OF 14): \$7,966,448 SUBTOTAL BASE REVENUE (PAGE 11 OF 14): \$1,164,540 SUBTOTAL BASE REVENUE (PAGE 12 OF 14): \$678,905	
		PRESENT BASE REVENUE: <u>\$32,005,767</u>				PROJECTED BASE REVENUE: <u>\$31,064,528</u>	
						TOTAL CHANGE: (\$941,239)	
						% CHANGE: -2.94%	

TAX REFORM
GULF POWER COMPANY
PROOF OF REVENUE AND RATE MIGRATIONS
BY RATE CLASS

REVENUE CALCULATION FOR RATE SCHEDULES SBS, RTP AND CIS

	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
<u>PRESENT REVENUE CALCULATION - SBS, RTP, AND CIS</u>					<u>PROPOSED REVENUE CALCULATION - SBS, RTP, AND CIS</u>				
				CALCULATED REVENUES				CALCULATED REVENUES	
SBS BASE CHARGE		NUMBER OF BILLS			SBS BASE CHARGE		NUMBER OF BILLS		
		24 BILLS @	\$261.68 /BILL	\$6,280			24 BILLS @	\$261.68 /BILL	
		12 BILLS @	\$623.10 /BILL	\$7,477			12 BILLS @	\$623.10 /BILL	
SBS LOCAL FAC CHG		BILLING KW IN BLOCK			SBS LOCAL FAC CHG		BILLING KW IN BLOCK		
	59,015	KW @	\$2.79 /KW	\$164,652		59,015	KW @	\$2.70 /KW	
	751,200	KW @	\$0.96 /KW	\$721,152		751,200	KW @	\$0.94 /KW	
SBS RESERV CHG		BILLING KW IN BLOCK			SBS RESERV CHG		BILLING KW IN BLOCK		
	59,015	KW @	\$1.44 /KW	\$84,982		59,015	KW @	\$1.40 /KW	
	751,200	KW @	\$1.47 /KW	\$1,104,264		751,200	KW @	\$1.43 /KW	
SBS DAILY DEMAND		BILLING KW IN BLOCK			SBS DAILY DEMAND		BILLING KW IN BLOCK		
	---	KW @	\$0.68 /KW	---		---	KW @	\$0.66 /KW	
	---	KW @	\$0.69 /KW	---		---	KW @	\$0.67 /KW	
SBS ENERGY CHARGE		KWH IN BLOCK			SBS ENERGY CHARGE		KWH IN BLOCK		
ON-PEAK	685,071	KWH @	\$0.03225 /KWH	\$22,094	ON-PEAK	685,071	KWH @	\$0.03071 /KWH	
OFF-PEAK	3,574,201	KWH @	\$0.03225 /KWH	\$115,268	OFF-PEAK	3,574,201	KWH @	\$0.03071 /KWH	
ON-PEAK	2,628,372	KWH @	\$0.03225 /KWH	\$84,765	ON-PEAK	2,628,372	KWH @	\$0.03071 /KWH	
OFF-PEAK	5,015,628	KWH @	\$0.03225 /KWH	\$161,754	OFF-PEAK	5,015,628	KWH @	\$0.03071 /KWH	
SBS VOLTAGE DISCOUNT - TRANSMISSION					SBS VOLTAGE DISCOUNT - TRANSMISSION				
	59,015	LFC KW @	(\$0.06) /KW	= (\$3,541)		59,015	LFC KW @	(\$0.06) /KW	
	59,015	LFC KW @	(\$0.06) /KW	= (\$3,541)		59,015	LFC KW @	(\$0.05) /KW	
	59,015	RC KW @	(\$0.03) /KW	= (\$1,770)		59,015	RC KW @	(\$0.03) /KW	
	685,071	ON-PEAK @	(\$0.00065) /KWH	= (\$445)		685,071	ON-PEAK @	(\$0.00061) /KWH	
	3,574,201	OFF-PEAK @	(\$0.00065) /KWH	= (\$2,323)		3,574,201	OFF-PEAK @	(\$0.00061) /KWH	
				<u>\$2,461,068</u>				<u>\$2,390,649</u>	
RTP	1,524	Bills	1,643,584,389 KWH	<u>\$42,805,283</u>	RTP	1,524	Bills	1,643,584,389 KWH	<u>\$41,506,851</u>
CIS	12	Bills	49,000,000 KWH	<u>\$1,207,761</u>	CIS	12	Bills	49,000,000 KWH	<u>\$1,207,761</u>
				<u>PRESENT BASE REVENUE: \$46,474,112</u>					<u>PROJECTED BASE REVENUE: \$45,105,261</u>
									TOTAL CHANGE: (\$1,368,851)
									% CHANGE: -2.95%

**TAX REFORM
BASE CHARGE CHANGES AND CORRESPONDING UNIT COSTS**

(1)	(2)	(3)	(4)
<u>RATE CLASS</u>	<u>CURRENT BASE CHARGE</u>	<u>NEW BASE CHARGE TAX REFORM</u>	<u>UNIT COST</u>
RESIDENTIAL	\$0.65 /day	\$0.64 /day ⁽¹⁾	\$19.56 /mo.
GS	\$27.00 /mo.	\$26.00 /mo.	\$26.55 /mo.
GSD/GSDT	\$48.10 /mo.	\$47.33 /mo.	\$47.45 /mo.
PX/PXT	\$838.43 /mo.	\$813.73 /mo.	No Data: Billing Units = 0

⁽¹⁾Converting the Residential Base Charge to an average monthly value using 30.4375 days per month yields \$19.48 per month

**TAX REFORM
TRANSFORMER DISCOUNTS AND UNIT COSTS**

A	B	C	D
Rate Schedule and Voltage Level	Contract Level	Gulf's Current Discount* (\$/KW/MO)	Tax Reform Unit Cost (\$/KW/MO)
GSD/GSDT - Primary	N/A	\$0.30	\$0.28
LP/LPT - Primary	N/A	\$0.40	\$0.37
LP/LPT - Transmission	N/A	\$0.61	\$0.57
PX/PXT - Transmission	N/A	\$0.18	\$0.18
SBS - Primary	1 - 499 KW	\$0.05	\$0.05
SBS - Primary	500 - 7,499 KW	\$0.05	\$0.05
SBS - Transmission	500 - 7,499 KW	\$0.06	\$0.06
SBS - Transmission	7,500 KW - above	\$0.07	\$0.07

*Prepared using methodology specified by the FPSC's final orders in Gulf's last three rate cases.

