GULF POWER COMPANY

DEFINITIONS

TECHNICAL TERMS AND ABBREVIATIONS

AMPERE

The unit of measure of electric current. It is proportional to the quantity of electrons flowing through a conductor past a given point in one second. It is analogous to cubic feet of water flowing per second. It is the unit current produced in a circuit by one volt acting through a resistance of one ohm.

AUXILIARY SERVICE

Is that furnished or made available by the Company for a portion of a Customer's requirements which ordinarily are furnished by the Customer from some other source of electrical supply.

AVOIDED COSTS

The decremental fuel costs to the Company of electric energy which, but for the purchase from the qualifying facility or qualifying facilities, the Company would generate itself or purchase from another source.

BILLING DEMAND

Is the demand upon which billing to a Customer is based as specified in a rate schedule or contract. The billing demand need not be equal to the actual measured demand during that billing period.

BREAKDOWN SERVICE

Is that made available by the Company to a Customer by which is used only when the Customer's other source of electrical supply is not available due to the Customer's electric generating equipment being shut down for repairs.

CAPACITY REQUIREMENTS

The maximum rate of energy used by the Customer over a specified time interval, such as 15, 30 or 60 minutes. It may be determined by measurement or by calculation based upon connected load.

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CHECK METER

Is a meter or metering installation installed by the Company, in addition to the meters required for purposes of determining the bill, for the purpose of determining the characteristics of load, of a Customer, or to verify the accuracy of the meters used for billing purposes.

CLASSES OF SERVICE

A classification based on the type of Customer, the service characteristic of the Customer served, the type of equipment connected, or the ultimate use of energy.

COGENERATION FACILITY

Equipment used to produce electric energy and forms of useful thermal energy (such as heat or steam), used for industrial, commercial, heating, or cooling purposes, through the sequential use of energy.

COMPANY

The Gulf Power Company or a subsidiary company through which the Gulf Power Company may furnish service.

CONNECTED LOAD

The sum of the capacities or continuous ratings of the electrical energy consuming devices connected to a supplying system; usually broken down into components such as lighting, motors, heating, etc.

CONTRACT LOAD OR CAPACITY

The load or capacity that the supplier of energy guarantees to deliver to the Customer or that the Customer agrees to take or pay for under specified conditions.

CUSTOMER

A Customer is an individual, firm or organization who purchases service or is interconnected at one location under one rate classification, contract or schedule.

CUSTOMER'S INSTALLATION

Includes electrical circuits and control apparatus owned by the Customer, as opposed to the facilities supplied by the Company, together with all connected devices designed to consume or generate electrical energy.

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DELIVERY POINT

Geographical and physical location at which the Company delivers service to the Customer, and the Customer assumes the responsibility for further delivery and use of the energy.

DEMAND

The average rate, usually in kilowatthours per hour, at which energy is delivered during a specified continuous interval of time, such as 15, 30 or 60 minutes. It may be expressed in kilowatts, kilovolt-amperes, horsepower or other suitable units.

INTEGRATED 15-MINUTE DEMAND

The kilowatthours per hour of electric energy or load flow averaged over a period of 15 minutes.

INTERCONNECTION COSTS

The reasonable costs of connection, switching, metering, transmission, distribution, safety provisions and administrative costs incurred by the Company directly related to the installation and maintenance of the physical facilities necessary to permit interconnected operations with a qualifying facility, to the extent such costs are in excess of the corresponding costs which the Company would have incurred if it had not engaged in interconnected operations, but instead generated an equivalent amount of electric energy itself or purchased an equivalent amount of electric energy from other sources. Interconnection costs do not include any costs included in the calculation of avoided costs.

KILOVAR (KVAR)

Is that portion of the apparent power which is not available to do work. Reactive power is required to furnish charging current to magnetic or electrostatic equipment connected to a system. It is the product of the volts times that portion of the amperes completely out of step with the alternating voltage divided by 1,000.

KILOVOLT-AMPERE (KVA)

Is a term used only in connection with alternating current power. It is the product of the volts times the amperes divided by 1,000 where the amperes represent the vectorial sum of the ampere current that is in step with the alternating voltage (representing the current to do useful work) and the ampere current flowing in the circuit that is out of phase with fluctuating voltage. The latter is consumed by a circuit to charge capacitors or inductive load. Kilovolt-amperes are a measure of the apparent power consumed in an alternating current circuit.