Section D

Proof of Revenue

Rate Schedule OS

TAX REFORM
GULF POWER COMPANY
RATE SCHEDULE OS

(1)	(2)	(3)	(4)	(5)	(6)-(10) Present Rates					(11)-(15) Proposed Rates					(16)
					Annual Billing Items	Est. Monthly KWH	Annual KWH	Facility Charge	Maintenance Charge	Energy Charge	Total Monthly Charge	Total \$ Revenue	Facility Charge	Maintenance Charge	
Type of Facility	Description														
HIGH PRESSURE SODIUM VAPOR (OS-III)															
5400 LUMEN	Open Bottom	1,524	29	44,196	\$3.31	\$1.79	\$0.76	\$5.86	\$8,930.64	\$3.21	\$1.74	\$0.74	\$5.69	\$8,671.56	-2.90%
8800 LUMEN	Open Bottom	540,384	41	22,155,744	\$2.84	\$1.62	\$1.08	\$5.54	\$2,993,727.36	\$2.76	\$1.57	\$1.05	\$5.38	\$2,907,265.92	-2.89%
8800 LUMEN	Open Bottom w/Shield	168	41	6,888	\$3.89	\$1.90	\$1.08	\$6.87	\$1,154.16	\$3.77	\$1.84	\$1.05	\$6.66	\$1,118.88	-3.06%
8800 LUMEN	Acorn	35,640	41	1,461,240	\$14.14	\$4.77	\$1.08	\$19.99	\$712,443.60	\$13.72	\$4.63	\$1.05	\$19.40	\$691,416.00	-2.95%
8800 LUMEN	Colonial	33,048	41	1,354,968	\$3.81	\$1.88	\$1.08	\$6.77	\$223,734.96	\$3.70	\$1.82	\$1.05	\$6.57	\$217,125.36	-2.95%
8800 LUMEN	English Coach	888	41	36,408	\$15.43	\$5.12	\$1.08	\$21.63	\$19,207.44	\$14.97	\$4.97	\$1.05	\$20.99	\$18,639.12	-2.96%
8800 LUMEN	Destin Single	852	41	34,932	\$26.55	\$8.24	\$1.08	\$35.87	\$30,561.24	\$25.77	\$8.00	\$1.05	\$34.82	\$29,666.64	-2.93%
17600 LUMEN	Destin Double	12	82	984	\$52.94	\$15.88	\$2.16	\$70.98	\$851.76	\$51.37	\$15.41	\$2.10	\$68.88	\$826.56	-2.96%
5400 LUMEN	Cobrahead	1,668	29	48,372	\$4.65	\$2.15	\$0.76	\$7.56	\$12,610.08	\$4.51	\$2.09	\$0.74	\$7.34	\$12,243.12	-2.91%
8800 LUMEN	Cobrahead	307,524	41	12,608,484	\$3.89	\$1.90	\$1.08	\$6.87	\$2,112,689.88	\$3.77	\$1.84	\$1.05	\$6.66	\$2,048,109.84	-3.06%
20000 LUMEN	Cobrahead	28,248	80	2,259,840	\$5.36	\$2.34	\$2.11	\$9.81	\$277,112.88	\$5.20	\$2.27	\$2.05	\$9.52	\$268,920.96	-2.96%
25000 LUMEN	Cobrahead	19,632	100	1,963,200	\$5.21	\$2.30	\$2.64	\$10.15	\$199,264.80	\$5.06	\$2.23	\$2.56	\$9.85	\$193,375.20	-2.96%
46000 LUMEN	Cobrahead	19,548	164	3,205,872	\$5.48	\$2.37	\$4.32	\$12.17	\$237,899.16	\$5.32	\$2.30	\$4.20	\$11.82	\$231,057.36	-2.88%
8800 LUMEN	Cut-Off Cobrahead	13,008	41	533,328	\$4.30	\$2.01	\$1.08	\$7.39	\$96,129.12	\$4.17	\$1.95	\$1.05	\$7.17	\$93,267.36	-2.98%
25000 LUMEN	Cut-Off Cobrahead	4,524	100	452,400	\$5.28	\$2.32	\$2.64	\$10.24	\$46,325.76	\$5.12	\$2.25	\$2.56	\$9.93	\$44,923.32	-3.03%
46000 LUMEN	Cut-Off Cobrahead	552	164	90,528	\$5.50	\$2.37	\$4.32	\$12.19	\$6,728.88	\$5.34	\$2.30	\$4.20	\$11.84	\$6,535.68	-2.87%
25000 LUMEN	Bracket Mount CIS	396	100	39,600	\$12.08	\$4.22	\$2.64	\$18.94	\$7,500.24	\$11.72	\$4.10	\$2.56	\$18.38	\$7,278.48	-2.96%
25000 LUMEN	Tenon Top CIS	36	100	3,600	\$12.09	\$4.22	\$2.64	\$18.95	\$682.20	\$11.73	\$4.10	\$2.56	\$18.39	\$662.04	-2.96%
46000 LUMEN	Bracket Mount CIS	420	161	67,620	\$12.86	\$4.42	\$4.24	\$21.52	\$9,038.40	\$12.48	\$4.29	\$4.12	\$20.89	\$8,773.80	-2.93%
25000 LUMEN	Small ORL	456	100	45,600	\$11.91	\$4.16	\$2.64	\$18.71	\$8,531.76	\$11.56	\$4.04	\$2.56	\$18.16	\$8,280.96	-2.94%
46000 LUMEN	Small ORL	948	164	155,472	\$12.46	\$4.32	\$4.32	\$21.10	\$20,002.80	\$12.09	\$4.19	\$4.20	\$20.48	\$19,415.04	-2.94%
20000 LUMEN	Large ORL	3,120	80	249,600	\$20.16	\$6.45	\$2.11	\$28.72	\$89,606.40	\$19.56	\$6.26	\$2.05	\$27.87	\$86,954.40	-2.96%
46000 LUMEN	Large ORL	360	164	59,040	\$22.70	\$7.17	\$4.32	\$34.19	\$12,308.40	\$22.03	\$6.96	\$4.20	\$33.19	\$11,948.40	-2.92%
46000 LUMEN	Shoebbox	876	164	143,664	\$10.41	\$3.74	\$4.32	\$18.47	\$16,179.72	\$10.10	\$3.63	\$4.20	\$17.93	\$15,706.68	-2.92%
16000 LUMEN	Directional	1,464	68	99,552	\$5.85	\$2.43	\$1.79	\$10.07	\$14,742.48	\$5.68	\$2.36	\$1.74	\$9.78	\$14,317.92	-2.88%
20000 LUMEN	Directional	1,704	80	136,320	\$8.45	\$3.21	\$2.11	\$13.77	\$23,464.08	\$8.20	\$3.12	\$2.05	\$13.37	\$22,782.48	-2.90%
46000 LUMEN	Directional	112,776	164	18,495,264	\$6.28	\$2.60	\$4.32	\$13.20	\$1,488,643.20	\$6.09	\$2.52	\$4.20	\$12.81	\$1,444,660.56	-2.95%
125000 LUMEN	Large Flood	396	379	150,084	\$9.96	\$3.82	\$9.99	\$23.77	\$9,412.92	\$9.67	\$3.71	\$9.69	\$23.07	\$9,135.72	-2.94%
HIGH PRESSURE SODIUM VAPOR (OS-III) - PAID UP FRONT															
8800 LUMEN	Open Bottom PUF	2,712	41	111,192	N/A	\$1.62	\$1.08	\$2.70	\$7,322.40	N/A	\$1.57	\$1.05	\$2.62	\$7,105.44	-2.96%
8800 LUMEN	Acorn PUF	11,016	41	451,656	N/A	\$4.77	\$1.08	\$5.85	\$64,443.60	N/A	\$4.63	\$1.05	\$5.68	\$62,570.88	-2.91%
8800 LUMEN	Colonial PUF	8,496	41	348,336	N/A	\$1.88	\$1.08	\$2.96	\$25,148.16	N/A	\$1.82	\$1.05	\$2.87	\$24,383.52	-3.04%
8800 LUMEN	English Coach PUF	540	41	22,140	N/A	\$5.12	\$1.08	\$6.20	\$3,348.00	N/A	\$4.97	\$1.05	\$6.02	\$3,250.80	-2.90%
8800 LUMEN	Destin Single PUF	804	41	32,964	N/A	\$8.24	\$1.08	\$9.32	\$7,493.28	N/A	\$8.00	\$1.05	\$9.05	\$7,276.20	-2.90%
8800 LUMEN	Cobrahead PUF	17,544	41	719,304	N/A	\$1.90	\$1.08	\$2.98	\$52,281.12	N/A	\$1.84	\$1.05	\$2.89	\$50,702.16	-3.02%
16000 LUMEN	Directional PUF	24	68	1,632	N/A	\$2.43	\$1.79	\$4.22	\$101.28	N/A	\$2.36	\$1.74	\$4.10	\$98.40	-2.84%
17600 LUMEN	Destin Double PUF	24	82	1,968	N/A	\$15.88	\$2.16	\$18.04	\$432.96	N/A	\$15.41	\$2.10	\$17.51	\$420.24	-2.94%
20000 LUMEN	Cobrahead PUF	2,904	80	232,320	N/A	\$2.34	\$2.11	\$4.45	\$12,922.80	N/A	\$2.27	\$2.05	\$4.32	\$12,545.28	-2.92%
25000 LUMEN	Cobrahead PUF	5,652	100	565,200	N/A	\$2.30	\$2.64	\$4.94	\$27,920.88	N/A	\$2.23	\$2.56	\$4.79	\$27,073.08	-3.04%

TAX REFORM
GULF POWER COMPANY
RATE SCHEDULE OS

(1) Type of Facility	(2) Description	(3) Annual Billing Items	(4) Est. Monthly KWH	(5) Annual KWH	(8) Present Rates					(13) Proposed Rates					(16) Percent Change
					(6) Facility Charge	(7) Maintenance Charge	(8) Energy Charge	(9) Total Monthly Charge	(10) Total \$ Revenue	(11) Facility Charge	(12) Maintenance Charge	(13) Energy Charge	(14) Total Monthly Charge	(15) Total \$ Revenue	
HIGH PRESSURE SODIUM VAPOR (OS-III) - PAID UP FRONT (Cont.)															
46000 LUMEN	Bracket Mount CIS PUF	192	161	30,912	N/A	\$4.42	\$4.24	\$8.66	\$1,662.72	N/A	\$4.29	\$4.12	\$8.41	\$1,614.72	-2.89%
46000 LUMEN	Cobrahead PUF	2,244	164	368,016	N/A	\$2.37	\$4.32	\$6.69	\$15,012.36	N/A	\$2.30	\$4.20	\$6.50	\$14,586.00	-2.84%
8800 LUMEN	Cut-Off Cobrahead PUF	1,416	41	58,056	N/A	\$2.01	\$1.08	\$3.09	\$4,375.44	N/A	\$1.95	\$1.05	\$3.00	\$4,248.00	-2.91%
25000 LUMEN	Cut-Off Cobrahead PUF	1,944	100	194,400	N/A	\$2.32	\$2.64	\$4.96	\$9,642.24	N/A	\$2.25	\$2.56	\$4.81	\$9,350.64	-3.02%
46000 LUMEN	Cut-Off Cobrahead PUF	132	164	21,648	N/A	\$2.37	\$4.32	\$6.69	\$883.08	N/A	\$2.30	\$4.20	\$6.50	\$858.00	-2.84%
25000 LUMEN	Bracket Mount CIS PUF	1,680	100	168,000	N/A	\$4.22	\$2.64	\$6.86	\$11,524.80	N/A	\$4.10	\$2.56	\$6.66	\$11,188.80	-2.92%
25000 LUMEN	Tenon Top CIS PUF	636	100	63,600	N/A	\$4.22	\$2.64	\$6.86	\$4,362.96	N/A	\$4.10	\$2.56	\$6.66	\$4,235.76	-2.92%
25000 LUMEN	Small ORL PUF	192	100	19,200	N/A	\$4.16	\$2.64	\$6.80	\$1,305.60	N/A	\$4.04	\$2.56	\$6.60	\$1,267.20	-2.94%
46000 LUMEN	Shoebox PUF	816	164	133,824	N/A	\$3.74	\$4.32	\$8.06	\$6,576.96	N/A	\$3.63	\$4.20	\$7.83	\$6,389.28	-2.85%
46000 LUMEN	Directional PUF	1,176	164	192,864	N/A	\$2.60	\$4.32	\$6.92	\$8,137.92	N/A	\$2.52	\$4.20	\$6.72	\$7,902.72	-2.89%
METAL HALIDE (OS-III)															
12000 LUMEN	Acorn	804	72	57,888	\$14.28	\$6.00	\$1.90	\$22.18	\$17,832.72	\$13.86	\$5.82	\$1.84	\$21.52	\$17,302.08	-2.98%
12000 LUMEN	Colonial	1,440	72	103,680	\$3.95	\$3.14	\$1.90	\$8.99	\$12,945.60	\$3.83	\$3.05	\$1.84	\$8.72	\$12,556.80	-3.00%
12000 LUMEN	Destin Single	24	72	1,728	\$26.69	\$9.47	\$1.90	\$38.06	\$913.44	\$25.90	\$9.19	\$1.84	\$36.93	\$886.32	-2.97%
32000 LUMEN	Small Flood	23,976	163	3,908,088	\$6.42	\$2.77	\$4.30	\$13.49	\$323,436.24	\$6.23	\$2.69	\$4.17	\$13.09	\$313,845.84	-2.97%
32000 LUMEN	Small Parking Lot	2,892	163	471,396	\$11.85	\$4.30	\$4.30	\$20.45	\$59,141.40	\$11.50	\$4.17	\$4.17	\$19.84	\$57,377.28	-2.98%
100000 LUMEN	Large Flood	21,000	378	7,938,000	\$9.20	\$5.50	\$9.96	\$24.66	\$517,860.00	\$8.93	\$5.34	\$9.67	\$23.94	\$502,740.00	-2.92%
100000 LUMEN	Large Parking Lot	1,212	378	458,136	\$20.45	\$7.63	\$9.96	\$38.04	\$46,104.48	\$19.85	\$7.40	\$9.67	\$36.92	\$44,747.04	-2.94%
METAL HALIDE (OS-III) - PAID UP FRONT															
12000 LUMEN	Acorn PUF	636	72	45,792	N/A	\$6.00	\$1.90	\$7.90	\$5,024.40	N/A	\$5.82	\$1.84	\$7.66	\$4,871.76	-3.04%
12000 LUMEN	Colonial PUF	72	72	5,184	N/A	\$3.14	\$1.90	\$5.04	\$362.88	N/A	\$3.05	\$1.84	\$4.89	\$352.08	-2.98%
12000 LUMEN	Destin Single PUF	528	72	38,016	N/A	\$9.47	\$1.90	\$11.37	\$6,003.36	N/A	\$9.19	\$1.84	\$11.03	\$5,823.84	-2.99%
24000 LUMEN	Destin Double PUF	60	144	8,640	N/A	\$17.72	\$3.80	\$21.52	\$1,291.20	N/A	\$17.20	\$3.68	\$20.88	\$1,252.80	-2.97%
32000 LUMEN	Small Flood PUF	276	163	44,988	N/A	\$2.77	\$4.30	\$7.07	\$1,951.32	N/A	\$2.69	\$4.17	\$6.86	\$1,893.36	-2.97%
32000 LUMEN	Small Parking Lot PUF	348	163	56,724	N/A	\$4.30	\$4.30	\$8.60	\$2,992.80	N/A	\$4.17	\$4.17	\$8.34	\$2,902.32	-3.02%
100000 LUMEN	Large Flood PUF	780	378	294,840	N/A	\$5.50	\$9.96	\$15.46	\$12,058.80	N/A	\$5.34	\$9.67	\$15.01	\$11,707.80	-2.91%
100000 LUMEN	Large Parking Lot PUF	96	378	36,288	N/A	\$7.63	\$9.96	\$17.59	\$1,688.64	N/A	\$7.40	\$9.67	\$17.07	\$1,638.72	-2.96%
METAL HALIDE PULSE START (OS-III)															
13000 LUMEN	Acorn PS	1,332	65	86,580	\$16.20	\$5.84	\$1.71	\$23.75	\$31,635.00	\$15.72	\$5.67	\$1.66	\$23.05	\$30,702.60	-2.95%
13000 LUMEN	Colonial PS	3,300	65	214,500	\$5.04	\$2.74	\$1.71	\$9.49	\$31,317.00	\$4.89	\$2.66	\$1.66	\$9.21	\$30,393.00	-2.95%
13000 LUMEN	Destin Single PS	132	65	8,580	\$35.12	\$11.13	\$1.71	\$47.96	\$6,330.72	\$34.08	\$10.79	\$1.66	\$46.53	\$6,141.96	-2.98%
33000 LUMEN	Small Flood PS	15,996	137	2,191,452	\$7.18	\$3.54	\$3.61	\$14.33	\$229,222.68	\$6.97	\$3.44	\$3.50	\$13.91	\$222,504.36	-2.93%
33000 LUMEN	Shoebox PS	564	137	77,268	\$8.59	\$3.94	\$3.61	\$16.14	\$9,102.96	\$8.34	\$3.82	\$3.50	\$15.66	\$8,832.24	-2.97%
68000 LUMEN	Flood PS	804	288	231,552	\$7.41	\$5.95	\$7.59	\$20.95	\$16,843.80	\$7.19	\$5.77	\$7.37	\$20.33	\$16,345.32	-2.96%