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KILOWATT (KW)

Is a unit of measurement of the real power supplied in an alternating current circuit. It is the product of the voltage times the amperes that are in step with the alternating voltage divided by 1,000.

KILOWATTHOUR (KWH)

The basic unit of electric energy equal to one kilowatt of power supplied to, or taken from, an electric circuit steadily for one hour.

LOAD

The power requirement of a system or a piece of equipment at a given instant, or the average rate of energy used during any designated short period of time. This term may be applied to the demand of an electric generating station, an individual generating unit, a transmission or distribution system, a substation or a whole power system, or to a Customer's requirement. ("Load" is often used interchangeably with "demand").

LOAD FACTOR

The ratio of the average demand over a designated period of time to the maximum demand occurring in that period. Load factor, in percent, also may be derived by multiplying the kilowatthours in the period by 100 and dividing by the product of the maximum demand in kilowatts and the number of hours in the period. The term "load factor" is usually further modified by specifying the period and kind.

Period: daily, weekly, monthly, annual or average.
Kind: appliance, individual customer, group, class system, or a specific part of a system.

LUMEN

A unit of light measurement. The intensity of light delivered by one standard candle at a distance of one foot is approximately one (1) lumen.

MONTH

One twelfth of a year, or the period between two consecutive readings of the Company's meters, as near 30 days as practical.

POINT OF DELIVERY (See DELIVERY POINT)

POWER FACTOR

The ratio of real power (kw) to apparent (kva) for a given load and time. Generally, it is expressed as a percentage ratio.

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PREMISES

Defined as a contiguous area, building or group of buildings, or portion of a building, joined together electrically as may be permitted by the applicable rules and regulations of the Company, occupied by one Customer and served through one meter.

PRIMARY VOLTAGE

Is the voltage of the circuit supplying power at a transformer as opposed to the output voltage or load supply voltage which is called secondary voltage. In power supply practice, the primary is almost always the high voltage side and the secondary is the low voltage side of a transformer.

PURCHASE

The purchase of electric energy from a Qualifying Facility by the Company.

QUALIFYING FACILITY

A cogeneration facility or small power production facility which is a Qualifying Facility (as defined under the Rules and Regulations in 18CFR 292 Subpart B of the Public Utility Regulatory Policies Act of 1978 (PURPA)).

RATE

Any price, rate, charge, or classification made, demanded, observed or received with respect to the sale or purchase of electric energy or capacity, or any rule, regulation, or practice respecting any such rate, charge, or classification, and any contract pertaining to the sale or purchase of electric energy or capacity.

RESERVE SERVICE (See Standby Service)

SALE

The sale of electric energy or capacity or both by the Company to a Qualifying Facility.

SECONDARY VOLTAGE

Is the output or load supply voltage of a transformer or a substation.

SERVICE

The term service as used in this tariff or in contracts of Customer refers to the delivery of electrical energy. The furnishing of service shall also be construed to mean the readiness and ability of the Company to deliver electrical energy to the Customer.

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SINGLE PHASE

Is the descriptive term applied to service supplied through a single pair of wires for any one voltage, with one additional wire required where an additional voltage is supplied. Electrically there is a single complete voltage alternation in 1/60 seconds. Single phase service is supplied form any distribution line of the Company and to any Customer not having large motor driven devices which be inoperable from a single phase supply.

STANDBY SERVICE

Is that furnished by the Company to a Customer for all or any part of the Customer's load during the time that the Customer's normal source of electrical supply is shut down.

SYSTEM EMERGENCY

A condition on the Company's system which is likely to result in an imminent significant disruption of service to customers or is imminently likely to endanger life or property.

THREE PHASE

Is the term applied to service supplied from certain of the Company's lines requiring the use of three or four wires. Electrically there are three separate voltages of equal value, each alternating 60 times a second and separated from each other by 1/180 of a second. While this type of service is required to supply all large loads, it normally is not available in residential service areas.

VOLT

Is the unit of electromotive force or electric pressure analogous to water pressure in pounds per square inch. It is an electrical pressure which, if steadily applied to circuit having a resistance of one ohm, will cause a current of one ampere to flow.

YEAR

Is that period intervening between two anniversary dates of a contract for electric service. When "calendar" year is used, the period represents that covered by the service periods billed for the months of January through December of any year.