TAX REFORM
GULF POWER COMPANY
RATE SCHEDULE OS

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)			(9)	(10)	(11)			(12)	(13)	(14)	(15)	(16)
Type of Facility	Description	Annual Billing Items	Est. Monthly KWH	Annual KWH	Facility Charge	Maintenance Charge	Present Rates			Total Monthly Charge	\$ Total Revenue	Proposed Rates			Total Monthly Charge	\$ Total Revenue	Percent Change		
							Energy Charge	Energy Charge	Energy Charge			Facility Charge	Maintenance Charge	Energy Charge					
<u>METAL HALIDE PULSE START (OS-III) - PAID UP FRONT</u>																			
13000 LUMEN	Acorn PS PUF	3,372	65	219,180	N/A	\$5.84	\$1.71	\$7.55	\$25,458.60	N/A	\$5.67	\$1.66	\$7.33	\$24,716.76	-2.91%				
13000 LUMEN	Colonial PS PUF	396	65	25,740	N/A	\$2.74	\$1.71	\$4.45	\$1,762.20	N/A	\$2.66	\$1.66	\$4.32	\$1,710.72	-2.92%				
13000 LUMEN	Destin Single PS PUF	84	65	5,460	N/A	\$11.13	\$1.71	\$12.84	\$1,078.56	N/A	\$10.79	\$1.66	\$12.45	\$1,045.80	-3.04%				
33000 LUMEN	Small Flood PS PUF	780	137	106,860	N/A	\$3.54	\$3.61	\$7.15	\$5,577.00	N/A	\$3.44	\$3.50	\$6.94	\$5,413.20	-2.94%				
33000 LUMEN	Shoebox PS PUF	324	137	44,388	N/A	\$3.94	\$3.61	\$7.55	\$2,446.20	N/A	\$3.82	\$3.50	\$7.32	\$2,371.68	-3.05%				
<u>LED (OS-III)</u>																			
3776 LUMEN	Acorn	24	26	624	\$19.01	\$9.82	\$0.69	\$29.52	\$708.48	\$18.45	\$9.53	\$0.67	\$28.65	\$687.60	-2.95%				
4440 LUMEN	Street Light	432	25	10,800	\$14.76	\$5.05	\$0.66	\$20.47	\$8,843.04	\$14.32	\$4.90	\$0.64	\$19.86	\$8,579.52	-2.98%				
5100 LUMEN	Cobrahead S2	3,024	25	75,600	\$6.47	\$4.22	\$0.66	\$11.35	\$34,322.40	\$6.28	\$4.10	\$0.64	\$11.02	\$33,324.48	-2.91%				
10200 LUMEN	Cobrahead S3	792	46	36,432	\$7.97	\$4.87	\$1.21	\$14.05	\$11,127.60	\$7.73	\$4.73	\$1.18	\$13.64	\$10,802.88	-2.92%				
6320 LUMEN	ATB071 S2/S3	420	24	10,080	\$8.07	\$5.48	\$0.63	\$14.18	\$5,955.60	\$7.83	\$5.33	\$0.61	\$13.77	\$5,783.40	-2.89%				
9200 LUMEN	ATB1 105 S3	312	36	11,232	\$11.79	\$6.62	\$0.95	\$19.36	\$6,040.32	\$11.44	\$6.42	\$0.92	\$18.78	\$5,859.36	-3.00%				
23240 LUMEN	ATB2 280 S4	26,436	96	2,537,856	\$13.34	\$7.69	\$2.53	\$23.56	\$622,832.16	\$12.95	\$7.46	\$2.46	\$22.87	\$604,591.32	-2.93%				
9600 LUMEN	E157 SAW	24	54	1,296	\$19.97	\$5.96	\$1.42	\$27.35	\$656.40	\$19.38	\$5.78	\$1.38	\$26.54	\$636.96	-2.96%				
7377 LUMEN	WP9 A2/S2	36	48	1,728	\$44.88	\$14.87	\$1.27	\$61.02	\$2,196.72	\$43.55	\$14.43	\$1.23	\$59.21	\$2,131.56	-2.97%				
15228 LUMEN	Destin Double	12	72	864	\$68.67	\$32.85	\$1.90	\$103.42	\$1,241.04	\$66.64	\$31.88	\$1.84	\$100.36	\$1,204.32	-2.96%				
9336 LUMEN	ATB0 108	14,784	37	547,008	\$7.47	\$4.85	\$0.98	\$13.30	\$196,627.20	\$7.25	\$4.71	\$0.95	\$12.91	\$190,861.44	-2.93%				
3640 LUMEN	Colonial	15,900	15	238,500	\$8.02	\$5.15	\$0.40	\$13.57	\$215,763.00	\$7.78	\$5.00	\$0.38	\$13.16	\$209,244.00	-3.02%				
4204 LUMEN	LED Security Lt	94,596	15	1,418,940	\$4.89	\$2.93	\$0.40	\$8.22	\$777,579.12	\$4.75	\$2.84	\$0.38	\$7.97	\$753,930.12	-3.04%				
5510 LUMEN	LED Roadway 1	9,420	21	197,820	\$5.88	\$3.73	\$0.55	\$10.16	\$95,707.20	\$5.71	\$3.63	\$0.54	\$9.88	\$93,069.60	-2.76%				
32327 LUMEN	Galleon 6sq	4,560	108	492,480	\$21.22	\$11.22	\$2.85	\$35.29	\$160,922.40	\$20.59	\$10.89	\$2.76	\$34.24	\$156,134.40	-2.98%				
36000 LUMEN	Flood 421 W	27,060	145	3,923,700	\$18.37	\$10.15	\$3.82	\$32.34	\$875,120.40	\$17.83	\$9.85	\$3.71	\$31.39	\$849,413.40	-2.94%				
5355 LUMEN	Wildlife Cert	552	36	19,872	\$18.03	\$9.57	\$0.95	\$28.55	\$15,759.60	\$17.50	\$9.29	\$0.92	\$27.71	\$15,295.92	-2.94%				
<u>LED (OS-III) - PAID UP FRONT</u>																			
3640 LUMEN	Colonial PUF	1,080	15	16,200	N/A	\$5.15	\$0.40	\$5.55	\$5,994.00	N/A	\$5.00	\$0.38	\$5.38	\$5,810.40	-3.06%				
3776 LUMEN	Acorn PUF	864	26	22,464	N/A	\$9.82	\$0.69	\$10.51	\$9,080.64	N/A	\$9.53	\$0.67	\$10.20	\$8,812.80	-2.95%				
4204 LUMEN	LED Security Lt PUF	72	15	1,080	N/A	\$2.93	\$0.40	\$3.33	\$239.76	N/A	\$2.84	\$0.38	\$3.22	\$231.84	-3.30%				
5000 LUMEN	Acorn A5 PUF	348	19	6,612	N/A	\$8.46	\$0.50	\$8.96	\$3,118.08	N/A	\$8.21	\$0.49	\$8.70	\$3,027.60	-2.90%				
5032 LUMEN	LG Colonial PUF	72	25	1,800	N/A	\$6.06	\$0.66	\$6.72	\$483.84	N/A	\$5.88	\$0.64	\$6.52	\$469.44	-2.98%				
5100 LUMEN	Cobrahead S2 PUF	36	25	900	N/A	\$4.22	\$0.66	\$4.88	\$175.68	N/A	\$4.10	\$0.64	\$4.74	\$170.64	-2.87%				
5355 LUMEN	Wildlife Cert PUF	2,616	36	94,176	N/A	\$9.57	\$0.95	\$10.52	\$27,520.32	N/A	\$9.29	\$0.92	\$10.21	\$26,709.36	-2.95%				
5510 LUMEN	LED Roadway 1 PUF	59,592	21	1,251,432	N/A	\$3.73	\$0.55	\$4.28	\$255,053.76	N/A	\$3.63	\$0.54	\$4.17	\$248,498.64	-2.57%				
6320 LUMEN	ATB071 S2/S3 PUF	2,052	24	49,248	N/A	\$5.48	\$0.63	\$6.11	\$12,537.72	N/A	\$5.33	\$0.61	\$5.94	\$12,188.88	-2.78%				
7200 LUMEN	E132 A3 PUF	828	45	37,260	N/A	\$8.63	\$1.19	\$9.82	\$8,130.96	N/A	\$8.37	\$1.15	\$9.52	\$7,882.56	-3.05%				
7377 LUMEN	WP9 A2/S2 PUF	960	48	46,080	N/A	\$14.87	\$1.27	\$16.14	\$15,494.40	N/A	\$14.43	\$1.23	\$15.66	\$15,033.60	-2.97%				
9200 LUMEN	ATB1 105 S3 PUF	1,152	36	41,472	N/A	\$6.62	\$0.95	\$7.57	\$8,720.64	N/A	\$6.42	\$0.92	\$7.34	\$8,455.68	-3.04%				

TAX REFORM
GULF POWER COMPANY
RATE SCHEDULE OS

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8) Present Rates			(10)	(12) Proposed Rates			(14)	(15)	(16)
							Annual Billing Items	Est. Monthly KWH	Annual KWH		Facility Charge	Maintenance Charge	Energy Charge			
<u>LED (OS-I/II) - PAID UP FRONT (Cont.)</u>																
9336 LUMEN	ATB0 108 PUF	1,332	37	49,284	N/A	\$4.85	\$0.98	\$5.83	\$7,765.56	N/A	\$4.71	\$0.95	\$5.66	\$7,539.12	-2.92%	
9600 LUMEN	E157 SAW PUF	288	54	15,552	N/A	\$5.96	\$1.42	\$7.38	\$2,125.44	N/A	\$5.78	\$1.38	\$7.16	\$2,062.08	-2.98%	
10200 LUMEN	Cobrahead S3 PUF	2,520	46	115,920	N/A	\$4.87	\$1.21	\$6.08	\$15,321.60	N/A	\$4.73	\$1.18	\$5.91	\$14,893.20	-2.80%	
23240 LUMEN	ATB2 280 S4 PUF	18,372	96	1,763,712	N/A	\$7.69	\$2.53	\$10.22	\$187,761.84	N/A	\$7.46	\$2.46	\$9.92	\$182,250.24	-2.94%	
36000 LUMEN	Flood 421 W PUF	1,224	145	177,480	N/A	\$10.15	\$3.82	\$13.97	\$17,099.28	N/A	\$9.85	\$3.71	\$13.56	\$16,597.44	-2.93%	
<u>MERCURY VAPOR (OS-I/II)</u>																
7000 LUMEN	Open Bottom	12	67	804	\$2.30	\$1.42	\$1.77	\$5.49	\$65.88	\$2.23	\$1.38	\$1.71	\$5.32	\$63.84	-3.10%	
3200 LUMEN	Cobrahead	12	39	468	\$4.26	\$1.99	\$1.03	\$7.28	\$87.36	\$4.13	\$1.93	\$1.00	\$7.06	\$84.72	-3.02%	
7000 LUMEN	Cobrahead	12	67	804	\$3.86	\$1.86	\$1.77	\$7.49	\$89.88	\$3.75	\$1.81	\$1.71	\$7.27	\$87.24	-2.94%	
9400 LUMEN	Cobrahead	12	95	1,140	\$5.08	\$2.26	\$2.50	\$9.84	\$118.08	\$4.93	\$2.19	\$2.43	\$9.55	\$114.60	-2.95%	
17000 LUMEN	Cobrahead	12	152	1,824	\$5.55	\$2.36	\$4.01	\$11.92	\$143.04	\$5.39	\$2.29	\$3.89	\$11.57	\$138.84	-2.94%	
48000 LUMEN	Cobrahead	12	372	4,464	\$11.13	\$4.09	\$9.81	\$25.03	\$300.36	\$10.80	\$3.97	\$9.52	\$24.29	\$291.48	-2.96%	
17000 LUMEN	Directional	12	163	1,956	\$8.35	\$3.16	\$4.30	\$15.81	\$189.72	\$8.10	\$3.07	\$4.17	\$15.34	\$184.08	-2.97%	
<u>CUSTOMER OWNED MISC STREET/OUTDOOR LIGHTING (OS-I/II)</u>				3,969,260	N/A	N/A	\$0.02636	N/A	\$104,629.69	N/A	N/A	\$0.02558	N/A	\$101,533.67	-2.96%	
<u>CUSTOMER OWNED WITH RELAMPING SERVICE AGREEMENT - HIGH PRESSURE SODIUM VAPOR (OS-I/II)</u>																
8800 LUMEN	Unmetered	1,116	41	45,756	N/A	\$0.73	\$1.08	\$1.81	\$2,019.96	N/A	\$0.71	\$1.05	\$1.76	\$1,964.16	-2.76%	
46000 LUMEN	Unmetered	288	164	47,232	N/A	\$0.74	\$4.32	\$5.06	\$1,457.28	N/A	\$0.72	\$4.20	\$4.92	\$1,416.96	-2.77%	
8800 LUMEN	Metered	192	N/A	N/A	N/A	\$0.73	N/A	\$0.73	\$140.16	N/A	\$0.71	N/A	\$0.71	\$136.32	-2.74%	
20000 LUMEN	Metered	408	N/A	N/A	N/A	\$0.74	N/A	\$0.74	\$301.92	N/A	\$0.72	N/A	\$0.72	\$293.76	-2.70%	
25000 LUMEN	Metered	588	N/A	N/A	N/A	\$0.75	N/A	\$0.75	\$441.00	N/A	\$0.73	N/A	\$0.73	\$429.24	-2.67%	
46000 LUMEN	Metered	252	N/A	N/A	N/A	\$0.74	N/A	\$0.74	\$186.48	N/A	\$0.72	N/A	\$0.72	\$181.44	-2.70%	
<u>CUSTOMER OWNED WITH RELAMPING SERVICE AGREEMENT - METAL HALIDE (OS-I/II)</u>																
32000 LUMEN	Unmetered	120	163	19,560	N/A	\$0.88	\$4.30	\$5.18	\$621.60	N/A	\$0.85	\$4.17	\$5.02	\$602.40	-3.09%	
32000 LUMEN	Metered	360	N/A	N/A	N/A	\$0.88	N/A	\$0.88	\$316.80	N/A	\$0.85	N/A	\$0.85	\$306.00	-3.41%	
100000 LUMEN	Large Flood	96	378	36,288	N/A	\$3.26	\$9.96	\$13.22	\$1,269.12	N/A	\$3.16	\$9.67	\$12.83	\$1,231.68	-2.95%	
<u>HIGH PRESSURE SODIUM VAPOR - CUSTOMER OWNED/CUSTOMER MAINTAINED (OS-I/II)</u>																
Customer-Owned	8800	372	41	15,252	N/A	N/A	\$1.08	\$1.08	\$401.76	N/A	N/A	\$1.05	\$1.05	\$390.60	-2.78%	
Customer-Owned	20000	48	80	3,840	N/A	N/A	\$2.11	\$2.11	\$101.28	N/A	N/A	\$2.05	\$2.05	\$98.40	-2.84%	
Customer-Owned	25000	4,224	100	422,400	N/A	N/A	\$2.64	\$2.64	\$11,151.36	N/A	N/A	\$2.56	\$2.56	\$10,813.44	-3.03%	

TAX REFORM
GULF POWER COMPANY
RATE SCHEDULE OS

(1) Type of Facility	(2) Description	(3) Annual Billing Items	(4) Est. Monthly KWH	(5) Annual KWH	(6)-(10) Present Rates					(11)-(15) Proposed Rates					(16) Percent Change	
					Facility Charge	Maintenance Charge	Energy Charge	Total Monthly Charge	Total \$ Revenue	Facility Charge	Maintenance Charge	Energy Charge	Total Monthly Charge	Total \$ Revenue		
ADDITIONAL FACILITIES																
	13 Ft. Decorative Concrete Pole	41,976	N/A	N/A	N/A	N/A	N/A	N/A	\$18.88	\$792,506.88	N/A	N/A	N/A	\$18.15	\$761,864.40	-3.87%
	16 Ft. Decorative Base Aluminum Pole	828	N/A	N/A	N/A	N/A	N/A	N/A	\$13.56	\$11,227.68	N/A	N/A	N/A	\$13.04	\$10,797.12	-3.83%
	17 Ft. Decorative Base Aluminum Pole	2,400	N/A	N/A	N/A	N/A	N/A	N/A	\$19.81	\$47,544.00	N/A	N/A	N/A	\$19.05	\$45,720.00	-3.84%
	20 Ft. Fiberglass Pole	28,908	N/A	N/A	N/A	N/A	N/A	N/A	\$7.01	\$202,645.08	N/A	N/A	N/A	\$6.74	\$194,839.92	-3.85%
	20 Ft. Aluminum Round Tapered Pole	2,964	N/A	N/A	N/A	N/A	N/A	N/A	\$6.17	\$18,287.88	N/A	N/A	N/A	\$5.93	\$17,576.52	-3.89%
	25 Ft. Aluminum Round Tapered Pole	72	N/A	N/A	N/A	N/A	N/A	N/A	\$21.95	\$1,580.40	N/A	N/A	N/A	\$21.11	\$1,519.92	-3.83%
	30 Ft. Wood Pole	27,420	N/A	N/A	N/A	N/A	N/A	N/A	\$4.55	\$124,761.00	N/A	N/A	N/A	\$4.38	\$120,099.60	-3.74%
	30 Ft. Aluminum Pole	696	N/A	N/A	N/A	N/A	N/A	N/A	\$24.34	\$16,940.64	N/A	N/A	N/A	\$23.40	\$16,286.40	-3.86%
	30 Ft. Concrete Pole	78,180	N/A	N/A	N/A	N/A	N/A	N/A	\$9.51	\$743,491.80	N/A	N/A	N/A	\$9.14	\$714,565.20	-3.89%
	30 Ft. Fiberglass Pole w/Pedestal	720	N/A	N/A	N/A	N/A	N/A	N/A	\$45.01	\$32,407.20	N/A	N/A	N/A	\$43.28	\$31,161.60	-3.84%
	35 Ft. Concrete Pole	1,896	N/A	N/A	N/A	N/A	N/A	N/A	\$13.85	\$26,259.60	N/A	N/A	N/A	\$13.32	\$25,254.72	-3.83%
	35 Ft. Tenon Top Concrete Pole	2,052	N/A	N/A	N/A	N/A	N/A	N/A	\$19.13	\$39,254.76	N/A	N/A	N/A	\$18.39	\$37,736.28	-3.87%
	35 Ft. Wood Pole	78,996	N/A	N/A	N/A	N/A	N/A	N/A	\$6.61	\$522,163.56	N/A	N/A	N/A	\$6.36	\$502,414.56	-3.78%
	35 Ft. Aluminum Pole	216	N/A	N/A	N/A	N/A	N/A	N/A	\$27.28	\$5,892.48	N/A	N/A	N/A	\$26.23	\$5,665.68	-3.85%
	40 Ft. Wood Pole	2,604	N/A	N/A	N/A	N/A	N/A	N/A	\$8.12	\$21,144.48	N/A	N/A	N/A	\$7.81	\$20,337.24	-3.82%
	45 Ft. Concrete Pole (Tenon Top)	2,100	N/A	N/A	N/A	N/A	N/A	N/A	\$25.11	\$52,731.00	N/A	N/A	N/A	\$24.14	\$50,694.00	-3.86%
	Single Arm - Shoebox	708	N/A	N/A	N/A	N/A	N/A	N/A	\$2.63	\$1,862.04	N/A	N/A	N/A	\$2.53	\$1,791.24	-3.80%
	Double Arm - Shoebox	456	N/A	N/A	N/A	N/A	N/A	N/A	\$2.92	\$1,331.52	N/A	N/A	N/A	\$2.81	\$1,281.36	-3.77%
	Tenon Top Adapter	696	N/A	N/A	N/A	N/A	N/A	N/A	\$4.86	\$3,382.56	N/A	N/A	N/A	\$4.67	\$3,250.32	-3.91%
	Optional 100 Amp Relay	36	N/A	N/A	N/A	N/A	N/A	N/A	\$27.20	\$979.20	N/A	N/A	N/A	\$26.15	\$941.40	-3.86%
	Miscellaneous Additional Facilities	\$808,758.27	N/A	N/A	N/A	N/A	N/A	N/A	N/A	\$808,758.27	N/A	N/A	N/A	N/A	\$808,758.27	0.00%
	SUBTOTAL OS-III PAGE 1 OF 5			68,389,512						\$8,880,898.80					\$8,618,505.36	
	SUBTOTAL OS-III PAGE 2 OF 5			17,529,840						\$1,397,543.52					\$1,356,458.64	
	SUBTOTAL OS-III PAGE 3 OF 5			11,495,184						\$3,414,275.04					\$3,314,099.88	
	SUBTOTAL OS-III PAGE 4 OF 5			6,692,996						\$354,106.45					\$343,704.95	
	SUBTOTAL OS-III PAGE 5 OF 5			-						\$3,475,152.03					\$3,372,555.75	
	TOTAL OS-III KWH AND REVENUE			104,107,532						\$17,521,975.84					\$17,005,324.58	
	TOTAL OS-III KWH AND REVENUE			47,117,434		N/A	N/A	\$0.04968		\$2,340,794.12		N/A	N/A	\$0.04821	\$2,271,531.49	-2.96%
	TOTAL OS KWH AND REVENUE			151,224,966						\$19,862,769.96					\$19,276,856.07	
														TOTAL CHANGE	-\$585,913.89	
														% CHANGE	-2.95%	

Section E

Proof of Revenue

Summary

**TAX REFORM
RATE DESIGN PROOF OF REVENUE SUMMARY**

(1) RATE CLASS	(2) TARGET CHANGE FROM SALE OF ELECTRICITY FROM SECTION B	(3) ACHIEVED CHANGE PER PROOF OF REVENUE FROM SECTIONS C & D
<u> </u>	<u> </u>	<u> </u>
RESIDENTIAL	(\$10,912,895)	(\$10,928,994)
GS	(\$747,881)	(\$748,635)
GSD/GSDT	(\$3,622,892)	(\$3,622,763)
LP/LPT	(\$943,175)	(\$941,239)
MAJOR ACCTS	(\$1,369,000)	(\$1,368,851)
OS	(\$585,913)	(\$585,914)
 TOTAL RETAIL:	 <u><u>(\$18,181,756)</u></u>	 <u><u>(\$18,196,396)</u></u>

Gulf Power Company

Fuel Clause Tax Savings Summary

For Rates Effective April 2018

February 12, 2018

	<u>2018</u>	
1 Jurisdictional ADIT credit (unprotected) adjusted for revenue tax	\$ (69,456,000)	
2 Prorated base rate adjustment (Line 15 x 2.5 ÷ 12)	<u>(3,791,667)</u>	
3 One-time 2018 Tax Savings Credit	\$ (73,247,667)	
4 Retail kWh Sales (April - December)	8,561,315,000	
5 Current Approved Levelized Retail Fuel Rate	3.789 ¢/kWh	
6 Retail Tax Savings Credit (Line 3 ÷ Line 4 x 100)	<u>(0.856) ¢/kWh</u>	
7 Proposed Retail Fuel Rate (Line 5 - Line 6)	<u>2.933 ¢/kWh</u>	
 Cost Recovery Factors (¢ per kWh)		
<u>Rate Schedules</u>		
	<u>Standard</u>	
8 Group A (RS, RSVP, RSTOU, GS, GSD, GSTOU, OS-III)	2.949	
9 Group B (LP)	2.909	
10 Group C (PX, RTP)	2.865	
11 Group D (OS-I/II)	2.915	
 <u>Rate Schedules (Time-of-use)</u>		
	<u>On-peak</u>	<u>Off-peak</u>
12 Group A (GSDT, SBS)	3.530	2.709
13 Group B (LPT, SBS)	3.482	2.672
14 Group C (PXT, SBS)	3.429	2.631
15 Prospective annual adjustment to base rates	\$ (18,200,000)	per year

SCHEDULE E-1D
Revised 2/12/2018

DETERMINATION OF FUEL RECOVERY FACTOR
TIME OF USE RATE SCHEDULES
GULF POWER COMPANY
PROPOSED FOR THE PERIOD: APRIL 2018 - DECEMBER 2018

	<u>NET ENERGY FOR LOAD</u>		
		%	
	On-Peak	Off-Peak	
		29.29	
		70.71	
		<u>100.00</u>	
	<u>AVERAGE</u>	<u>ON-PEAK</u>	<u>OFF-PEAK</u>
Cost per kWh Sold	3.5015	4.0780	3.2624
Jurisdictional Loss Factor	1.0012	1.0012	1.0012
Jurisdictional Fuel Factor	3.5057	4.0829	3.2663
GPIF	(0.0187)	(0.0187)	(0.0187)
True-Up	0.2994	0.2994	0.2994
TOTAL	<u>3.7864</u>	<u>4.3636</u>	<u>3.547</u>
Revenue Tax Factor	1.00072	1.00072	1.00072
Approved Recovery Factor	3.7891	4.3667	3.5496
Tax Reform Savings Factor	(0.856)	(0.856)	(0.856)
Recovery Factor Rounded to the Nearest .001 ¢/kWh	2.933	3.511	2.694
HOURS:	ON-PEAK	25.00%	
	OFF-PEAK	75.00%	
		<u>100.00%</u>	

SCHEDULE E-1E
Revised 2/12/2018

**FUEL RECOVERY FACTORS - BY RATE GROUP
(ADJUSTED FOR LINE/TRANSFORMATION LOSSES)
GULF POWER COMPANY
PROPOSED FOR THE PERIOD: APRIL 2018 - DECEMBER 2018**

Group	Rate Schedules	Revised Average Factor	Fuel Recovery Loss Multipliers	Standard Fuel Recovery Factor
A	RS, RSVP, RSTOU, GS, GSD, GSDT, GSTOU, OSIII, SBS (1)	2.933	1.00555	2.949
B	LP, LPT, SBS (2)	2.933	0.99188	2.909
C	PX,PXT, RTP, SBS (3)	2.933	0.97668	2.865
D	OS-I/II	2.933	1.00560	2.915 *

		<u>TOU</u>
A	On-Peak	3.530
	Off-Peak	2.709
B	On-Peak	3.482
	Off-Peak	2.672
C	On-Peak	3.429
	Off-Peak	2.631
D	On-Peak	N/A
	Off-Peak	N/A

Group D Calculation

* D	On-Peak	3.511	¢ / kWh	x	0.2500	=	0.878	¢ / kWh
	Off-Peak	2.694	¢ / kWh	x	0.7500	=	2.021	¢ / kWh
							2.899	¢ / kWh
				Line Loss Multiplier		x	1.00560	
							<u>2.915</u>	¢ / kWh

- (1) Includes SBS customers with a Contract Demand in the range of 100 to 499 kW
(2) Includes SBS customers with a Contract Demand in the range of 500 to 7,499 kW
(3) Includes SBS customers with a Contract Demand over 7,499 kW

Gulf Power Company

Environmental Cost Recovery Clause (ECRC)

Summary of Tax Savings

February 12, 2018

ECRC Revenue Requirement

1	Approved 2018 Retail Revenue Requirement included in current rates	\$ 203,589,886
2	Revised 2018 Retail Revenue Requirement included in proposed rates	187,992,095
3	Tax Savings	<u>\$ 15,597,790</u>

Cost of Capital

		38.575%	25.345%
		Effective Tax	Effective Tax
		<u>Rate</u>	<u>Rate</u>
4	Jurisdictional Revenue Requirement Rate of Return	8.4144%	7.1734%

ECRC Cost Recovery Factors (¢ per kWh)

	<u>Rate Class</u>	<u>Current</u>	<u>Proposed</u>
5	RS, RSVP, RSTOU	2.124	1.959
6	GS	1.956	1.805
7	GSD, GSDT, GSTOU	1.733	1.601
8	LP, LPT	1.547	1.431
9	PX, PXT, RTP, SBS	1.482	1.371
10	OS-I/II	0.570	0.537
11	OS-III	1.361	1.261

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Projected Period Amount
January 2018 - December 2018

FPSC Capital Structure and Cost Rates

Line	Capital Component	(1)	(2)	(3)	(4)	(5)	(6)
		Jurisdictional Amount (\$000s)	Ratio %	Cost Rate %	Weighted Cost Rate %	Current Revenue Requirement Rate %	Proposed Revenue Requirement Rate %
1	Bonds	743,673	30.7440	4.40	1.3527	1.3527	1.3527
2	Short-Term Debt	28,504	1.1784	3.02	0.0356	0.0356	0.0356
3	Preferred Stock	94,609	3.9112	6.15	0.2405	0.3915	0.3221
4	Common Stock	957,875	39.5993	10.25	4.0589	6.6079	5.4369
5	Customer Deposits	24,536	1.0143	2.30	0.0233	0.0233	0.0233
6	Deferred Taxes	568,999	23.5229				
7	Investment Tax Credit	<u>721</u>	<u>0.0298</u>	7.61	0.0023	0.0034	<u>0.0028</u>
8	Total	<u>2,418,917</u>	<u>100.0000</u>		<u>5.7133</u>	<u>8.4144</u>	<u>7.1734</u>
	<u>ITC Component:</u>						
9	Debt	743,673	41.4036	4.40	1.8218	0.0005	0.0005
10	Equity-Preferred	94,609	5.2673	6.15	0.3239	0.0002	0.0001
11	-Common	<u>957,875</u>	<u>53.3291</u>	10.25	<u>5.4662</u>	<u>0.0027</u>	<u>0.0022</u>
12		<u>1,796,157</u>	<u>100.0000</u>		<u>7.6119</u>	<u>0.0034</u>	<u>0.0028</u>
	<u>Breakdown of Revenue Requirement Rate of Return between Debt and Equity:</u>						
13	Total Debt Component (Lines 1, 2, 5, and 9)					1.4121	1.4121
14	Total Equity Component (Lines 3, 4, 10, and 11)					<u>7.0023</u>	<u>5.7613</u>
15	Total Revenue Requirement Rate of Return					<u>8.4144</u>	<u>7.1734</u>

Column:

- (1) Based on MFR D-1a in Docket No. 160186-EI with the following adjustments in order to reflect specific terms in the Stipulation and Settlement Agreement under the same Docket.
-Reduced the common equity balance and increased the long-term debt balance in order to calculate a 52.5% equity ratio based on jurisdictional investors sources of capital (long-term debt, short-term debt, preference stock and common equity)
- (2) Column (1) / Total Column (1)
- (3) Based on MFR D-1a in Docket No. 160186-EI with the following adjustments in order to reflect specific terms in the Stipulation and Settlement Agreement under the same Docket.
-Reduced the common equity cost rate to 10.25%.
- (4) Column (2) x Column (3)
- (5, 6) For equity components: Column (4) / (1 - effective income tax rate);
Current: 38.575%; Proposed: 25.345% = effective income tax rate
For debt components: Column (4)

Gulf Power Company
Environmental Cost Recovery Clause (ECRC)
Calculation of the Energy & Demand Allocation % By Rate Class
January 2018 - December 2018

Rate Class	(A) Percentage of kWh Sales at Generation (%)	(B) Percentage of 12 CP Demand at Generation (%)	(C) Energy- Related Costs	(D) Demand- Related Costs	(E) Total Environmental Costs	(F) Projected Sales at Meter (kWh)	(G) Environmental Cost Recovery Factors (¢/kWh)
RS, RSVP, RSTOU	49.83290%	57.74834%	16,723,159	89,182,856	105,906,015	5,405,053,000	1.959
GS	2.85069%	2.99526%	956,648	4,625,689	5,582,337	309,196,000	1.805
GSD, GSDT, GSTOU	22.70391%	20.60040%	7,619,084	31,813,945	39,433,029	2,462,912,000	1.601
LP, LPT	8.13603%	6.52155%	2,730,327	10,071,466	12,801,793	894,459,000	1.431
PX, PXT, RTP, SBS	15.08774%	11.68414%	5,063,214	18,044,241	23,107,455	1,684,946,000	1.371
OS-I/II	0.93999%	0.15045%	315,446	232,345	547,791	101,954,000	0.537
OS-III	0.44874%	0.29986%	150,590	463,085	613,675	48,672,000	1.261
TOTAL	<u>100.00000%</u>	<u>100.00000%</u>	<u>\$33,558,468</u>	<u>\$154,433,627</u>	<u>187,992,095</u>	<u>10,907,192,000</u>	<u>1.724</u>

Notes:

- (A) From Schedule 6P, Col H
- (B) From Schedule 6P, Col I
- (C) Column A x Total Energy \$ from Schedule 1P, line 5
- (D) Column B x Total Demand \$ from Schedule 1P, line 5
- (E) Column C + Column D
- (F) Projected kWh sales for the period January 2018 - December 2018
- (G) Column E x 100 / Column F

**GULF POWER COMPANY
Residential Bill Comparison
For Monthly Usage of 1,000 kWh
Proposed For The Period of: April 2018 - December 2018**

	Current Approved Jan. 18 (\$/1,000 kWh)	Proposed Apr. 18 - Dec. 18 (\$/1,000 kWh)	Difference from Current (\$)	Difference from Current (%)
Base Rate	\$ 71.31	\$ 69.17	\$ (2.14)	-3.0%
Fuel Cost Recovery	38.10	29.49	(8.61)	-22.6%
Capacity Cost Recovery	8.35	8.35	-	0.0%
Energy Conservation Cost Recovery	1.40	1.40	-	0.0%
Environmental Cost Recovery	21.24	19.59	(1.65)	-7.8%
Subtotal	\$ 140.40	\$ 128.00	\$ (12.40)	-8.8%
Gross Receipts Tax	\$ 3.60	\$ 3.28	\$ (0.32)	-8.9%
Total	\$ 144.00	\$ 131.28	\$ (12.72)	-8.8%

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Petition for Increase in Rates)	
By Gulf Power Company)	
)	Docket No.: 20160186-EI
IN RE: Petition to establish a generic docket to)	
Investigate and adjust rates for 2018 tax savings,)	
By Office of Public Counsel)	Docket No.: 20180013-PU

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by electronic mail this 14th day of February, 2018 to the following:

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